

IN THE SUPERIOR COURT OF COBB COUNTY
STATE OF GEORGIA

THE TRUSTEES OF THE NORTH)	CIVIL ACTION FILE
GEORGIA CONFERENCE OF THE)	NUMBER: 21-1-06801-28
UNITED METHODIST CHURCH,)	
INC.,)	
)	
Petitioner,)	JURY TRIAL DEMANDED
vs.)	
)	
MT. BETHEL UNITED METHODIST)	
CHURCH, INC. d/b/a MT. BETHEL)	
UNITED METHODIST CHURCH,)	
)	
Respondent, Counterclaim)	
and Third-Party Plaintiff,)	
)	
vs.)	
)	
THE TRUSTEES OF THE NORTH)	
GEORGIA CONFERENCE, INC.;)	
THE NORTH GEORGIA)	
CONFERENCE OF THE UNITED)	
METHODIST CHURCH, INC.,)	
SUE HAUPERT-JOHNSON, BISHOP;))	
JESSICA E. TERRELL, DISTRICT)	
SUPERINTENDENT; JOHN DOE 1;)	
JOHN DOE 2; JOHN DOE 3; JOHN)	
DOE 4; JOHN DOE 5;)	
)	
Counterclaim and)	
Third-Party Defendants.)	

**VERIFIED ANSWER, DEFENSES, COUNTERCLAIMS AND THIRD-PARTY
CLAIMS OF RESPONDENT MT. BETHEL**

Respondent Mt. Bethel United Methodist Church, Inc., d/b/a Mt. Bethel United Methodist Church (“Respondent,” “Mt. Bethel,” or “Local Church”) files this Verified Answer, Defenses, Counterclaims and Third-Party Claims, showing this Court as follows:

PRELIMINARY STATEMENT

This lawsuit represents an unfortunate rejection of years of good-faith effort within The United Methodist Church (“the UMC”) to avoid the same painful and costly litigation that has beset other Christian denominations undergoing similar theological splits.

Bishop Sue Hauptert-Johnson, District Superintendent Jessica Terrell, and the Trustees of the UMC North Georgia Conference (the “Regional UMC Administrators”) orchestrated a pastoral conflict with Mt. Bethel, and then proclaimed a sham “closure” and take-over of the local church. Mt. Bethel is a thriving 10,000-member Cobb County congregation with substantial assets. The Regional UMC Administrators’ subterfuge was intended to prevent a church-wide vote on disaffiliation that would result in Mt. Bethel leaving the UMC and the North Georgia Conference (with its property) under a process provided for by the UMC Book of Discipline. The filing of this lawsuit was further intended to punish Mt. Bethel and to intimidate other traditional Methodist churches in the Conference that might also be considering use of the disaffiliation process.

Wisely, since at least 2019, the UMC has developed and continues to develop, processes for local churches to voluntarily disaffiliate or withdraw from the UMC with their property, in order to gain independence or to join with other theologically-aligned congregations. The local church here, Mt. Bethel, by a unanimous vote of its 50-member Administrative Council, invoked the process to disaffiliate from the UMC in accordance with rules enacted by the UMC General Conference in 2019, and

requested that the Regional UMC Administrators schedule the necessary church-wide vote.

But rather than allow the local church members to vote, the Regional UMC Administrators purported to “close” Mt. Bethel instead. The declaration of the Regional UMC Administrators that they have “closed” Mt. Bethel and seized its assets shows that their real passion is not to develop people of faith, but to seize buildings and land. If the Regional UMC Administrators really believe the rhetoric they have been spreading—that the 50-member Administrative Council unanimous vote was a ‘rogue take-over’ by a few local church leaders who do not in fact speak for the majority—then, **LET THE CHURCH VOTE!**

The disaffiliation vote should have already been scheduled, but the NGC District Superintendent unreasonably, unjustifiably, and in bad faith, with the knowledge of and at the direction of the Bishop of the North Georgia Conference, stalled that vote despite Mt. Bethel’s repeated requests for a vote for over five months. The Regional UMC Administrators then retaliated against Mt. Bethel for seeking to disaffiliate by holding their own vote to “close” Mt. Bethel and seize all of its property and assets. The purported basis for the Regional UMC Administrators’ vote to close Mt. Bethel and seize its assets were alleged violations by Mt. Bethel of the Book of Discipline—allegations of dubious significance that were also timely and thoroughly refuted by Mt. Bethel. And, with this lawsuit, the Regional UMC Administrators seek secular court ratification of an attempted land grab that violates The United Methodist Church Book of Discipline.

Despite this action by the Regional UMC Administrators to punish Mt. Bethel, Mt. Bethel continues today to perform ministry in the name of Jesus Christ throughout Metro Atlanta and in places all over the world. It is sadly ironic that the Regional UMC Administrators accuse Mt. Bethel of violating *unwritten* “conditions of disaffiliation” while themselves violating the express text of the Book of Discipline’s disaffiliation procedure the General Conference adopted.

The Regional UMC Administrators rely upon a strained interpretation and application of a single rule in the UMC Book of Discipline (§2549) as giving the North Georgia Conference unchecked absolute power to seize local church property on the pretense of alleged violations of the Book of Discipline. But the Book of Discipline is an entire *rulebook*, and any individual rule must be read in context with other provisions. The whole Book of Discipline makes clear that the disproportionate and extreme action the Regional UMC Administrators are attempting to undertake—the closure of a vibrant 10,000-member church and seizing tens of millions of dollars of assets—is, in fact, checked by other provisions of the Discipline, as well as by rulings by the UMC Judicial Council (effectively, the ‘Supreme Court’ of the UMC).

One clear check on the ability of the Regional UMC Administrators to retaliate against a disaffiliating local church by closure and seizing its property, is that the process enacted by the General Conference of the UMC in 2019, in adopting ¶2553, specifically provides that “a disaffiliating local church **shall have the right to retain its . . . property.**” Remarkably—even though it is exactly what the Regional UMC Administrators are attempting to do here—the 2019 General Conference

rejected a proposed alternative version of the disaffiliation process that would have given the regional conference administrative staff the very same type of blank check of a ¶2549 “disaffiliation veto” which they are now attempting to exercise. This abuse of power seeks to block Mt. Bethel from exercising the very right The United Methodist Church General Conference gave it in 2019. The plain language of ¶2553 allows local churches, progressive or traditional, to vote to disaffiliate from the UMC and keep their property—thereby avoiding costly litigation damaging to all of Christianity.

Asserting ownership over all Mt. Bethel property is a deliberate effort by the Regional UMC Administrators to dry up Mt. Bethel’s resources by deterring member contributions. For that reason, Mt. Bethel is seeking immediate interlocutory relief from this Court. Because Mt. Bethel is likely to prevail on the merits in this litigation, the Court should both deny any relief by the North Georgia Conference Trustees which falsely assumes that it owns Mt. Bethel’s assets, and also enjoin any further delay of Mt. Bethel’s right to disaffiliation by ordering specific performance in accordance with the terms set forth by the General Conference in 2019 with its adoption of ¶2553. This latter relief is necessary because the Book of Discipline imposes a deadline for that process to be completed—a deadline that could expire during this litigation and any appeals. The direction from the Court for this interlocutory injunction should prevent the Regional UMC Administrators from running out the clock on disaffiliation and direct them to: “LET THE CHURCH VOTE.”

The Court has authority to read and neutrally apply church rules to resolve property disputes such as this—as the Trustees recognize in bringing this lawsuit against Mt. Bethel. However, a complete and plain reading of the rules applicable here make clear that the Regional UMC Administrators’ shocking attempt to seize the Local Church’s property is unsupported by the UMC’s own rules and must be denied.

RESERVATION OF RIGHTS TO AMEND AFFIRMATIVE DEFENSES

No discovery has been conducted. To preserve its rights, Respondent sets forth below certain affirmative defenses which, based on the information in Petitioner’s Petition for Declaratory Judgment, Accounting, and Interlocutory and Permanent Injunction (the “Complaint”), Respondent believes do or may apply to some or all of the claims raised. Respondent reserves the right to withdraw or modify affirmative defenses set forth below, in whole or in part, following discovery.

AFFIRMATIVE DEFENSES

FIRST DEFENSE

Petitioner’s Complaint fails to state a claim against Respondent upon which relief can be granted.

SECOND DEFENSE

Petitioner’s Complaint, in whole or in part, may be barred by applicable statutes of limitations and/or repose.

THIRD DEFENSE

Petitioner lacks standing as a proper party in interest.

FOURTH DEFENSE

Petitioner's claims must be denied to the extent the relief sought from the Court would be inconsistent with Respondent's First Amendment rights under the Constitution of the United States.

FIFTH DEFENSE

Petitioner's claims must be denied to the extent the relief sought from the Court would be inconsistent with Article I of the Constitution of the state of Georgia, respecting freedom of conscience and religion.

SIXTH DEFENSE

The equitable relief sought by Petitioner must be denied pursuant to the Petitioner's bad faith and unclean hands.

SEVENTH DEFENSE

An interlocutory injunction must be denied because Petitioner has failed to show a substantial threat that it will suffer irreparable injury if the injunction is not granted.

EIGHTH DEFENSE

An interlocutory injunction must be denied because Petitioner has failed to show the threatened injury to it outweighs the threatened harm that the injunction may do to Respondent.

NINETH DEFENSE

An interlocutory injunction must be denied because Petitioner cannot show a substantial likelihood that it will prevail on the merits at trial.

TENTH DEFENSE

An interlocutory injunction must be denied because Petitioner cannot show that granting the interlocutory injunction will not disserve the public interest.

ELEVENTH DEFENSE

Petitioner's claims are barred, in whole or in part, on the ground that Respondent acted in good faith, and in conformity with, and in reliance on, written regulations, orders, rulings, guidelines, approvals, and/or interpretations of applicable entities and legal authorities.

TWELFTH DEFENSE

Petitioner's claims, or some of them, are barred in whole or in part because such claims have been waived, discharged, and/or abandoned.

THIRTEENTH DEFENSE

Respondent reserves the right to seek indemnification for any fees and damages related to this matter.

FOURTEENTH DEFENSE

To the extent that Plaintiff has delayed and/or taken actions which are inconsistent with the filing of the instant action, each count and cause of action in Petitioner's Complaint is barred by the doctrines of estoppel and laches.

FIFTEENTH DEFENSE

The Petition's representation of applicable provisions of The United Methodist Church Book of Discipline is incomplete and the relief sought by Petitioner is

inconsistent with the full context of rights and obligations of the Petitioner and Respondent set forth therein.

SIXTEENTH DEFENSE

There may be a lack of joinder of one or more parties who should or must be joined and, without the joinder of these proper parties, complete relief cannot be afforded among those already attempted to be made parties to this civil action.

SEVENTEENTH DEFENSE

To the extent that Petitioner's claims have already been adjudicated, said claims are barred by *res judicata*.

EIGHTEENTH DEFENSE

Some or all of Petitioner's claims against these Respondent may be barred under the doctrines of issue preclusion, claim preclusion, collateral estoppel, waiver and judicial estoppel.

NINETEENTH DEFENSE

In response to the specifically numbered allegations of Petitioner's Complaint, and incorporating the above Preliminary Statement by reference, Respondent responds as follows:

1.

Denied. The United Methodist Church ("UMC") Book of Discipline, alleged by Petitioner to be "controlling religious doctrine over domestic nonprofit corporations" (Complaint, ¶ 10), precludes the incorporation of a board of trustees of an Annual

Conference, such as Petitioner, where the Annual Conference itself is incorporated.

See BOD, ¶2512.1, providing as follows:

Each annual conference maybe incorporated in its own name if permitted by local law. **It shall have a board of trustees, which shall be incorporated if the conference itself is not incorporated.** In either case, the board shall consist of twelve persons, and it is recommended that one-third be clergy, one third laywomen, and one-third laymen, in accordance with the provisions of ¶ 610.5.4 Said persons must be of legal age as determined by law, and lay members shall be members in good standing of local Churches within the bounds of the conference. Such persons shall be the directors of the corporation. (Emphasis added.)

(A true and correct copy of ¶2512.1, is attached within **Exhibit 1**, the entire “Chapter Six: Property” portion of the Book of Discipline.) Here, the North Georgia Conference of the UMC is incorporated in Georgia (see **Exhibit 2**). Thus, the named Petitioner, consisting collectively of the “directors” of the North Georgia Conference of the UMC, is/are not a proper party to this action—the North Georgia Conference of the UMC is, and should be joined or substituted.

2.

Admitted.

3.

Admitted.

4.

Respondent admits that this Court has personal and subject matter jurisdiction over this dispute.

5.

Admitted.

6.

Denied that Mt. Bethel has taken steps “inconsistent with the Book of Discipline” and denied that “Petitioner took ownership of all of [Mt. Bethel’s] assets,” closing Mt. Bethel. A non-exhaustive list of facts demonstrating that Mt. Bethel is not closed, is acting consistently with the Book of Discipline, and has continuously operated as a United Methodist church include:

- Mt. Bethel remaining identified as a United Methodist Church on the North Georgia Conference’s own website, and continues itself to use the name “United Methodist Church” in public representations (*e.g.*, website, letterhead, signage);
- Mt. Bethel having on staff two United Methodist pastors;
- Mt. Bethel has weekly UMC congregational services, averaging 2,717 attendees (for calendar year 2021), plus numerous and routine weddings and funerals;
- Mt. Bethel UMC sent delegates to the 2021 annual conference meeting in North Georgia and those delegates were duly registered and participated in the proceedings, including asking questions of law and casting votes;
- In addition to regular congregational services, each week, Mt. Bethel hosts:
 - 19 adult Sunday school classes
 - 2 Alpha classes targeting those exploring Christianity
 - 9 Younique groups (gospel centered life design)
 - 12 Bible study classes
 - 30 small groups (men, women, & men/women)
 - 9 women’s circles
 - Weekly Online Bible Study, “Wednesday night Fire”
- Dozens of ongoing activities of Mt. Bethel’s NextGen Ministry for youth members;
- Dozens of ongoing activities of Mt. Bethel’s Adult Discipleship Ministry;
- Local and global mission activity, including (since April 2021, the time at which Petitioner alleges Mt. Bethel ceased operating as a UMC church):

- APRIL 2021:
 - The Missions Committee approved over \$306,000 to supplement restricted giving toward special funding requests from 12 of our Missions partners, locally and globally;
- MAY 2021:
 - Mt. Bethel was the title sponsor of The Salvation Army Women's Auxiliary's Kettle Krush 5K (race in place event);
 - Mt. Bethel registered several teams to raise money to "krush" poverty, homelessness, and sex trafficking in our area, and to support veterans and youth enrichment;
 - The Missions Committee approved \$5,000 to fund special needs of the Life Academy in Romania;
- JUNE 2012:
 - The Missions Committee approved over \$35,000 to supplement restricted giving of nearly \$15,000 for the Hands of Hope/Beth Armstrong Memorial Fund. These monies covered renovation project costs and pay-off of a loan for the Hands of Hope vehicle for use in the West Virginia Mission partnership;
- JUNE – JULY 2021:
 - Participants from Sunday School classes, small groups, Mt. Bethel Christian Academy, and other groups donated, packed, and distributed over 20,000 meals, including breakfast and lunch items, to communities in Austell, Mableton, Roswell, East Cobb, and the city of Atlanta;
- JULY 2021:
 - Missions team engaged in a virtual trip to Romania, to engage with the girls at Deborah House. They met with girls and staff via Zoom to share the Gospel, devotions, crafts, and songs. There were six visits scheduled over a two-week period;

- Student and adult volunteers served as counselors at Camp Hope, a ministry of Kidz2Leaders, supporting children with an incarcerated parent;
 - Called to Care and FaithBridge Foster Care families participated in Family Fun Night, hosted by Mt. Bethel's NextGen Ministry. The evening included dinner, worship, and fun games on the fields;
 - Donations were made to Widow Strong's backpack event, supporting widows raising school-aged children;
- JULY – AUGUST 2021:
 - Missions team visited Hands of Hope Ministries in Welch, WV, located in one of the poorest counties in the United States. Projects were completed for the thrift store, 100 food boxes were prepared to be distributed in the community, and lunches and fellowship were shared in the hollers;
- AUGUST 2021:
 - An appeal was made to Mt. Bethel congregation to donate to the International Leadership Institute (ILI) Afghanistan Compassion Fund;
- SEPTEMBER 2021:
 - An appeal was made to Mt. Bethel congregation to donate to the Servants In Faith And Technology (SIFAT)/Haiti Earthquake Relief Fund;
 - Over 200 cleaning kits collected for the UMC relief organization's (UMCOR), Disaster Response efforts;
 - Mt. Bethel is leading an early response team to Houma, LA, where it will work with the Louisiana United Methodist Conference in recovery efforts from Hurricane Ida;
 - Missions Committee and Mt. Bethel NextGen led a "Fill The Truck" campaign for Hurricane Ida victims; and
- Mt. Bethel's Care Ministry, with weekly support groups for:

- Grief;
- Divorce Care;
- Al-Anon;
- Cancer Support groups; and
- Meal deliveries for the elderly.

Regardless, Petitioner is precluded from “t[aking] ownership” of Mt. Bethel’s assets because, on April 14, 2021, Respondent’s 50-person Administrative Council unanimously approved a resolution initiating the disaffiliation process set forth in ¶2553 of the UMC Book of Discipline (see **Exhibit 3**, a true and correct copy of the minutes of that meeting). ¶2553 protects the property of a disaffiliating local Church, such as Respondent, by providing that:

A disaffiliating local Church **shall have the right to retain its real and personal, tangible and intangible property**. All transfers of property shall be made prior to disaffiliation.

¶2553.4 (a true and correct copy of BOD ¶2553 is attached as **Exhibit 4**). Respondent’s allegation that “[b]y July 12, 2021” it “took ownership of all of Respondent’s assets is thus contradicted by ¶2553 of the UMC Book of Discipline.

7.

Respondent admits that a demand letter was sent to its counsel on July 12, 2021. The remainder of this allegation is denied. Specifically, as set forth in Respondent’s July 13, 2021 response to Petitioner (attached as **Exhibit 5**), Petitioner’s demand for possession of Respondent’s assets had no legal merit for, among other reasons, Respondent’s invocation of ¶2553 disaffiliation and the provision therein mandating that “[a] disaffiliating local Church shall have the right to retain its . . . property.”

8.

Respondent admits that it is a United Methodist Church (“UMC”) and that the UMC Book of Discipline is the governing text of the UMC. Respondent further admits that the Book of Discipline (the “BOD”) contains obligations and regulations applying to all UMC members, including both Petitioner and Respondent. The BOD also mandates that Respondent has certain rights.

9.

This allegation is admitted in part and denied in part. The Book of Discipline does set forth a portion of the governance of the UMC. However, an additional portion of the governance of the UMC is found in the Decisions of the Judicial Council of the UMC—the UMC’s “Supreme Court.” The UMC is a hierarchical worldwide religious denomination. The General Conference, in regular or special session, amends the Book of Discipline according to its terms. Those amendments are reflected in revisions and errata issued by the UMC after each regular or special session. Local Churches are subject to the Book of Discipline and the decisions of the Judicial Council, and to the Church hierarchy (which is also subject to the provisions of the Book of Discipline and Judicial Council decisions).

10.

Respondent admits that Georgia courts will consider charters, constitutions, and other governing texts of religious organizations in resolving property disputes—such as collective Exhibit 1 to this Answer, a true, correct, and complete copy of the “Property” section of the UMC Book of Discipline. This is consistent with the Georgia

Supreme Court's Opinion in Rector v. Bishop of the Episcopal Diocese of Ga., Inc., 290 Ga. 95, 95 (2011) and other Opinions of that Court. Because the law speaks for itself, and the specific assertion regarding Georgia law made by Petitioner is vague, this allegation is otherwise denied.

11.

Denied. The UMC Trust clause quoted in the Complaint and found in ¶2501 of the Book of Discipline is further subject to ¶2553, providing that:

A disaffiliating local Church **shall have the right to retain its real and personal, tangible and intangible property.** All transfers of property shall be made prior to disaffiliation. All costs for transfer of title or other legal work shall be borne by the disaffiliating local Church.

Respondent admits ¶2501 of the Book of Discipline, including specifically its authorization for “except[ions],” “release[s],” transfer[s] and “subordinat[ion]” therefrom, as follows:

The trust is and always has been irrevocable, **except as provided in the Discipline.** Property can be released from the trust, transferred free of trust or subordinated to the interests of creditors and other third parties **only to the extent authority is given by the *Discipline*.**

(A true, correct and complete copy of the “Property” section of the BOD is attached as collective Ex. 1.)

12.

Denied. Petitioner is not the proper party in interest. Also, ¶2512.4 instead provides that trustees “may” intervene.

13.

Denied. Although Petitioner had asserted these pretextual grounds as purported violations by Respondent of the UMC Book of Discipline as a basis for its

illegal attempted taking, the allegations consist either of circumstances caused by the actions or inactions of the North Georgia Conference, mistaken assertions of fact, or matters that are now moot.

Moreover, each alleged violation was refuted by Respondent prior to the Petitioner's ineffectual attempt to close the local church and seize Respondent's assets. (See June 28, 2021 Letter from Robert D. Ingram to Thomas Cauthorn, a true and correct copy of which is attached hereto as **Exhibit 6** (refuting each allegation).)

The enumerated alleged violations were, and are, refuted as follows:

- *Allegation "a": "Hiring a lay Chief Executive Officer / Lead Preacher for the United Methodist Pulpit."*
 - *Response:* Mt. Bethel's retention of Dr. Jody Ray as its CEO is a question of staffing left by the Book of Discipline to local churches through their Administrative Council in consultation with their Staff Parish Relations Committee. No approval for such by the annual conference was required. Furthermore, all sacramental duties at Mt. Bethel have been performed by ordained UMC elders—as has the authority to use its pulpit.
- *Allegation "b": Forming an "executive committee" without convening a charge conference.*
 - *Response:* The Book of Discipline permits churches to "appoint such other committees as it may deem advisable." Regardless, Mt. Bethel's Executive Committee is required to receive approval for every act from Mt. Bethel's Administrative Council, and its existence must be renewed at each Administrative Council meeting. Finally, despite requests, the District Superintendent along with other Regional UMC Administrators have denied Mt. Bethel's request for a charge conference whereby such action could be further ratified.
- *Allegation "c": Refusing appointment of a pastor.*
 - *Response:* Rather than reject Rev. Usry, Mt. Bethel acknowledged that it would provide Rev. Usry's requisite compensation and access to the church's pulpit.

- *Allegation “d”*: Failing to convene a charge conference to properly elect a new Staff/Parish Relations Committee Chair.
- *Response*: In compliance with the Book of Discipline, Mt. Bethel has filled this position through an interim appointment that was later ratified by Mt. Bethel’s Administrative Council. Finally, despite requests, the District Superintendent along with other Regional UMC Administrators have denied Mt. Bethel’s request for a charge conference whereby such action could be further ratified.
- *Allegation “e”*: Executing a lease with Mt. Bethel Christian Academy without the approval of the North Georgia Conference.
- *Response*: This lease was necessary to replace an expiring Facilities Use Agreement with the Academy. (See Affidavit of Rustin Parsons, MBCA Board of Trustees Chair, **Exhibit 7**.) The Mt. Bethel Lay and Clergy leadership has the support of the MBCA Board of Trustees, and vice-versa. When the Administrative Council approved the lease along with the MBCA Board of Trustees, both made it publicly clear that subsequent approval by a church conference supervised by the District Superintendent was required for the lease to have full validity. Neither Mt. Bethel nor MBCA have taken the position that the lease was fully in force until the above step was accomplished. The North Georgia Conference has notice of the lease and, if it believes its approval is necessary, is withholding that approval in order to manufacture a pretense of some impropriety. Whatever authority the NGC has in this regard is limited to disapproving the lease, not delaying review while purporting to create an “exigent circumstance.”

Despite having received rebuttal of each alleged violation, Petitioner has taken no steps to show how these explanations for the alleged violations are insufficient. Instead, Petitioner and others within the NGC unilaterally declared the Mt. Bethel local church “closed,” and attempted to seize Respondent’s assets—and then brought this lawsuit when Respondent lawfully resisted that attempt.

14.

Respondent admits ¶2549 as contained in the collective Exhibit 1 attached hereto; but denies that the Petitioner has stated that provision verbatim in its Complaint.

15.

Respondent admits that attached as Exhibit A to Petitioner's Complaint is a copy of June 18, 2021 correspondence, which speaks for itself (and the substance of which was refuted by the correspondence attached hereto as Exhibit 6), but otherwise denies the allegations in this paragraph and specifically denies any allegation of fact contained in the exhibit.

16.

Respondent admits that Exhibit A to the Petition embodies the complete communication from Petitioner to Respondent on June 18, 2021 and this statement is found in the text thereof. However, Respondent denies the underlying circumstances alleged that same, if true, gave legal justification for "exigent circumstances," that time was of the essence, or that ¶2549 was not superseded in part by ¶2553.

17.

Respondent admits that Exhibit A to the Petition embodies the complete communication from Petitioner to Respondent on June 18, 2021 and this statement is found in the text thereof. Respondent denies any issue alleged required compliance or that the District Superintendent was willing to engage with Respondent to resolve same. The District Superintendent has never even been to Mt. Bethel.

18.

Denied that June 18, 2021 correspondence contained an "offer of assistance" insofar as the grounds upon which Petitioner was alleging Respondent was not in

compliance with the Book of Discipline were plainly pre-textual for actions the Petitioner had already determined to take as a result of Respondent initiating the process to disaffiliate from the North Georgia Conference. Respondent also denies ever being non-compliant with the Book of Discipline.

19.

Respondent is without information or knowledge sufficient to form a belief as to the truth or falsity of the allegations contained in this paragraph; therefore, said allegations stand denied pursuant to O.C.G.A. § 9-11-8(b).

20.

Respondent is without information or knowledge sufficient to form a belief as to the truth or falsity of the allegations contained in this paragraph; therefore, said allegations stand denied pursuant to O.C.G.A. § 9-11-8(b).

21.

Respondent is without information or knowledge sufficient to form a belief as to the truth or falsity of the allegations contained in this paragraph; therefore, said allegations stand denied pursuant to O.C.G.A. § 9-11-8(b). Although Respondent cannot confirm any action taken by the Bishop and her staff on July 9, 2021, Respondent further denies that any of the purported “determinations” are factually accurate for the reasons set forth in paragraph 13, *supra*. Respondent also denies that closure was required per ¶2549.3.b as closure requires a vote of the Annual Conference.

22.

The existence of a fiduciary duty is a question of law. Upon reasonable inquiry, Respondent is unaware of a decision by a court or designation by statute imposing upon Petitioner the specific fiduciary duty alleged; therefore, said allegation stands denied pursuant to O.C.G.A. § 9-11-8(b). Moreover, the scheme of invoking ¶2549 as a means to close and seize the assets of a Local Church after it had sought disaffiliation pursuant to ¶2553 had been considered and explicitly rejected by the 2019 General Conference at which ¶2553 was adopted. Finally, as a member of the North Georgia Conference, Petitioner had a legal duty to protect Respondent, not the other way around.

23.

Respondent admits that the assets under the control of Respondent titled in the name of “Mt. Bethel United Methodist Church, Inc.” are subject to the Book of Discipline, subject specifically to ¶2553, which provides that “a disaffiliating local Church shall have the right to retain its ... property.” Except as stated above, this allegation is denied.

24.

Respondent admits that Exhibit B is a true copy of July 12, 2021 correspondence, which speaks for itself—but any factual assertion therein is specifically denied, including that Petitioner is the proper party in interest.

25.

Admitted that Respondent owns the property identified in Exhibit C and that this property is held in accordance with the entire Book of Discipline and decisions of the UMC Judicial Council. Thus, Respondent denies any inference that the property is held subject only to the trust clause.

26.

Admitted that Respondent owns property in accordance with the entire Book of Discipline and decisions of the UMC Judicial Council. Thus, Respondent denies that its property is held subject only to the trust clause.

27.

Denied.

28.

Denied.

29.

Denied. Petitioner is mistaken that Respondent is a closed United Methodist church. Rather, Mt. Bethel remains a thriving and vital place of United Methodist worship and service. (See ¶ 6, *supra*, for a non-exhaustive list of ministries and activities at Mt. Bethel.) Mt. Bethel has continued its operations as a United Methodist church and continues to participate in United Methodist ministries around the world—both before and after the purported vote to “close” Mt. Bethel by the Bishop and her staff, which can only be done through a vote by the Annual Conference.

30.

Denied.

31.

Denied.

32.

Denied in part. Petitioner is not the proper party in interest. There is an actual controversy between Respondent and the proper party in interest.

33.

Denied.

34.

Denied.

COUNT ONE – DECLARATORY JUDGMENT

35.

Respondent restates and incorporates its Preliminary Statement, affirmative defenses, and responses to the preceding paragraphs as if set forth fully herein.

36.

Denied.

COUNT TWO – ACCOUNTING

37.

Respondent restates and incorporates its Preliminary Statement, affirmative defenses, and responses to the preceding paragraphs as if set forth fully herein.

38.

Denied.

COUNT THREE – INTERLOCUTORY INJUNCTION

39.

Respondent restates and incorporates its Preliminary Statement, affirmative defenses, and responses to the preceding paragraphs as if set forth fully herein.

40.

Denied. An interlocutory injunction can only issue to maintain the status quo. An interlocutory injunction cannot, therefore, issue here to result in a change in the control and operation of Mt. Bethel's assets. Nor can an interlocutory injunction be granted unless the moving party shows that:

- (1) there is a substantial threat that the moving party will suffer irreparable injury if the injunction is not granted;
- (2) the threatened injury to the moving party outweighs the threatened harm that the injunction may do to the party being enjoined;
- (3) there is a substantial likelihood that the moving party will prevail on the merits of her claims at trial; and
- (4) granting the interlocutory injunction will not disserve the public interest.

Here, Petitioner fails each of these standards for the reasons that: (1) there is no irreparable injury because the injunction sought would disrupt, not "maintain" the status quo; (2) Mt. Bethel would suffer disproportionate harm from the interlocutory injunction sought; (3) Mt. Bethel is likely to prevail on the merits; and (4) the public interest would be disserved by the injunction sought.

Specifically, Mt. Bethel Christian Academy (“MBCA”) and its student body may suffer a departure of students if the Court enjoins Mt. Bethel’s current leadership or otherwise attempts to subvert its traditional theology. As stated by the Chair of the MBCA Board of Trustees “Mt. Bethel and MBCA are currently aligned on theological issues, as confirmed by the statement of faith which has been unanimously approved by both.” (See Ex. 7; see also MBCA Statement of Faith attached as exhibit 1 to the MBCA Bylaws which are part of exhibit A thereto.) Any move away from the traditional theology with which Mt. Bethel is now identified—as would likely occur with the injunction sought by the Trustees giving the NGC control over the Local Church—may cause the many Mt. Bethel members who have children in the school, and non-member parents who elect to send their children to MBCA because of its traditional theology, to reconsider that decision and withdraw their children.

Moreover, Petitioner is not the proper party in interest.

COUNT FOUR – PERMANENT INJUNCTION

41.

Respondent restates and incorporates its Preliminary Statement, affirmative defenses, and responses to the preceding paragraphs as if set forth fully herein.

42.

Denied.

43.

Denied.

44.

Respondent denies that Petitioner is entitled to any of the relief sought in the *ad damnum* clause of its Petition.

Any and all allegations contained in Petitioner's Complaint not expressly admitted above are hereby denied.

**MT. BETHEL'S VERIFIED COUNTERCLAIMS AND
THIRD-PARTY CLAIMS**

COMES NOW Mt. Bethel United Methodist Church, Inc. ("Mt. Bethel"), and submits this Verified Counterclaim and Third-Party Complaint seeking damages and equitable relief from Counterclaim Defendants and Third-Party Defendants as follows:

1.

Mt. Bethel incorporates each paragraph set forth in its preceding Preliminary Statement, affirmative defenses, and responses.

2.

Plaintiff in Counterclaim and Third-Party Plaintiff Mt. Bethel is a non-profit corporation, incorporated under the laws of Georgia.

3.

The Trustees of the North Georgia Conference, Inc., (the "Trustees") are the Petitioner in this action and will be served through their counsel.

4.

The North Georgia Conference of the United Methodist Church, Inc., (the "NGC") is a Georgia corporation with its principal office in Dekalb County, Georgia,

and can be served through its CFO and registered agent, Keith Cox, 1700 Century Circle, Suite 100, Atlanta, Dekalb County, GA, 30345.

5.

Bishop Sue Hauptert-Johnson is the Chief Executive Officer of the NGC and can be served at 1700 Century Circle, Suite 100, Atlanta, Dekalb County, GA, 30345.

6.

District Superintendent Dr. Jessica E. Terrell is an officer of the NGC and can be served at 1700 Century Circle, Suite 100, Atlanta, Dekalb County, GA, 30345.

7.

John Doe 1, John Doe 2, John Doe 3, John Doe 4 and John Doe 5 are unknown individuals or entities who conspired with the other counterclaim and third-party claim defendants and engaged in the wrongful conduct described herein.

8.

Jurisdiction and venue are proper in this Court pursuant to O.C.G.A. § 9-11-13, O.C.G.A. § 9-11-14, O.C.G.A. § 9-10-30 and O.C.G.A. § 9-10-31.

9.

Piercing the Corporate Veil

As a result of fraud and collusion between the Trustees of the North Georgia Conference, Inc., the North Georgia Conference of The United Methodist Church, Inc., Bishop Sue Hauptert-Johnson, District Superintendent Dr. Jessica Terrell, and John Does 1-5 (collectively, the “Counterclaim and Third-Party Claim Defendants”) no corporate form shields any named Counterclaim or Third-Party Claim Defendant

from the liability arising from the conduct of any other. Moreover, “[a]n officer of a corporation who takes part in the commission of a tort by the corporation is personally liable therefor[.]” Jennings v. Smith, 226 Ga. App. 765, 766 (1997).

10.

Joinder of Third Parties

The North Georgia Conference of The United Methodist Church, Inc., Bishop Sue Hauptert-Johnson, District Superintendent Dr. Jessica Terrell, and John Does 1-5 (collectively, the “Joinder Parties” or “Third-Party Defendants”) are indispensable parties and joinder is necessary pursuant to O.C.G.A. § 9-11-13(h) and O.C.G.A. § 9-11-19(a) in order to make available complete relief to Mt. Bethel on its counterclaims. See also Jennings v. Smith, 226 Ga. App. 765, 766 (1997) (“[a]n officer of a corporation who takes part in the commission of a tort by the corporation is personally liable therefor[.]”).

11.

Third Party Complaint

Even absent joinder, Mt Bethel has a right to bring all claims against the North Georgia Conference of The United Methodist Church, Inc., Bishop Sue Hauptert-Johnson, District Superintendent Dr. Jessica Terrell, and John Does 1-5 (collectively, the “Joinder Parties” or “Third-Party Defendants”) insofar as they are secondarily liable to Mt. Bethel—should Petitioner Trustees of the North Georgia Conference, Inc. (the “Trustees”) prevail on its claims against Mt. Bethel and the seizure of Mt. Bethel’s property—and are also added as parties by service of this Answer,

Counterclaim and Third-Party Complaint pursuant to O.C.G.A. § 9-11-14. In accordance with O.C.G.A. § 9-11-14(c), a true and correct copy of the original petition in the action is attached as **Exhibit 8**.

12.

Organization of The United Methodist Church

The United Methodist Church (the “UMC”) is a worldwide mainline Protestant denomination. The UMC is not itself incorporated, but acts through units organized as hierarchical conferences. The highest-level conference, the ‘General Conference,’ meets regularly every four years and is the only organization that may speak officially for the UMC. Regional conferences (sometimes called ‘annual conferences’), such as the North Georgia Conference, are administrative, presided over by a bishop, and meet annually. The regional conferences are split into districts run by a district superintendent, which then administer and supervise member churches within that conference/district (such as Mt. Bethel).

13.

The UMC Book of Discipline

As recognized by Georgia’s courts The United Methodist Church Book of Discipline (the “Book of Discipline” or “Discipline”) is the constitution and governing document of the UMC.

14.

The Book of Discipline is re-published every four years following the meeting of the UMC General Conference, which passes legislation that is included in the Book of Discipline. The most recent edition of the Book of Discipline was published in 2016.

15.

In addition, the UMC General Conference met by special session in 2019 and enacted ¶2553 of the Book of Discipline, creating a process for local churches to disaffiliate from the UMC (a true and correct copy of which is attached hereto as Ex. 4). ¶2553 is a 2019 addendum to the 2016 Book of Discipline.

16.

Chapter Six of the United Methodist Church Book of Discipline, titled “Church Property,” provides the rules for the use and ownership of property within the UMC. (A true and correct copy of Chapter Six of the 2016 Book of Discipline is attached as Ex. 1.)

17.

Within Chapter Six, ¶2501 of the Discipline provides for local church property to be held in trust “for the benefit of entire denomination.” ¶2501.2 further provides that:

The trust is and always has been irrevocable, except as provided in the *Discipline*. **Property can be released from the trust**, transferred free of trust or subordinated to the interests of creditors and other third parties only **to the extent authority is given by the *Discipline***.

Ex. 1 (emphasis added).

18.

Thus, under the UMC's internal church rules, "Property can be released from the trust [or] transferred free of the trust" "to the extent authority is given by the [Book of] Discipline." Id.

19.

As to the property of local churches that have elected to disaffiliate pursuant to the 2019 enactment ¶2553, the Book of Discipline provides that:

A disaffiliating local church **shall have the right to retain its real and personal, tangible and intangible property**. All transfers of property shall be made prior to disaffiliation. All costs for transfer of title or other legal work shall be borne by the disaffiliating local church.

Id. (¶2553 4.c) (emphasis added).

20.

As contemplated by ¶2501.2, ¶2553 is an instance where the Book of Discipline explicitly provides for an authorized release from the trust clause, to allow that "a disaffiliating local church **shall have the right** to retain its . . . property."

21.

¶2553 is the most recent enactment by the UMC General Conference regarding the trust clause and ownership of local church property.

22.

Petition 90066 to the 2019 General Conference Legislative Committee was an initial draft of the legislation that would eventually be enacted by the 2019 special session of the UMC General Conference as ¶2553. (A true and correct copy of the initial Petition 90066 is attached as **Exhibit 9**.)

23.

Petition 90066, as originally drafted, would have provided for oversight of the disaffiliation process by a District Superintendent—requiring the District Superintendent to conduct an inquiry in accordance with ¶2549 of the Discipline and to make a determination as to the “viability” of the disaffiliating local church.

24.

A Minority Report, removing the ¶2549 oversight provision from Petition 90066, was approved and enacted by the 2019 special session of the UMC General Conference as ¶2553. This process is described in the *Judicial Council of The United Methodist Church Decision No. 1379*, with footnote 3 thereto describing the specific changes proposed by the Minority Report. (A true and correct copy of which is attached as **Exhibit 10**.)

25.

No provision of ¶2553, as enacted, requires that a local church be in “good standing” in order to avail itself of ¶2553 disaffiliation.

26.

There is no provision anywhere in the Book of Discipline that either defines the term “good standing,” as applied to a local church, or that limits the right of a local church to disaffiliate where that church has been alleged not to be in “good standing.”

27.

The purpose of enacting ¶2553, was to avoid the types of harmful litigation over church property that has ensnared other Christian denominations as ideological splits have occurred within those churches.

28.

¶2553 has been utilized by both traditional and progressive UMC churches to disaffiliate from the UMC.

29.

¶2553 requires local churches to satisfy certain financial commitments in order to disaffiliate, as set forth in ¶2553(b) (apportionments) & (d) (pension liabilities). Mt. Bethel has made repeated requests, over several months, to the North Georgia Conference for the pension and apportionment financial information necessary to complete the ¶2553 disaffiliation process. Through its officers and agents, the North Georgia Conference has refused to provide these amounts to Mt. Bethel, despite having made that information available to other churches in the Conference. In fact, Mt. Bethel is the only church in the North Georgia Conference that is not being allowed access to its pension liability dollar amount.

30.

¶2553 expires and member churches may no longer avail themselves of that disaffiliation process if it is not completed by December 31, 2023.

31.

At its June 2021 Annual Conference, the North Georgia Conference approved a form ¶2553 Disaffiliation Agreement. That form agreement does not add to the

conditions outlined in ¶2553 that a local church must meet to disaffiliate (*e.g.*, there is no requirement in the Disaffiliation Agreement that a local church be in “good standing” in order to avail itself of ¶2553). (See “The Trustees of the North Georgia Conference of The United Methodist Church, Inc. Report 4/19/21,” attached as **Exhibit 11.**)

32.

An additional potentially forthcoming process for withdrawing from the UMC is the *Protocol for Reconciliation and Grace Through Separation* (“the Protocol”). The Protocol grew out of a recognition by UMC church leaders on all sides that a larger split in the UMC between traditionalist and progressive churches was inevitable. As such, leaders of traditionalist, centrist, and progressive groups within the UMC, and a number of its bishops, participated over several months, beginning in 2019, in a mediation conducted by Kenneth Feinberg. An agreement was reached by the representatives of each of these many divergent groups that would allow member-churches to exit the UMC free and clear of the UMC trust clause and affiliate in new Methodist denominations composed of theologically-aligned congregations.

33.

The North Georgia Conference itself is supportive of the Protocol, passing a “*Resolution in Support of the Protocol of Grace and Reconciliation through Separation*” at its 2021 Annual Conference. (See **Exhibit 12.**)

34.

As one of the recognized leaders among the traditional orthodox congregations in the UMC, Mt. Bethel has been an advocate for the passage of the Protocol and had shared its intention to exit the UMC under the provisions of the Protocol and thereafter align with other traditional congregations in a new Methodist denomination, the Global Methodist Church.

35.

Unlike ¶2553 Disaffiliation, withdrawal through the Protocol would not require financial commitments to the UMC in order for Mt. Bethel to be permitted to leave the UMC free and clear of its trust clause (*see* Ex. 1, ¶2501).

36.

The Protocol has not yet been adopted by the UMC as a result of delays in the holding of the 2020 General Conference caused by the Covid-19 pandemic.

37.

On March 31, 2021—shortly after there was an announcement that the 2020 General Conference meeting at which the Protocol was expected to be adopted would be delayed until at least 2022—Mt. Bethel’s Lay Leader requested from The North Georgia Conference’s Treasurer and Director of Administrative Services, Keith Cox, the amount of Mt. Bethel’s unfunded pension liabilities that would have to be paid as part of Mt. Bethel’s financial obligations to disaffiliate pursuant to ¶2553. Both Mr. Cox and the District Superintendent responded to Mt. Bethel that it was “premature” to discuss the amount of those liabilities because the annual conference had not yet

determined how it would implement ¶2553. But ¶2553 had been approved by the General Conference in February 2019, and had been found constitutional by the UMC Judicial Council in April 2019—*two years* prior to Mt. Bethel making the request for the available financial information.

38.

In April 2021, shortly after this disaffiliation related information request was made to the North Georgia Conference, Mt. Bethel received notice that its lead Pastor, Rev. Dr. Jody Ray, was being re-appointed from Mt. Bethel to a staff position in the North Georgia Conference—effectively removing Rev. Dr. Ray as lead pastor of Mt. Bethel

39.

The abrupt re-appointment of Rev. Dr. Ray violated the mandatory “consultation” process required by the Book of Discipline as to both Rev. Dr. Ray and the Mt. Bethel Staff-Parish Relations Committee; see Book of Discipline, **Exhibit 13**, ¶426 (“Consultation is not merely notification”) and ¶426(1) (“The process of consultation shall be mandatory”).

40.

In contrast to the abrupt, provocative and disruptive April 2021 re-appointment of Dr. Ray, the consultative process that resulted in the initial appointment of Dr. Ray to Mt. Bethel in 2016, took sixteen months and involved both a Mt. Bethel search committee and a third-party executive search firm.

41.

Bishop Hauptert-Johnson has offered at least three inconsistent and pretextual rationales for her decision to abruptly remove Dr. Ray from Mt. Bethel:

- *First*, that Dr. Ray was especially qualified and was needed for an open racial reconciliation position with the North Georgia Conference;
- *Second*, that Dr. Ray’s ministry at Mt. Bethel was imploding and thus he needed to be replaced; and
- *Third*, that the availability of his replacement, Rev. Steven Usry whose skills were seen as particularly suited to Mt. Bethel, “drove” the re-appointments.

42.

The abrupt re-appointment of Mt. Bethel’s lead pastor to a different position with no consultation, was deliberately provocative. Foregoing the mandatory consultation process in order to remove its Lead Pastor was intended to either orchestrate a confrontation with Mt. Bethel and attempt to seize its property through ¶2549 under manufactured pretenses, or to discourage Mt. Bethel’s anticipated disaffiliation or withdrawal from the UMC.

43.

On April 14, 2021, Mt. Bethel’s Administrative Council voted unanimously to initiate the ¶2553 Disaffiliation process, approving a resolution that stated as follows:

“BE IT RESOLVED, that Mt. Bethel United Methodist Church, Inc., elects to, and hereby does initiate the process for disaffiliation[.]”

(A true and correct copy of the complete April 14, 2021 Administrative Council minutes are attached as Ex. 3.)

44.

Mt. Bethel's Administrative Council is an elected body of approximately 50 Mt. Bethel members. In accordance with the Book of Discipline (§252, see Exhibit 14), a local church's Administrative Council:

shall provide for planning and implementing a program of nurture, outreach, witness, and resources in the local church. It shall also provide for the administration of its organization and temporal life. It shall envision, plan, implement, and annually evaluate the mission and ministry of the church.

45.

On April 18, 2021, the Lay Leaders of Mt. Bethel sent a letter to Bishop Sue Hauptert-Johnson and District Superintendent Dr. Jessica Terrell (a copy of which is attached hereto as **Exhibit 15**) advising that:

the Administrative Council of Mt. Bethel United Methodist Church, Inc., meeting on April 14, 2021, unanimously approved a resolution directing the leadership of the church to proceed with the disaffiliation process of §2553 of the Book of Discipline of the United Methodist Church effective immediately.

46.

To allow the vote of a local church on disaffiliation, §2553 requires that a "church conference . . . shall be held within one hundred twenty (120) days after the district superintendent calls for the church conference." (See Ex. 4.) Accordingly, the April 18, 2021 letter from Mt. Bethel to the Regional UMC Administrators requested that the "district superintendent schedule a church conference to approve the disaffiliation **as soon as possible.**" (Ex. 15) (emphasis added).

47.

On April 21, 2021, responding to Mt. Bethel's April 18, 2021 letter requesting the prompt scheduling of the necessary church conference, District Superintendent Dr. Jessica Terrell ("Dr. Terrell" or "Superintendent Terrell") responded:

I will make note of the request of Mt. Bethel I will most likely call a Church Conference to be held in early Spring of 2022.

(See true and correct copy attached as **Exhibit 16**.)

48.

Calling church conferences is a duty charged by the Book of Discipline to district superintendents (see BOD ¶248, **Exhibit 17**) and which ordinarily take place within weeks of such requests. District Superintendent Terrell's response that she would delay Mt. Bethel's vote for at least a year was unreasonable, unjustifiable, in bad faith, and with the knowledge of and at the direction of the Bishop of the North Georgia Conference to delay Mt. Bethel's disaffiliation vote and an effort to block Mt. Bethel's disaffiliation "right to retain its real and personal, tangible and intangible property." (See ¶2553.4.c., Ex. 4.)

49.

On April 22, 2021, Mt. Bethel replied to Bishop Hauptert-Johnson and Superintendent Terrell with a letter requesting that Dr. Terrell "immediately schedule the date for the church conference," and notifying the Bishop and District Superintendent that "[r]ecent events are adversely impacting our church" and "[w]e desire to accomplish this process at the earliest possible time in an amicable and

orderly fashion.” (A true and correct copy of this correspondence is attached as **Exhibit 18.**)

50.

The District Superintendent’s response, provided several weeks later, on May 17, 2021, was a verbatim copy of her April 21, 2021 response, stating:

I will make note of the request of Mt. Bethel I will most likely call a Church Conference to be held in early Spring of 2022.

(A true and correct copy of this correspondence is attached as **Exhibit 19.**)

51.

As of the filing of this counterclaim, no church conference to allow Mt. Bethel a disaffiliation vote has been scheduled.

52.

Because ¶2553 expires and may not be utilized after December 31, 2023, implicit in ¶2553 is the right of a local church to timely vote to move forward with disaffiliation. In order for a disaffiliating local church to meet ¶2553’s deadline for completion, an Annual Conference vote is required, but those Annual Conference sessions will only take place in the summer of 2022 and the summer of 2023. By delaying a church vote at Mt. Bethel until the spring of 2022, the disaffiliation process may not be completed in time to be ratified by the 2022 Annual Conference. Thus, a church vote delayed by the District Superintendent would leave only a single 2023 Annual Conference session date remaining for possible disaffiliation ratification. (While these dates may seem distant, it is worth noting that the 2020 General Conference has yet to occur.)

53.

On May 11, 2021, Mt. Bethel sent another letter to Bishop Haupert-Johnson and Superintendent Dr. Jessica Terrell “[w]ishing to preserve the status quo” during the disaffiliation process by making clear that:

- 1) Mt. Bethel would not interfere with the right of Bishop Haupert-Johnson to appoint an ordained elder to administer sacraments and conduct worship services; and
- 2) that Mt. Bethel was prepared to meet its financial obligations under ¶ 2553—including escrowing funds immediately for that purpose.

(A true and correct copy of this letter is attached as **Exhibit 20**.)

54.

On June 18, 2021, Mt. Bethel received a cease-and-desist letter from the Board of Trustees of the North Georgia Conference. The letter alleged that “Mt. Bethel is not in compliance with the discipline” in seven enumerated ways, and that such non-compliance makes Mt. Bethel “ineligible” for disaffiliation under ¶2553 of the Discipline. The letter also threatened a declaration by Bishop Sue Haupert-Johnson of ‘exigent circumstances’ that would permit a takeover of Mt. Bethel by the Trustees.

(A true and correct copy is attached as **Exhibit 21**.)

55.

None of the concerns of the Trustee’s June 18, 2021 letter, nor the purported “ineligibility” of Mt. Bethel to disaffiliate, had been raised in prior correspondence on this issue from the Bishop or Superintendent. Nor does ¶2553 itself contain any “good standing” requirement. Nor does the Disaffiliation Agreement approved at the 2021 meeting of the North Georgia Annual Conference—outlining the steps the North

Georgia Conference would follow when a church requested disaffiliation under ¶2553—contain any provision that a disaffiliating local church must first demonstrate compliance or “good standing” with the Book of Discipline. (See “The Trustees of the North Georgia Conference of The United Methodist Church, Inc. Report 4/19/21,” attached as Ex. 11.)

56.

On June 28, 2021, through counsel, Mt. Bethel responded to the North Georgia Conference’s cease-and-desist letter, rebutting each allegation of non-compliance. (A true and correct copy of this correspondence is attached as Ex. 6.)

57.

On June 28, 2021, Mt. Bethel also informed Bishop Sue Hauptert-Johnson that it would accept, albeit under protest, her Lead Pastor appointment, Rev. Dr. Steven Usry, whose appointment was scheduled to begin July 1, 2021; also agreeing to provide Rev. Usry with the requisite compensation and access to the church’s pulpit. (A true and correct copy of this correspondence is attached as **Exhibit 22**.)

58.

On July 12, 2021, Mt. Bethel was informed by the North Georgia Conference that, on July 9, 2021, Bishop Hauptert-Johnson, a majority of the district superintendents of the North Georgia Conference, and a majority of the district committee on church location and buildings of the district of which Mt. Bethel is a part, had declared that ‘exigent circumstances’ existed for the closure of Mt. Bethel

and involuntary take-over of the assets of Mt. Bethel by the Trustees for the North Georgia Conference (see July 12, 2021 letter, attached as **Exhibit 23**).

59.

The proper grounds for a declaration of ‘exigent circumstances’ are described in ¶2549.3 of the Book of Discipline, a true and correct copy of which is attached with

Ex. 1. They include:

situations where a local church no longer serves the purpose for which it was organized or incorporated [] or where the local church property is no longer used, kept, or maintained by its membership as a place of divine worship of The United Methodist Church.

Moreover, ¶2549.3 does not actually permit an ‘exigent circumstances’ vote by the Bishop and her staff to close a local church; instead, under ¶2549.3:

When it next meets, the annual conference shall decide whether to formally close the local church. (Emphasis added.)

60.

On July 13, 2021, through counsel, Mt. Bethel notified counsel for the North Georgia Conference that it did not recognize Bishop Hauptert-Johnson’s ‘exigent circumstances’ declaration as either legitimate or effectual, and that any effort by the North Georgia Conference to seize the assets of Mt. Bethel pursuant to any such declaration would be lawfully resisted. (See letter attached as Ex. 5.)

61.

The ¶2549 ‘exigent circumstances’ declaration as a scheme by the North Georgia Conference to seize and take Mt. Bethel’s assets was illegitimate and ineffective because Mt. Bethel had already initiated the ¶2553 disaffiliation process.

And, thereunder, “a disaffiliating local church shall have the right to retain its . . . property.”

62.

¶2553 is the later-enacted provision of the Book of Discipline and therefore supersedes ¶2549 to the extent ¶2549 can be read (as Petitioner Trustees ask the Court to do) as somehow giving the Bishop and her administrative staff unchecked authority to seize local church property, and thus conflicts with ¶2553—which protects the property of a local church from such abuse and caprice.

63.

Moreover, allowing regional conference administrators to have a “¶2549 veto” over a local church’s disaffiliation process is a procedure that the 2019 General Conference considered, but then specifically rejected in enacting ¶2553.

64.

The original Petition No. 90066 to the 2019 special session of the General Conference, that would later be enacted as ¶2553 (a true and correct copy of which is attached hereto as Ex. 9), contained the following in its [draft] paragraph #3:

If the church council of a local church determines that the church wishes to consider disaffiliation from The United Methodist Church under this paragraph, that church council shall submit a request to the district superintendent to begin this process. The district superintendent shall appoint a task force under ¶ 213 for the purpose of making findings and a recommendation to the district superintendent on whether the church will have a viable future within or outside The United Methodist Church. [] **If the local church is found to not have a viable future, the district superintendent shall recommend closure under ¶ 2549, or take other appropriate action, and all property of the local church shall remain with The United Methodist Church according to the provisions of ¶ 2549.** (Emphasis added.)

65.

A Minority Report on Disaffiliation (the “Minority Report”) coming out of the 2019 General Conference Legislative Committee proposed several revisions to Petition No. 90066, including the deletion of its entire third paragraph, quoted above in the preceding paragraph.

66.

During debate at the 2019 General Conference concerning the Minority Report’s amendments to Petition 90066, supporter Rev. Beth Ann Cook, argued that:

as [Petition 90066] is currently written, the petition **gives a blank check to annual conferences to add additional requirements to the departing local churches.** There is deep mistrust in the United Methodist Church. Some annual conferences have small theological minorities who fear the misuse of power and I believe that’s true on both ends of the issue. This would be a uniform plan across the entire United Methodist Church. (Emphasis added.)

67.

Attached as **Exhibit 24** is a true and correct transcript of Rev. Beth Ann Cook’s comments, and the proceedings leading up to the vote on Petition 90066 (as officially recorded at DCA V2-N4-P516).

68.

The 2019 General Conference voted to substitute the Minority Report for Petition 90066, and that amended petition was approved and became what is now ¶2553.

69.

Thus, the North Georgia Conference's reliance upon a pre-textual and unsupported ¶2549 'exigent circumstances' takeover as a response to Mt. Bethel's disaffiliation request, is:

- (i) a scheme explicitly rejected by the UMC in enacting ¶2553 in 2019; and
- (ii) contrary to the plain language of the Book of Discipline ¶2553 that "a disaffiliating local church shall have the right to retain its . . . property."

70.

Since April 2021, coinciding with the attempted re-appointment of Rev. Dr. Jody Ray away from Mt. Bethel by the Bishop and District Superintendent, Mt. Bethel has experienced a decline in giving by its members.

71.

The decline in giving by members to Mt. Bethel has continued since the announcement by the North Georgia Conference on July 12, 2021, that its declaration of 'exigent circumstances' resulted in the transfer of control over all assets of Mt. Bethel to the Trustees of the North Georgia Conference.

72.

The Counterclaim and Third-Party Defendants have publicized their alleged seizure, closure and control of all Mt. Bethel's assets. As a result, church members are withholding contributions to Mt. Bethel. Those members do not want their contributions to Mt. Bethel under the control of the Counterclaim and Third-Party Defendants.

73.

Asserting ownership over all Mt. Bethel property is a deliberate effort by the Counterclaim and Third-Party Defendants to drain Mt. Bethel's resources by deterring member contributions and causing other harms.

COUNT I – DECLARATORY JUDGMENTS

74.

Mt. Bethel incorporates by reference the allegations contained in the preceding Preliminary Statement and paragraphs of this Answer, Counterclaim and Third-Party Complaint, as if fully set forth herein.

75.

This case involves an actual controversy between Mt. Bethel and Counterclaim and Third-Party Defendants, with each asserting adverse claims upon a state of facts and where legal judgment is sought to control or direct their future action.

76.

Mt. Bethel prays that the Court determine the legal rights and interests of the parties and declare that:

- i. Mt. Bethel has not been "closed," nor has its assets been transferred to the Trustees; and
- ii. As a "disaffiliating local church," ¶2553 of the Book of Discipline gives Mt. Bethel a right to keep its property.

COUNT II – INTERLOCUTORY AND PERMANENT INJUNCTION

77.

Mt. Bethel incorporates by reference the allegations contained in the preceding Preliminary Statement and paragraphs of this Answer, Counterclaim and Third-Party Complaint, as if fully set forth herein.

78.

Mt. Bethel is entitled to an interlocutory injunction against the Counterclaim and Third-Party Defendants, enjoining any action not authorized by the Book of Discipline that interferes with Mt. Bethel's property or with the completion of the disaffiliation process prescribed by the Book of Discipline.

79.

Mt. Bethel faces irreparable injury if interlocutory relief is not granted. Specifically, delaying a church conference vote on disaffiliation places Mt. Bethel at risk in light of there being a deadline for the completion of the disaffiliation process under ¶2553. There will also be irreparable harm to members of the public if this interlocutory injunction is not granted—including Mt. Bethel Christian Academy, whose Board of Trustees Chair warned Bishop Sue Hauptert-Johnson back in April 2021 that:

We also understand that the Church has petitioned for disaffiliation under the Book of Discipline. **An orderly and prompt resolution of these issues and the petition are necessary to prevent irreparable harm to the Academy.**

(See Exhibit B attached to Ex. 7 affidavit) (emphasis added).

80.

Therefore, the Court should order that the church conference vote be conducted within a reasonable time for the disaffiliation process to move forward. The injunction from the Court should be: LET THE CHURCH VOTE.

81.

The injunction should be made permanent upon final disposition of this case, consistent with the rights of the parties determined by the Court's declaratory judgments.

COUNT III - SLANDER TO TITLE / TRESPASS TO PROPERTY

82.

Mt. Bethel incorporates by reference the allegations contained in the preceding Preliminary Statement and paragraphs of this Answer, Counterclaim and Third-Party Complaint, as if fully set forth herein.

83.

Counterclaim and Third-Party Defendants have published and caused to be published false statements that the Trustees own all assets of Mt. Bethel, including its real property.

84.

Counterclaim and Third-Party Defendants' false statements constitute slander to title and their acts of dominion over Mt. Bethel's assets amount to a trespass to property.

85.

Mt. Bethel has been damaged by Counterclaim and Third-Party Defendants' false statements and claims of dominion over Mt. Bethel property in an amount to be determined by a jury.

COUNT IV – BREACH OF CONTRACT

86.

Mt. Bethel incorporates by reference the allegations contained in the preceding Preliminary Statement and paragraphs of this Answer, Counterclaim and Third-Party Complaint, as if fully set forth herein.

87.

In addition to being its constitution, the UMC Book of Discipline is a contract entered into by units of the UMC, including the Counterclaim and Third-Party Defendants and Mt. Bethel; and all parties have agreed to be bound by the provisions thereof.

88.

Under Georgia law, every contract imposes upon each party a duty of good faith and fair dealing in its performance and enforcement. This implied duty requires both parties to a contract to perform their promises and provide such cooperation as is required for the other party's performance. And, where the manner of performance is left more or less to the discretion of one of the parties to the contract, they are bound to the exercise of good faith.

89.

Counterclaim and Third-Party Defendants have breached ¶2553 of the Book of Discipline and the implied duty of good faith and fair dealing by failing to allow a church vote on disaffiliation, then purporting to close Mt. Bethel and seize its assets *after* Mt. Bethel sought disaffiliation under ¶2553 in order to prevent Mt. Bethel from completing the ¶2553 disaffiliation process.

90.

Mt. Bethel does not have an adequate remedy at law for breach of ¶2553, therefore Mt. Bethel is entitled to specific performance.

91.

Alternatively, Mt. Bethel is entitled to damages as measured by a jury of its peers.

COUNT V – BREACH OF FIDUCIARY DUTY

92.

Mt. Bethel incorporates by reference the allegations contained in the preceding Preliminary Statement and paragraphs of this Answer, Counterclaim and Third-Party Complaint, as if fully set forth herein.

93.

Fiduciary duties are those imposed by law between parties in “confidential relationships.”

94.

Confidential relationships are defined by O.C.G.A. § 23-2-58 as including: “[a]ny relationship shall be deemed confidential, whether arising from nature, created by law, or resulting from contracts, where one party is so situated as to exercise a controlling influence over the will, conduct, and interest of another or where, from a similar relationship of mutual confidence, the law requires the utmost good faith, such as the relationship between partners; principal and agent; guardian or conservator and minor or ward; personal representative or temporary administrator and heir, legatee, devisee, or beneficiary; trustee and beneficiary; and similar fiduciary relationships.”

95.

Mt. Bethel is a member-church of the North Georgia Conference—of which the Counterclaim and Third-Party Defendants are officers, directors and/or agents. As such, Georgia law and the Book of Discipline, as the charter of the United Methodist Church, impose fiduciary duties upon the Counterclaim and Third-Party Defendants toward Mt. Bethel.

96.

By virtue of the Trustees’ positions as directors of the North Georgia Conference, and the Bishop and District Superintendent’s positions as officers of the North Georgia Conference, Counterclaim and Third-Party Defendants owed a fiduciary duty not to act to the exclusion of, or detriment to, North Georgia Conference member Mt. Bethel. Moreover, the Trustees are improperly incorporated

as a separate entity pursuant to ¶2512 of the Book of Discipline, and thus no corporate separateness should shield any one party from the misconduct of the other.

97.

Ultra vires acts that are outside the scope of the powers, jurisdiction, or authority of a person, office, or entity—such as an act by a corporation beyond the powers conferred in its corporate charter, or an act by an agent beyond the scope of the agency—are either void or voidable and subject to direct claim for breach of fiduciary duty by members to whom a fiduciary duty is owed.

98.

¶2549 does not give the Bishop and her administrative staff the ability to vote to close a local church. That authority, where it exists, is reserved for an annual conference. As such, the purported and publicized vote to close Mt. Bethel and seize its assets (see July 12, 2021 letter, Ex. 23), is *ultra vires*, void, and breaches any standard of good faith as a fiduciary. Moreover, false declarations of exigent circumstances and pretextual pastoral appointment rationales all breach fiduciary duties that the named Counterclaim and Third-Party Defendants and John Doe 1-5 owe to Mt. Bethel for which Mt. Bethel is entitled to damages.

COUNT VI – CONVERSION

99.

Mt. Bethel incorporates by reference the allegations contained in the preceding Preliminary Statement and paragraphs of this Answer, Counterclaim and Third-Party Complaint, as if fully set forth herein.

100.

“Conversion consists of an unauthorized assumption and exercise of the right of ownership over personal property belonging to another, in hostility to his rights; an act of dominion over the personal property of another inconsistent with his rights; or an unauthorized appropriation. . . . Any distinct act of dominion wrongfully asserted over another's property in denial of his right, or inconsistent with it, is a conversion.” Decatur Auto Ctr., Inc. v. Wachovia Bank, N.A., 276 Ga. 817, 819 (2003).

101.

As alternative relief—should the Court grant the Trustees’ Petition and declare that the Counterclaim and Third-Party Defendants’ ¶2549 vote effected the transfer of all property and assets of Mt. Bethel to the Trustees—the named Counterclaim and Third-Party Defendants and John Doe 1-5 are liable to Mt. Bethel for conversion for the value of the property converted, as determined by a jury.

**COUNT VII – UNJUST ENRICHMENT / QUANTUM MERUIT /
MONEY HAD AND RECEIVED**

102.

Mt. Bethel incorporates by reference the allegations contained in the preceding Preliminary Statement and paragraphs of this Answer, Counterclaim and Third-Party Complaint, as if fully set forth herein.

103.

“The concept of unjust enrichment in law is premised upon the principle that a party cannot induce, accept, or encourage another to furnish or render something of value to such party and avoid payment for the value received; otherwise the party

has been unjustly enriched at the expense of another and, in fairness and good conscience, must reimburse the other to the extent of the value conferred.” Reidling v. Holcomb, 225 Ga. App. 229, 232 (1997).

104.

“An action for money had and received is founded upon the equitable principle that no one ought unjustly to enrich himself at the expense of another, and is maintainable in all cases where one has received money under such circumstances that in equity and good conscience he ought not to retain it, and *ex aequo et bono* it belongs to another.” Jasper School Dist. v. Gormley, 184 Ga. 756 (1937).

105.

Pursuant to O.C.G.A. § 9-2-7 “when one renders service or transfers property which is valuable to another, which the latter accepts, a promise is implied to pay the reasonable value thereof.”

106.

As alternative relief—should the Court grant the Trustees’ Petition and declare that the Counterclaim and Third-Party Defendants’ ¶2549 vote effected the transfer of all property and assets of Mt. Bethel to the Trustees—the Counterclaim and Third-Party Defendants and John Doe 1-5 are liable to Mt. Bethel for unjust enrichment, quantum meruit and money had and received for the value of that property, as determined by a jury.

COUNT VIII – FRAUDULENT CONSPIRACY

107.

Mt. Bethel incorporates by reference the allegations contained in the preceding Preliminary Statement and paragraphs of this Answer, Counterclaim and Third-Party Complaint, as if fully set forth herein.

108.

Beginning at or around March 2021—when it first received an inquiry regarding Mt. Bethel’s potential disaffiliation costs—and continuing thereafter, named Counterclaim and Third-Party Defendants and John Doe 1-5 agreed, schemed, combined, and conspired to commit the acts and underlying torts described herein as part of an intentionally fraudulent scheme to prevent Mt. Bethel’s disaffiliation and to take its property.

109.

In furtherance of the above-described agreement, scheme, and conspiracy, Counterclaim and Third-Party Defendants and John Doe 1-5 committed the overt acts described herein.

110.

At a minimum, these acts included the baseless re-appointment of Dr. Ray, the ever-shifting and illogical rationales for same, the denial of Mt. Bethel’s numerous disaffiliation vote requests, the pretextual “exigent circumstances” cease and desist threat, the declaration of “exigent circumstances” without support, and the publicized purported “closure” of Mt. Bethel without the required Annual Conference vote.

111.

The alleged overt acts committed in furtherance of the above-described agreement, scheme, and conspiracy caused injury and substantial harm to Mt. Bethel. Mt. Bethel is therefore entitled to recover compensatory damages, including special and general damages, in an amount to be proven at trial.

112.

Furthermore, in accordance with O.C.G.A. § 53-12-132(a), “[a] constructive trust is a trust implied whenever the circumstances are such that the person holding legal title to property, either from fraud or otherwise, cannot enjoy the beneficial interest in the property without violating some established principle of equity.” “A constructive trust arises not from the intent of the parties, but by equity with respect to property acquired by fraud, or although acquired without fraud where it is against equity that the property should be retained by the one who holds it.” Aetna Life Ins. Co. v. Weekes, 241 Ga. 169 (1978). As alternative relief—should the Court find that the Counterclaim and Third-Party Defendants engaged in a fraudulent conspiracy, but that the ¶2549 vote effected the transfer of property and assets of Mt. Bethel to the Trustees—then the assets transferred to the Trustees are held in constructive trust for Mt Bethel as a result of the misconduct leading to that acquisition—to be returned to Mt. Bethel with damages upon its eventual disaffiliation.

COUNT IX – LITIGATION EXPENSES

113.

Mt. Bethel incorporates by reference the allegations contained in the preceding Preliminary Statement and paragraphs of this Answer, Counterclaim and Third-Party Complaint, as if fully set forth herein.

114.

Counterclaim and Third-Party Defendants have acted in bad faith, been stubbornly litigious, and have put Mt. Bethel through unnecessary trouble and expense.

115.

By engaging in the wrongful conduct described above, Counterclaim and Third-Party Defendants have demonstrated the requisite bad faith for recovery of litigation expenses, including attorney's fees and costs.

116.

Because Counterclaim and Third-Party Defendants have acted in bad faith, been stubbornly litigious, and put Mt. Bethel through unnecessary trouble and expense, Mt. Bethel is entitled to all litigation expenses incurred in prosecuting this action including, but not limited to, attorney's fees and costs pursuant to O.C.G.A. § 13-6-11.

WHEREFORE, Mt. Bethel respectfully prays:

- (a) The claims in the Trustees' Petition be denied;
- (b) that all costs in this matter be taxed to Counterclaim and Third-Party Defendants;

- (c) that Mt. Bethel be granted a trial by a jury of twelve jurors; and
- (d) for such other and further legal and equitable relief that this Honorable Court may deem just and proper.

Respectfully submitted this 8th day of October, 2021.

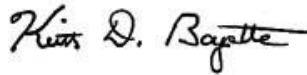
MOORE INGRAM JOHNSON & STEELE, LLP

Emerson Overlook
326 Roswell Street
Marietta, Georgia 30060
(770) 429-1499
ringram@mijs.com
jad@mijs.com
dpconley@mijs.com



Robert D. Ingram
Georgia Bar No. 383405
Jeffrey A. Daxe
Georgia Bar No. 213701
David P. Conley
Georgia Bar No. 141760

8505 Cheetah Lane
Spotsylvania, VA 22553
(540) 538-3202
kbminlaw@att.net



Keith Boyette
(Pro hac vice application pending)

288 Washington Ave.
Marietta, GA 30060-1979
770-422-3233
770-423-1499 (F)
arden@colehousemediation.com

DOWNEY & CLEVELAND, LLP

/s/
David P. Darden
Georgia Bar No 205350

Attorneys for Mt. Bethel

STATE OF GEORGIA

COUNTY OF COBB

VERIFICATION

Personally appearing before the undersigned attesting officer, duly qualified to administer oaths, FERRELL COPPEDGE, who, after being first duly sworn, deposes and states on oath that the information supplied in this VERIFIED ANSWER, DEFENSES, COUNTERCLAIMS AND THIRD-PARTY CLAIMS OF RESPONDENT MT. BETHEL is true and correct to the best of my knowledge.

Word usage and/or sentence structure may be that of the attorney assisting in the preparation of the Verified Answer, Defenses, Counterclaims and Third-Party Claims, and does not necessarily purport to be the precise language of the executing party.

This the 7th day of October, 2021



FERRELL COPPEDGE
Lay Leader, Mt. Bethel United Methodist Church

Sworn to and subscribed before me

This the 7th day of October, 2021



NOTARY PUBLIC
STATE OF GEORGIA

My Commission Expires: 6-27-22

Celia B. Sheridan
Notary Public
Cobb County, Georgia
My Commission
Expires 06/27/2022

EXHIBIT 1

Chapter Six
CHURCH PROPERTY

Section I. All Titles—In Trust

¶ 2501. *Requirement of the Trust Clause for All Property*—1. All properties of United Methodist local churches and other United Methodist agencies and institutions are held, *in trust*, for the benefit of the entire denomination, and ownership and usage of church property is subject to the *Discipline*. This trust requirement is an essential element of the historic polity of The United Methodist Church or its predecessor denominations or communions and has been a part of the *Discipline* since 1797. It reflects the connectional structure of the Church by ensuring that the property will be used solely for purposes consonant with the mission of the entire denomination as set forth in the *Discipline*. The trust requirement is thus a fundamental expression of United Methodism whereby local churches and other agencies and institutions within the denomination are both held accountable to and benefit from their connection with the entire worldwide Church.

In consonance with the legal definition and self-understanding of The United Methodist Church (see ¶ 141), and with particular reference to its lack of capacity to hold title to property, The United Methodist Church is organized as a connectional structure, and titles to all real and personal, tangible and intangible property held at jurisdictional, annual, or district conference levels, or by a local church or charge, or by an agency or institution of the Church, shall be held in trust for The United Methodist Church and subject to the provisions of its *Discipline*. Titles are not held by The United Methodist Church (see ¶ 807.1) or by the General Conference of The United Methodist Church, but instead by the incorporated conferences, agencies, or organizations of the denomination, or in the case of unincorporated bodies of the denomination, by boards of trustees established for the purpose of holding and administering real and personal, tangible and intangible property.

2. The trust is and always has been irrevocable, except as provided in the *Discipline*. Property can be released from the trust, transferred free of trust or subordinated to the interests of creditors and other third parties only to the extent authority is given by the *Discipline*.

3. Local churches and other United Methodist agencies and institutions may acquire, hold, maintain, improve, and sell property for purposes consistent with the mission of the Church, unless restricted or prevented by the *Discipline*.

¶ 2502. *Registration of the Name United Methodist*—The words *United Methodist* are not to be used as, or as a part of, a trade name or trademark or as a part of the name of any business firm or organization, except by corporations or other business units created for the administration of work undertaken directly by The United Methodist Church. The General Council on Finance and Administration is charged with supervision and registration of “United Methodist” and the denomination’s insignia (¶ 807.10 and ¶ 807.11).

¶ 2503. *Trust Clauses in Deeds*—1. Except in conveyances that require that the real property so conveyed shall revert to the grantor if and when its use as a place of divine worship has been terminated, all written instruments of conveyance by which premises are held or hereafter acquired for use as a place of divine worship or other activities for members of The United Methodist Church shall contain the following trust clause:¹

In trust, that said premises shall be used, kept, and maintained as a place of divine worship of the United Methodist ministry and members of The United Methodist Church; subject to the Discipline, usage, and ministerial appointments of said Church as from time to time authorized and declared by the General Conference and by the annual conference within whose bounds the said premises are situated. This provision is solely for the benefit of the grantee, and the grantor reserves no right or interest in said premises.

2. All written instruments by which premises are held or hereafter acquired as a parsonage for the use and occupancy of the ministers of The United Methodist Church shall contain the following trust clause:

In trust, that such premises shall be held, kept, and maintained as a place of residence for the use and occupancy of the ordained ministers of The United Methodist Church who may from time to time be entitled to occupy the same by appointment; subject to the Discipline and usage of said Church as from time to time authorized and declared by the General Conference and by the annual conference within whose bounds the said premises are situated. This provision is solely for the benefit of the grantee, and the grantor reserves no right or interest in said premises.

1. See Judicial Council Decision 688.

3. In case the property so acquired is to be used for both a house of worship and a parsonage, the provisions of both trust clauses specified in §§ 1 and 2 above shall be inserted in the conveyance.

4. In case the property so acquired is not to be used exclusively for a place of worship, or a parsonage, or both, all written instruments by which such premises are held or hereafter acquired shall contain the following trust clause:

In trust, that said premises shall be kept, maintained, and disposed of for the benefit of The United Methodist Church and subject to the usages and the Discipline of The United Methodist Church. This provision is solely for the benefit of the grantee, and the grantor reserves no right or interest in said premises.

5. When property is acquired from another United Methodist entity or organization, whether it is to be used as a place of divine worship, parsonage, or other use, all written instruments by which such premises are held or hereafter acquired shall contain the following trust clause:

In trust, that said premises shall be held, kept, maintained, and disposed of for the benefit of The United Methodist Church and subject to the usages and the Discipline of The United Methodist Church.

6. However, the absence of a trust clause stipulated in §§ 1, 2, 3, 4, or 5 above in deeds and conveyances executed previously or in the future shall in no way exclude a local church or church agency, or the board of trustees of either, from or relieve it of its connectional responsibilities to The United Methodist Church. Nor shall it absolve a local church or church agency or the board of trustees of either, of its responsibility and accountability to The United Methodist Church, including the responsibility to hold all of its property in trust for The United Methodist Church; provided that the intent of the founders and/or a later local church or church agency, or the board of trustees of either, is shown by any or all of the following:

a) the conveyance of the property to a local church or church agency (or the board of trustees of either) of The United Methodist Church or any predecessor to The United Methodist Church;

b) the use of the name, customs, and polity of The United Methodist Church or any predecessor to The United Methodist Church in such a way as to be thus known to the community as a part of such denomination; or

c) the acceptance of the pastorate of ordained ministers appointed by a bishop or employed by the superintendent of the district or annual conference of The United Methodist Church or any predecessor to The United Methodist Church.

¶ 2504. *Effect of Union*—Nothing in the Plan of Union at any time after the union is to be construed so as to require any existing local church of any predecessor denomination to The United Methodist Church to alienate or in any way to change the title to property contained in its deed or deeds at the time of union, and lapse of time or usage shall not affect said title or control. Title to all property of a local church, or charge, or agency of the Church shall be held subject to the provisions of the *Discipline*, whether title to the same is taken in the name of the local church trustees, or charge trustees, or in the name of a corporation organized for the purpose, or otherwise.

¶ 2505. *Oil, Gas, and Mineral Leases*—Subject to and in accordance with the laws of the state, province, or country, the governing body of any church unit or agency owning land in trust for The United Methodist Church as provided in this *Discipline* may lease said land for the production of oil, gas, coal, and other minerals, upon such terms as it may deem best; provided, however, that such production shall not interfere with the purpose for which said land is held. The moneys received from such leases as rentals, royalties, or otherwise shall be used so far as practicable for the benefit of the church unit and for the promotion of the interests of The United Methodist Church. The lessee shall have no control over or responsibility for the payments made under such lease.

Section II. Compliance With Law

¶ 2506. *Conformity With Local Law—Church Corporations*—
1. All provisions of the *Discipline* relating to property, both real and personal, and relating to the formation and operation of any corporation, and relating to mergers are conditioned upon their being in conformity with the local laws, and in the event of conflict therewith the local laws shall prevail; provided, however, that this requirement shall not be construed to give the consent of The United Methodist Church to deprivation of its property without due process of law or to the regulation of its affairs by state statute where such regulation violates the constitutional guarantee of freedom of religion and separation of church and state or violates the right of the Church to maintain its connectional struc-

ture. *Local laws* shall be construed to mean the laws of the country, state, or other like political unit within the geographical bounds of which the church property is located.²

2. Any corporation which is or has been formed or is controlled by a church agency (¶ 701), acting alone or with another church agency, shall include in its articles of incorporation (or charter) and its bylaws ("corporate documents") the following:

a) identification of the sponsoring church agency or agencies ("sponsor(s)") to which it relates and the relationship of the corporation to its sponsor(s),

b) recognition that its corporate powers are subject to the *Discipline* to the same extent as its sponsor(s), and

c) recognition that the corporation's powers cannot exceed those given by the *Discipline* to its sponsor(s).

3. The corporate documents shall contain language consistent with the Internal Revenue Code to protect its tax-exempt status. Also, the corporate documents shall name the corporation's sponsor(s) as the recipient(s) of corporate property in the event the corporation is abandoned, discontinued, or ceases to exist as a legal entity. The corporate documents shall also include a reference to the provisions of ¶ 2501.

4. The corporate documents shall contain provisions prohibiting the corporation's trustees, directors, or officers from changing the corporation's connectional relationship to its sponsor(s) without the sponsor(s)' consent, or otherwise acting in a manner contrary to the purpose of its sponsor(s) or the *Discipline*.

¶ 2507. *The Terms Trustee, Trustees, and Board of Trustees—Trustee, trustees, and board of trustees*, as used herein or elsewhere in the *Discipline*, may be construed to be synonymous with *director, directors, and board of directors* applied to corporations.

¶ 2508. *Conformity of Deeds and Conveyances with Local Law*—In order to secure the right of property, with the appurtenances thereof, of the churches and parsonages of The United Methodist Church, care shall be taken that all conveyances and deeds be drawn and executed in due conformity to the laws of the respective states, provinces, and countries in which the property is situated and also in due conformity to the laws of The United Methodist Church. Deeds shall be registered or recorded directly upon their execution.

2. See Judicial Council Decision 315.

¶ 2509. *Instituting and Defending Civil Action*—Because of the nature of The United Methodist Church (¶ 141), no individual or affiliated church body or unit, nor any official thereof, may commence or participate in any suit or proceeding in the name of or on behalf of The United Methodist Church, excepting, however, the following:

1. The General Council on Finance and Administration or any person or church unit served with legal process in the name of The United Methodist Church may appear for the purpose of presenting to the court the nonjural nature of The United Methodist Church and to raise issues of lack of jurisdiction of the court, lack of capacity of such individual or unit to be served with process, and related constitutional issues in defense of denominational interests.

2. Any denominational unit authorized to hold title to property and to enforce trusts for the benefit of the denomination may bring suit in its own name to protect denominational interests.

¶ 2510. *Limitation of Financial Obligations*—No conference, council, board, agency, local church, or other unit can financially obligate the denomination or, without prior specific consent, any other organizational unit thereof.

Section III. Audits and Bonding of Church Officers

¶ 2511. All persons holding trust funds, securities, or moneys of any kind belonging to the General, jurisdictional, annual, or provisional annual conferences or to organizations under the control of the General, jurisdictional, annual, or provisional annual conferences shall be bonded by a reliable company in such good and sufficient sum as the conference may direct. The accounts of such persons shall be audited at least annually by a recognized public or certified public accountant. A report to an annual conference containing a financial statement that the *Discipline* requires to be audited shall not be approved until the audit is made and the financial statement is shown to be correct. Other parts of the report may be approved pending such audit.

Section IV. Annual Conference Property³

¶ 2512. 1. *Conference Trustees*—Each annual conference may be incorporated in its own name if permitted by local law. It shall

³ For authority regarding property held by general agencies of the Church, see ¶ 807.6, .8.

have a board of trustees, which shall be incorporated if the conference itself is not incorporated. In either case, the board shall consist of twelve persons, and it is recommended that one-third be clergy, one third laywomen, and one-third laymen, in accordance with the provisions of ¶ 610.5.⁴ Said persons must be of legal age as determined by law, and lay members shall be members in good standing of local churches within the bounds of the conference. Such persons shall be the directors of the corporation. They shall be elected by the conference for staggered terms of four years, except for the first board, one-fourth of whom shall be elected for a term of one year, one-fourth for a term of two years, one-fourth for a term of three years, and one-fourth for a term of four years, and shall serve until their successors have been elected; provided, however, that existing incorporated trustees of any annual conference may continue unaffected while the charter or articles of incorporation are amended to bring them into conformity with this paragraph.

2. The board of trustees shall meet at least annually and organize by electing a president, vice president, secretary, and treasurer, whose duties shall be those usually pertaining to such offices. They shall be amenable to the annual conference. Vacancies occurring between sessions of an annual conference shall be filled as follows: Upon nomination by the conference committee on nominations, the district superintendents shall, by majority vote, elect a trustee to serve until the next annual conference. Vacancies shall be filled by the annual conference for the unexpired term.⁵

3. The board of trustees shall have the following authority with respect to the properties of the annual conference and its agencies:

a) The said corporation shall receive, collect, and hold in trust for the benefit of the annual conference any and all donations, bequests, and devises of any kind or character, real or personal, that may be given, devised, bequeathed, or conveyed to the said board or to the annual conference as such for any benevolent, charitable, or religious purpose, and shall administer the same and the income therefrom in accordance with the directions of the donor, trustor, or testator and in the interest of the church, society, institution, or agency contemplated by such donor, trustor, or testator,

4. See Judicial Council Decision 446.

5. See Judicial Council Decision 1170.

under the direction of the annual conference. When the use to be made of any such donation, bequest, or devise is not otherwise designated, the same shall be used as directed by the annual conference.

b) When so directed by the annual conference, the said corporation may receive and hold in trust for and on behalf of the annual conference, its districts, or any of its agencies any real or personal property previously acquired by the conference, its districts, or its agencies to be used in carrying out their mission, ministry, and program. When such property is in the form of investable funds, the board of trustees may consider placing the funds for investment and administration with the United Methodist conference or area foundation serving that conference or, in the absence of such a foundation, with the United Methodist Church Foundation. A conscious effort shall be made to invest in a manner consistent with the Social Principles and the creation of an investment policy. With respect to such properties, the board shall take no action that would alter or interfere with their missional or programmatic use or function unless such action is specifically directed by the annual conference. The provisions of this subsection shall not apply to educational or health and welfare institutions whose properties are held in their own name or in the name of their own duly elected boards of trustees or directors; nor shall they apply to the property of local churches except as such local church property may have been declared discontinued or abandoned under the provisions of ¶ 2549.

c) Except as restricted in § 3b, the board shall have the power to invest, reinvest, buy, sell, transfer, and convey any and all funds and properties that it may hold in trust, subject always to the terms of the legacy, devise, or donation.

d) Unless the annual conference provides otherwise, any contract, deed, bill of sale, mortgage, or other necessary written instrument needed to implement any resolution authorizing proposed action regarding annual conference property may be executed by and on behalf of the annual conference board of trustees by any two of its officers, who thereupon shall be duly authorized to carry out the direction of the annual conference; and any written instrument so executed shall be binding and effective as the action of the annual conference.

e) The conference board of trustees is encouraged to invest in institutions, companies, corporations, or funds that

make a positive contribution toward the realization of the goals of the Social Principles of our Church. The board of trustees shall act as a socially responsible investor and report annually to the annual conference regarding its carrying out of this responsibility. Among the tools the board may use are shareholder advocacy, selective divestment, advocacy of corporate disinvestment from certain countries or fields of business, and affirmative investments (as in affordable housing, care of the environment, minority business and banks, and so forth), as well as other appropriate strategies.

f) Funds committed to this board may be invested by it only in collateral that is amply secured and after such investments have been approved by the said board or its agency or committee charged with such investment, unless otherwise directed by the annual conference.⁶

4. The board may intervene and take all necessary legal steps to safeguard and protect the interests and rights of the annual conference anywhere and in all matters relating to property and rights to property whether arising by gift, devise, or otherwise, or where held in trust or established for the benefit of the annual conference or its membership.

5. It shall be the duty of the pastor within the bounds of whose charge any such gift, bequest, or devise is made to give prompt notice thereof to said board, which shall proceed to take such steps as are necessary and proper to conserve, protect, and administer the same; provided, however, that the board may decline to receive or administer any such gift, devise, or bequest for any reason satisfactory to the board. It shall also be the duty of the pastor to report annually to the board of trustees of the annual conference a list of all property, including real, personal, or mixed, within the charge belonging to or which should be under the control or jurisdiction of the said board.

6. The board shall make to each session of the annual conference a full, true, and faithful report of its doings, of all funds, monies, securities, and property held in trust by it, and of its receipts and disbursements during the conference year. The beneficiary of a fund held in trust by the board shall also be entitled to a report at least annually on the condition of such fund and on the transactions affecting it.

6. See Judicial Council Decisions 160, 190.

7. *Establishment of Annual Conference Policy With Regard to Government Efforts to Designate Church-Owned Property as Landmarks*—The board, after consultation with the conference commission on archives and history, or alternate structure, shall develop a policy for an annual conference response, on behalf of any local church, Church-related agency, or district or annual conference board of trustees located within the bounds of the annual conference, to any governmental effort to designate a property held in trust for the benefit of The United Methodist Church (¶ 2501) by any such board of trustees as a cultural, historical, or architectural landmark.

8. In cooperation with the General Council on Finance and Administration, related annual conference agencies and institutions, and local churches, to make recommendations to the annual conference regarding the development, promotion, and review of a broad general program of insurance protection, except for employee benefit programs.

¶ 2513. *United Methodist Foundations*—An annual conference or conferences may establish a United Methodist Foundation. The purposes for establishing such a foundation may include:

1. Providing the services described in ¶ 2512.3 as designated by the donor or upon delegation from the conference board of trustees;

2. The promotion of planned-giving programs on behalf of local churches, conferences, and general Church boards and agencies;

3. Furnishing counsel and guidance to local churches with regard to promotion and management of permanent funds; and

4. Other responsibilities as requested by the annual conference. The United Methodist Foundation shall have an independent governing board as determined by the incorporating documents approved by the annual conference. The governing board will establish all policies and procedures upon which the foundation will operate. Due care will be exercised to maintain prudent organizational separation from beneficiary organizations while striving to maintain missional purpose and connection.

¶ 2514. *Jointly Owned Episcopal Residences*—When authorized by two-thirds of the annual conferences comprising an episcopal area, an episcopal residence for the resident bishop may be acquired, the title to which shall be held in trust by the trustees of the annual conference within which the residence is located.

Any such property so acquired and held shall not be sold or disposed of except with the consent of a majority of the conferences that participate in the ownership. Whenever there is a plan to sell an episcopal residence or to transfer an annual conference from one episcopal area to another, that plan shall include provision for safeguarding each conference's equity, if any, in an episcopal residence; except that an annual conference, by its own decision, may relinquish its claims to an equity interest in an episcopal residence.⁷

¶ 2515. *Sale, Transfer, Lease, Mortgage, or Purchase of Annual Conference Property*—No annual conference real property shall be sold, transferred, or leased for a term that exceeds twenty years, or mortgaged or purchased without the consent of the annual conference or, *ad interim*, (a) the consent of the presiding bishop and of a majority of the district superintendents, and, in the case of discontinued or abandoned local church property or property to be purchased, the consent of a majority of the district board of church location and building (see ¶ 2549), and, in case of a discontinued Wesley Foundation or campus ministry property, the consent of the majority of the conference board of higher education and campus ministry, and the consent of the annual conference (see ¶ 634.4d); and (b) the bishop's determination that such transfer or encumbrance conforms to the *Discipline*. The bishop's written statement evidencing the satisfaction of this condition shall be affixed to or included in any instrument of transfer or encumbrance. Any required written instrument necessary to carry out the action so authorized shall be executed in the name of the conference corporation by any two of its officers or, where the conference is unincorporated, by any two officers of its board of trustees, and any written instrument so executed shall be binding and effective as the action of the conference.

¶ 2516. *Camps, Conference Grounds, and Retreat Centers*—Title to annual conference or district camps, conference grounds, and retreat centers held in trust by an incorporated board or agency of an annual conference or district, or by an unincorporated board, commission, society, or similar body of the conference or district, can be mortgaged or sold and conveyed by such corporation or unincorporated body only after authorization by the annual or district conference to which such body is related.

7. See Judicial Council Decision 194.

¶ 2517. *Responsibilities of Annual Conference Trustees Related to Health and Welfare Institutions.*

1. The annual conference shall designate a body that shall be responsible for establishing and maintaining the annual conference's relationship statements with related health and welfare organizations. If the annual conference does not designate a body for this purpose, the responsibility shall rest with the annual conference board of trustees. A related health and welfare organization is any organization that:

- a) Provides health or welfare services;
- b) Is located within the bounds of the annual conference;

and

- c) Either

(1) Seeks, or already has, a relationship or connection with an annual conference, regardless of whether the relationship or connection is formal or informal, official or unofficial, or does or does not involve any financial or legal commitments; or

(2) Markets, publicizes, or promotes itself as having a connection to the annual conference or to the denomination or uses the official United Methodist insignia or the term "United Methodist" in any way; provided, however, that health and welfare organizations that have a covenant relationship with the national office of the United Methodist Women may also seek a relationship or connection with an annual conference, pursuant to this section, but shall not be required to do so.

2. The body designated by the annual conference shall consult with the conference chancellor and the conference Health and Welfare Committee (or equivalent structure) in the development of relationship statements.

3. The body designated by the annual conference shall provide the General Council on Finance and Administration with current copies of all of the conference's relationship statements.

4. If the annual conference has a relationship with a related health and welfare organization, the legal and financial relationships between the annual conference and the health and welfare organization must be memorialized in a clearly stated document describing such relationships. This relationship statement shall:

- a) Not purport to name as a party "The United Methodist Church" and/or any general agency of "The United Methodist Church";

b) Require the health and welfare organization to acquire approval from the General Council on Finance and Administration if the health and welfare organization wishes to use the official United Methodist insignia or the term "United Methodist" in its name, mission statement, publications, or promotional or marketing material;

c) Acknowledge that the annual conference shall not be legally responsible for the debts, contracts, or obligations, or for any other financial commitments of any character or description created, undertaken, or assumed by the health and welfare institution, absent the express consent of the annual conference;

d) Require the body designated by the annual conference and the health and welfare institution to review the relationship statement at least every four years; and

e) Comply with any further requirements adopted by the General Council on Finance and Administration, in collaboration with the United Methodist Association of Health and Welfare Ministries.

5. The body designated by the annual conference may encourage or require the health and welfare organization to:

a) Hold membership in the United Methodist Association of Health and Welfare Ministries;

b) Pursue accreditation in one of the industry-recognized, national accreditation bodies appropriate to faith-based organizations; or

c) Utilize the programmatic standards, self-study, and peer review appropriate to Church-related institutions and programs available to them through organizations that will promote excellence in Christian ministry and mission and enhance the quality of services offered.

6. If the body designated by the annual conference terminates, decides not to renew, or is unable, after reasonable efforts, to agree to, a relationship statement with a health and welfare organization, it shall report such termination, non-renewal, or inability to agree at the next session of the annual conference. This report shall then be published in the annual conference journal. The organization may then establish a relationship statement with the United Methodist Association consistent with the requirements of ¶ 2517.

Section V. District Property

¶ 2518. *District Parsonages and Boards of Trustees*—1. A district parsonage for the district superintendent may be acquired

when authorized by the charge conferences of two-thirds of the charges in the district or when authorized by a two-thirds vote of the district conference, subject to the advice and approval of the district board of church location and building as provided in ¶¶ 2519-2524.

2. Any district conference or district union that owns property or has employees may be incorporated in its own name if permitted by local law. Unless the district conference or district union is incorporated in its own name, each district's board of trustees shall be incorporated. The district board shall consist of not fewer than three nor more than nine members in accordance with ¶ 610.5, having the same qualifications provided for trustees of local churches (¶ 2525), who shall be nominated by the district superintendent in consultation with the district nominating committee, if one exists, and elected by the district conference. Where there is no district conference, they may be elected by the district board of stewards or by the annual conference on nomination of the district superintendent. They shall be elected for a term of one year and serve until their successors shall have been elected, and they shall report annually to the district conference or annual conference. Title to district property may be held in trust by the incorporated district conference or union, the incorporated district board of trustees, or the annual conference of which such district is a part, and such trustees shall report annually to the district or annual conference. Except as the laws of the state, territory, or country prescribe otherwise, district property held in trust by a district board of trustees may be mortgaged or sold and conveyed by them only by authority of the district conference or annual conference, or if such property is held in trust by the trustees of the annual conference, it may be mortgaged or sold and conveyed by such trustees only by authority of the annual conference. The district conference, or annual conference in the case of property held in trust by the trustees of the annual conference, may include in the resolution authorizing such proposed action a direction that any contract, deed, bill of sale, mortgage, or other necessary written instrument may be executed by and on behalf of the respective board of trustees by any two of its officers, who thereupon shall be duly authorized to carry out the direction of the district conference or annual conference; and any written instrument so executed shall be binding and effective as the action of the district conference or annual conference. The purchase price and main-

tenance cost of a district parsonage may be equitably distributed among the charges of the district by the district board of stewards. Where there is an incorporated district union (¶ 659.4), the board of directors of the district union shall have the same duties and responsibilities with respect to district property as are described here for the district board of trustees.

3. When district boundaries are changed by division, rearrangement, or consolidation so that a district parsonage purchased, owned, and maintained by one district is included within the bounds of another district, each such district shall be entitled to receive its just share of the then-reasonable value of the parsonage in which it has invested funds; and the amount of such value and just share shall be determined by a committee of three persons, appointed by the bishop of the area, who shall not be residents of any of the said districts. The committee shall hear claims of each district regarding its interest therein before making a decision. From any such determination, there is reserved unto each of the interested districts the right of appeal to the next succeeding annual conference. The same procedure shall be followed in determining equities of a district in any other property that may be included in another district by changes in district boundaries.

¶ 2519. *Authorization and Establishment of District Boards of Church Location and Building*—There shall be in each district of an annual conference a district board of church location and building. The board shall consist of the district superintendent and a minimum of six and a maximum of nine additional persons nominated by the district superintendent in consultation with the district nominating committee, if one exists, and elected annually by the annual conference, provided that in a district of great geographical extent an additional board may be so elected. It is recommended that the membership include one-third clergy, one-third laymen, one-third laywomen, and, where possible, should be inclusive of gender, race, age, and people with disabilities. These persons shall be professing members of The United Methodist Church. The members of the board, excluding the district superintendent, shall be divided into three classes. One third shall be elected annually for a three-year term. A chairperson and a secretary shall be elected annually at the first meeting following annual conference. The board shall file a report of any actions taken with the charge conference of each local church involved, and the report so filed shall become a part of the minutes of

the said conference or conferences. The board shall also make a written report to the district conference (or, if there is no district conference, to the district superintendent), and this report shall become a part of the records of that conference.

¶ 2520. *Duties and Responsibilities of the District Boards of Church Location and Building*—1. *Local Church Building Sites and Plans*—The board of church location and building shall investigate all proposed local church building sites, ascertaining that such sites are properly located for the community to be served and adequate in size to provide space for future expansion and parking facilities. (See ¶¶ 259.1, 2544.2.)

2. If there is a district strategy committee for parish development or a metropolitan commission (¶ 633.5j) in the district, the board shall consider its recommendations in planning a strategy for continuing the service of The United Methodist Church in changing neighborhoods. If no parish development committee or commission is operative, the board shall study the duties assigned to each and seek ways to provide continuity of service in parishes where there is a change in the racial, ethnic, or cultural character of the residents, to the end that the resolutions of the General Conference involving such neighborhoods be given careful consideration. One member of the board shall also have membership on the strategy committee or on the commission.

3. The board of church location and building shall investigate all proposed local church or parsonage buildings to determine the best method to make the structure energy-efficient.

¶ 2521. *Standards for the Approval of Building Proposals*—1. The District Board of Church Location and Building shall review the plans of any church in the district which proposes to construct or purchase a new church or educational building or a parsonage, or remodeling of such a building if the cost will exceed 25 percent of the value of the building. Such proposal shall include a statement of the need for the proposed facilities, preliminary architectural plans, cost estimate of the project, and a financial plan for defraying such costs. Before finally approving the building project, the board shall determine that the preliminary architectural design and financial plans have been evaluated and approved by proper authorities. Building plans shall provide for equal access to persons with disabilities as per ¶ 2544.4b(1), (2).

2. When the local church has secured final architectural plans and specifications and a reliable and detailed estimate of the cost

of the proposed undertaking as provided in ¶ 2544.7, the board shall require their submission for consideration and approval. The board shall study carefully the feasibility and financial soundness of the undertaking and ascertain whether the financial plan will provide funds necessary to ensure prompt payment of all proposed contractual obligations and provide for the full financial support of the program ministries, including annual conference and general Church benevolences. It shall report its conclusions to the Church and to the cabinet in writing.

3. A final decision of the board approving purchase, building, or remodeling shall automatically terminate after a period of one year where no action has been taken by the local church to carry out such decision.

¶ 2522. *Appeals of District Boards of Church Location and Building Decisions*—A decision of the board disapproving such purchase, building, or remodeling shall be final unless overruled by the annual conference, to which there is reserved unto the local church the right of appeal.

¶ 2523. *Application of Standards to the Acquisition of a District Parsonage*—The above provisions shall apply to the acquisition of a district parsonage.

¶ 2524. *Sale, Transfer, Lease, or Mortgage of District Property*—No district property shall be sold, transferred, or leased for a term that exceeds twenty years, or mortgaged, without: (a) the consent of the presiding district superintendent; and (b) the district superintendent's determination that such transfer or encumbrance conforms to the *Discipline*. The district superintendent's written statement evidencing the satisfaction of this condition shall be affixed to any instrument or transfer or encumbrance. Any required written instrument necessary to carry out the action so authorized shall be executed in the name of the corporation by any two of its officers, or any two officers of its board of trustees, and any written instrument so executed shall be binding and effective as the action of the corporation.

Section VI. Local Church Property

¶ 2525. *Local Church Board of Trustees' Qualifications*—In each pastoral charge consisting of one local church, there shall be a board of trustees, consisting of not fewer than three nor more than nine persons, and it is recommended that at least one-third be laywomen and that at least one-third be laymen. The trustees

shall be of legal age as determined by law, and at least two-thirds shall be professing members of The United Methodist Church (see ¶¶ 258.1, .3; 2530). No pastor is a voting member of the board of trustees unless elected as a member.

¶ 2526. *Local Church Board of Trustees' Election*—The members of the board of trustees shall be divided into three classes, and each class shall as nearly as possible consist of an equal number of members. At the charge conference, on recommendation by the committee on nominations and leadership development or from the floor, it shall elect, to take office at the beginning of the ensuing calendar year or at such other times as the charge or church conference may set, to serve for a term of three years or until their successors have been duly elected and qualified, the required number of trustees to succeed those of the class whose terms then expire; provided, however, that nothing herein shall be construed to prevent the election of a trustee to self-succession.⁸ The charge conference may assign the responsibility for electing trustees to a church conference.

¶ 2527. *Church Local Conference—Duties, Authority, and Membership*—1. In a pastoral charge consisting of two or more local churches, a church local conference, constituted and organized under the *Discipline* of The United Methodist Church in each local church therein, shall be vested with authority and power in matters relating to the real and personal property of the local church concerned. Such church local conference shall elect the board of trustees of such local church in number and manner described in ¶ 2526, and the duties of such trustees, duly elected, shall be the same as and identical with the duties described in ¶ 2528. The duties, authority, and power vested in the church local conference, insofar as they relate to the property, real and personal, of the local church concerned, are the same as and identical with the authority and power vested in the charge conference of a pastoral charge of one local church (¶ 2529); and the authority, power, and limitations therein set forth shall be applicable to the church local conference as fully and to the same extent as if incorporated herein. The effect of the provisions for a church local conference is to give to each local church in a charge of two or more churches, rather than to the pastoral charge conference, supervision over and control of its own property, subject to the

8. See Judicial Council Decision 130.

limitations prescribed in the *Discipline* with regard to local church property.

2. Whenever required under *The Book of Discipline of The United Methodist Church* for matters relating to real or personal property of the local church or to mergers of churches, a local church in a pastoral charge consisting of two or more local churches shall organize a church local conference. The membership of the church local conference shall consist of the persons specified for membership of the charge conference (¶ 246.2) so far as the officers and relationships exist within the local church, except that the pastor shall be a member of each church local conference. The provisions of ¶ 246.2-10 relating to membership qualification and procedures of a charge conference shall be applicable to membership qualifications and procedures of a church local conference.

¶ 2528. *Charge or Cooperative Parish Board of Trustees*—1. A pastoral charge composed of two or more churches, each having a local board of trustees, may have, in addition, a board of trustees for the charge as a whole. This board shall hold title to and manage the property belonging to the entire charge, such as parsonage, campground, burial ground, and such other property as may be committed to it. It shall receive and administer funds for the charge in conformity with the laws of the state, province, or country in which the property is located. This board shall consist of no fewer than three persons, at least two-thirds of whom shall be professing members of The United Methodist Church and of legal age as determined by law. These trustees shall be elected by the charge conference for three years or until their successors are elected.

2. A cooperative parish composed of two or more charges may have, in addition to its charge trustees and local church trustees, a board of trustees for the cooperative parish as a whole. This board shall hold title to and manage the property belonging to the cooperative parish in accordance with ¶¶ 2503, 2527, and 2528. These trustees shall be elected by the charge conference and/or church local conference related to the cooperative parish and shall be representative of each congregation that composes the cooperative parish.

3. The board of trustees of a charge shall provide for the security of its funds, keep an accurate record of its proceedings, and report to the charge conference to which it is amenable.

4. When two or more local churches compose a single pastoral charge having a parsonage and one or more thereof is separated

from such charge and established as a pastoral charge or united with another pastoral charge, each such local church shall be entitled to receive its just share of the then-reasonable value of the parsonage in which it has invested funds, with the exception that those churches departing from a circuit who had joined the circuit after the parsonage was acquired would have no claim on any value of the parsonage. The amount of such value and just share shall be determined by a committee of three persons, appointed by the district superintendent, who shall be members of The United Methodist Church but not of any of the interested local churches. Such committee shall hear all interested parties and shall take into account the investment of any church in any such property before arriving at a final determination. From any such determination there is reserved to each of the interested churches the right of appeal to the next succeeding annual conference, the decision of which shall be final and binding. Any sum received as or from such share shall not be applied to current expense or current budget.

¶ 2529. *Charge Conference Authority*—In a pastoral charge consisting of one local church, the charge conference, constituted as set forth in ¶¶ 246-247, shall be vested with power and authority as hereinafter set forth in connection with the property, both real and personal, of the said local church. In fulfilling that duty, the charge conference may delegate certain duties and responsibilities to the board of trustees as described below. However, the board of trustees shall always be subject to the direction of the charge conference. The charge conference may:

1. *a)* If it so elects, direct the board of trustees to incorporate the local church, expressly subject, however, to the *Discipline* of The United Methodist Church (see ¶ 2506) and in accordance with the pertinent local laws and in such manner as will fully protect and exempt from any and all legal liability the individual officials and members, jointly and severally, of the local church and the charge, annual, jurisdictional, and general conferences of The United Methodist Church, and each of them, for and on account of the debts and other obligations of every kind and description of the local church.

- b)* Regardless of whether the charge conference elects to incorporate the local church, the local church:

- (1) must be organized and operated in compliance with the *Discipline*;

(2) cannot act in a manner contrary to the purpose of The United Methodist Church, the annual conference, or the *Discipline*; and

(3) cannot sever its connectional relationship to The United Methodist Church without the consent of the annual conference.

c) The organizing documents (articles of incorporation, charter, bylaws, or equivalents) of a local church shall reflect its connectional relationship to The United Methodist Church. The adoption or modification of a local church's organizing documents must be approved, in writing, by its pastor and district superintendent. Specifically, local church organizing documents shall, at a minimum:

(1) require the local church to be organized and operated in compliance with the *Discipline*;

(2) prohibit the local church from acting in a manner contrary to the purpose of The United Methodist Church, the annual conference, or the *Discipline*;

(3) prohibit the local church from severing its connectional relationship to The United Methodist Church without the annual conference's consent;

(4) require the pastor and the district superintendent to approve, in writing, the adoption of, and changes to, the local church's organizing documents; and

(5) include language consistent with the Internal Revenue Code to protect the local church's tax-exempt status.

d) The failure of a local church's organizing documents to meet the requirements of ¶ 2529.1c(1)-(4) does not relieve the local church of its connectional responsibilities to The United Methodist Church, nor does it absolve its pastor and membership of the responsibility to operate the local church as a United Methodist church, in accordance with the *Discipline*. The organizing documents are deemed modified to the extent necessary to comply with ¶ 2529.1c(1)-(4) if any of the circumstances described in ¶ 2503.6a-c apply.

2. Direct the board of trustees with respect to the purchase, sale, mortgage, encumbrance, construction, repairing, remodeling, and maintenance of any and all property of the local church.

3. Direct the board of trustees with respect to the acceptance or rejection of any and all conveyances, grants, gifts, donations, legacies, bequests, or devises, absolute or in trust, for the use and

benefit of the local church, and to require the administration of any such trust in accordance with the terms and provisions thereof and with the local laws appertaining thereto. (See ¶ 2533.5.)

4. Direct the board of trustees to do any and all things necessary to exercise such other powers and duties relating to the property, real and personal, of the local church concerned as may be committed to it by the *Discipline*.

5. To recommend that consideration be given to placing such investable property with a United Methodist foundation serving such charge conference, to benefit the local church, charge conference or their successors, or in the absence of such a foundation, with the United Methodist Foundation.

¶ 2530. *Local Church Board of Trustees' Organization and Membership*—The board of trustees shall organize as follows:

1. Within thirty days after the beginning of the ensuing calendar or conference year (whichever applies to the term of office), each board of trustees shall convene at a time and place designated by the chairperson, or by the vice chairperson in the event that the chairperson is not reelected a trustee or because of absence or disability is unable to act, for the purpose of electing officers of the said board for the ensuing year and transacting any other business properly brought before it.

2. The board of trustees shall elect from the membership thereof, to hold office for a term of one year or until their successors shall be elected, a chairperson, vice chairperson, secretary, and, if need requires, a treasurer; provided, however, that the chairperson and vice chairperson shall not be members of the same class; and provided further, that the offices of secretary and treasurer may be held by the same person; and provided further, that the chairperson shall be a professing member of the local church. The duties of each officer shall be the same as those generally connected with the office held and which are usually and commonly discharged by the holder thereof. The church local conference may, if it is necessary to conform to the local laws, substitute the designations *president* and *vice president* for and in place of *chairperson* and *vice chairperson*.

3. Where necessity requires, as a result of the incorporation of a local church, the corporation directors, in addition to electing officers as provided in § 2 above, shall ratify and confirm by appropriate action and, if necessary, elect as officers of the corporation the treasurer or treasurers, as the case may be, elected by

the charge conference in accordance with the provisions of the *Discipline*, whose duties and responsibilities shall be as therein set forth. If more than one account is maintained in the name of the corporation in any financial institution or institutions, each such account and the treasurer thereof shall be appropriately designated.

¶ 2531. *Removal of Local Church Trustees; Vacancies*—1. Should a trustee withdraw from the membership of The United Methodist Church or be excluded therefrom, trusteeship therein shall automatically cease from the date of such withdrawal or exclusion.

2. Should a trustee of a local church or a director of an incorporated local church refuse to execute properly a legal instrument relating to any property of the church when directed so to do by the charge conference and when all legal requirements have been satisfied in reference to such execution, the said charge conference may by majority vote declare the trustee's or director's membership on the board of trustees or board of directors vacated.

3. Vacancies occurring in a board of trustees shall be filled by election for the unexpired term. Such election shall be held in the same manner as for trustees. A vacancy occurring ad interim may be filled until the next charge conference by the church council.

¶ 2532. *Meetings of Local Church Boards of Trustees*—The board of trustees shall meet at the call of the pastor or of its chairperson at least annually at such times and places as shall be designated in a notice to each trustee and the pastor(s) at a reasonable time prior to the appointed time of the meeting. Waiver of notice may be used as a means to validate meetings legally where the usual notice is impracticable. A majority of the members of the board of trustees shall constitute a quorum.

¶ 2533. *Board of Trustees' Powers and Limitations*—1. Subject to the direction of the charge conference, the board of trustees shall have the supervision, oversight, and care of all real property owned by the local church and of all property and equipment acquired directly by the local church or by any society, board, class, commission, or similar organization connected therewith, provided that the board of trustees shall not violate the rights of any local church organization elsewhere granted in the *Discipline*; provided further, that the board of trustees shall not prevent or interfere with the pastor in the use of any of the said property for religious services or other proper meetings or purposes recognized by the law, usages, and customs of The United Methodist

Church, or permit the use of said property for religious or other meetings without the consent of the pastor or, in the pastor's absence, the consent of the district superintendent; and provided further, that pews in The United Methodist Church shall always be free; and provided further, that the church local conference may assign certain of these duties to a building committee as set forth in ¶ 2544 or the chairperson of the parsonage committee, if one exists.

2. The board of trustees shall annually compare the existence and adequacy of the church's insurance coverages to an insurance schedule annually published by the General Council on Finance and Administration. The purpose of this review is to ensure that the church, its properties, and its personnel are properly protected against risks. The board shall include in its report to the charge conference (¶ 2550.7) the results of its review and recommendations needed to timely bring the church into compliance with the published schedule.⁹

3. When a pastor and/or a board of trustees are asked to grant permission to an outside organization to use church facilities, permission can be granted only when such use is consistent with the Social Principles (¶¶ 160-166) and ecumenical objectives.

4. The chairperson of the board of trustees or the chairperson of the parsonage committee, if one exists, the chairperson of the committee on pastor-parish relations, and the pastor shall make an annual review of the church-owned parsonage to ensure proper maintenance.

5. Subject to the direction of the charge conference as hereinbefore provided, the board of trustees shall receive and administer all bequests made to the local church; shall receive and administer all trusts; and shall invest all trust funds of the local church in conformity with laws of the country, state, or like political unit in which the local church is located. Nevertheless, upon notice to the board of trustees, the charge conference may delegate the power, duty, and authority to receive, administer, and invest bequests, trusts, and trust funds to the permanent endowment committee or to a local church foundation and shall do so in the case of bequests, trusts, or trust funds for which the donor has designated the committee or the local church foundation to receive, administer, or invest the same.

9. See Judicial Council Decisions 866, 1142.

The board of trustees is encouraged to invest in institutions, companies, corporations, or funds that make a positive contribution toward the realization of the goals outlined in the Social Principles of our Church. The board of trustees is to act as a socially responsible investor and to report annually to the charge conference regarding its carrying out of this responsibility. When such property is in the form of investable funds, the board of trustees shall consider placement for investment and administration with the United Methodist foundation serving that conference or, in the absence of such a foundation, with the United Methodist Church Foundation. A conscious effort shall be made to invest in a manner consistent with the Social Principles and the creation of an investment policy.

6. The board of trustees shall conduct or cause to be conducted an annual accessibility audit of their buildings, grounds, and facilities to discover and identify what physical, architectural, and communication barriers exist that impede the full participation of people with disabilities and shall make plans and determine priorities for the elimination of all such barriers. It is highly encouraged that members of the congregation or from the community who have disabilities, who are family members of persons with disabilities, and who are builders or architects or rehabilitation professionals be involved in conducting the audit. The Accessibility Audit for churches shall be used in filling out the annual church and/or charge conference reports.

¶ 2534. *Permanent Endowment and Planned Giving Ministry Committee*—A charge conference may establish a local church permanent endowment and planned giving ministry committee. The purposes for establishing such a committee include the responsibilities to:

1. Provide the services described in ¶ 2533.5 as designated by the donor or at the direction of the charge conference upon notice to the board of trustees. When such property is in the form of investable funds, the permanent endowment fund committee may consider placement for investment and administration with the United Methodist foundation serving that conference or, in the absence of such a foundation, with the United Methodist Church Foundation. A conscious effort shall be made to invest in a manner consistent with the Social Principles and the creation of an investment policy.

When the charge conference has designated the committee to provide the services described in ¶ 2533.5, the committee shall

have the same investment and reporting duties as are imposed on the board of trustees in that paragraph.

2. The charge conference shall adopt guidelines for endowment and planned giving as developed by the permanent endowment and planned giving ministry committee. Subject to the direction and supervision of the charge conference, the committee shall fulfill its responsibilities in administering the planned-giving and/or permanent endowment fund.

Following each General Conference, the charge conference shall update any required changes in the planned-giving and/or permanent endowment fund documents.

3. Emphasize the need for adults of all ages to have a will and an estate plan and provide information on the preparation of these to the members of the congregation.

4. Stress the opportunities for church members and constituents to make provisions for giving through United Methodist churches, institutions, agencies, and causes by means of wills, annuities, trusts, life insurance, memorials, and various types of property.

5. Arrange for the dissemination of information that will be helpful in preretirement planning, including such considerations as establishing a living will, a living trust, and the need for each person to designate someone to serve as a responsible advocate should independent decision-making ability be lost.

6. Permanent endowment and planned giving ministry committee trustees are directed by the charge conference to follow the guidelines and actions initiated by the charge conference, overturn any transaction that the charge conference may deem excessive, and remove any trustee who does not carry out the directions of the charge conference. Careful attention will be given to the election of trustees to ensure that there is no conflict of interest. Following each General Conference, the permanent endowment document shall be brought into line with any changes in the *Discipline*.

7. Other responsibilities as determined by the charge conference.

8. Resources for these tasks may be secured from conference and/or area United Methodist foundations and development offices, the National Association of United Methodist Foundations, the General Board of Discipleship, the General Council on

Finance and Administration, and other appropriate sources for program assistance and direction.

¶ 2535. *Local Church Foundations*—After securing the written consent of the pastor and of the district superintendent, local churches may, by charge conference action, establish local church foundations whose trustees, directors, or governing body shall be elected by the charge conference. Such foundations shall be incorporated, organized, and function in compliance with state law and subject to the provisions of the *Discipline*. Any such foundation shall not violate the rights of any other local church organization and shall be subject to the direction of the charge conference. The charge conference may delegate to the foundation the power and authority to receive, invest, and administer in trust for the local church bequests, trusts, and trust funds upon notice to the board of trustees as provided in ¶ 2533.5, in which event the foundation shall have the same investment and reporting duties as are imposed on the board of trustees. No such delegation of authority shall be construed to be a violation of the rights of any other local church organization. Consideration shall be given to the placement of funds with the conference or area United Methodist foundation for administration and investment.

¶ 2536. *Unincorporated Local Church Property—Title and Purchase*—Unless otherwise required by local law (¶ 2506), title to all property now owned or hereafter acquired by an unincorporated local church, and any organization, board, commission, society, or similar body connected therewith, shall be held by and/or conveyed and transferred to its duly elected trustees, their successors and assigns, in trust for the use and benefit of such local church and of The United Methodist Church. The trustees shall be named as the board of trustees of the local church in the written instrument conveying or transferring title. Every instrument of conveyance of real estate shall contain the appropriate trust clause as set forth in the *Discipline* (¶ 2503).

¶ 2537. *Unincorporated Local Church Property—Notice and Authorization*—Prior to the purchase by an unincorporated local church of any real estate, a resolution authorizing such action shall be passed at a meeting of the charge conference by a majority vote of its members present and voting at a regular meeting or a special meeting of the charge conference called for that purpose; provided, however, that not less than ten days' notice of such meeting and the proposed action shall have been given from the

pulpit and in the weekly bulletin, newsletter, or electronic notice of the church; and provided further, that written consent to such action shall be given by the pastor and the district superintendent. (See ¶ 2544.)

¶ 2538. *Incorporated Local Church Property—Title and Purchase*—Unless otherwise required by local law (¶ 2506), the title to all property now owned or hereafter acquired by an incorporated local church, and any organization, board, commission, society, or similar body connected therewith, shall be held by and/or conveyed to the corporate body in its corporate name, in trust for the use and benefit of such local church and of The United Methodist Church. Every instrument of conveyance of real estate shall contain the appropriate trust clause as set forth in the *Discipline* (¶ 2503).

¶ 2539. *Incorporated Local Church Property—Notice and Authorization*—Prior to the purchase by a local church corporation of any real estate, a resolution authorizing such action shall be passed by the charge conference in corporate session, or such other corporate body as the local laws may require, with the members thereof acting in their capacity as members of the corporate body, by a majority vote of those present and voting at any regular or special meeting called for that purpose, provided that not less than ten days' notice of such meeting and the proposed action shall have been given from the pulpit and in the weekly bulletin, newsletter, or electronic notice of the local church or other means if required or permitted by local law, and provided further, that written consent to such action shall be given by the pastor and the district superintendent, and provided further, that all such transactions shall have the approval of the charge conference.

¶ 2540. *Unincorporated Local Church Property—Sale, Transfer, Lease, or Mortgage*—Any real property owned by or in which an unincorporated local church has any interest may be sold, transferred, leased for a term of thirty days or more (which shall include leases for less than thirty days if such a lease is consecutive with the same lessee), or mortgaged subject to the following procedure and conditions:

1. Notice of the proposed action and the date and time of the regular or special meeting of the charge conference at which it is to be considered shall be given at least ten days prior thereto from the pulpit of the church and in its weekly bulletin, newsletter, or electronic notice, or other means if required or permitted by local law.

2. A resolution authorizing the proposed action shall be passed by a majority vote of the charge conference members (in a pastoral charge consisting of two or more local churches, the church local conference; see ¶ 2527) present and voting at a special meeting called to consider such action.

3. The written consent of the pastor of the local church and the district superintendent to the proposed action shall be necessary and shall be affixed to or included in the instrument of sale, conveyance, transfer, lease, or mortgage. Prior to consenting to any proposed action required under this paragraph involving any United Methodist church property, the pastor, district superintendent, and the district board of church location and building shall ensure that: (a) a full investigation shall be made and an appropriate plan of action shall be developed for the future missional needs of the community; (b) the transfer or encumbrance shall conform to the *Discipline*; (c) the congregation, if no longer to continue as an organized local United Methodist Church, does not sell but may transfer title of its facilities to another United Methodist church or agency; and (d) the congregation, in case of relocation, first offers its property to a United Methodist congregation or agency at a price not to exceed fair market value. The district strategies or other missional strategies should include the ministries of both United Methodist congregations and the community where the existing facility is located. Certification by the district superintendent shall be conclusive evidence that the transfer or encumbrance conforms to the *Discipline*. The requirements of investigation and the development of a plan of action, however, shall not affect the merchantability of the title to the real estate or the legal effect of the instruments of sale or transfer.

4. Unless the charge conference directs otherwise, any contract, deed, bill of sale, mortgage, or other necessary written instrument needed to implement any resolution authorizing action regarding local church property may be executed by and on behalf of the local church by any two officers of the board of trustees, who thereupon shall be duly authorized to carry out the direction of the charge conference; and any written instrument so executed shall be binding and effective as the action of the local church.

¶ 2541. *Incorporated Local Church Property—Sale, Transfer, Lease, or Mortgage*—Any real property owned by or in which an incorporated local church has any interest may be sold, trans-

ferred, leased for a term of thirty days or more (which shall include leases for less than thirty days if such a lease is consecutive with the same lessee), or mortgaged subject to the following procedure and conditions:

1. Notice of the proposed action and the date and time of the regular or special meeting of the members of the corporate body—i.e., members of the charge conference at which it is to be considered—shall be given at least ten days prior thereto from the pulpit of the church and in its weekly bulletin, newsletter, or electronic notice or other means if required or permitted by local law.

2. A resolution authorizing the proposed action shall be passed by a majority vote of the members of the corporate body present and voting at any regular or special meeting thereof called to consider such action and a majority vote of the members of the charge conference, if the corporate members are different than the charge conference members.

3. The written consent of the pastor of the local church and the district superintendent to the proposed action shall be necessary and shall be affixed to or included in the instrument of sale, conveyance, transfer, lease, or mortgage. Prior to consenting to any proposed action required under this paragraph involving any United Methodist church property, the pastor, the district superintendent, and the district board of church location and building shall ensure that—(a) a full investigation shall be made and an appropriate plan of action shall be developed for the future missional needs of the community; (b) the transfer or encumbrance shall conform to the *Discipline*; (c) the congregation, if no longer to continue as an organized United Methodist church, does not sell but may transfer title of its facilities to another United Methodist church or agency; and (d) the congregation, in case of relocation, first offers its property to a United Methodist congregation or agency at a price not to exceed fair market value. The district strategies or other missional strategies should include the ministries of both United Methodist congregations and the community where the existing facility is located. Certification by the district superintendent shall be conclusive evidence that the transfer or encumbrance conforms to the *Discipline*. The requirements of investigation and the development of a plan of action shall not affect the merchantability of the title to the real estate or the legal effect of the instruments of sale or transfer.

4. The resolution authorizing such proposed action shall direct and authorize the corporation's board of directors to take all necessary steps to carry out the action and to cause to be executed, as hereinafter provided, any necessary contract, deed, bill of sale, mortgage, or other written instrument.

5. The board of directors at any regular or special meeting shall take such action and adopt such resolutions as may be necessary or required by the local laws.

6. Any required contract, deed, bill of sale, mortgage, or other written instrument necessary to carry out the action so authorized shall be executed in the name of the corporation by any two of its officers, and any written instrument so executed shall be binding and effective as the action of the corporation.

¶ 2542. *Disposition and Mortgage of Church Building or Parsonage*—Real property acquired by a conveyance subject to the trust clause may be sold in conformity with the provisions of the *Discipline* of The United Methodist Church when its use as a church building or parsonage, as the case may be, has been, or is intended to be, terminated; and when such real estate is sold or mortgaged in accordance with the provisions of the *Discipline* of The United Methodist Church, the written acknowledged consent of the proper district superintendent representing The United Methodist Church to the action taken shall constitute a release and discharge of the real property so sold and conveyed from the trust clause or clauses; or in the event of the execution of a mortgage, such consent of the district superintendent shall constitute a formal recognition of the priority of such mortgage lien and the subordination of the foregoing trust provisions thereof; and no bona fide purchaser or mortgagee relying upon the foregoing record shall be charged with any responsibility with respect to the disposition by such local church of the proceeds of any such sale or mortgage; but the board of trustees receiving such proceeds shall manage, control, disburse, and expend the same in conformity to the order and direction of the charge conference or church local conference, subject to the provisions of the *Discipline* of The United Methodist Church with respect thereto.

¶ 2543. *Restriction on Proceeds of Mortgage or Sale*¹⁰—1. No real property on which a church building or parsonage is located shall be mortgaged to provide for the current budget or operating

10. See Judicial Council Decision 688.

expense of a local church. The principal proceeds of a sale of any such property shall not be used for the current budget or operating expense of a local church. Provided that provisions are made for the current and future missional needs of the congregation and the current and future housing needs of a pastor, the principal may be used for capital improvements beyond the regular operating budget when written approval is granted by the district superintendent and pastor. This provision shall apply alike to unincorporated and incorporated local churches.¹¹

2. A local church, whether or not incorporated, on complying with the provisions of the *Discipline* may mortgage its unencumbered real property as security for a loan to be made to a conference board of global ministries or a city or district missionary society, provided that the proceeds of such loan shall be used only for aiding in the construction of a new church.

3. Exception to this restriction may be granted in specifically designated instances to allow use of equity and/or accumulated assets from the sale of property to provide for congregational redevelopment efforts including program and staff. Such exception may be granted by the annual conference, the bishop, and the cabinet upon request of the local church in consultation with congregation development staff where applicable. A clear and detailed three-to-five-year redevelopment plan that projects a self-supporting ministry must accompany the request.

¶ 2544. *Planning and Financing Requirements for Local Church Buildings*—1. If any local church desires to:

- a) build a new church, a new educational building, or a new parsonage; or
- b) purchase a church, educational building, or parsonage; or
- c) remodel an existing church, an existing educational building, or an existing parsonage where the cost of the remodeling will exceed 25 percent of the value of the existing structure or require mortgage financing, then the local church shall first establish a study committee to:
 - (1) analyze the needs of the church and community;
 - (2) project the potential membership with average attendance;
 - (3) write up the church's program of ministry (¶¶ 201-204); and

11. See Judicial Council Decision 399.

(4) develop an accessibility plan including chancel areas.

The information and findings obtained by the study committee shall:

(a) form the basis of a report to be presented to the charge conference (¶ 2544.4);

(b) be used by the building committee (¶ 2544.5);
and

(c) become a part of the report to the district board of church location and building (¶¶ 2544.6, 2521.1).

2. After the study committee finishes its work, the local church shall secure the written consent of the pastor and the district superintendent to the building project, purchase proposal, or remodeling project.

3. In the case of a building project or purchase proposal, the local church shall secure the approval of the proposed site by the district board of church location and building as provided in the *Discipline* (¶ 2520.1).

4. The charge conference of the local church shall authorize the building project, purchase proposal, or remodeling project at a regular or called meeting. Notice of the meeting and the proposed action shall have been given for not less than ten days prior thereto from the pulpit of the church, and in its weekly bulletin, newsletter, or electronic notice or other means if required or permitted by local law.

a) After approving a building project or a remodeling project, the charge conference shall elect a building committee of not fewer than three members of the local church to serve in the development of the project as hereinafter set forth; provided that the charge conference may commit to its board of trustees the duties of the building committee.

b) After approving a purchase proposal, the charge conference shall be deemed to have authorized and directed the board of trustees to proceed with the purchase. In the case of the purchase of a parsonage, the board of trustees shall either:

(1) purchase a parsonage that has on the ground-floor level:

(a) one room that can be used as a bedroom by a person with a disability;

(b) one fully accessible bathroom; and

(c) fully accessible laundry facilities; or

(2) purchase a parsonage without the accessible features for persons with disabilities specified above and remodel it within one year's time, so that it does have those features.

5. The building committee shall:

a) use the information and findings of the study committee and any other relevant information to estimate carefully the building facilities needed, as the case may be, to house the church's program of worship, education, and fellowship or to provide for the present and future pastors and their families;

b) ascertain the cost of any property to be purchased; and

c) develop preliminary architectural plans that:

(1) comply with local building, fire, and accessibility codes;

(2) clearly outline the location on the site of all proposed present and future construction; and

(3) provide adequate facilities for parking, entrance, seating, rest rooms, and accessibility for persons with disabilities, but providing for such adequate facilities shall not apply in the case of a minor remodeling project;

d) provide on the ground-floor level of a newly constructed parsonage:

(1) one room that can be used as a bedroom by a person with a disability;

(2) a fully accessible bathroom; and

(3) fully accessible laundry facilities;

e) secure an estimate of the cost of the proposed construction;

f) develop a financial plan for defraying the total cost, including an estimate of the amount the membership can contribute in cash and pledges and the amount the local church can borrow if necessary.

6. The building committee shall submit to the district board of church location and building for its consideration and preliminary approval:

a) a statement of the need for the proposed facilities;

b) the preliminary architectural plans, including accessibility plans;

c) the preliminary cost estimate; and

d) the preliminary financial plan.

7. After preliminary approval by the district board of church location and building, the pastor, with the written consent of the

district superintendent, shall call a church conference, giving not less than ten days' notice (except as local laws may otherwise provide) of the meeting and the proposed action from the pulpit or in the weekly bulletin. At the church conference, the building committee shall present:

- a) the preliminary architectural plans;
- b) the preliminary cost estimate;
- c) the preliminary financial plan; and
- d) the building committee's recommendation.

A majority vote of the membership present and voting at the church conference shall be required to approve the preliminary architectural plans, cost estimate, and financial plan and the building committee's recommendation.

8. After approval by the church conference, the building committee shall develop detailed plans and specifications and secure a reliable and detailed estimate of cost, which shall be presented for approval to the charge conference and to the district board of church location and building.

9. After approval by the charge conference and district board of church location and building, the building committee may begin the building project or remodeling project. Written documentation substantiating the approvals of the charge conference and the district board of church location and building shall be lodged with the district superintendent and the secretary of the charge conference.

10. In metropolitan areas, the building committee shall ensure that adequate steps are taken to obtain the services of minority (nonwhite) and female skilled persons in the construction in proportion to the racial and ethnic balance in the area. In non-metropolitan areas, the building committee shall ensure that racial and ethnic persons are employed in the construction where available and in relation to the available workforce.

11. The local church shall acquire a fee simple title to the lot or lots on which any building is to be erected. The deed or conveyance shall be executed as provided in this chapter. It is recommended that contracts on property purchased by a local church be contingent upon the securing of a guaranteed title, and the property's meeting of basic environmental requirements of lending institutions and of local and state laws.

12. If a loan is needed, the local church shall comply with the provisions of ¶ 2540 or ¶ 2541.

13. The local church shall not enter into a building contract or, if using a plan for volunteer labor, incur obligations for materials until it has cash on hand, pledges payable during the construction period, and (if needed) a loan or written commitment therefore that will assure prompt payment of all contractual obligations and other accounts when due.

14. Neither the trustees nor any other members of a local church shall be required to guarantee personally any loan made to the church by any board created by or under the authority of the General Conference.

15. It is recommended that a local church not enter into a binding building contract without the contractor being properly bonded or furnishing other forms of security, such as an irrevocable letter of credit approved by the conference, district, or local church attorney.

¶ 2545. *Consecration and Dedication of Local Church Buildings*—On acquisition or completion of any church-owned building, a service of consecration may be held. Before any church-owned building is formally dedicated, all indebtedness against the same shall be discharged.

¶ 2546. *Merger of Local United Methodist Churches*—Two or more local churches, in order to more effectively fulfill their ministry (¶¶ 201-204), may merge and become a single church by pursuing the following procedure:

1. The merger must be proposed to the charge conference of each of the merging churches by a resolution stating the terms and conditions of the proposed merger.

2. The plan of the merger as proposed to the charge conference of each of the merging churches shall be approved by each of the charge conferences in order for the merger to be effected, except that for a charge conference that includes two or more local churches, the required approval shall be by the church local conference of each local church in accordance with the requirements of ¶ 2527.

3. The merger must be approved by the superintendent or superintendents of the district or districts in which the merging churches are located.

4. The requirements of any and all laws of the state or states in which the merging churches are located affecting or relating to the merger of such churches must be complied with, and in any case where there is a conflict between such laws and the pro-

cedure outlined in the *Discipline*, said laws shall prevail and the procedure outlined in the *Discipline* shall be modified to the extent necessary to eliminate such conflict.

5. All archives and records of churches involved in a merger shall become the responsibility of the successor church.

¶ 2547. *Interdenominational Local Church Mergers*—One or more local United Methodist churches may merge with one or more churches of other denominations and become a single church by pursuing the following procedure:

1. Following appropriate dialogue, which shall include discussions with the United Methodist district superintendent of the district in which the merging churches are located and the corresponding officials of the other judicatories involved, a plan of merger reflecting the nature and ministry of the local church (¶¶ 201-204) shall be submitted to the charge conference of the local United Methodist church and must be approved by a resolution stating the terms and conditions and missional plans of the proposed merger, including the denominational connection of the merger church.

2. The plan of merger, as approved by the charge conference of the United Methodist church, in a charge conference including two or more local churches must be approved by the church local conference of each local church in accordance with the requirements of ¶ 2527.

3. The merger must be approved in writing by the superintendent of the district, a majority of the district superintendents, and the bishop of the area in which the merging churches are located.

4. The provisions of ¶ 2503 shall be included in the plan of merger where applicable.

5. The requirements of any and all laws of the state or states in which the merging churches are located affecting or relating to the merger of such churches must be complied with, and in any case where there is a conflict between such laws and the procedure outlined in the *Discipline*, said laws shall prevail and the procedure outlined in the *Discipline* shall be modified to the extent necessary to eliminate such conflict.

6. Where property is involved, the provisions of ¶ 2548 obtain.

¶ 2548. *Deeding Church Property to Federated Churches or Other Evangelical Denominations*—1. With the consent of the presiding

bishop and of a majority of the district superintendents and of the district board of church location and building and at the request of the charge conference or of a meeting of the membership of the church, where required by local law, and in accordance with the said law, the annual conference may instruct and direct the board of trustees of a local church to deed church property to a federated church.

2. With the consent of the presiding bishop and of a majority of the district superintendents and of the district board of church location and building and at the request of the charge conference or of a meeting of the membership of the local church, where required by local law, and in accordance with said law, the annual conference may instruct and direct the board of trustees of a local church to deed church property to one of the other denominations represented in the Pan-Methodist Commission or to another evangelical denomination under an allocation, exchange of property, or comity agreement, provided that such agreement shall have been committed to writing and signed and approved by the duly qualified and authorized representatives of both parties concerned.

¶ 2549. *Disposition of Property of a Closed Local Church—*

1. Except as provided in ¶ 2549.3, the district superintendent may, pursuant to this paragraph, recommend the closure of a local church, upon a finding that:

- a) The local church no longer serves the purpose for which it was organized or incorporated (¶¶ 201-204); or
- b) The local church property is no longer used, kept, or maintained by its membership as a place of divine worship of The United Methodist Church.

2. *Procedure—*a) Prior to a recommendation to close a local church, the district superintendent shall:

(1) Guide the congregation in an assessment of its potential as outlined in ¶ 213, in consultation with the appropriate agency assigned the responsibility of the conference parish and community development strategy;

(2) Obtain and consider an opinion of legal counsel as to the existence of any reversion, possibility of reverter, right of reacquisition, or similar restrictions to the benefit of any party;

(3) Develop, in consultation with the appropriate district board of church location and building, a plan for the future use of all the real and personal, tangible and intangible property of the local church; and

(4) Develop a plan for the transfer of the membership of the local church (¶ 229).

b) Upon a recommendation by the district superintendent, and with the consent of the presiding bishop, a majority of the district superintendents, and the appropriate district board of church location and building, the annual conference may declare a local church closed. If the annual conference closes a local church, title to all the real and personal, tangible and intangible property of the local church shall immediately vest in the annual conference board of trustees, who shall hold said property in trust for the benefit of the annual conference.

c) The annual conference board of trustees may retain, sell, lease, or otherwise dispose of the property of a closed local church in accordance with the direction of the annual conference, if any. It shall be the duty of the annual conference board of trustees to remove, insofar as reasonably practicable or necessary, all Christian and United Methodist insignia and symbols from such property. In the event of loss, damage to, or destruction of such local church property, the annual conference board of trustees, as the duly and legally authorized representative of such local church, is authorized to make a claim for, and collect on, any applicable insurance policies. If the annual conference board of trustees sells or leases the property, consideration should be given to selling or leasing the property to one of the other denominations represented in the Commission on Pan-Methodist Cooperation and Union.

d) If the annual conference closes any local church, the failure to complete any of the prior steps will not invalidate such closure.

3. *Ad Interim Procedures*—a) At any time between sessions of annual conference, a local church may voluntarily transfer title to all its real and personal, tangible and intangible property to the annual conference board of trustees following the procedures set forth in ¶ 2540 or ¶ 2541. In such case, the annual conference board of trustees shall hold or dispose of such property in its sole discretion, subject to any standing rule of the annual conference. When it next meets, the annual conference shall decide whether to formally close the local church.

b) At any time between sessions of annual conference, if the presiding bishop, the majority of the district superintendents, and the appropriate district board of church location and building all consent, they may, in their sole discretion, declare that

exigent circumstances exist that require immediate protection of the local church's property, for the benefit of the denomination. In such case, title to all the real and personal, tangible and intangible property of the local church shall immediately vest in the annual conference board of trustees who may hold or dispose of such property in its sole discretion, subject to any standing rule of the annual conference. Exigent circumstances include, but are not limited to, situations where a local church no longer serves the purpose for which it was organized or incorporated (¶¶ 201-204) or where the local church property is no longer used, kept, or maintained by its membership as a place of divine worship of The United Methodist Church. When it next meets, the annual conference shall decide whether to formally close the local church.

4. All the deeds, records, and other official and legal papers, including the contents of the cornerstone, of a closed local church shall be collected by the district superintendent and shall be deposited for permanent safekeeping with the annual conference commission on archives and history.

5. The annual conference board of trustees shall review all gifts held in trust, assets of any endowment funds, and assets of any foundation of the closed local church. The annual conference board of trustees shall dispose of the property in its discretion, unless otherwise directed by the annual conference or as required by law.

6. Any gift, legacy, devise, annuity, or other benefit that accrues to a closed local church shall become the property of the annual conference board of trustees. The annual conference board of trustees shall dispose of the property in its discretion, unless otherwise directed by the annual conference or as required by law.

7. If a local church in an urban center with more than 50,000 population is closed, any proceeds of the sale of its property must be used for new and/or existing ministries within urban transitional communities, as described in ¶ 212.

If a local church in a non-urban center is closed, any proceeds of the sale of its property may be used for new churches, new faith communities, new missional initiatives, relocating churches, churches building multi-campus facilities for the purpose of evangelistic church extension, or an organization that is a nonprofit and has values consistent with The United Methodist Church's values and is consistent with our Wesleyan heritage, theology, and United Methodist polity. In addition, the proceeds

may be used to revitalize or enhance church ministry, or be given to an organization that is a vetted nonprofit and has values consistent with The United Methodist Church's values and is consistent with our Wesleyan heritage, theology, and United Methodist polity. In addition, the proceeds may be used to embrace or continue the work and vision of ministry with the poor in the community.¹²

¶ 2550. *Board of Trustees Report to the Charge Conference*—The board of trustees shall annually make a written report to the charge conference, in which shall be included the following:

1. The legal description and the reasonable valuation of each parcel of real estate owned by the church;
2. The specific name of the grantee in each deed of conveyance of real estate to the local church;
3. An inventory and the reasonable valuation of all personal property owned by the local church;
4. The amount of income received from any income-producing property and a detailed list of expenditures in connection therewith;
5. The amount received during the year for building, rebuilding, remodeling, and improving real estate, and an itemized statement of expenditures;
6. Outstanding capital debts and how contracted;
7. A detailed statement of the insurance carried on each parcel of real estate, indicating whether restricted by co-insurance or other limiting conditions and whether adequate insurance is carried;
8. The name of the custodian of all legal papers of the local church, and where they are kept;
9. A detailed list of all trusts in which the local church is the beneficiary, specifying where and how the funds are invested, clarifying the manner in which these investments made a positive contribution toward the realization of the goals outlined in the Social Principles of the Church, and in what manner the income therefrom is expended or applied.
10. An evaluation of all church properties, including the chancel areas, to ensure accessibility to persons with disabilities; and when applicable, a plan and timeline for the development of accessible church properties.

12. See Judicial Council Decision 1202.

¶ 2551. *Covenant Relationships in Multi-Ethnic and Multi-Language Settings*—Ministry in The UMC tradition is about partnership and mission. In situations where a local church or churches share a building with a congregation or with another group performing ministries in different languages and/or with different racial and ethnic groups, it shall be in accordance with ¶¶ 202, 206, and 212. The district superintendent must consent to any such action before implementation. The district board of church location and building must be informed of such action.

1. If the congregations are United Methodist, the following shall apply:

a) By action of the charge conference(s) involved, a covenant relationship shall be mutually agreed upon in written form and shall include a statement of purpose for sharing the facility and shall state whether the agreement is seen as temporary, long-term, or permanent. The covenant of relationship may provide for mutual representation on such bodies as church council and other committees and work groups. The board of trustees of the church that holds title to the property may form a property committee composed of representatives of each congregation. The purpose of this arrangement is to enhance communication between the two or more congregations, to coordinate schedules and building usage, to involve the congregations in building maintenance and care under supervision of the board of trustees, and to coordinate cooperative programs.

b) The covenant relationship shall not require that a United Methodist congregation pay rent to another United Methodist church, or a United Methodist community of faith or a social ministry. The financial relationship established in the covenant is neither intended to generate profit nor to support the general budget (other than appropriate normal operating costs) of the receiving local church or any other entity involved in the sharing of the facilities.

c) Congregations that share the same facility and other properties are encouraged to organize and share intentionally in some mutual ministries to strengthen their relationships and their effectiveness when focusing on the same objectives. Cooperative programs may be developed that enhance the ministry of both congregations and their witness to the love of Jesus Christ in the community. Such programs may include joint bilingual worship services and Christian education programs, fellowship meals, and community outreach ministries.

d) Each congregation in a shared facility is strongly encouraged to accept an interdependent relationship in reference to use of the facility. Such a relationship affirms cooperatively planned and executed programs and activities as well as independently planned and executed programs and activities. Thus, scheduling programs and using the facility will be implemented in a manner that contributes to the positive growth of each congregation.

e) In situations where local congregations and/or ministries that share facilities cannot negotiate decisions that are supportive mutually by each congregation or ministry, the district superintendent shall consult with the leadership of each congregation and/or ministry prior to the implementing of any decision that may adversely affect the future of either congregation or ministry.

2. If a United Methodist church is sharing with a congregation of another denomination, the following should apply:

a) Prior to agreeing to share facilities with a congregation that is not United Methodist and is of a different ethnic or language background, the United Methodist pastor and the district superintendent shall first contact district and conference congregational development agencies and ethnic leadership to explore the possibilities of organizing as an ecumenical shared ministry or a new United Methodist congregation with that ethnic or language group.

b) If it is decided that the United Methodist congregation and the congregation of another denomination should share facilities, as a part of the covenant of mission, a property-use agreement shall be negotiated in writing in accordance with ¶ 2503; this agreement shall have the consent of the district superintendent and shall be approved by the United Methodist charge or church conference. Shared activities may be entered into to enhance the ministry of both congregations. A liaison committee to both congregations may be appointed to resolve conflicts, clear schedules, and plan cooperative activities.

3. Ninety-day notification of intent to terminate the covenant relationship shall be made to the district superintendent and to the other parties in the covenant relationship. This termination shall require the consent of the district superintendent following consultation with the parties involved.

4. The district committee on religion and race shall monitor all consultations and plans related to the transfer or use of property to ensure fairness and equity in situations involving two or more local congregations or ministries.

Section VII. Requirements—Trustees of Church Institutions

¶ 2552. *Standards and Requirements*—Trustees of schools, colleges, universities, hospitals, homes, orphanages, institutes, and other institutions owned or controlled by any annual, jurisdictional, or central conference or any agency of The United Methodist Church shall be at least twenty-one years of age. At all times, not less than three-fifths of them shall be members of a local church and/or members of an annual conference or the Council of Bishops of The United Methodist Church, and all must be nominated, confirmed, or elected by such conference or agency of the Church or by some body or officer thereof to which or to whom this power has been delegated by such conference or agency; provided that the number of trustees of any such institution owned or controlled by any annual conference or conferences required to be members of a local church and/or annual conference or the Council of Bishops of The United Methodist Church may be reduced to not less than the majority by a three-fourths vote of such annual conference or conferences; and provided further, that when an institution is owned and operated jointly with some other religious organization, said requirement that three-fifths of the trustees shall be members of a local church and/or annual conference or the Council of Bishops of The United Methodist Church shall apply only to the portion of the trustees selected by the United Methodist agency or annual, jurisdictional, or central conference. It is recognized that there are numerous educational, health-care, and charitable organizations that traditionally have been affiliated with The United Methodist Church and its predecessor denominations, which are neither owned nor controlled by any unit of the denomination.

EXHIBIT 2



**GEORGIA
CORPORATIONS
DIVISION**

GEORGIA SECRETARY OF STATE
BRAD RAFFENSPERGER

[HOME \(/\)](#)

BUSINESS SEARCH

BUSINESS INFORMATION

Business Name: **THE NORTH GEORGIA CONFERENCE OF THE UNITED METHODIST CHURCH, INC.** Control Number: **A400205**

Business Type: **Domestic Nonprofit Corporation** Business Status: **Active/Compliance**

Business Purpose: **NONE**

Principal Office Address: **1700 CENTURY CIRCLE, SUITE 100, ATLANTA, GA, 30345, USA** Date of Formation / Registration Date: **11/12/1988**

State of Formation: **Georgia** Last Annual Registration Year: **2021**

REGISTERED AGENT INFORMATION

Registered Agent Name: **KEITH COX**

Physical Address: **1700 CENTURY CIRCLE, SUITE 100, ATLANTA, GA, 30345, USA**

County: **Dekalb**

OFFICER INFORMATION

Name	Title	Business Address
KEITH COX	CFO	1700 Century Circle NE, Suite 100, Atlanta, GA, 30345, USA
Max Vincent	Secretary	1700 Century Circle NE, Suite 100, Atlanta, GA, 30345, USA
Sue Hauptert-Johnson	CEO	1700 Century Circle NE, Suite 100, Atlanta, GA, 30345, USA

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[Name History](#)

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EXHIBIT 3

**MINUTES OF THE MEETING OF THE
ADMINISTRATIVE COUNCIL OF MT. BETHEL UNITED
METHODIST CHURCH, INC. HELD 14 APRIL 2021**

A meeting of the Administrative Council of Mt. Bethel United Methodist Church, Inc. ("Mt. Bethel") was held by videoconference commencing at approximately 7:00 p.m. on April 14, 2021. A quorum of the members of the Administrative Council was present and acting throughout the meeting. Michelle Hill recorded minutes of the meeting.

1. Upon a motion made and seconded, minutes of the meeting of the Administrative Council held in March of 2021 were unanimously approved as most recently submitted.

2. Ms. Hill discussed the minister review process and the mutual desire between Pastor Jody Ray and Mt. Bethel that Pastor Ray remain on staff. Ms. Hill also reported that the District Superintendent Jessica Terrell had informed Mt. Bethel that Pastor Ray would be reassigned, and Mt. Bethel would be receiving a new Senior Pastor. Ms. Hill noted that the SPRC had expressed concern to Terry Walton, Assistant to Bishop, that the appointment reassignment and appointment process of a new Senior Pastor did not follow the consultative process under the Book of Discipline.

3. Mr. Parsons discussed the potential impact that replacing Pastor Ray would have on Mt. Bethel Christian Academy.

4. Mr. Coppedge noted that the process for replacing a pastor is explicitly laid out in the Book of Discipline.

5. Pastor Ray thanked those on the Administrative Council and the congregation for their support and hard work during this time.

6. After some discussion, the Administrative Council voted on and unanimously approved the following resolutions:

Resolution # 1

WHEREAS, Section 2553 of The United Methodist Church

Book of Discipline gives a local church the right to disaffiliate from the denomination for reasons of conscience regarding a change in the requirements and provisions of the Book of Discipline related to the practice of homosexuality or the ordination or marriage of self-avowed practicing homosexuals as resolved and adopted by the 2019 General Conference, or the actions or inactions of its annual conference related to these issues; and

WHEREAS, Mt. Bethel United Methodist Church, Inc. wishes to disaffiliate from The United Methodist Church and the North Georgia Annual Conference for reasons of conscience regarding the actions and inactions of the North Georgia Annual Conference related to the practice of homosexuality and the ordination or marriage of self-avowed practicing homosexuals;

NOW, THEREFORE, BE IT RESOLVED, that Mt. Bethel United Methodist Church, Inc. elects to and hereby does initiate the process of disaffiliation from The United Methodist Church; and

NOW, THEREFORE, BE IT RESOLVED, that the Executive Committee created pursuant to the following resolution is hereby authorized and directed to take all further actions necessary to begin and pursue on behalf and in the name of Mt. Bethel the process of disaffiliation from The United Methodist Church.

Motion was read and seconded, questions were asked and answered, and the motion was unanimously approved.

Resolution # 2

Mount Bethel Administrative Council hereby charters an Executive Committee of the Administrative Council. The purpose of the committee is to enable and fully empower Mt. Bethel United Methodist Church, Inc. lay leadership to quickly react to changing events and information related to the possible reappointment of our current Sr. pastor and appointment of a new Sr. pastor and the possible disaffiliation of Mt. Bethel from The United Methodist Church and the North Georgia Annual Conference. The Executive Committee charter will expire when revoked by 2/3 majority of the Administrative Council. The Administrative Council may choose to renew or extend this charter at a subsequent meeting. The Administrative Council delegates its full authority under the Book of Discipline to the Executive Committee with the exception that the Executive

Committee cannot under any circumstances renew or extend its own charter. The Executive Committee membership initially will consist of: Rustin Parsons, Ferrell Coppedge, Lindsay Hill, Beau Bradley, Jon Sterling, Andy Slavin, Dave Perry. ~~Mr. Parsons will be the initial chairperson of the Executive Committee.~~ The Executive Committee will make a report at each Administrative Council meeting.

Motion was read and seconded, questions were asked and answered, and the motion was unanimously approved.

Resolution # 3

Given the concern for the future of Mt. Bethel Christian Academy, the Administrative Council recommends the removal of the Senior Pastor position from the Mt. Bethel Christian Academy Board.

Motion was read and seconded, questions were asked and answered, and the motion was unanimously approved.

Resolution # 4

The 2021 Operating Budget for Mt. Bethel UMC is hereby amended so that (1) no compensation, in any form, including but not limited to salary, benefits, housing and reimbursable expenses, will be paid to the Senior Pastor effective July 1, 2021 and (2) no amounts designated as Ministry Contingency shall be spent without prior approval by the Administrative Council effective July 1, 2021. This amended budget shall remain effective until subsequently amended by the Administrative Council.

Motion was read and seconded, questions were asked and answered, and the motion was unanimously approved.

Resolution # 5

Effective April 14, 2021, Mt. Bethel UMC will cease any apportionment payments to the North Georgia Conference.

Motion was read and seconded, questions were asked and answered, and the motion was unanimously approved.

Following another brief question and answer section, there being no more business of the Administrative Council, the

meeting was adjourned. Pastor Ray closed the meeting with prayer.

Respectfully submitted,

By:

Michelle Hill, Recording
Secretary

EXHIBIT 4

¶ 2553. Disaffiliation of a Local Church Over Issues Related to Human Sexuality—

1. Basis-- Because of the current deep conflict within The United Methodist Church around issues of human sexuality, a local church shall have a limited right, under the provisions of this paragraph, to disaffiliate from the denomination for reasons of conscience regarding a change in the requirements and provisions of the *Book of Discipline* related to the practice of homosexuality or the ordination or marriage of self-avowed practicing homosexuals as resolved and adopted by the 2019 General Conference, or the actions or inactions of its annual conference related to these issues which follow.

2. Time Limits-- The choice by a local church to disaffiliate with The United Methodist Church under this paragraph shall be made in sufficient time for the process for exiting the denomination to be complete prior to December 31, 2023. The provisions of ¶ 2553 expire on December 31, 2023 and shall not be used after that date.

3. Decision Making Process-- The church conference shall be conducted in accordance with ¶ 248 and shall be held within one hundred twenty (120) days after the district superintendent calls for the church conference. In addition to the provisions of ¶ 246.8, special attention shall be made to give broad notice to the full professing membership of the local church regarding the time and place of a church conference called for this purpose and to use all means necessary, including electronic communication where possible, to communicate. The decision to disaffiliate from The United Methodist Church must be approved by a two-thirds (2/3) majority vote of the professing members of the local church present at the church conference.

4. Process Following Decision to Disaffiliate from The United Methodist Church-- If the church conference votes to disaffiliate from The United Methodist Church, the terms and conditions for that disaffiliation shall be established by the board of trustees of the applicable annual conference, with the advice of the cabinet, the annual conference treasurer, the annual conference benefits officer, the director of connectional ministries, and the annual conference chancellor. The terms and conditions, including the effective date of disaffiliation, shall be memorialized in a binding Disaffiliation Agreement between the annual conference and the trustees of the local church, acting on behalf of the members. That agreement must be consistent with the following provisions:

a) *Standard Terms of the Disaffiliation Agreement.* The General Council on Finance and Administration shall develop a standard form for Disaffiliation Agreements under this paragraph to protect The United Methodist Church as set forth in ¶ 807.9. The agreement shall include a recognition of the validity and applicability of ¶ 2501, notwithstanding the release of property therefrom. Annual conferences may develop additional standard terms that are not inconsistent with the standard form of this paragraph.

b) *Apportionments.* The local church shall pay any unpaid apportionments for the 12 months prior to disaffiliation, as well as an additional 12 months of apportionments.

- c) *Property.* A disaffiliating local church shall have the right to retain its real and personal, tangible and intangible property. All transfers of property shall be made prior to disaffiliation. All costs for transfer of title or other legal work shall be borne by the disaffiliating local church.
- d) *Pension Liabilities.* The local church shall contribute withdrawal liability in an amount equal to its pro rata share of any aggregate unfunded pension obligations to the annual conference. The General Board of Pension and Health Benefits shall determine the aggregate funding obligations of the annual conference using market factors similar to a commercial annuity provider, from which the annual conference will determine the local church's share.
- e) *Other Liabilities.* The local church shall satisfy all other debts, loans, and liabilities, or assign and transfer them to its new entity, prior to disaffiliation.
- f) *Payment Terms.* Payment shall occur prior to the effective date of departure.
- g) *Disaffiliating Churches Continuing as Plan Sponsors of the General Board of Pension and Health Benefits Plans.* The United Methodist Church believes that a local church disaffiliating under ¶ 2553 shall continue to share common religious bonds and convictions with The United Methodist Church based on shared Wesleyan theology and tradition and Methodist roots, unless the local church expressly resolves to the contrary. As such, a local church disaffiliating under ¶ 2553 shall continue to be eligible to sponsor voluntary employee benefit plans through the General Board of Pension and Health Benefits under ¶ 1504.2, subject to the applicable terms and conditions of the plans.
- h) Once the disaffiliating local church has reimbursed the applicable annual conference for all funds due under the agreement, and provided that there are no other outstanding liabilities or claims against The United Methodist Church as a result of the disaffiliation, in consideration of the provisions of this paragraph, the applicable annual conference shall release any claims that it may have under ¶ 2501 and other paragraphs of *The Book of Discipline of The United Methodist Church* commonly referred to as the trust clause, or under the agreement.

- c) *Property*. A disaffiliating local church shall have the right to retain its real and personal, tangible and intangible property. All transfers of property shall be made prior to disaffiliation. All costs for transfer of title or other legal work shall be borne by the disaffiliating local church.
- d) *Pension Liabilities*. The local church shall contribute withdrawal liability in an amount equal to its pro rata share of any aggregate unfunded pension obligations to the annual conference. The General Board of Pension and Health Benefits shall determine the aggregate funding obligations of the annual conference using market factors similar to a commercial annuity provider, from which the annual conference will determine the local church's share.
- e) *Other Liabilities*. The local church shall satisfy all other debts, loans, and liabilities, or assign and transfer them to its new entity, prior to disaffiliation.
- f) *Payment Terms*. Payment shall occur prior to the effective date of departure.
- g) *Disaffiliating Churches Continuing as Plan Sponsors of the General Board of Pension and Health Benefits Plans*. The United Methodist Church believes that a local church disaffiliating under ¶ 2553 shall continue to share common religious bonds and convictions with The United Methodist Church based on shared Wesleyan theology and tradition and Methodist roots, unless the local church expressly resolves to the contrary. As such, a local church disaffiliating under ¶ 2553 shall continue to be eligible to sponsor voluntary employee benefit plans through the General Board of Pension and Health Benefits under ¶ 1504.2, subject to the applicable terms and conditions of the plans.
- h) Once the disaffiliating local church has reimbursed the applicable annual conference for all funds due under the agreement, and provided that there are no other outstanding liabilities or claims against The United Methodist Church as a result of the disaffiliation, in consideration of the provisions of this paragraph, the applicable annual conference shall release any claims that it may have under ¶ 2501 and other paragraphs of *The Book of Discipline of The United Methodist Church* commonly referred to as the trust clause, or under the agreement.

EXHIBIT 5

MOORE INGRAM JOHNSON & STEELE

A LIMITED LIABILITY PARTNERSHIP
WWW.MIJS.COM

MARIETTA, GEORGIA
EMERSON OVERLOOK
328 ROSHILL STREET
SUITE 100
MARIETTA, GEORGIA 30060
TELEPHONE (770) 429-1499

KNOXVILLE, TENNESSEE
408 N. CEDAR BLUFF ROAD
SUITE 500
KNOXVILLE, TENNESSEE 37923
TELEPHONE (866) 692-9039

JACKSONVILLE, FLORIDA
10201 CENTURION PARKWAY N.
SUITE 401
JACKSONVILLE, FLORIDA 32256
TELEPHONE (904) 428-1485

BRENTWOOD, TENNESSEE
5300 MARYLAND WAY
SUITE 200
BRENTWOOD, TENNESSEE 37027
TELEPHONE (615) 425-7347

LEXINGTON, KENTUCKY
771 CORPORATE DRIVE
SUITE 430
LEXINGTON, KENTUCKY 40503
TELEPHONE (859) 309-0026

ORLANDO, FLORIDA
7380 WEST SAND LAKE ROAD
SUITE 500
ORLANDO, FLORIDA 32819
TELEPHONE (407) 387-6233

HARRISBURG, PENNSYLVANIA
3909 HARTZDALE DRIVE
SUITE 901
CAMP HILL, PENNSYLVANIA 17011
TELEPHONE (717) 790-2654

July 13, 2021

T.E. "Tom" Cauthorn
Cauthorn Nohr & Owen
212 Church St.
Marietta, GA 30060

Via email: tec@cauthornnohr.com; & Hand Delivery

Re.: Mt. Bethel United Methodist Church Inc. adv. The Board of Trustees of the North Georgia Annual Conference, District Superintendent Jessica Terrell, and Bishop Sue Hauptert-Johnson

Dear Tom,

Continuing a course of unfortunate, ill-conceived and illegitimate provocations, your letter of July 12, 2021, informed us that Bishop Sue Hauptert-Johnson had declared (on July 9th) that "exigent circumstances" exist for the closure of Mt. Bethel United Methodist Church Inc. ("Mt. Bethel") and the seizure of its property and assets by the Trustees of the North Georgia Conference.

The Bishop's declaration of "exigent circumstances" and attempted hostile takeover of Mt. Bethel is contrary to the Book of Discipline and a patent abuse of her authority. For that reason, Mt. Bethel has initiated a complaint proceeding with the Southeastern Jurisdiction College of Bishops so that the appropriate higher authority may address Bishop Hauptert-Johnson's disobedience to the order and discipline of the United Methodist Church (*see* Tab 1).

Moreover, because the Bishop's actions are contrary to the order and discipline of the United Methodist Church and an abuse of her authority while disaffiliation remains pending, Mt. Bethel does not recognize the Bishop's declaration as legitimate, or as having any force or effect. Any attempt by the Bishop or her agents to interfere with Mt. Bethel's property rights will be lawfully resisted.

As you know, Mt. Bethel is a thriving and vibrant church community in Cobb County that was targeted by Bishop Hauptert-Johnson following the April 2021 vote by its Administrative Council to disaffiliate from the United Methodist Church. That vote initiated a disaffiliation process provided for by the recently enacted ¶ 2553 of the Book of Discipline—a provision that expressly provides that "a disaffiliating local church shall have the right to retain its real and personal, tangible and intangible property."

Acting contrary to and in frustration of the right of a disaffiliating church to retain its property, the Bishop now purports to invoke a separate provision of the Book of Discipline, ¶ 2549.3, that allows a bishop to make a declaration where “exigent circumstances exist that require immediate protection of the local church’s property, for the benefit of the denomination.”

Raising the prospect of such an “exigent circumstances” declaration, on June 18, 2021, you addressed a letter to Mt. Bethel enumerating seven (7) alleged instances of Mt. Bethel’s non-compliance with the Book of Discipline. In its June 28, 2021 response, supported by numerous attached documents, Mt. Bethel refuted each of the Bishop’s alleged concerns. In addition, we proposed continued dialogue—specifically a mediation to attempt to resolve these issues. There was no response from you to our refutation of the Bishop’s allegations or any expression of a willingness to mediate. It is clear then, that the allegations of non-compliance in your prior letter were mere pretext for an illegitimate action that the Bishop intended to take all along (as is further demonstrated by her post-hoc “good standing” requirement, which finds no support in either ¶ 2553 or the recently approved NGC ¶ 205a and ¶ 205b).

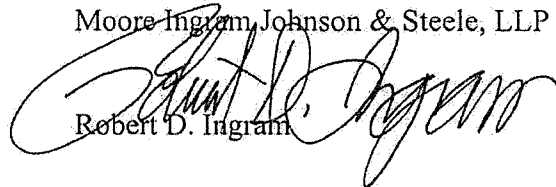
Having previously answered all of the Bishops stated concerns, Mt. Bethel remains in compliance with the Book of Discipline and demands that the Bishop and her agents cease any campaign, public or private, to foment publicity or manufacture fake crises harmful to Mt. Bethel’s ministries. Mt. Bethel further demands that interference with the ¶ 2553 disaffiliation process cease, and that a church conference be immediately called by the District Superintendent to formalize a vote to disaffiliate.

In addition to the Complaint submitted to the Southeastern Jurisdiction College of Bishops regarding Bishop Haupt-Johnson’s outrageous “exigent circumstances” declaration, there are two other pending complaints against the Bishop filed by Mt. Bethel. Those complaints address other illegitimate and hostile steps that the Bishop has taken in recent months in response to Mt. Bethel initiating the ¶ 2553 disaffiliation process. In due course, these ecclesiastical complaints will be resolved by a higher authority within the United Methodist Church. Until such time, Mt. Bethel remains committed to continuing its ministries—as they were prior to the Bishop’s illegitimate and ineffective “declaration”—while continuing to seek resolution of any dispute with the Bishop through dialogue.

To that end, will you please respond on behalf of the Bishop to our prior suggestion of a mediation.

With regards,

Moore-Ingram, Johnson & Steele, LLP



Robert D. Ingram

cc: Mt. Bethel UMC Church, Inc.
Enclosure(s)

EXHIBIT 6

MOORE INGRAM JOHNSON & STEELE

A LIMITED LIABILITY PARTNERSHIP
WWW.MIJS.COM

MARIETTA, GEORGIA
EMERSON OVERLOOK
329 ROSWELL STREET
SUITE 100
MARIETTA, GEORGIA 30060
TELEPHONE (770) 429-1488

KNOXVILLE, TENNESSEE
408 N. CEDAR BLUFF ROAD
SUITE 500
KNOXVILLE, TENNESSEE 37923
TELEPHONE (865) 692-9039

JACKSONVILLE, FLORIDA
10201 CENTURION PARKWAY N.
SUITE 401
JACKSONVILLE, FLORIDA 32256
TELEPHONE (904) 428-1465

BRENTWOOD, TENNESSEE
5200 MARYLAND WAY
SUITE 301
BRENTWOOD, TENNESSEE 37027
TELEPHONE (615) 425-7347

LEXINGTON, KENTUCKY
771 CORPORATE DRIVE
SUITE 430
LEXINGTON, KENTUCKY 40503
TELEPHONE (859) 309-0026

ORLANDO, FLORIDA
7300 WEST SAND LAKE ROAD
SUITE 500
ORLANDO, FLORIDA 32819
TELEPHONE (407) 387-8233

MECHANICSBURG, PENNSYLVANIA
5000 RITTER ROAD
SUITE 106
MECHANICSBURG, PENNSYLVANIA 17055
TELEPHONE (717) 790-2854

June 28, 2021

Via email: tec@cauthornnohr.com; & Hand Delivery

T.E. "Tom" Cauthorn
Cauthorn Nohr & Owen
212 Church St.
Marietta, GA 30060

Re.: Mt. Bethel United Methodist Church, Inc. adv. The Board of Trustees of the North Georgia Annual Conference (Eric Lee, Stacey Rushing, Bert Neal, Carolyn Stephens, Cathy Huffines, Sonja Brown, Julie Childs, Ginger Smith, Ernest Cooper, Mathew Pinson, John Lawrence, and Harold Tarpley), District Superintendent Jessica Terrell, and Bishop Sue Hauptert-Johnson

Dear Tom,

Please let this serve as my client Mt. Bethel United Methodist Church, Inc.'s ("Mt. Bethel") timely response to your ten-day "exigent circumstances" remediation demand of June 18, 2021.

As you are aware, once it became clear that Bishop Sue Hauptert-Johnson refused to obey the United Methodist Church ("UMC") Book of Discipline (the "Discipline") or heed the vote of the General Conference which in 2019 approved a disaffiliation process allowing disaffiliating churches to retain their property (see Book of Discipline ¶2553(4)(c), "A disaffiliating local church **shall** have the right to retain its real and personal, tangible and intangible property")(emphasis added), Mt. Bethel's Administrative Council voted and gave official notice to your clients of its intent to disaffiliate.

Since that time, your clients have refused to honor their duties to that process, which has taken us to this point where Bishop Hauptert-Johnson is now making threats based on burdens and obligations of her own choosing which have no predicate support in any UMC governing document, either the Book of Discipline or the Steps of Disaffiliation Process and Disaffiliation Agreement as adopted earlier this month by the North Georgia Annual Conference.

MOORE INGRAM JOHNSON & STEELE

Tom Cauthorn

June 28, 2021

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Moreover, it is disappointing that your clients threaten to press forward in clear violation of the above-referenced rules while pending Complaints concerning each of these issues remain unresolved and which could ultimately provide complete and Just Resolution. It is likewise disappointing that your clients have chosen to sabre-rattle with implicit threats of litigation, given the predominance of doctrinal questions of faith appropriate for ecclesiastical rulings.

Responding to the specific assertions in your demand letter:

A. Mt. Bethel Is Thriving, Is In Compliance With The Book Of Discipline, And No Exigent Circumstances Exist.

1. Mt. Bethel is a thriving congregation with a thriving Academy.
 - Mt. Bethel has consistently remained at the top of the North Georgia Conference (“NGC”) with respect to average weekly attendance over the last five years.
 - Mt. Bethel’s total membership has been consistently growing over the last five years.
 - Mt. Bethel’s annual giving has remained strong, even amidst growing concern within the congregation with the direction of the UMC denomination; and the COVID-19 pandemic.
 - Sacrificial giving by Mt. Bethel membership to Mission partners at home and around the world has exceeded \$1MM year-to-date. (See collective **Exhibit 1**.)
2. The May 24, 2021 Mt. Bethel/Mt. Bethel Christian Academy lease is a renewal of an expiring Facilities Use Agreement which left your clients' rights unaffected, but which is nonetheless attached hereto (as **Exhibit 2**) for your clients’ review and approval.
 - Shortly after the formation of the Mt. Bethel Christian Academy (“MBCA”) in 2013, a Facilities Use Agreement (FUA) was entered into between MBCA and Mt. Bethel regarding the utilization of MBCA’s dedicated buildings and facilities on the main campus of Mt. Bethel.
 - The 2013 FUA was neither reviewed nor approved by your clients; likely because they agreed that Mt. Bethel’s lien could be subordinated to MBCA’s first-priority lender’s, and also because they agreed to waive the trust clause as it concerned MBCA property for so long as the property continued to be so utilized.
 - There is no question that MBCA remains ongoing and viable (although that is currently being put to the test by your clients’ actions in contravention of the Discipline). The reversionary trust language is not impaired or made at-issue by current events.
 - Parallel to the pending FUA expiration, the unprecedented, surprising and abrupt actions by Bishop Hauptert-Johnson created great concern and uncertainty to MBCA, especially given the distinct theology of MBCA to that of the Bishop. Her actions occurred in the middle of the annual signing of teacher contracts, the payment of student (the vast majority of whom are not Mt. Bethel congregants) enrollment deposits for the 2021-2022 school year, and the first week of work for the new Headmaster.

MOORE INGRAM JOHNSON & STEELE

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Page 3

- Mt. Bethel's Administrative Council unanimously approved the lease, with the understanding that a subsequent Church Conference and approval of the District Superintendent would ultimately be required.
3. Mt. Bethel's Administrative Council properly created its Executive Committee on April 14, 2021, with powers vested by the Discipline.
- Simultaneous to its actions unanimously approving Mt. Bethel's invocation of the Discipline's ¶2553 Disaffiliation process, Mt. Bethel's Administrative Council created an Executive Committee to handle its time-sensitive day-to-day affairs, subject to Administrative Council oversight and approval (see April 14, 2021 Administrative Council meeting minutes, Resolutions 1 & 2, attached hereto as **Exhibit 3**).
 - ¶ 258.5 of the Discipline provides that, "The church council may appoint such other committees as it deems advisable." The Executive Committee was initially chartered on April 14, 2021, under the provision of ¶258.5, in order to make any decisions on behalf of the Administrative Council that were required in-between Administrative Council meetings.
 - The Executive Committee is required to timely report all actions taken to the Administrative Council.
 - The Executive Committee charter requires renewal at each Administrative Council meeting; thus, unless affirmatively extended, the Executive Committee must cease all activity.
 - The Executive Committee has operated within its stated charter and has made no major decisions, in keeping with its mandate.
 - All Mt. Bethel standing committees (finance, SPRC, trustees, missions, etc.) continue to function unaffected by the creation of the Executive Committee.
4. Mt. Bethel's "indication" that it would refuse to accept proposed appointed clergy is another contrived issue, now mooted by the fact that Mt. Bethel has agreed to accept "appointed" clergy under protest (now that said proposal has been approved by the NGC and is now official).
- While Mt. Bethel stands by its prior post-Disaffiliation communications—that it does not need to accept a new Senior Pastor appointed under the Bishop's contested and illegitimate process (which is the subject of Complaints currently under review by the SEJ College of Bishops' Review Committee as part of the ongoing Just Resolution Process)—it is willing, under protest, to receive the Senior Pastor and pay him the minimum salary and housing allowance approved by the NGC (\$40,000 and \$17,000, respectively). (See, June 28, 2021 correspondence from Mt. Bethel to Bishop Hauptert-Johnson, attached hereto as **Exhibit 4**.)
 - As it has previously been noted to your clients, Mt. Bethel acknowledges the Bishop's right to the Pulpit, including the same right of access afforded to her designees. Mt. Bethel will not restrict the appointed Senior Pastor's right to the Pulpit.

MOORE INGRAM JOHNSON & STEELE

Tom Cauthorn
June 28, 2021
Page 4

5. Mt. Bethel has not refused the Bishop's interim pastor appointment, which nevertheless could not create exigent circumstances now that the interim assignment has been mooted by the NGC's approved Senior Pastor appointment—which Mt. Bethel has accepted under protest (see #4 above).
 - Subsequent to and in retaliation for its April 14, 2021 initiation of ¶2553 Disaffiliation, Mt. Bethel was informed by District Superintendent Jessica Terrell on April 20, 2021, that a Complaint had been filed against Rev. Dr. Ray (who the Bishop removed effective immediately as Senior Pastor of Mt. Bethel) and that an interim replacement Senior Pastor would be appointed.
 - On April 21, 2021, Mt. Bethel was informed that Coy Hinton would be appointed as its interim Senior Pastor.
 - Simultaneous to the April 26, 2021 filing of Complaints against the Bishop and the District Superintendent concerning their removal of Rev. Dr. Ray and the proposed appointment of Senior Pastor Steven Usry, Mt. Bethel notified the District Superintendent that the appointment of Coy Hinton as interim Senior Pastor would be disruptive to the mission and ministry of Mt. Bethel, and that Mt. Bethel was unwilling to accept him pending resolution of the aforementioned Complaints.
 - Later on that same day, Bishop Lawson Bryan, President of the Southeastern Jurisdiction College of Bishops, notified all parties involved in the Complaints that he would be overseeing the Just Resolution Process and leading the Supervisory Committee in conducting interviews and discussions.
 - Shortly after Mt. Bethel heard from Bishop Bryan, the District Superintendent replied that proposed interim Senior Pastor Coy Hinton would not be coming. From Mt. Bethel's perspective, your clients approved of Mt. Bethel's choice to wait on the Complaints' Just Resolution Process rather than accept an interim Senior Pastor appointment that would be disruptive to the ministry and operations of Mt. Bethel.
 - In the meantime, Mt. Bethel has communicated with your clients to make it clear that it would not interfere with the Bishop's right to the Pulpit (or the right of her designee to also access same). To Mt. Bethel's knowledge, neither the Bishop nor any designee have attempted such access, nor ever been denied same.
 - The District Superintendent, did, however, emphasize that Steven Usry would become Senior Pastor on July 1, 2021, which had not then been officially approved by NGC, and which remains a future date (and which has nonetheless been mooted by #4 above).
6. Mt. Bethel has not violated the Discipline by hiring its "preaching pastor," nor has it allowed uncredentialed use of the Pulpit. Moreover, any prior unauthorized or uncredentialed use of the Pulpit could not constitute future exigent circumstances now that Mt. Bethel has accepted the appointment of Senior Pastor Steven Usry (see #4, above).

MOORE INGRAM JOHNSON & STEELE

Tom Cauthorn
June 28, 2021
Page 5

- Discipline ¶258.2(g)(12) provides that the Staff Parish Relations Committee (“SPRC”) shall recommend to the church council (here the Administrative Council), after consultation with the pastor, the work of the church.
 - On April 26, 2021, Rev. Dr. Jody Ray surrendered his credentials as an ordained elder in the UMC. Subsequently, he was hired as Mt. Bethel’s Lead Preacher/Senior Administrator in conformity with ¶258.2(g)(12) and with the approval of the Administrative Council.
 - ¶258.2(g)(12) further provide that the SPRC shall recommend to the church council a written statement of policy and procedure regarding the process for hiring, contracting, evaluating, promoting, retiring, and dismissing staff personnel who are not subject to episcopal appointment as ordained clergy. The SPRC has done so; placing all such processes with respect to staff personnel under the authority of the Lead Preacher/Senior Administrator, and providing that such functions with respect to the Lead Preacher/Senior Administrator shall be performed solely by the SPRC.
 - Since Rev. Dr. Ray surrendered his credentials as an ordained elder in the UMC on April 26, 2021, all sacramental duties at Mt. Bethel have been performed by one of the following:
 - Rev. Dr. John Freeland – Ordained Elder in Full Connection, serving under appointment to Mt. Bethel;
 - Rev. Glenn Ray – Retired Ordained Elder in Full Connection; and
 - Rev. Kim McGarr – Licensed Local Pastor, serving under appointment to Mt. Bethel.
 - The use of the pulpits at both campuses has been done under the appointed authority of Rev. Dr. John Freeland.
 - Neither the Bishop or her designee have been denied use of the Pulpit, nor has the Bishop expressed any interest in performing sacramental duties at Mt. Bethel. In fact, it is regrettable that your clients have chosen not to communicate with Mt. Bethel’s SPRC and leadership in open, effective, and forthright ways. My client notes that it has been 4 1/2 years since the Bishop visited (and the District Superintendent has never visited). This lack of knowledge of Mt. Bethel has perhaps contributed to your clients’ myriad unfounded and baseless allegations concerning Mt. Bethel and its leadership.
7. Mt. Bethel operates within its means, which includes its permissible use of approved lines of credit. Mt. Bethel is on solid financial footing, and has made no plans to sell or transfer valuable assets over which your clients temporarily enjoy some property or say-so rights.
- As would be clearly and unambiguously affirmed by Mt. Bethel’s bank, all utilization of its credit facilities have involved proper approvals by the Finance Committee, Administrative Council and Church Conference, and are in keeping, and in full compliance with, all of the terms and conditions of the loan agreement.
 - No Mt. Bethel assets have been transferred, no property has been sold, and there have been no recommendations or plans of any nature to do so.
 - Mt. Bethel has fully unqualified audit opinions from its outside accounting firm Brooks & McGinnis, supporting its statements concerning its financial footing and proper management and controls.

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8. Mt. Bethel properly filled its SPRC Chair vacancy. It is both preposterous and telling that your clients' "exigent circumstances" demand would include something so mundane.
 - Under Discipline ¶252.4(b), the Church Council is fully empowered with the responsibility to "fill interim vacancies occurring among the lay officers of the church between sessions of the annual charge conference."
 - Due to the resignation of Lindsey Hill as SPRC Chair (though she continues as a member of the Committee), on April 26, 2021, Casey Alarcon was duly elected by a unanimous Executive Committee, whose action was subsequently ratified by the Administrative Council.
 - The interim replacement of a committee chair under these circumstances by the Administrative Council is in complete compliance with the Discipline.

B. No "Exigent Circumstances" Exist, Nor Are Any Of The Above, Proper Conditions Precedent For Mt. Bethel's Right To Engage In The ¶2553 Disaffiliation Process.

Each of the allegations in your demand are fully rebutted and/or moot. Regardless, neither individually nor collectively would they rise to the level of "exigent circumstances" as per Discipline ¶2549 (stating in pertinent part, "Exigent circumstances include, but are not limited to, situations where a local church no longer serves the purpose for which it was organized or incorporated [] or where the local church property is no longer used, kept, or maintained by its membership as a place of divine worship of The United Methodist Church"). See, ¶2549(b)(3).

It is indisputable that Mt. Bethel continues to operate, and that all of its property continues in the service of its Ministry. In fact, it is highly ironic that as a Traditionalist UMC Church with its theology firmly rooted in the Discipline, it is the Progressive Bishop Sue Hauptert-Johnson (whose liberal theology finds no support in the Discipline), who wishes to use a pretextual "exigent circumstances" declaration to allow her to impose Progressive teachings which defy the Discipline and the vote taken at the 2019 General Conference concerning these issues. And certainly, without direct authority for "exigent circumstances" found in the Discipline, the eight (8) above items fail to rise above nuisance, let alone rising to a level akin to cessation of a UMC-supported religious Ministry.¹

Even if all of the above eight (8) allegations were true and not moot, NONE of them are conditions precedent for Mt. Bethel's use of the ¶2553 Disaffiliation process. The Discipline's ¶2553 Disaffiliation process is a statute which Mt. Bethel has an absolute right to utilize; and your

¹ Should your clients declare that Mt. Bethel's theology and mission no longer serves the UMC or is in violation of the Discipline such that it constitutes exigent circumstances allowing a §2549(b)(3) takeover attempt, Mt. Bethel will challenge same through the filing of an additional Complaint. It cannot be said that your clients are following the Discipline as they reach for frivolous claims of exigent circumstances, all the while denying my client's right to §2553 Disaffiliation or to continue its Traditionalist Ministry (as both are provided for in the Discipline). Of additional note, MBCA also teaches a Traditionalist UMC theology, and it and its pupils would be irreparably harmed by any attempt by your clients to improperly interfere in its ecclesiastical affairs.

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clients have no right to create conditions on its use outside of those found in the Discipline. More specifically, it is both a violation of the Discipline and of the NGC's recently enacted disaffiliation rules for your clients to impose any additional conditions not found therein. Nevertheless, your demand indicates that several preconditions are being imposed which illegitimately are now being utilized by your clients as a basis to deny Mt. Bethel the disaffiliation right to which it is entitled. My client's lay-leaders' June 28, 2021 Complaint concerning this activity is attached hereto as **Exhibit 5**.

In further support of my client's position that there are no conditions precedent to its use of the ¶2553 Disaffiliation process, your clients responded to the Notice of Disaffiliation without reference to any pre-conditions (let alone any so frivolous as those referenced above). Moreover, on May 17, 2021, after my client complained that your clients had not yet called for the Church Conference and were unjustifiably delaying the Disaffiliation process, your clients reiterated the same message as before concerning the reason for their delay, and again without mention of any of the eight (8) above concerns—most of which were known to your clients at the time of that second communication. Clearly, had any preconditions been on your clients' minds on May 17th, those would have been raised.²

Bishop Hauptert-Johnson has made the above pretextual assertions about exigent circumstances and preconditions, to mask her violations of church law and the Book of Discipline. As soon as the Bishop and District Superintendent received Mt. Bethel's disaffiliation notification, they engaged in actions to frustrate Mt. Bethel's right to disaffiliate. Given the current unresolved disputes between Mt. Bethel and Bishop Hauptert-Johnson, which have resulted in the formal Complaints currently under review, such transparent acts of intimidation must be seen for what they are.

C. Mt. Bethel Remains Committed To The ¶2553 Disaffiliation Process And Is Amenable To Conciliation And Just Resolution Of The Outstanding Complaints.

The NGC Annual Conference recently approved a disaffiliation process and a disaffiliation agreement. Neither of these impose any additional disaffiliation obligations that Mt. Bethel is unwilling to accept. To reiterate, Mt. Bethel reaffirms its April 14, 2021 notice of its intent to disaffiliate, and it calls upon your clients, and specifically the District Superintendent, to immediately schedule a Church Conference for the vote on same. (Prior letters from your clients indicated that said vote would be delayed while the NGC worked on the creation of a process and a disaffiliation agreement—both of which have now been created and approved.) There is no further justification for delay.

² Each of the alleged ¶2553 "preconditions" took place subsequent to Mt. Bethel's vote to disaffiliate. Thus, they also could not be conditions on Mt. Bethel's right to initiate the Disaffiliation process, as none of the complained-of events existed prior to April 14, 2021.

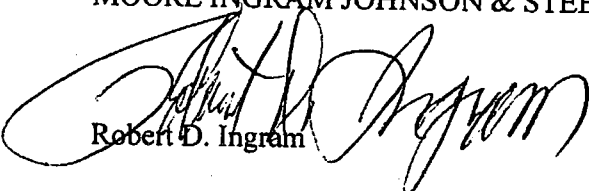
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In response to each of your clients' post-disaffiliation communications, Mt. Bethel has requested an audience, sit down discussions, and the like. Never have your clients agreed or attempted to visit or meet—even while their ever-shifting justifications for removing Rev. Dr. Ray and replacing him with Steven Usry were roundly lampooned. Nonetheless, Mt. Bethel remains willing to mediate; but only so long as your clients first do what they should have done long ago: schedule the Church Conference so that my client can officially cast its vote regarding disaffiliation.

With regards,

MOORE INGRAM JOHNSON & STEELE, LLP


Robert D. Ingram

RDI:JAD:amf

Enclosures

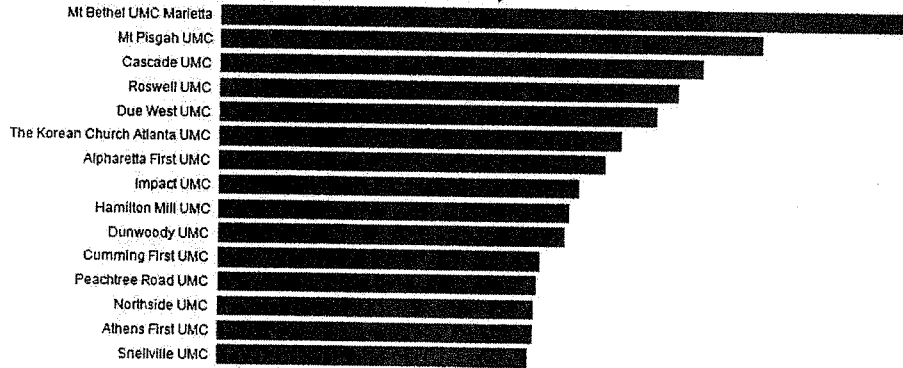
cc: Mt. Bethel United Methodist Church, Inc.

EXHIBIT 1

Annual Average Weekly Attendance Ranking from NGUMC Reporting Site

8/23/21, 4:14 PM

from: 1/1/2012 to: 12/31/2012



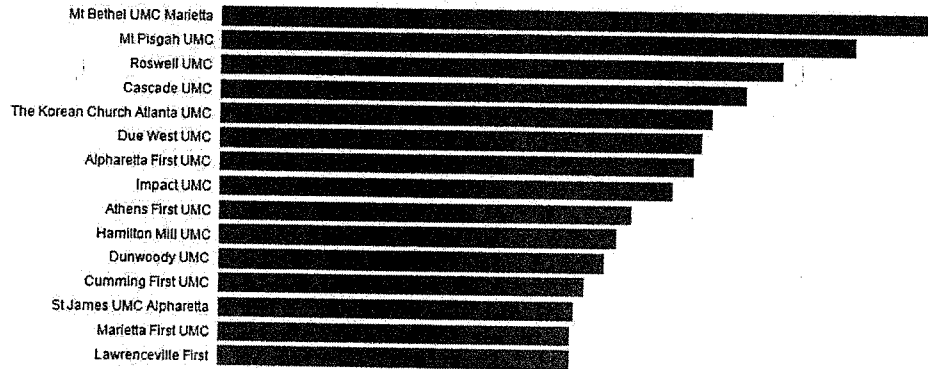
Highest Numbers [Jump to lowest](#)

Rank	Church	Path	Attendance
1	Mt Bethel UMC Marietta	Southeastern - Southeastern - North Georgia - North Georgia - Atlanta-Marietta (NGA) - Atlanta-Marietta (NGA)	2,532.2
2	Mt Pisgah UMC	Southeastern - Southeastern - North Georgia - North Georgia - Atlanta-Roswell (NGA) - Atlanta-Roswell (NGA)	1,979.7
3	Cascade UMC	Southeastern - Southeastern - North Georgia - North Georgia - Central North (NGA) - Central North (NGA)	1,762.9
4	Roswell UMC	Southeastern - Southeastern - North Georgia - North Georgia - Atlanta-Roswell (NGA) - Atlanta-Roswell (NGA)	1,680.7
5	Due West UMC	Southeastern - Southeastern - North Georgia - North Georgia - Atlanta-Marietta (NGA) - Atlanta-Marietta (NGA)	1,602.5
6	The Korean Church Atlanta UMC	Southeastern - Southeastern - North Georgia - North Georgia - Atlanta-Roswell (NGA) - Atlanta-Roswell (NGA)	1,474.9
7	Alpharetta First UMC	Southeastern - Southeastern - North Georgia - North Georgia - Atlanta-Roswell (NGA) - Atlanta-Roswell (NGA)	1,418.1
8	Impact UMC	Southeastern - Southeastern - North Georgia - North Georgia - Central North (NGA) - Central North (NGA)	1,319.0
9	Hamilton Mill UMC	Southeastern - Southeastern - North Georgia - North Georgia - Central East (NGA) - Central East (NGA)	1,290.4
10	Dunwoody UMC	Southeastern - Southeastern - North Georgia - North Georgia - Atlanta-Roswell (NGA) - Atlanta-Roswell (NGA)	1,272.1
11	Cumming First UMC	Southeastern - Southeastern - North Georgia - North Georgia - North East (NGA) - North East (NGA)	1,178.8

from: 1/1/2013 to: 12/31/2013

Southeastern North Georgia All Districts All Churches

Average Attendance Churches



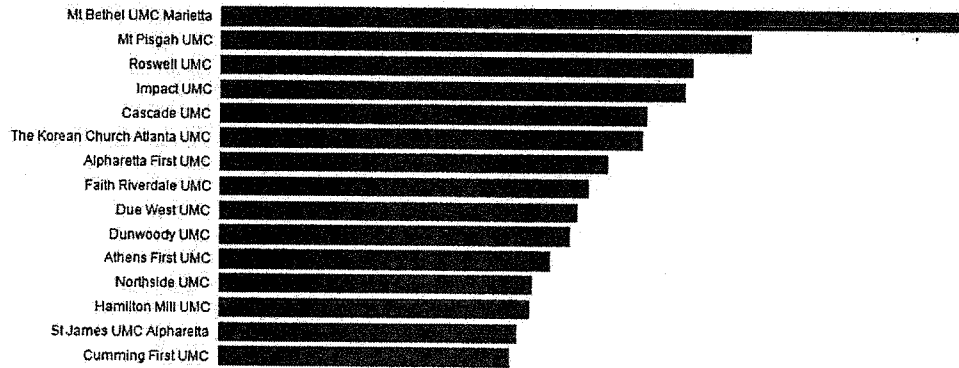
Highest Numbers [Jump to lowest](#)

Rank	Church Name	Location Path	Attendance
1	Mt Bethel UMC Marietta	Southeastern - Southeastern - North Georgia - North Georgia - Atlanta-Marietta (NGA) - Atlanta-Marietta (NGA)	2,178.1
2	Mt Pisgah UMC	Southeastern - Southeastern - North Georgia - North Georgia - Atlanta-Roswell (NGA) - Atlanta-Roswell (NGA)	1,930.7
3	Roswell UMC	Southeastern - Southeastern - North Georgia - North Georgia - Atlanta-Roswell (NGA) - Atlanta-Roswell (NGA)	1,712.3
4	Cascade UMC	Southeastern - Southeastern - North Georgia - North Georgia - Central North (NGA) - Central North (NGA)	1,600.6
5	The Korean Church Atlanta UMC	Southeastern - Southeastern - North Georgia - North Georgia - Atlanta-Roswell (NGA) - Atlanta-Roswell (NGA)	1,496.7
6	Due West UMC	Southeastern - Southeastern - North Georgia - North Georgia - Atlanta-Marietta (NGA) - Atlanta-Marietta (NGA)	1,468.0
7	Alpharetta First UMC	Southeastern - Southeastern - North Georgia - North Georgia - Atlanta-Roswell (NGA) - Atlanta-Roswell (NGA)	1,444.6
8	Impact UMC	Southeastern - Southeastern - North Georgia - North Georgia - Central North (NGA) - Central North (NGA)	1,381.1
9	Athens First UMC	Southeastern - Southeastern - North Georgia - North Georgia - Athens-Elberton (NGA) - Athens-Elberton (NGA)	1,254.2
10	Hamilton Mill UMC	Southeastern - Southeastern - North Georgia - North Georgia - Central East (NGA) - Central East (NGA)	1,212.3
11	Dunwoody UMC	Southeastern - Southeastern - North Georgia - North Georgia - Atlanta-Roswell (NGA) - Atlanta-Roswell (NGA)	1,176.2

from: 1/1/2014 to: 12/31/2014

Southeastern North Georgia All Districts All Churches

Average Attendance Churches



Highest Numbers [Jump to lowest](#)

Rank	Church Name	Location	Attendance
1	Mt Bethel UMC Marietta	Southeastern - Southeastern - North Georgia - North Georgia - Atlanta-Marietta (NGA) - Atlanta-Marietta (NGA)	2,731.3
2	Mt Pisgah UMC	Southeastern - Southeastern - North Georgia - North Georgia - Atlanta-Roswell (NGA) - Atlanta-Roswell (NGA)	1,940.1
3	Roswell UMC	Southeastern - Southeastern - North Georgia - North Georgia - Atlanta-Roswell (NGA) - Atlanta-Roswell (NGA)	1,726.5
4	Impact UMC	Southeastern - Southeastern - North Georgia - North Georgia - Central North (NGA) - Central North (NGA)	1,699.5
5	Cascade UMC	Southeastern - Southeastern - North Georgia - North Georgia - Central North (NGA) - Central North (NGA)	1,561.7
6	The Korean Church Atlanta UMC	Southeastern - Southeastern - North Georgia - North Georgia - Atlanta-Roswell (NGA) - Atlanta-Roswell (NGA)	1,548.1
7	Alpharetta First UMC	Southeastern - Southeastern - North Georgia - North Georgia - Atlanta-Roswell (NGA) - Atlanta-Roswell (NGA)	1,422.7
8	Faith Riverdale UMC	Southeastern - Southeastern - North Georgia - North Georgia - Griffin (NGA) - Griffin (NGA)	1,354.7
9	Due West UMC	Southeastern - Southeastern - North Georgia - North Georgia - Atlanta-Marietta (NGA) - Atlanta-Marietta (NGA)	1,310.8
10	Dunwoody UMC	Southeastern - Southeastern - North Georgia - North Georgia - Atlanta-Roswell (NGA) - Atlanta-Roswell (NGA)	1,288.1
11	Athens First UMC	Southeastern - Southeastern - North Georgia - North Georgia - Athens-Elberton (NGA) - Athens-Elberton (NGA)	1,216.0

from: 1/1/2015 to: 12/31/2015

Southeastern North Georgia All Districts All Churches

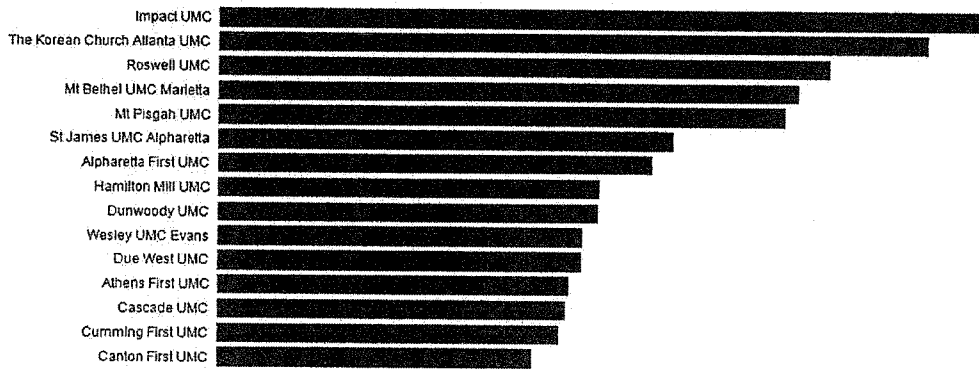
Average Attendance Churches



Highest Numbers [Jump to lowest](#)

Rank	Church	Path	Average Attendance
1	Mt Bethel UMC Marietta	Southeastern - Southeastern - North Georgia - North Georgia - Atlanta-Marietta (NGA) - Atlanta-Marietta (NGA)	2,311.3
2	Impact UMC	Southeastern - Southeastern - North Georgia - North Georgia - Central North (NGA) - Central North (NGA)	2,080.8
3	Roswell UMC	Southeastern - Southeastern - North Georgia - North Georgia - Atlanta-Roswell (NGA) - Atlanta-Roswell (NGA)	1,843.1
4	Mt Pisgah UMC	Southeastern - Southeastern - North Georgia - North Georgia - Atlanta-Roswell (NGA) - Atlanta-Roswell (NGA)	1,779.4
5	The Korean Church Atlanta UMC	Southeastern - Southeastern - North Georgia - North Georgia - Atlanta-Roswell (NGA) - Atlanta-Roswell (NGA)	1,620.3
6	Cascade UMC	Southeastern - Southeastern - North Georgia - North Georgia - Central North (NGA) - Central North (NGA)	1,389.2
7	Alpharetta First UMC	Southeastern - Southeastern - North Georgia - North Georgia - Atlanta-Roswell (NGA) - Atlanta-Roswell (NGA)	1,367.8
8	Dunwoody UMC	Southeastern - Southeastern - North Georgia - North Georgia - Atlanta-Roswell (NGA) - Atlanta-Roswell (NGA)	1,272.1
9	St James UMC Alpharetta	Southeastern - Southeastern - North Georgia - North Georgia - Atlanta-Roswell (NGA) - Atlanta-Roswell (NGA)	1,257.7
10	Due West UMC	Southeastern - Southeastern - North Georgia - North Georgia - Atlanta-Marietta (NGA) - Atlanta-Marietta (NGA)	1,181.5
11	Hamilton Mill UMC	Southeastern - Southeastern - North Georgia - North Georgia - Central East (NGA) - Central East (NGA)	1,177.5

from: 1/1/2016 to: 12/31/2016



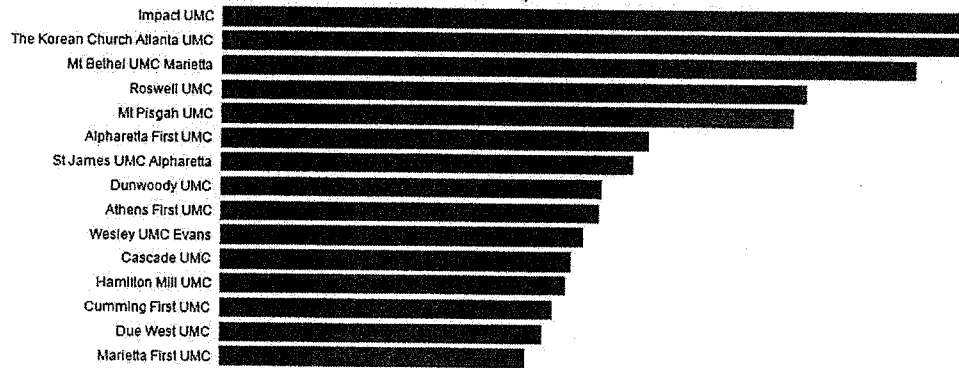
Highest Numbers [Jump to lowest](#)

1	Impact UMC	Southeastern - Southeastern - North Georgia - North Georgia - Central North (NGA) - Central North (NGA)	2,342.3
2	The Korean Church Atlanta UMC	Southeastern - Southeastern - North Georgia - North Georgia - Atlanta-Roswell (NGA) - Atlanta-Roswell (NGA)	2,158.3
3	Roswell UMC	Southeastern - Southeastern - North Georgia - North Georgia - Atlanta-Roswell (NGA) - Atlanta-Roswell (NGA)	1,861.9
4	Mt Bethel UMC Marietta	Southeastern - Southeastern - North Georgia - North Georgia - Atlanta-Marietta (NGA) - Atlanta-Marietta (NGA)	1,767.3
5	Mt Pisgah UMC	Southeastern - Southeastern - North Georgia - North Georgia - Atlanta-Roswell (NGA) - Atlanta-Roswell (NGA)	1,726.2
6	St James UMC Alpharetta	Southeastern - Southeastern - North Georgia - North Georgia - Atlanta-Roswell (NGA) - Atlanta-Roswell (NGA)	1,385.2
7	Alpharetta First UMC	Southeastern - Southeastern - North Georgia - North Georgia - Atlanta-Roswell (NGA) - Atlanta-Roswell (NGA)	1,322.4
8	Hamilton Mill UMC	Southeastern - Southeastern - North Georgia - North Georgia - Central East (NGA) - Central East (NGA)	1,163.6
9	Dunwoody UMC	Southeastern - Southeastern - North Georgia - North Georgia - Atlanta-Roswell (NGA) - Atlanta-Roswell (NGA)	1,162.2
10	Wesley UMC Evans	Southeastern - Southeastern - North Georgia - North Georgia - South East (NGA) - South East (NGA)	1,115.6
11	Due West UMC	Southeastern - Southeastern - North Georgia - North Georgia - Atlanta-Marietta (NGA) - Atlanta-Marietta (NGA)	1,112.2

from: 1/1/2017 to: 12/31/2017

Southeastern North Georgia All Districts All Churches

Average Attendance Churches



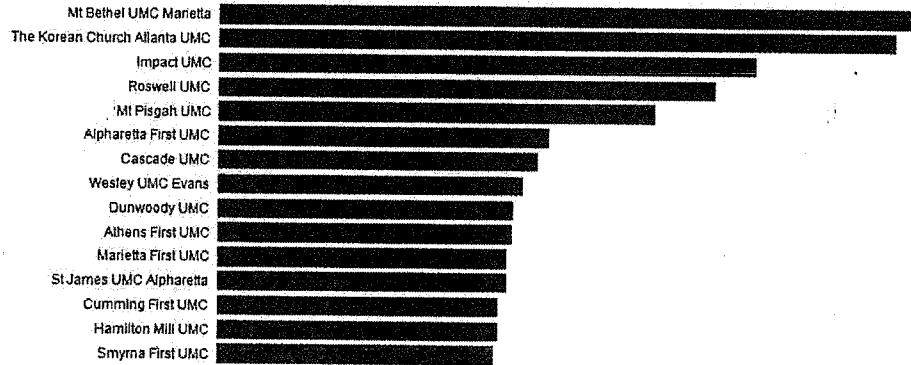
Highest Numbers [Jump to lowest](#)

Rank	Church	Path	Attendance
1	Impact UMC	Southeastern - Southeastern - North Georgia - North Georgia - Central North (NGA) - Central North (NGA)	2,280.2
2	The Korean Church Atlanta UMC	Southeastern - Southeastern - North Georgia - North Georgia - Atlanta-Roswell (NGA) - Atlanta-Roswell (NGA)	2,278.8
3	Mt Bethel UMC Marietta	Southeastern - Southeastern - North Georgia - North Georgia - Atlanta-Marietta (NGA) - Atlanta-Marietta (NGA)	2,113.2
4	Roswell UMC	Southeastern - Southeastern - North Georgia - North Georgia - Atlanta-Roswell (NGA) - Atlanta-Roswell (NGA)	1,779.8
5	Mt Pisgah UMC	Southeastern - Southeastern - North Georgia - North Georgia - Atlanta-Roswell (NGA) - Atlanta-Roswell (NGA)	1,740.4
6	Alpharetta First UMC	Southeastern - Southeastern - North Georgia - North Georgia - Atlanta-Roswell (NGA) - Atlanta-Roswell (NGA)	1,304.6
7	St James UMC Alpharetta	Southeastern - Southeastern - North Georgia - North Georgia - Atlanta-Roswell (NGA) - Atlanta-Roswell (NGA)	1,257.4
8	Dunwoody UMC	Southeastern - Southeastern - North Georgia - North Georgia - Atlanta-Roswell (NGA) - Atlanta-Roswell (NGA)	1,166.2
9	Athens First UMC	Southeastern - Southeastern - North Georgia - North Georgia - Athens-Elberton (NGA) - Athens-Elberton (NGA)	1,156.5
10	Wesley UMC Evans	Southeastern - Southeastern - North Georgia - North Georgia - South East (NGA) - South East (NGA)	1,112.3
11	Cascade UMC	Southeastern - Southeastern - North Georgia - North Georgia - Central North (NGA) - Central North (NGA)	1,072.8

from: 1/1/2018 to: 12/31/2018

Southeastern North Georgia All Districts All Churches

Average Attendance Churches



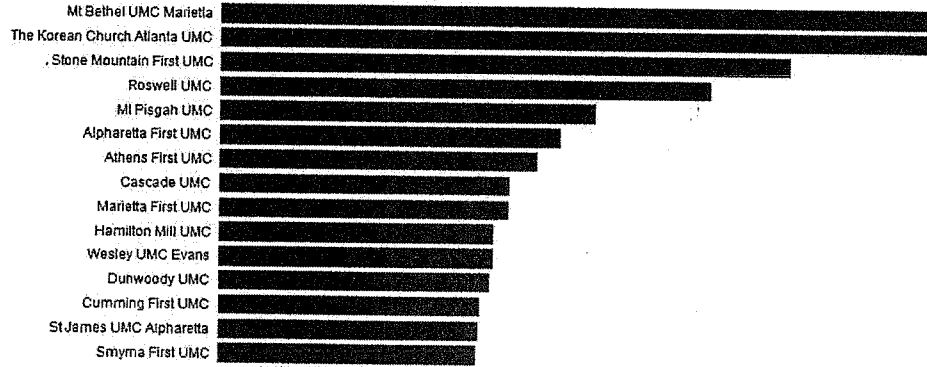
Highest Numbers [Jump to lowest](#)

1	Mt Bethel UMC Marietta	Southeastern - Southeastern - North Georgia - North Georgia - Atlanta-Marietta (NGA) - Atlanta-Marietta (NGA)	2,560.2
2	The Korean Church Atlanta UMC	Southeastern - Southeastern - North Georgia - North Georgia - Atlanta-Roswell (NGA) - Atlanta-Roswell (NGA)	2,463.6
3	Impact UMC	Southeastern - Southeastern - North Georgia - North Georgia - Central North (NGA) - Central North (NGA)	1,957.0
4	Roswell UMC	Southeastern - Southeastern - North Georgia - North Georgia - Atlanta-Roswell (NGA) - Atlanta-Roswell (NGA)	1,808.9
5	Mt Pisgah UMC	Southeastern - Southeastern - North Georgia - North Georgia - Atlanta-Roswell (NGA) - Atlanta-Roswell (NGA)	1,589.5
6	Alpharetta First UMC	Southeastern - Southeastern - North Georgia - North Georgia - Atlanta-Roswell (NGA) - Atlanta-Roswell (NGA)	1,208.0
7	Cascade UMC	Southeastern - Southeastern - North Georgia - North Georgia - Central North (NGA) - Central North (NGA)	1,165.9
8	Wesley UMC Evans	Southeastern - Southeastern - North Georgia - North Georgia - South East (NGA) - South East (NGA)	1,113.4
9	Dunwoody UMC	Southeastern - Southeastern - North Georgia - North Georgia - Atlanta-Roswell (NGA) - Atlanta-Roswell (NGA)	1,078.5
10	Athens First UMC	Southeastern - Southeastern - North Georgia - North Georgia - Athens-Elberton (NGA) - Athens-Elberton (NGA)	1,075.6
11	Marietta First UMC	Southeastern - Southeastern - North Georgia - North Georgia - Atlanta-Marietta (NGA) - Atlanta-Marietta (NGA)	1,055.2

from: 1/1/2019 to: 12/31/2019

Southeastern North Georgia All Districts All Churches

Average Attendance Churches



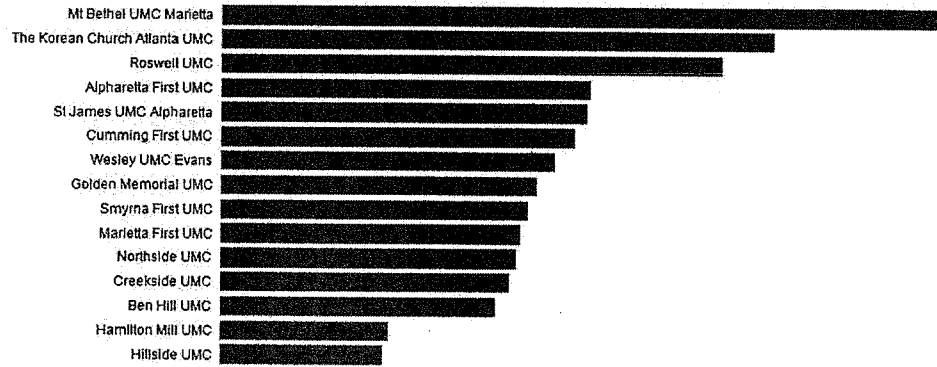
Highest Numbers [Jump to lowest](#)

1	Mt Bethel UMC Marietta	Southeastern - Southeastern - North Georgia - North Georgia - Atlanta-Marietta (NGA) - Atlanta-Marietta (NGA)	2,610.4
2	The Korean Church Atlanta UMC	Southeastern - Southeastern - North Georgia - North Georgia - Atlanta-Roswell (NGA) - Atlanta-Roswell (NGA)	2,589.6
3	Stone Mountain First UMC	Southeastern - Southeastern - North Georgia - North Georgia - Central South (NGA) - Central South (NGA)	2,084.8
4	Roswell UMC	Southeastern - Southeastern - North Georgia - North Georgia - Atlanta-Roswell (NGA) - Atlanta-Roswell (NGA)	1,792.5
5	Mt Pisgah UMC	Southeastern - Southeastern - North Georgia - North Georgia - Atlanta-Roswell (NGA) - Atlanta-Roswell (NGA)	1,378.5
6	Alpharetta First UMC	Southeastern - Southeastern - North Georgia - North Georgia - Atlanta-Roswell (NGA) - Atlanta-Roswell (NGA)	1,253.5
7	Athens First UMC	Southeastern - Southeastern - North Georgia - North Georgia - Athens-Elberton (NGA) - Athens-Elberton (NGA)	1,166.4
8	Cascade UMC	Southeastern - Southeastern - North Georgia - North Georgia - Central North (NGA) - Central North (NGA)	1,069.7
9	Marietta First UMC	Southeastern - Southeastern - North Georgia - North Georgia - Atlanta-Marietta (NGA) - Atlanta-Marietta (NGA)	1,054.6
10	Hamilton Mill UMC	Southeastern - Southeastern - North Georgia - North Georgia - Central East (NGA) - Central East (NGA)	1,013.9
11	Wesley UMC Evans	Southeastern - Southeastern - North Georgia - North Georgia - South East (NGA) - South East (NGA)	1,012.3

from: 1/1/2020 to: 12/31/2020

Southeastern North Georgia All Districts All Churches

Average Attendance Churches



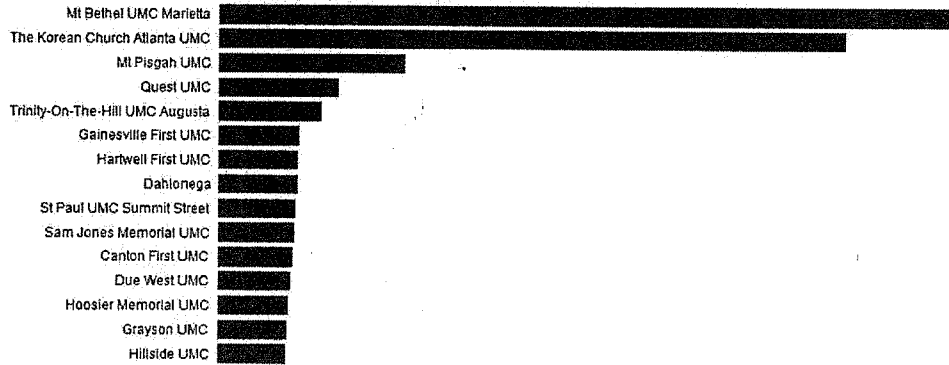
Highest Numbers [Jump to lowest](#)

1	Mt Bethel UMC Marietta	Southeastern - Southeastern - North Georgia - North Georgia - Atlanta-Marietta (NGA) - Atlanta-Marietta (NGA)	2,194.5
2	The Korean Church Atlanta UMC	Southeastern - Southeastern - North Georgia - North Georgia - Atlanta-Roswell (NGA) - Atlanta-Roswell (NGA)	1,680.1
3	Roswell UMC	Southeastern - Southeastern - North Georgia - North Georgia - Atlanta-Roswell (NGA) - Atlanta-Roswell (NGA)	1,524.6
4	Alpharetta First UMC	Southeastern - Southeastern - North Georgia - North Georgia - Atlanta-Roswell (NGA) - Atlanta-Roswell (NGA)	1,128.4
5	St James UMC Alpharetta	Southeastern - Southeastern - North Georgia - North Georgia - Atlanta-Roswell (NGA) - Atlanta-Roswell (NGA)	1,116.7
6	Cumming First UMC	Southeastern - Southeastern - North Georgia - North Georgia - North East (NGA) - North East (NGA)	1,080.2
7	Wesley UMC Evans	Southeastern - Southeastern - North Georgia - North Georgia - South East (NGA) - South East (NGA)	1,021.0
8	Golden Memorial UMC	Southeastern - Southeastern - North Georgia - North Georgia - Central West (NGA) - Central West (NGA)	966.5
9	Smyrna First UMC	Southeastern - Southeastern - North Georgia - North Georgia - Atlanta-Marietta (NGA) - Atlanta-Marietta (NGA)	937.6
10	Marietta First UMC	Southeastern - Southeastern - North Georgia - North Georgia - Atlanta-Marietta (NGA) - Atlanta-Marietta (NGA)	916.5
11	Northside UMC	Southeastern - Southeastern - North Georgia - North Georgia - Central North (NGA) - Central North (NGA)	901.7

from: 1/1/2021 to: 6/24/2021

Southeastern North Georgia All Districts All Churches

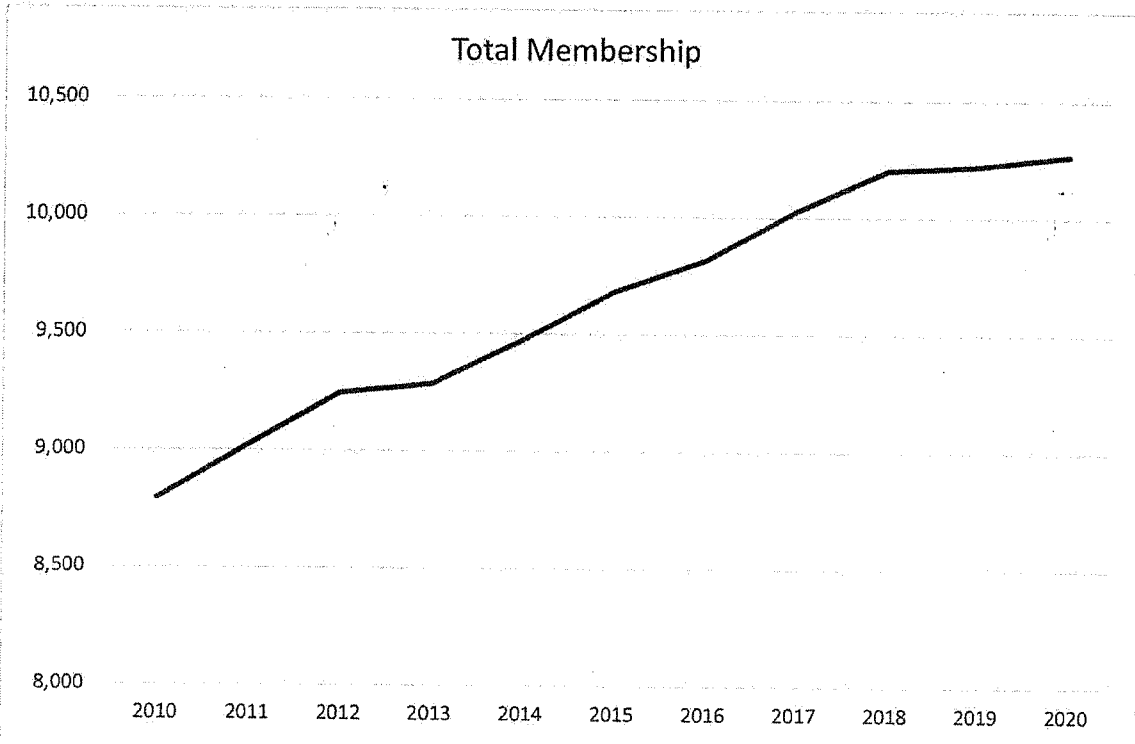
Average Attendance Churches



Highest Numbers [Jump to lowest](#)

1	Mt Bethel UMC Marietta	Southeastern - Southeastern - North Georgia - North Georgia - Atlanta-Marietta (NGA) - Atlanta-Marietta (NGA)	2,704.9
2	The Korean Church Atlanta UMC	Southeastern - Southeastern - North Georgia - North Georgia - Atlanta-Roswell (NGA) - Atlanta-Roswell (NGA)	2,289.3
3	Mt Pisgah UMC	Southeastern - Southeastern - North Georgia - North Georgia - Atlanta-Roswell (NGA) - Atlanta-Roswell (NGA)	691.9
4	Quest UMC	Southeastern - Southeastern - North Georgia - North Georgia - South East (NGA) - South East (NGA)	446.9
5	Trinity-On-The-Hill UMC Augusta	Southeastern - Southeastern - North Georgia - North Georgia - South East (NGA) - South East (NGA)	389.4
6	Gainesville First UMC	Southeastern - Southeastern - North Georgia - North Georgia - North East (NGA) - North East (NGA)	307.7
7	Hartwell First UMC	Southeastern - Southeastern - North Georgia - North Georgia - Athens-Elberton (NGA) - Athens-Elberton (NGA)	304.2
8	Dahlonega	Southeastern - Southeastern - North Georgia - North Georgia - North East (NGA) - North East (NGA)	301.8
9	St Paul UMC Summit Street	Southeastern - Southeastern - North Georgia - North Georgia - North East (NGA) - North East (NGA)	296.0
10	Sam Jones Memorial UMC	Southeastern - Southeastern - North Georgia - North Georgia - North West (NGA) - North West (NGA)	293.0
11	Canton First UMC	Southeastern - Southeastern - North Georgia - North Georgia - Atlanta-Marietta (NGA) - Atlanta-Marietta (NGA)	286.3

Total Membership Trend
(data from NGUMC conference reporting)



Total Membership	
2010	8,794
2011	9,024
2012	9,245
2013	9,284
2014	9,474
2015	9,680
2016	9,818
2017	10,030
2018	10,203
2019	10,224
2020	10,269

Annual Giving Trend
(data from Audited Financial Statements)

Annual Giving (\$000)	
2011	8,241
2012	8,327
2013	8,652
2014	9,613
2015	9,807
2016	9,696
2017	10,612
2018	10,148
2019	10,030
2020	9,309

Mt. Bethel Missions
Activity Highlights 2019-2021

The focus of Mt. Bethel Missions has been on ministry within 4 key sectors:

- Unreached & Persecuted
- Trafficked & Enslaved
- Children & Disenfranchised
- Homeless & Extreme Poverty

MB Missions invests in, and serves alongside, 18 partners across the above sectors, both locally and globally.

In 2019, Mission Teams involving 89 individuals traveled to minister with Missions Partners in Honduras, Kenya, Romania, and West Virginia. This was in addition to the ongoing involvement of Mt. Bethel members in local ministries.

In 2020, despite the realities of COVID-19 restrictions, Mt. Bethel still was active in the local community and with global partners.

- Mt. Bethel's ministries, including MB Missions, launched an outreach program ("Buddy System") to be in contact with hundreds of isolated members of our broader community.
- During the summer, Mt. Bethel served alongside Johnson Ferry Baptist Church to provide hundreds of meals each week for families in need. This was part of the MUST Ministries Summer Lunch Program.
- MB Missions began a mobile ministry to deliver food, supplies, and prayer to a school and ministries in the metro Atlanta community.
- Teams participated in Virtual Mission Trips with Missions Partners in Romania and Southeast Asia.

In 2021, still restrained by COVID-19 restrictions, MB hosted a Virtual Missions Experience. This week-long programming built awareness of the 4 key sectors and Mt. Bethel's 18 Missions Partners, through prayer, testimonials, and discussions about leading a missional life.

- Over \$200,000 was raised for Missions Partners through sacrificial giving

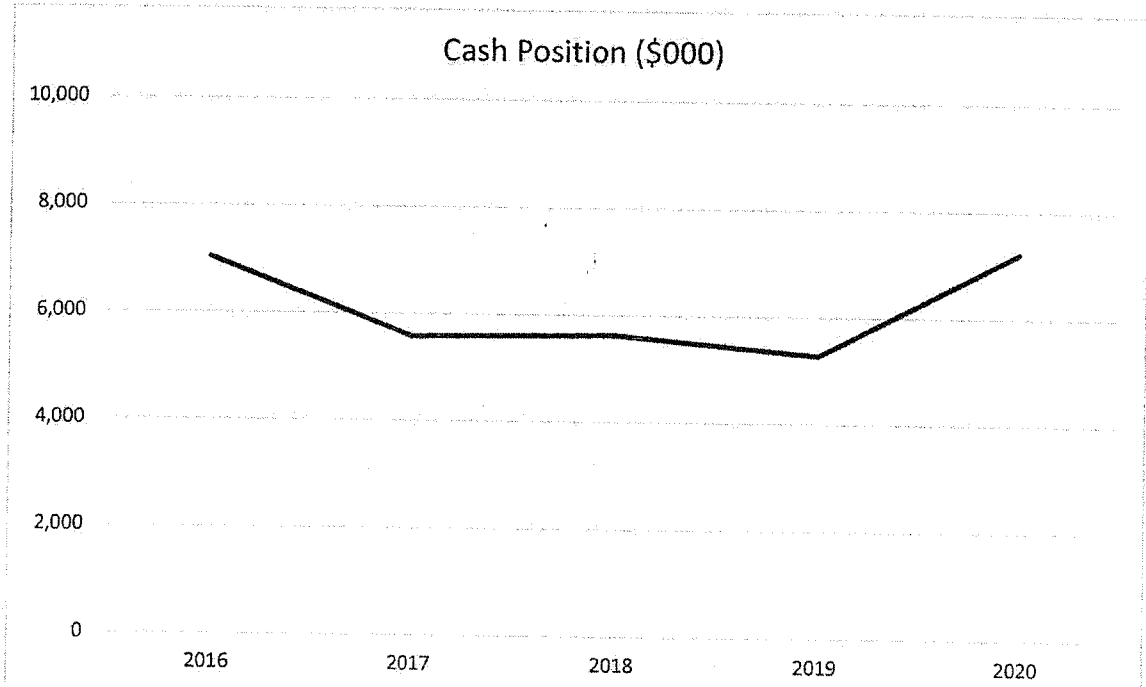
Mt. Bethel's YTD giving through May 31, 2021, of **\$1,031,883** has been distributed to ministries locally, regionally, and globally.

- **\$584,059** to local/regional Missions Partners and ministries
- **\$447,824** to international Missions Partners and ministries

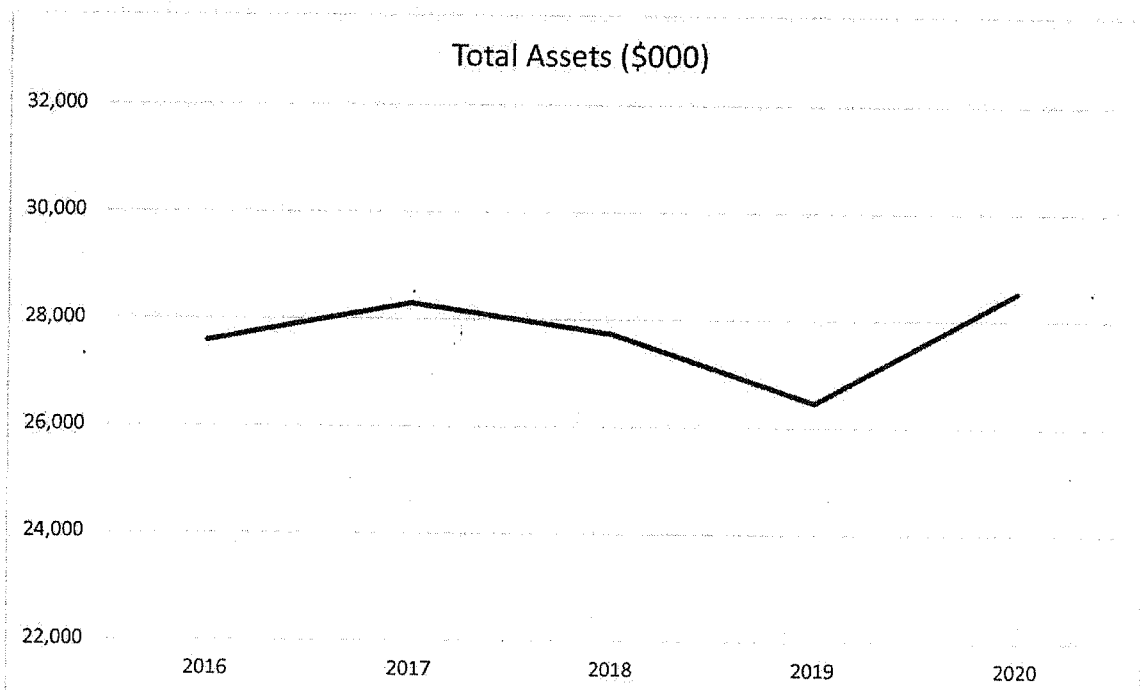
Mt. Bethel volunteers currently are active in the MUST Ministries Summer Lunch Program, with weekly provision growing to over 200 meals to our community in need. Recipients are located in our local community, Mableton, and Atlanta.

Registration is underway for Mission Trips to Romania (virtual) and West Virginia this summer.

Mt. Bethel Cash and Asset History
(data from Audited Financial Statements)



Cash Position (\$000)	
2016	7,033
2017	5,579
2018	5,636
2019	5,285
2020	7,217



Total Assets (\$000)	
2016	27,586
2017	28,290
2018	27,729
2019	26,461
2020	28,527

EXHIBIT 2

LEASE AND SHARED FACILITY AGREEMENT

THIS LEASE AND SHARED FACILITY AGREEMENT (this "Agreement") made and entered into as of the 24th day of MAY, 2021, by and between MT. BETHEL UNITED METHODIST CHURCH, INC., a Georgia non-profit corporation ("Landlord"), having an address at 4385 Lower Roswell Rd., Marietta, Georgia 30068, and MT. BETHEL CHRISTIAN ACADEMY, INC., a Georgia non-profit corporation ("Tenant"), having an address at 4385 Lower Roswell Rd., Marietta, Georgia 30068.

WITNESSETH:

WHEREAS, Tenant has continuously operated an educational institution (commonly referred to as "Mt. Bethel Christian Academy") on a portion of the property owned by Landlord at 4385 Lower Roswell Rd., Marietta, Georgia (the "Property") since 2002.

WHEREAS, in November 2013, the parties entered into an Annual Shared Services/Utilities Cost Allocation agreement ("Existing Agreement").

WHEREAS, in 2014, the parties agreed to formalize more thoroughly their relationship regarding the rights and obligations of Tenant in writing but have not previously done so.

WHEREAS, the Existing Agreement is due to expire at the end of the 2020-2021 school year, and Landlord and Tenant wish to formalize and reduce to writing their arrangements concerning the Property and to supersede any and all prior agreements regarding Tenant's occupancy of the Property (including, without limitation, the Existing Agreement) in accordance with the terms and conditions hereof; and

WHEREAS, Landlord has agreed: (a) to lease, on the terms set forth herein, to Tenant a portion of the premises commonly known as 4385 Lower Roswell Rd., Marietta, Georgia, such portion more particularly shown or described on Exhibit A attached hereto and made a part hereof (the "Premises") consisting of Tenant's administrative/facility offices and other Tenant facilities; and (b) to permit Tenant to use jointly and on a shared basis with Landlord (except as otherwise provided herein) certain other portions of the premises commonly known as 4385 Roswell Rd., Marietta, Georgia, such portions more particularly shown or described on Exhibit B attached hereto and made a part hereof on the terms herein (the "Shared Facilities").

NOW, THEREFORE, for and in consideration of One Hundred Dollars (\$100.00) in hand paid by Tenant to Landlord and other good and valuable consideration, the receipt, adequacy and sufficiency of which are hereby acknowledged, Landlord and Tenant, hereby agree as follows:

1. Premises and Shared Facilities. Landlord hereby leases to Tenant, and Tenant hereby leases from Landlord, upon the terms and conditions hereinafter set forth, the Premises as illustrated, depicted or otherwise described on Exhibit A, attached hereto and incorporated herein by this reference, and the Shared Facilities as illustrated, depicted or otherwise described on Exhibit B, attached hereto and incorporated herein by this reference, together with all improvements thereon and appurtenances and easements benefitting said lands. Tenant's exclusive rights to the Premises

and non-exclusive rights to the Shared Facilities are more particularly set forth in Exhibit E, attached hereto and incorporated herein. In addition, Tenant and the Tenant Parties (as hereinafter defined) shall have non-exclusive use of all roads, walkways, and parking lots (collectively, the "Roads, Walkways and Parking Lots") now or hereafter constructed on all of the Property for vehicular and pedestrian ingress and egress and for parking purposes. Except as specifically provided in Exhibit E, Tenant's rights to the Premises shall be exclusive. Except as specifically provided in Exhibit E, Tenant's rights to the Shared Facilities shall be non-exclusive.

2. Term.

(a) The term of this Agreement shall be for a period of two hundred forty (240) months, commencing on the date hereof (the "Commencement Date") and ending at midnight of the date two hundred forty (240) months thereafter (the "Expiration Date"), unless sooner terminated as hereinafter provided. The term of this Agreement shall hereinafter be referred to as the "Term."

(b) Tenant's Right of Termination. Notwithstanding the forgoing or anything herein to the contrary, Tenant shall have the right, at its sole option in its sole discretion, to terminate this Agreement upon written notice to Landlord ("Tenant's Early Termination Notice") setting forth an earlier Expiration Date, provided, however, such earlier Expiration Date shall not be earlier than twenty-four (24) months after Landlord's receipt of Tenant's Early Termination Notice. Upon Landlord's receipt of Tenant's Early Termination Notice, the Expiration Date shall be as provided in the Tenant's Early Termination Notice.

(c) Landlord's Right of Termination. In addition (but without limiting Tenant's right to send a Tenant's Early Termination Notice as contemplated above), Landlord shall have the right, at its sole option in its sole discretion, at any time after the expiration of the second (2nd) Lease Year, to terminate this Agreement upon written notice to Tenant ("Landlord's Early Termination Notice") setting forth an earlier Expiration Date; provided, however, such earlier Expiration Date shall not be earlier than the date sixty (60) months after Tenant's receipt of Landlord's Early Termination Notice. Upon Tenant's receipt of Landlord's Early Termination Notice, the Expiration Date shall be as provided in the Landlord's Early Termination Notice. Any Landlord's Early Termination Notice received by Tenant prior to the expiration of the second Lease Year shall be deemed to have been received on the date of the expiration of the second Lease Year.

3. Rent.

(a) In General. As used herein the term "Rent" shall mean and include Fixed Annual Rent (hereinafter defined) and all Additional Rent (hereinafter defined).

(b) Fixed Annual Rent. Tenant agrees to pay a fixed annual rent (the "Fixed Annual Rent") during the Term in equal monthly installments, on or before the first day of each month in advance, at the office of Landlord set forth above or at such other place designated by Landlord, without any notice or demand therefor. The Fixed Annual Rent shall be in accordance with the provisions of Exhibit C, attached hereto and incorporated herein.

(c) Additional Rent. As used herein, the term "Additional Rent" shall mean all sums of money other than Fixed Annual Rent as shall become due and payable by Tenant hereunder whether or not such sums are owed to Landlord or to a third party (including, without limitation, as identified on Exhibit C hereto).

(d) Lease Year. As used herein, the term "Lease Year" shall mean the period commencing on the Commencement Date and continuing for one (1) year, and each subsequent one (1) year period thereafter.

4. Condition of Premises.

(a) Improvements by Tenant. As Tenant has previously occupied the Premises and Shared Facilities, Tenant accepts such in their AS-IS, WHERE IS condition. Tenant may, but is not required to, make modifications to the Premises. Any material construction work alterations, or modifications to the Premises (which, for purposes hereof, "material" shall mean work costing in excess of \$5,000.00), shall require Landlord's prior written consent, which may be given or withheld in Landlord's sole discretion. Tenant shall be responsible for the cost of all such work, and for complying with all governmental requirements for use and zoning of the Premises with respect to Tenant's use of the Premises and all work by Tenant (if any) will be performed in good, workmanlike manner. Unless otherwise agreed to in writing by Landlord, Tenant may make no modifications to the Shared Facilities. Upon completion of any work on the Property, Tenant shall provide Landlord with as-built plans and any other documents related to such work that are reasonably requested by Landlord.

(b) Maintenance and Repairs.

(i) Tenant Obligations. Except as provided herein, Tenant shall not be obligated to make any repairs, replacements or improvements of any kind upon the Shared Facilities (including but not limited to structural improvements), or upon any equipment, facilities or fixtures contained therein. Tenant shall, at its sole cost and expense and at all times, maintain the Premises in good and safe condition and shall surrender the same, at termination of this Lease, in as good condition as of the date of this Agreement, normal wear and tear and loss due to casualty and condemnation excepted. Tenant shall, at its sole cost and expense, repair, maintain and, as necessary, replace the following in the Premises: the interior of the Premises (other than structural items), including but not limited to all walls, flooring, and ceilings; all windows at the Premises; and all systems (including electrical, water, sewer and HVAC) servicing the Premises to the extent such services are within the Premises or exclusively serve the Premises, and any required maintenance, repair, or replacement at or on the Premises not included in Landlord's Maintenance Items (collectively, "Tenant's Maintenance Items"). Tenant shall also repair, at Tenant's sole cost and expense, any damage caused by Tenant or any Tenant Party to the Premises or the Shared Facilities.

(ii) Landlord Obligations. Except for damage caused by Tenant or any Tenant Party, Landlord shall, at its sole cost and expense, be responsible for repairs, replacements or improvements to the structure, outside walls, roofs and foundations, and external portions of the Premises (collectively, "Landlord's Maintenance Items"). Landlord shall further be responsible for repairs, replacements or improvements to the Shared Facilities except in the event of damage caused by Tenant or any Tenant Party, in which event all such repairs, replacement, or improvements shall be at Tenant's sole cost and expense. Landlord shall properly maintain, repair and replace all Roads, Walkways and Parking Lots (as hereinafter defined) in a good, workmanlike manner and in accordance with all applicable laws, rules and regulations.

(iii) Landlord Services. Landlord shall, at Landlord's sole cost and expense and at no additional cost or expense to Tenant, perform and provide the services described in Exhibit D attached hereto and incorporated herein (collectively, "Landlord's Services") during the Term. The parties acknowledge and agree that Tenant, as an educational institution, will have contractual obligations to students and other third parties that require Landlord's proper and timely performance of the Landlord's Services. Without limiting any of Tenant's other rights or remedies herein or available at law or in equity, in the event that Landlord fails to perform (or threatens to fail to perform) any of Landlord's Services adequately and fully, and as a result, Tenant is in breach of its contractual obligations to students and third parties (or shall be in breach of such contractual obligations as a result of any threatened failure of Landlord to perform), Tenant shall have the right, but not the obligation, after written notice to Landlord that such services are required, to perform (or cause to be performed) such Landlord Service and Landlord shall promptly reimburse Tenant for the actual reasonable costs and expenses of Tenant in connection therewith within ten (10) business days of receipt of Tenant's demand accompanied by Tenant's receipts for such costs and expenses. If Landlord does not so reimburse Tenant within ten (10) business days of such demand, then Tenant may, at its option, deduct such costs and expenses from Tenant's payments of Rent until Tenant has been fully compensated therefor.

(c) Legal Requirements. Except for matters that are Landlord Services or are otherwise the obligation of Landlord pursuant to this Agreement, Tenant shall diligently comply with, at Tenant's sole cost and expense, all legal requirements with regard to Tenant's improvement, occupation and use of the Premises and use of the Shared Facilities. Without limiting the foregoing, Tenant, at its sole cost and expense, shall comply with all governmental restrictions and other governmental requirements applicable to the Premises and the Shared Facilities and Tenant's use thereof as well as Tenant's use of the Shared Facilities.

(d) Liens. Tenant agrees and covenants that it will not cause or suffer the creation of any mechanics or other lien of any nature on the Premises or Shared Facilities; for any labor performed or materials furnished for or on behalf of Tenant; and that if any such lien shall arise, Tenant shall bond against or discharge the same within thirty (30) days after the lien or claim is filed or formal notice of said lien has been issued regardless of the validity of such claim. If Tenant fails to bond against or discharge any such lien, within the thirty (30)-day period, Landlord may, in its sole discretion, satisfy and remove any lien on the Premises. If Landlord does remove any such lien, then Tenant shall reimburse Landlord for those amounts paid by Landlord to remove the lien (including but not limited to reasonable attorneys' fees).

5. Use of Premises. Tenant may use the Premises and Shared Facilities for use as a Christian educational institution and school and for related and ancillary uses thereto. Any activities that Tenant has historically and routinely performed at the Premises and/or Shared Facilities prior to the Commencement Date are hereby approved by Landlord.

6. Ad Valorem Personal Property Taxes and Other Charges. Tenant shall make timely payment of all ad valorem or other taxes and assessments (if any) levied upon Tenant's stock or merchandise, fixtures, furnishings, furniture, equipment, supplies and other property of Tenant located on or used in connection with the Premises and of all privilege and business licenses, fees, taxes, consumer charges, and any taxes against Tenant's leasehold interest.

7. Utility Bills. All utility bills for the Premises including, but not limited to, water, sewer, gas, electricity, fuel, light, and heat bills shall be paid by Landlord at no additional cost to Tenant. Notwithstanding the forgoing, Tenant shall be responsible for the following utilities at Tenant's sole cost and expense: internet service and phone service.

8. Indemnifications. Tenant shall indemnify, defend and hold harmless Landlord, its officers, directors, shareholders, employees, invitees and agents from and against any and all losses of any nature, claims, actions, damages, liabilities, losses, liens, costs and expenses (including, but not limited to, attorneys' fees) that arise out of or relate to the use, occupancy, or control by Tenant (or any Tenant Party) of the Premises or the Shared Facilities. Landlord shall indemnify, defend and hold harmless Tenant and the Tenant Parties from and against any and all losses of any nature, claims, actions, liabilities, losses, liens, costs, and expenses (including, but not limited to attorneys' fees) that arise out of or are otherwise related to (i) Landlord's failure to provide any Landlord Service as required herein or (ii) Landlord's failure to perform any other obligation of Landlord required herein, or (iii) Landlord's (together with its employees, agents, contractors, invitees or licensees) use, occupancy, or control by Landlord of the Premises or the Shared Facilities.

9. Insurance.

(a) At no additional cost or expense to Tenant, for the initial six (6) months of the Term, Landlord shall obtain, on or before the date of this Agreement and keep in force at all times thereafter during the Term with respect to the Premises and Tenant's use of the Shared Facilities, (i) insurance against loss or damage to the Premises and Shared Facilities under an "all risk" extended coverage insurance policy, which shall include coverage against all risks of direct physical loss, including loss by fire, lighting and other risks which are at the time included under "extended coverage endorsements and in an amount not less than the replacement value of the Premises and Shared Facilities and (ii) automobile liability insurance for all vehicles owned by Tenant (including, without limitation, those identified on Exhibit F hereto) in amounts and types (with terms and clauses) as reasonably required by Landlord, and (iii) commercial general liability insurance for bodily injury, death, injury, or property damage on a broad form policy with contractual liability endorsement relating to the Premises and Shared Facilities and on a current basis with a minimum general aggregate limit of \$4,000,000.00 naming Tenant as an insured. Landlord shall provide Tenant with a copy of such insurance. Such insurance shall state that: (a) Tenant and its members, partners, agents and employees, and its mortgagee are additional insureds on a primary, non-

contractual basis; (b) insurer will provide thirty (30) days prior notice of cancellation or non-renewal, or material change to Landlord and Tenant; and (c) insurer waives its rights of subrogation against any additional insureds. Neither Landlord nor Tenant shall be liable to the other for damage caused by fire or other peril included in the coverage afforded by the standard broad form of property insurance policy with extended coverage endorsement attached, no matter how caused, and no insurer shall hold any right of subrogation to the extent permitted by their insurance carriers.

(b) Tenant's Replacement of Insurance. Tenant shall promptly commence obtaining and shall diligently pursue obtaining insurance coverages for the Premises required to be carried by Landlord, including but not limited to property, liability, automobile, tenant, worker's compensation, cyber, umbrella and other such coverages required by Landlord and to limits meeting or exceeding those of Landlord's own coverages with the intention that Tenant shall obtain coverages at levels acceptable to Landlord (not to be unreasonably withheld, conditioned or delayed) within the first six (6) months of the Term. If Tenant obtains such insurance for the Premises and Tenant's use of the Shared Facilities, then Tenant shall inform Landlord in writing ("Tenant's Insurance Notice") of such and Landlord shall thereafter no longer be obligated to provide such insurance for the Premises and Tenant's use of the Shared Facilities. Landlord shall be named as an additional insured on all Tenant policies. Upon providing Tenant's Insurance Notice to Landlord, Tenant shall be entitled to reduce its monthly payment of Fixed Annual Rent in accordance with the provisions of Exhibit C hereto. In the event Tenant does not obtain such insurance regarding the Premises and its use of the Shared Facilities within the initial six (6) months of the Term, then Landlord shall continue to provide insurance as described in paragraph 9(a), and Tenant shall reimburse Landlord for all premiums and other cost and expenses associated with such insurance.

10. Intentionally Omitted.

11. Destruction or Condemnation of Premises.

(a) Destruction. If all or any material portion of the Premises or Shared Facilities shall be damaged or destroyed by fire or other casualty, Tenant shall have the option, exercisable by giving Landlord written notice within thirty (30) days after such damage or destruction, of either (i) requiring Landlord to repair the damage (in which event this Agreement shall continue in full force and effect, except that Tenant shall receive an appropriate abatement of Rent for the period and to the extent that the Premises and/or Shared Facilities are untenable) or terminating this Agreement. In the event Landlord repairs the damage, Tenant shall assign all insurance proceeds to Landlord to effect such repairs. Notwithstanding the foregoing, in the event that: (a) the insurance proceeds payable in connection with such damage and destruction shall be insufficient to make such restoration, (b) the Premises or Shared Facilities shall be destroyed or substantially damaged by casualty not covered by standard fire or extended coverage insurance, (c) the Premises or Shared Facilities shall be destroyed or rendered untenable by any casualty to the extent of at least fifty percent (50%) of the area of said building, (d) Landlord shall not have actual and unconditional receipt of the insurance proceeds payable in connection with such damage and destruction, (e) the holder of any mortgage, deed to secure debt, deed of trust, or other instrument in the nature thereof which encumbers Landlord's interest hereunder or in the Premises or Shared Facilities shall require that such proceeds shall be applied against any debt owed to such holder, or (f) there shall be less than two (2) years remaining in the Term, then, in any of such events, Landlord may elect either to

terminate this Lease or to proceed to rebuild or repair the Premises and Shared Facilities (as applicable). Landlord shall give written notice to Tenant of such election within ninety (90) days after the occurrence of such casualty. Landlord's obligation to rebuild and repair the Premises shall in any event be limited to restoring the Premises to substantially the condition as of the effective date of this Agreement, normal wear and tear excepted, and Tenant agrees that promptly after the completion of such work by Landlord, Tenant will proceed with reasonable diligence and at its sole cost and expense to restore any Tenant improvements to the Premises (if any) to substantially the condition in which the same existed prior to the casualty.

(b) Condemnation. If all or any material portion of the Premises or the Shared Facilities shall be taken by eminent domain by any public authority or purchased by such authority in lieu of condemnation, Tenant may elect to terminate this Agreement by written notice within thirty (30) days of such taking or the effective date or the date of issuance (whichever is later) of such decision, action, order, legislation or conveyance. In the event Tenant does not elect to terminate this Agreement, this Agreement shall continue in full force and effect, except that Tenant shall receive an appropriate abatement of Rent for the period and to the extent that the Premises are untenable and any condemnation award shall belong to and be the property of Landlord without any participation by Tenant. All compensation awarded for any taking or the proceeds of private sale under threat thereof, whether for the whole or a part of the Premises or the Shared Facilities, shall be the property of Landlord, whether such award is compensation for damages to Landlord's or Tenant's interest in the Premises or the Shared Facilities, and Tenant hereby assigns all of its interest in any such award to Landlord; provided, however, Landlord shall have no interest in any award made to Tenant for loss of business or for the taking of Tenant's fixtures and personal property within the Premises or Shared Facilities if a separate award for such items is made to Tenant. Notwithstanding the foregoing, in the event that: (a) the Premises or Shared Facilities shall be taken to the extent of at least fifty percent (50%) of the area of said building, or (b) the holder of any mortgage, deed to secure debt, deed of trust, or other instrument in the nature thereof which encumbers Landlord's interest hereunder or in the Premises or Shared Facilities shall require that such proceeds shall be applied against any debt owed to such holder, or (c) there shall be less than two (2) years remaining in the Term, then, in any of such events, Landlord may elect either to terminate this Lease or to proceed to rebuild or repair the Premises.

12. Quiet Enjoyment of Premises. Tenant, upon payment of the Rent herein provided and the fulfillment of Tenant's obligations hereunder, shall and may peaceably and quietly have, hold, occupy, use and enjoy, and shall have the full, exclusive and unrestricted use and enjoyment of, the Premises and Shared Facilities subject to the terms and provisions hereof.

13. Landlord's Access to Premises. Landlord shall have the right to enter upon and show the Premises at any time upon a twenty-four (24) hours' written notice during normal business hours during the Term of this Agreement to any prospective purchasers or mortgagees, and to enter upon the Premises for the purposes of ascertaining the condition thereof and Tenant's fulfillment of its obligations hereunder. Landlord may enter the Premises at any time in the event of an emergency. In addition, Landlord, its employees, contractors and agents may enter the Premises at any time in order to perform Landlord's Services to the extent required to perform such services. Landlord may also use the Premises in accordance with the provisions of Exhibit E hereof. Landlord shall have

access to the Shared Facilities at all times except during Tenant's exclusive use thereof as contemplated in this Agreement.

14. Surrender of Premises. Upon the expiration of the Term of this Agreement, or upon the earlier termination thereof, Tenant shall peaceably and quietly leave and surrender the Premises and Shared Facilities to Landlord and shall deliver all keys for the Premises to Landlord at the place then fixed for payment of Rent. Tenant shall also inform Landlord of all combinations on locks, safes, and vaults, if any, located on the Premises and Shared Facilities (to the extent known to Tenant). Tenant shall remove all of its personal property, trade fixtures and other fixtures that can be removed without inflicting damage to the Premises and Shared Facilities upon the expiration or earlier termination of this Agreement and shall leave the Premises broom-clean and in good and tenable condition. Tenant shall repair any and all damage to the Premises and Shared Facilities caused by Tenant's occupation or vacation thereof. Nothing herein requires Tenant to repair damages or other injury caused by Landlord, its employees, agents, or contractors to the Premises or Shared Facilities or damage done by parties other than Tenant or any Tenant Party. Tenant shall have no obligation to repair or restore the Shared Facilities or to return the Shared Facilities in any particular condition unless Tenant or any Tenant Party causes damage thereto, it being acknowledged and agreed that numerous other parties will have use of the Shared Facilities and Tenant is not responsible for any damage or injuries caused by parties other than Tenant and Tenant Parties. Any personal property, trade fixtures or other fixtures of Tenant which shall remain upon the Premises or Shared Facilities after the expiration of the Term of this Agreement or the earlier termination thereof may, at the option of Landlord, be deemed to have been abandoned, and either may be retained by Landlord as its property or disposed of in such manner as Landlord may see fit, and Landlord shall have no liability to Tenant therefor.

15. Assignment and Subletting. Tenant may not assign this Agreement or any interest hereunder, or sublet the Premises or its interest in and to the Shared Facilities or any part thereof, or permit the use of the Premises by any party other than Tenant and the Tenant Parties without the express, written consent of Landlord.

16. Subordination. This Agreement is and shall be subject and subordinate at all times to all mortgages, deeds to secure debt, deeds of trust, and any and all liens resulting from any other method of financing or refinancing which now or hereafter affects the Premises or Shared Facilities (as well as to all restrictive covenants affecting the Premises or Shared Facilities), and to all renewals, modifications, consolidations, participations, replacements and extensions thereof and advances thereon; provided, however, that such is conditioned upon Tenant's rights hereunder not being disturbed. Tenant hereby agrees to attorn to any underlying mortgagee and shall execute, within fifteen (15) business days of receipt, any subordination certificate or other instrument which Landlord may reasonably request in confirmation of such subordination and attornment. If any mortgage, deed to secure debt, deed of trust, or other lien upon the Premises or Shared Facilities is foreclosed, Tenant shall, at the request of Landlord or any underlying mortgagee, trustee, or other terminating or foreclosing party, enter into a new lease for the Premises and Shared Facilities for the remaining Term of this Agreement and otherwise on the same terms, conditions and rentals herein.

17. Brokerage. Landlord and Tenant each represent and warrant to the other that each has dealt with no broker or other intermediary in connection with this transaction. Tenant shall save,

defend and hold Landlord harmless from any and all other claims or demands by real estate brokers, attorneys acting as brokers, agents, or finders with whom Tenant may have dealt in connection with this Agreement. Landlord shall save, defend and hold Tenant harmless from any and all other claims or demands by real estate brokers, attorneys acting as brokers, agents, or finders with whom Landlord may have dealt in connection with this Agreement.

18. Signs. The parties generally acknowledge and agree that any existing signage in, on, or about the Premises and Shared Facilities of Tenant is hereby approved by Landlord and may continue to be utilized, repaired, and replaced as necessary during the Term by Tenant. In addition, and without limiting the forgoing, Tenant, at its sole cost and expense, may install the maximum signage allowed by all applicable governmental authorities and other restrictions on the exterior of the Premises subject to Landlord's prior written approval, which approval may be withheld in Landlord's sole discretion. If any damage is done to Tenant's signs, Tenant shall promptly repair same at its sole cost and expense. Tenant shall obtain, at Tenant's sole cost and expense, all necessary licenses and permits for its signs, and shall at all times comply with all other legal requirements with regard to same.

19. Default. The happening of any one or more of the following events shall constitute an "Event of Default":

- (i) Tenant fails to pay the Rent within ten (10) days of the date when due as provided for herein (provided, however, Tenant is entitled to written notice and an additional three (3) business days to cure up to three (3) times per 12-month period);
- (ii) Tenant fails to observe or perform any of the other provisions of this Agreement on its part to be observed or performed provided Tenant has received written notice of Tenant's alleged violation of lease provisions and Tenant fails to cure such defect within thirty (30) days after such written notice unless such defect shall reasonably require longer to cure, in which case Tenant shall have a reasonable amount of time to cure such defect provided Tenant promptly commences and diligently pursues same and further provided that Landlord shall only be required to provide such written notice two times in any calendar year;
- (iii) Tenant files a petition in bankruptcy or an involuntary bankruptcy petition is filed against Tenant;
- (iv) A receiver is appointed for Tenant's property;
- (v) Tenant, either voluntarily or involuntarily, takes advantage of any debtor relief proceedings under any present or future law;
- (vi) Tenant makes an assignment for the benefit of creditors; or
- (viii) Tenant's effects are levied upon or attached under process against Tenant.

Upon the occurrence of any Event of Default, and subject to the provisions of Section 37 below, Landlord may pursue any one or more of the following remedies set forth in items (i) through (iii) below, separately or concurrently, without any notice (except as specifically provided hereafter) and without prejudice to any other remedy herein provided or provided by law: (i) Landlord may terminate this Agreement by giving written notice to Tenant, and upon such termination, shall be entitled to recover from Tenant damages in an amount equal to all Rent which is then due; (ii) Landlord, as Tenant's agent, without terminating this Agreement may enter upon, re-take possession of and re-let the Premises and Shared Facilities, in whole or in part, at the best price obtainable by reasonable effort, with or without advertisement and for any term Landlord deems proper with Tenant being liable to Landlord for the deficiency, if any, between Tenant's Rent hereunder and the net proceeds (after deduction for commissions, legal fees, tenant improvement expenses and similar costs incurred in making the Premises available for reletting) obtained by Landlord on reletting; provided, or (iii) Landlord may pursue any other remedy available to Landlord at law or in equity.

Subject to the provisions of Section 37 hereof, in the event Landlord fails to observe or perform any of the provisions of this Agreement on its part to be observed and performed, then so long as Tenant is not in default hereunder and after providing Landlord written notice of default with a minimum of thirty (30) days to begin curing said default, Tenant may pursue specific performance of Landlord's obligations hereunder together with any remedies available at-law (including, without limitation, monetary damages).

20. Crediting of Payments. No receipt or endorsement or statement on any check or any letter accompanying any check or payment as Rent shall be deemed an accord and satisfaction, and Landlord may accept such check or payment without prejudice to Landlord's right to recover the balance of such Rent or pursue any other remedy provided in this Agreement or available at law or in equity.

21. Late Payment. If Tenant shall fail to pay within ten (10) days when due any Rent which becomes due and payable by Tenant to Landlord under the terms of this Agreement, then Tenant shall pay Landlord as Additional Rent an additional charge of one hundred dollars (\$100.00) for Landlord's expense in connection therewith.

22. Estoppel Certificate. Either party shall execute and deliver to the other party, within thirty (30) days the requesting party's request therefor, a currently dated certificate stating as follows (to the extent true and correct):

- (i) that this Agreement is in full force and effect;
- (ii) whether this Agreement has been modified, amended or assigned or the Premises or Shared Facilities sublet, and specifically referring to and attaching copies of the documents evidencing any modification, amendment, assignment, or subletting;
- (iii) whether there are any existing defaults hereunder to the knowledge of Tenant (or Landlord as the case may be), and specifying the nature of any such defaults;

- (iv) the dates, if any, to which Rent has been paid in advance;
- (v) the Commencement Date and Expiration Date hereof;
- (vi) that there are no defenses or offsets against the enforcement of this Agreement by Landlord (or Tenant as the case may be); and
- (vii) such other matters as may be reasonably requested by Landlord (or Tenant as the case may be).

The requesting party and all mortgagees shall have the right, as against the requested party, to rely upon any certificate furnished by the requested party pursuant to this Section 22.

23. Hazardous Materials. Tenant shall not use or allow the Premises or Shared Facilities to be used in any manner so as to create an environmental violation or hazard, nor shall Tenant cause or allow to be caused any chemical contamination or discharge of a substance of any nature which is noxious, offensive or harmful or which under any law, rule or regulation of any governmental authority having jurisdiction constitutes a hazardous substance or hazardous waste. Tenant shall indemnify Landlord against and hold Landlord harmless from all claims, losses, damages, suits, judgments, costs and expenses (including reasonable attorneys' fees) incurred by or asserted against Landlord as a result of or in connection with any violation or breach of the foregoing provisions by Tenant.

24. Notices. All notices, requests, consents and other communications hereunder shall be in writing addressed to the parties as hereinafter provided, and shall be deemed to be given to and received by the party intended to receive such notice as follows: (a) if by hand delivery, when hand delivered; (b) if sent by mail (provided the same has been sent postage prepaid, certified mail, return receipt requested, and properly addressed), the earlier of (i) actual receipt or (ii) three (3) business days after such notice shall have been deposited in the United States mail; or (c) if sent by overnight courier, on the first business day (or on Saturday or holiday if sent for delivery thereon) following the date of sending.

The initial addresses for notices are as follows:

To Landlord: Mt. Bethel United Methodist Church, Inc.
4385 Lower Roswell Rd.
Marietta, Georgia 30068
Attn: MARY DROGER

With a copy to: Moore, Ingram Johnson & Steele, LLP
Emerson Overlook
326 Roswell Street
Suite 100
Marietta, Georgia 30060
Attn: J. Kevin Moore, Esq.

To Tenant: Mt. Bethel Christian Academy, Inc.
4385 Lower Roswell Rd.
Marietta, Georgia 30068
Attn: Headmaster

With a
copy to: Wilson Brock & Irby, L.L.C.
2849 Paces Ferry Road
Overlook 1, Suite 700
Atlanta, Georgia 30339
Attn: J. Parker Gilbert, Esq.

25. Successors and Assigns. The terms, covenants and conditions of this Agreement shall be binding upon and inure to the benefit of Landlord and Tenant and their permitted successors, assigns and legal representatives.

26. Waiver. No waiver by either party of any breach of any of the covenants or conditions contained herein by the other party shall be construed as a waiver of any subsequent breach of the same or any other covenant or condition.

27. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Georgia.

28. Section Headings. The Section headings contained in this Agreement are for convenience only and shall in no manner be construed as a part of this Agreement.

29. Entire Agreement. This Agreement supersedes all prior discussions and agreements between the parties hereto or any of the respective officers, directors, employees, or agents with respect to the matters contained herein, and this Agreement constitutes the sole and entire agreement with respect thereto. Any representation, inducement, promise, or agreement, whether oral or written, between the parties or any of their respective officers, directors, employees, or agents which is not embodied herein shall be of no force and effect.

30. Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original and together shall constitute one and the same agreement, with one counterpart being delivered to each party hereto. Delivery of this Agreement may be accomplished by facsimile, PDF reproduction or other electronic means ("Electronic Delivery"); if Electronic Delivery is utilized by any of the parties hereto, a counterpart original shall be promptly executed and/or delivered, promptly following request by any of the other parties hereto.

31. Severability. If any term, covenant, or condition of this Agreement or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Agreement and the application of any such term, covenant or condition to persons or circumstances other than those as to which they have been held invalid or unenforceable, shall not be

affected thereby, and this Agreement and each term, covenant or any condition of this Agreement shall be valid and be enforced to the fullest extent permitted by law.

32. Relationship of the Parties. Nothing contained herein shall be deemed or construed by the parties hereto, or by any third party, as creating the relationship of principal and agent, or of partnership, or of joint venture between the parties hereto, it being understood and agreed that neither the method of computation of rent nor any other provisions contained herein, nor any acts or the parties hereto, shall be deemed to create any relationship between the parties hereto other than the relationship of landlord and tenant.

33. Termination of Prior Occupancy Agreements. It is acknowledged and agreed that Tenant has previously occupied the Premises and Shared Facilities. To the extent any prior agreement has been entered into governing or relating to such occupancy and use of the Premises and Shared Facilities (including, without limitation, the Existing Agreement) (collectively, "Prior Occupancy Agreements"), such Prior Occupancy Agreements are hereby terminated and of no further force and effect.

34. Acknowledgements Regarding Ownership of Certain Items. The parties acknowledge and agree that (i) Tenant is the current owner of the personal property identified on Exhibit F, attached hereto and incorporated herein and (ii) Landlord is the current owner of the personal property identified on Exhibit G, attached hereto and incorporated herein.

35. Certain Bus Matters. It is acknowledged and agreed that Tenant owns certain buses as identified on Exhibit F hereto (collectively, the "Buses"). During the Term, Tenant shall, at its sole cost and expense, maintain and repair the Buses in good, working order. Tenant shall control the scheduling of all of the Buses. It is acknowledged and agreed that Landlord shall have exclusive use of the Buses each Sunday from 7 a.m. to 2 p.m. (and such shall not require any additional consent of Tenant). In the event that Landlord desires to use one or more Buses during any other time, then Landlord may request permission from Tenant, which shall not be unreasonably withheld, conditioned or delayed. Any usage of any Bus by either party shall be at the sole risk of such party using such Bus. Each party (the "Indemnifying Party") agrees to defend, indemnify and hold harmless the other party for any and all losses, costs, damages to persons or property, fines, penalties and other expenses incurred (including, without limitation, attorneys' fees and court costs) which arise out of or relate to any act or omission of the Indemnifying Party, its employees, agents, or contractors in connection with the Buses.

36. Memorandum. The parties agree to execute and deliver a Memorandum of this Agreement in the form provided in Exhibit H, attached hereto and incorporated herein (the "Memo"). Tenant shall have the right to record the Memo in the real estate records of the county where the Premises is located. Upon the expiration of the Term or earlier termination of this Agreement, Tenant shall terminate the Memo of record at Tenant's sole cost and expense, and, in the event that Tenant has not terminated the Memo of record within ten (10) days after the expiration or earlier termination of this Lease, Tenant appoints Landlord as Tenant's attorney-in-fact to execute all documents required to terminate the Memo of record, and Tenant shall promptly reimburse Landlord for all cost and expenses incurred by Landlord in so terminating the Memo.

37. Binding Arbitration. If the parties do not agree upon any interpretation, enforcement or other matter involving this Lease, then the matter shall be submitted to binding arbitration. All proceedings that may be instituted in accordance with this Section 37 shall be raised by written notice to the other party, which notice shall state with particularity the nature of the dispute, the demand for relief and a list of three (3) qualified arbitrator candidates, each of whom shall be an attorney who is licensed to practice in the state of Georgia; has demonstrated at least ten years' experience in commercial real estate matters; and, in particular, the drafting and negotiation of commercial real estate contracts in greater Atlanta, Georgia area. The parties shall then mutually and promptly select one person from the list to act as arbitrator hereunder. If a selection is not made within ten (10) days after a demand for arbitration is made, upon the request of either party the arbitrator shall be appointed by The American Arbitration Association office located in Atlanta, Georgia. The arbitration proceedings shall take place at a mutually acceptable time and place in Atlanta, Georgia within fifteen (15) days thereafter. Each party shall bear one-half (1/2) of the administrative or arbitrator's fees and expenses; provided, however, the non-prevailing party shall reimburse the prevailing party of such prevailing party's portion of its fees and expenses.

38. Landlord Tenant Relationship. This Lease shall create the relationship of landlord and tenant only between Landlord and Tenant and no estate for years or other estate shall pass out of Landlord. Tenant shall have only a usufruct, not subject to levy and sale and not assignable in whole or in part by Tenant except as herein provided.

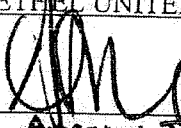
39. Assignment by Landlord. Landlord shall be entitled and have the right to assign all interests, rights, duties and obligations of Landlord hereunder; provided, however, any such assignment shall not relieve Landlord of its obligations hereunder.

(Signatures on the following page.)

IN WITNESS WHEREOF, Landlord and Tenant have caused this Agreement to be executed by their respective duly authorized officers and their respective seals to be hereunto affixed the day and year first above written.

LANDLORD:

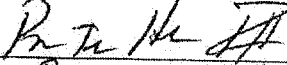
MT. BETHEL UNITED METHODIST CHURCH, INC.

By: 
Name: ANDREW J. SLAVIN
Title: CHAIRMAN BOARD OF TRUSTEES

[CORPORATE SEAL]

TENANT:

MT. BETHEL CHRISTIAN ACADEMY, INC.

By: 
Name: Belton Troy Holder
Title: Exec. Committee, Board of Trustees

[CORPORATE SEAL]

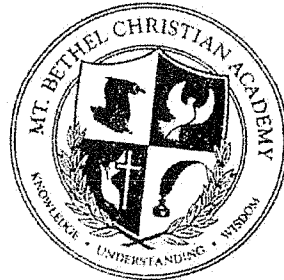
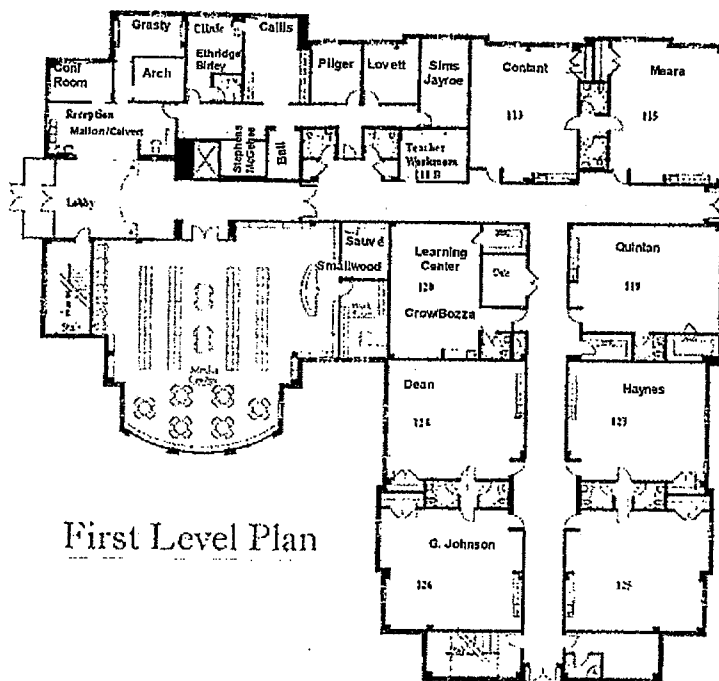


Exhibit A

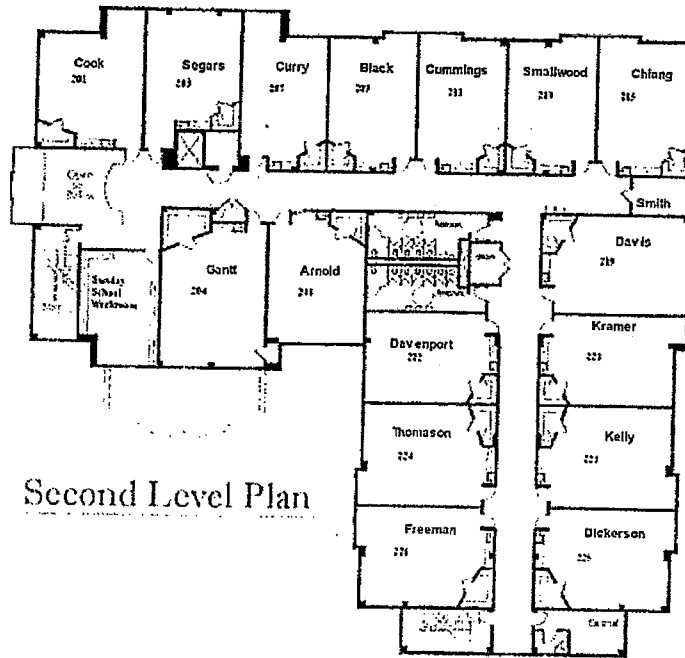
The Premises

All portions of F BLDG (also known as "DeVore Hall") and as depicted in Exhibit A-1, attached hereto and incorporated herein.

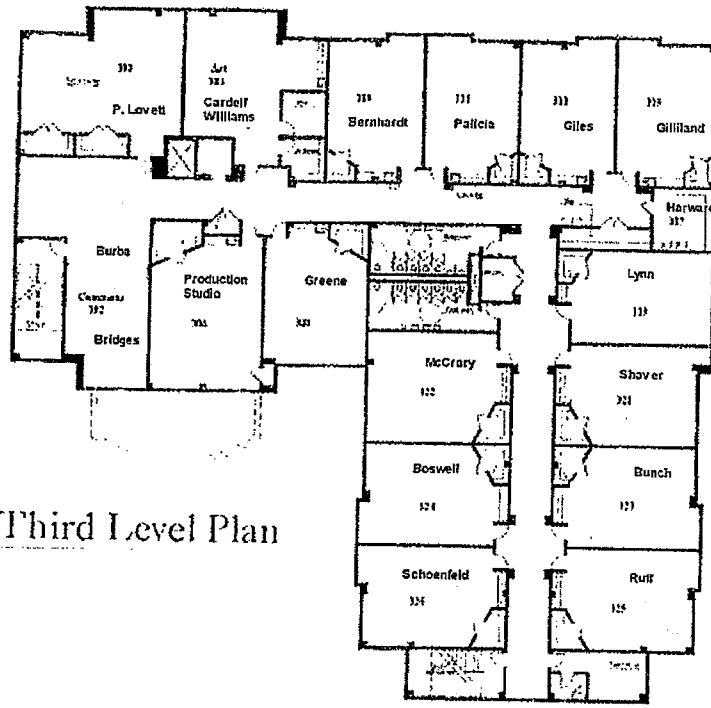
Mt. Bethel Christian Academy
Building Floor Plan
2017-2018



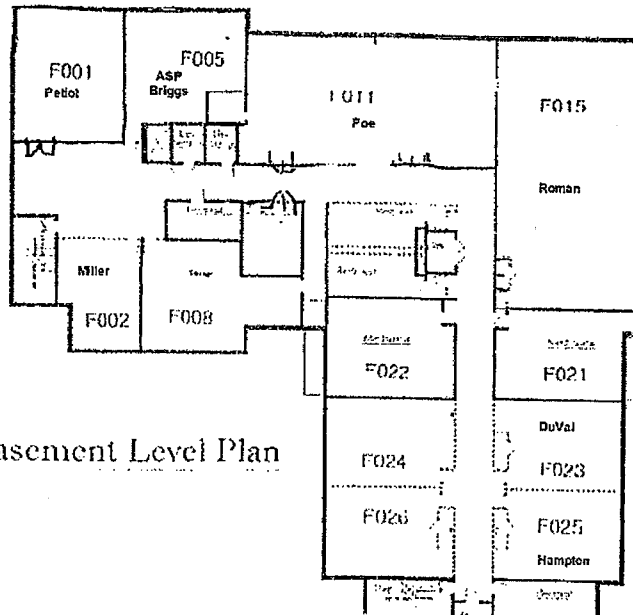
First Level Plan



Second Level Plan



Third Level Plan

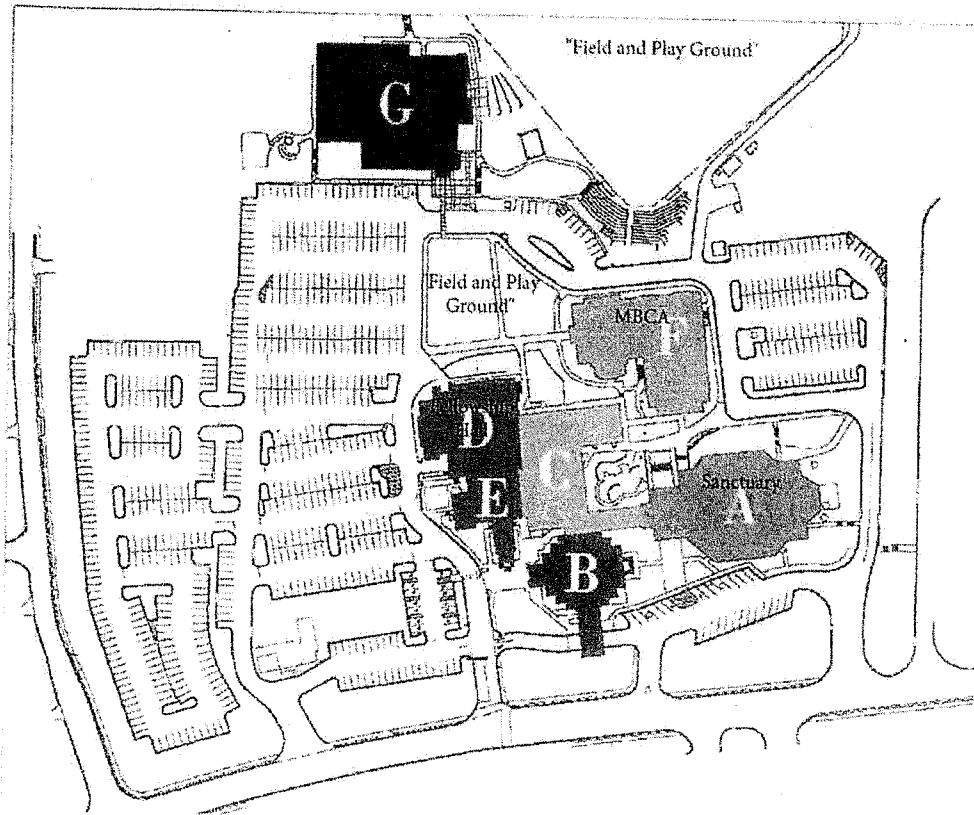


Basement Level Plan

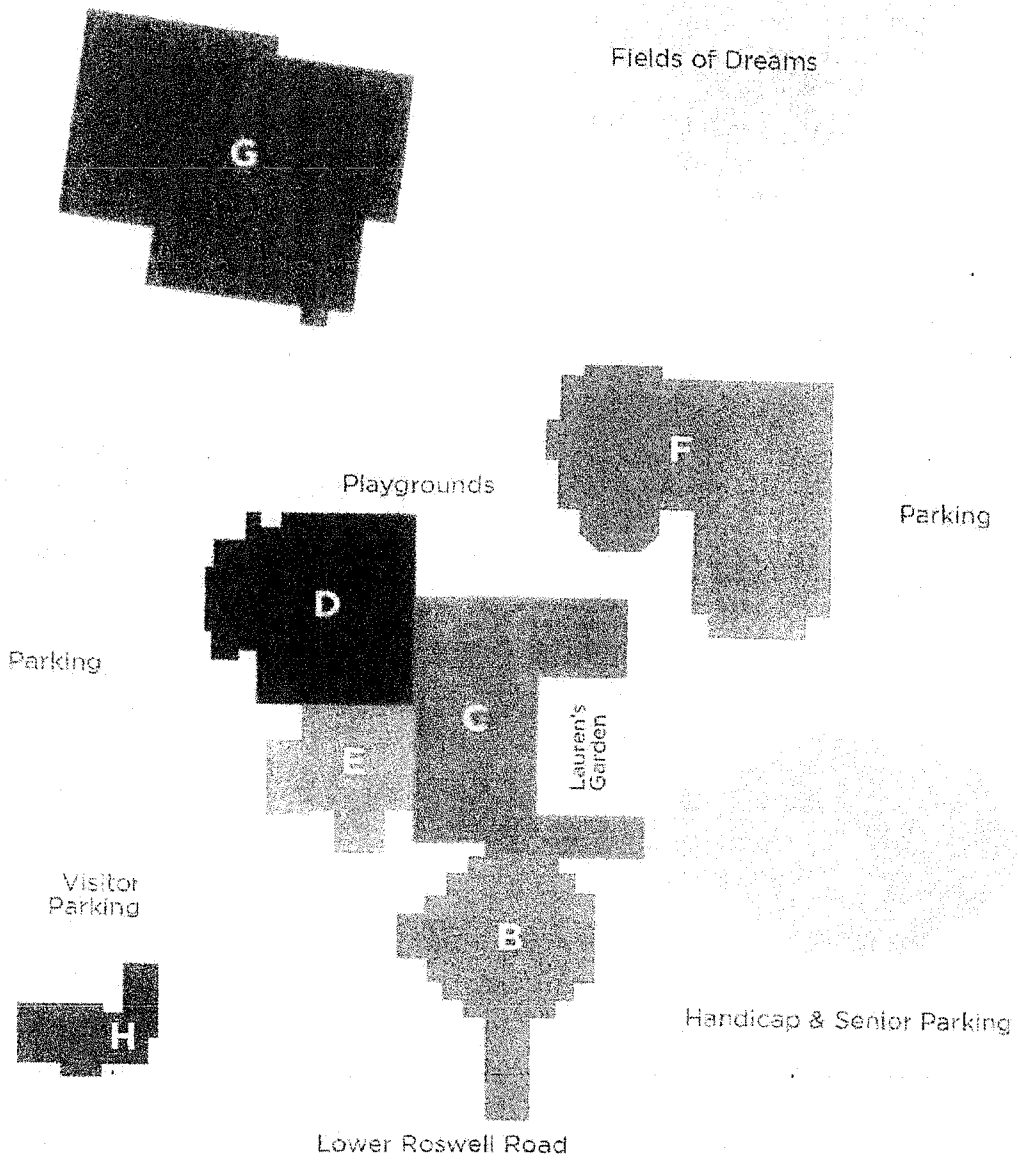
Exhibit B

Shared Facilities

1. Christian Activities Center (CAC) and Gym – identified as “CAC/Gym” on Exhibit B-1, attached hereto and incorporated herein (the “Shared Facilities Exhibit”) (“CAC/Gym”)
2. Fellowship Hall – identified as “Fellowship Hall” on the Shared Facilities Exhibit (“Fellowship Hall”)
3. Sanctuary – identified as “Sanctuary” on the Shared Facilities Exhibit (the “Sanctuary”)
4. All outdoor athletic fields and playgrounds shown on the Shared Facilities Exhibit (the “Fields and Playgrounds”)
5. All parking lots, walkways and roads indicated on the Shared Facilities Exhibit together with such additional parking lots, walkways and road that may exist from time-to-time on Landlord’s property reflected on the Shared Facilities Exhibit.



<p>A Building <i>Upper Level</i> Sanctuary Narthex <i>Lower Level</i> Music Ministry Media Communications</p>	<p>B Building <i>Upper Level</i> Upper Room The Cove <i>Lower Level</i> Bridal Parlor Main Entrance Adult Sunday School classes</p>	<p>C Building <i>Upper Level</i> Senior Pastor Preschool Children's Ministry Student Ministry <i>Lower Level</i> Preschool classrooms & offices PMO/Nursery</p>	<p>D Building <i>Upper Level</i> Fellowship Hall Food Service Kitchen <i>Lower Level</i> Preschool PMO/Nursery</p>
<p>E Building Chapel Assoc. Pastors Care Ministry Discipleship Membership Missions Finance Coffee Shop</p>	<p>F Building MBCA classrooms & offices Adult Sunday School classes</p>		<p>G Building <i>Upper Level</i> Recreation offices Aerobics Student Garage Workout machines <i>Lower Level</i> Concessions Gym Rock Wall Lockers Training Room</p>
	<p>H Building Project 82 Maintenance</p>		



A Building

UPPER LEVEL

- Sanctuary & Narthex

LOWER LEVEL

- 3 and 4 Year Old Worship
- Music Ministry - Communications
- MB Media - Membership
- Volunteers

B Building

UPPER LEVEL

- Student Ministry:
Upper Room, The Cove

LOWER LEVEL

- Bridal Parlor
- Adult Sunday School Classes
- Welcome Center

C Building

UPPER LEVEL

- Senior Pastor Offices
- Missions Ministry
- Children's Ministry
- Preschool Classrooms

LOWER LEVEL

- Children's Sunday School
- Preschool Classrooms & Office

D Building

UPPER LEVEL

- Fellowship Hall
- Contemporary Service
- Kitchen

LOWER LEVEL

- Children's Sunday School
- Church Nursery and Office
- Preschool Classrooms

E Building

- Chapel
- Chapter & Verse Bookstore
- Associate Ministers
- Finance
- Adult Discipleship
- Membership
- volunteers

F Building

MAIN & UPPER LEVELS

- Mt. Bethel Christian Academy
- Children's Sunday School

LOWER LEVEL

- Chatechesis Rooms
- Children's Sunday School
- Sunday School for Special Needs

G Building

UPPER LEVEL

- Christian Activities Center (CAC)
- Recreation Offices
- Aerobic Rooms
- Track
- Weight & Fitness

LOWER LEVEL

- Christian Activities Center (CAC)
- Concessions
- Gym
- Rock Wall
- Lockers
- Training Room
- Basketball Courts

H Building

- Maintenance Office
- Project 82

Exhibit C

Fixed Annual Rent

(a) For the first Lease Year, Tenant shall pay Landlord Fixed Annual Rent at the rate of \$32,000.00 per month. Thereafter, Fixed Annual Rent shall be Adjusted by CPI (as hereinafter defined) on each annual anniversary of the Commencement Date. The term "**Adjusted By CPI**" shall mean that, wherever any provision of this Lease provides that a stated dollar amount shall be "Adjusted By CPI," such amount shall be adjusted on and as of each anniversary of the Commencement Date to be an amount equal to such stated dollar sum (as same may have been then most recently adjusted) in effect on the day immediately preceding the date with respect to which such adjustment is being made (such amount, as so previously adjusted, the "**Base CPI Amount**") multiplied by a fraction (x) the numerator of which is the Consumer Price Index for the month prior to the month with respect to which such adjustment is being made, and (y) the denominator of which is the Consumer Price Index for the thirteenth (13th) month prior to the month with respect to which such adjustment is being made. The term "**Consumer Price Index**" or "**CPI**" shall mean the Consumer Price Index for All Urban Consumers (all items index), United States, as published by the United States Bureau of Labor Statistics of the U.S. Department of Labor, (CPI-U) (Base: 1982-84 = 100), or any most recently published successor index thereto, before seasonal adjustments. If the CPI is converted to a different standard reference base or otherwise revised, then the determination of adjustments provided for herein shall be made with the use of such conversion factor, formula or table for converting the CPI Index as may be published by the Bureau of Labor Statistics or, if said Bureau shall not publish the same, then with the use of such conversion factor, formula or table as may be published by Prentice-Hall, Inc., or any other nationally recognized publisher of similar statistical information. If the CPI Index ceases to be published, and there is no successor thereto, then such other index as Landlord and Tenant agree upon in writing shall be substituted for the CPI Index.

(b) Notwithstanding the forgoing, if and when Tenant provides to Landlord any Tenant Insurance Notice (as contemplated in Section 9(b) hereof), then the Fixed Annual Rent shall thereafter and for the remainder of the Term be reduced by the sum of \$7,000.00 per month.

Additional Rent

In addition to Fixed Annual Rent, Tenant shall pay Landlord a fee for providing Lunches (as defined in Exhibit D hereof) to students and faculty of Tenant in accordance with the following:

Prior to the commencement of a particular school year, Tenant shall inform Landlord in writing the number of daily lunches (during days which school is open to students) that Tenant shall require Landlord to supply for each "school day". Tenant shall pay Landlord monthly (in arrears) a sum equal to the number of lunches supplied to Tenant for the previous month multiplied by \$5.00 per lunch. The cost per lunch shall be adjusted by CPI annually on the anniversary of the Commencement Date. Every month during the Term, prior to the 20th day of each month, Tenant shall inform Landlord of the number of Lunches required each school day by Tenant for the following month and Landlord shall prepare and provide to Tenant such number of Lunches in

accordance with the requirements hereof. The parties agree to communicate reasonably and in good faith regarding the lunch program and the quality and quantity of Lunches required.

Exhibit D

Landlord's Services

1. Throughout the Term, and without limiting any other obligation of Landlord provided in the Agreement, Landlord shall provide the following services to the Premises and Shared Facilities at no additional cost to Tenant in a good, workmanlike and professional manner consistent with other buildings and facilities of the same type in the Marietta, Georgia area:

A. (1) Maintenance: Subject to the limitations below, Landlord shall provide the following services for the Shared Facilities, and Tenant shall provide the following services for the Premises at each such indicated party's sole cost and expense:

- i. Repair and replacement of lighting fixtures and bulbs as needed;
- ii. All pest control;

Landlord shall provide the following services for the Property at no additional cost to Tenant:

- i. All landscaping including, but not limited to, maintaining all athletic fields; and
- ii. All maintenance, repairs and replacements to the equipment owned by Landlord.

(2) Certain Maintenance of Premises by Landlord. To the extent that minor repairs at the Premises can be provided by the Landlord's service personnel, Landlord may, in Landlord's sole discretion, deem such repairs to be included in the Tenant's Fixed Annual Rent. Tenant shall reimburse Landlord for any parts or materials necessary to complete said repairs within fourteen (14) business days after Landlord's presentation to Tenant of a receipt of the actual cost of said repairs. If, in Landlord's sole discretion, the request for service is greater than what is commercially reasonable and/or exceeds Landlord's service personnel's abilities, Tenant shall bear the sole responsibility for the repair and/or service.

B. Custodial: Landlord shall provide the following services for the Shared Facilities, and the Premises at no additional cost to Tenant.

- i. Nightly cleaning of classrooms, hallways, stairwells, common areas, bathrooms, office spaces, and all other areas with the Premises and Shared Facilities;
- ii. Daily cleaning of dining facilities and trash removal;

- iii. Consumables for use by custodial staff (e.g. paper towels, toilet paper, cleaning supplies, etc.);
 - iv. Dumpster cleaning and removal of items therein;
 - v. Annual stripping and waxing of floors; and
 - vi. Annual carpet cleaning.
2. Throughout the Term, as part of Landlord's operation and as available, in Landlord's sole discretion, Landlord shall make available to Tenant the following staff of Landlord at no additional cost to Tenant, and such staff shall perform activities of a similar nature, quality and amount as such staff have been performing for Tenant prior to the date of this Agreement:
- a. Recreation Staff.
 - b. Maintenance Staff.

Tenant shall have no obligation to pay for any salary or other benefit for such employees/staff.

3. Throughout the Term, Landlord shall provide Tenant lunch meals (the "Lunches") in accordance with the requirements of this Agreement. Payment by Tenant for the Lunches shall be Additional Rent in accordance with Exhibit C hereof. Landlord shall prepare, store, handle, set-up, and serve all Lunches in a safe manner and in compliance with all applicable laws, rules, regulations and codes and the Lunches shall be of a quality and quantity consistent with Lunches previously provided by Landlord to Tenant prior to the Term. Landlord shall provide lunch menus for Lunches at least one (1) week in advance.

Exhibit E

Exclusive / Non-Exclusive Rights to Premises and Shared Facilities

The Premises: Tenant, its employees, agents, contractors, teachers, students, guests, invitees, licensees, and visitors (collectively, the "Tenant Parties") shall have exclusive use, occupancy and possession of the Premises at all times during the Term except as follows: Landlord may utilize the classrooms within the Premises on Sundays and at any other time agreed to by Tenant in writing, which, subject to availability, Tenant shall not unreasonably withhold, condition or delay such consent.

The Shared Facilities. Tenant and the Tenant Parties shall have the non-exclusive (except as otherwise provided below) right to use and occupy the Shared Facilities and improvements thereon for their intended purposes during the Term in accordance with the following terms and conditions:

1. The Sanctuary.

Landlord has exclusive occupancy and use of the Sanctuary, excepting those times during School Days and for which reservations are made by Tenant with Landlord in writing during the school year. Tenant shall have exclusive use of the Sanctuary during such reserved times.

2. Fellowship Hall.

Tenant has exclusive occupancy and use of Fellowship Hall from 7:30 a.m. to 3:30 p.m. during School Days. Tenant may also reserve the Fellowship Hall for special events by making reservations with Landlord in writing during the school year.

3. CAC/Gym.

Tenant has exclusive occupancy and use of CAC/Gym from 7:30 a.m. to 5:30 p.m. during School Days. Tenant may also reserve the CAC/Gym for preparing and having lunch and for special occasions by making reservations with Landlord in writing during the school year.

4. Fields and Playground.

Tenant has exclusive occupancy and use of the Fields and Playground from 7:30 a.m. to 5:30 p.m. during School Days. Tenant may also reserve the Fields and Playground during the school year for special occasions by making reservations with Landlord in writing.

5. The Shared Facilities as set forth in this Exhibit "E" may also be available for use or occupancy by Tenant on special weekends, after school or other occasions by making reservations with Landlord in writing.

The signed, written permission of any one of the following parties of Landlord (not to be unreasonably withheld, conditioned or delayed) is required to make reservations with Landlord for use of any of the Shared Facilities:

1. Chief Executive Officer or Designated Representative
2. Chief Operating Officer or Designated Representative
3. Ministry Team Lead or Designated Representative
4. Chief Financial Officer or Designated Representative

Exhibit F

Tenant's Personal Property

1. All property located in the Premises as of the date of this Lease.
2. All property located in the CAC/Gym in any storage areas and offices identified as a storage area or office of Tenant.
3. Scoreboard located on the athletic field.
4. All playground equipment.
5. The following vehicles:

Bus 1: 44 Passenger VIN#1GDI5V1296F405553
Bus 2: 14 Passenger VIN#1FDEE3FS9ADA48989
Bus 3: 14 Passenger VIN#1GBHG31R821165163
Bus 4: 14 Passenger VIN#1HA3GSBG9JN002134
Bus 5: 15 Passenger VIN#1FDEE3FS0CDA66431
Bus 6: 14 Passenger VIN#1FDEE3FSXADA86845
Bus 7: 33 Passenger VIN# 1GB3G3BG1E1170202

Exhibit G

Landlord's Personal Property

1. All property located in the CAC/Gym not identified in Exhibit F hereto.
2. All personal property in Fellowship Hall as of the date of the Agreement.
3. All personal property in the Sanctuary as of the date of this Agreement.
4. Goals and other sporting equipment not identified in Exhibit F hereto.
5. Postage Machine located in the administrative offices of Landlord.
6. All other personal property and equipment in all other areas of the Landlord's property at 4385 Lower Roswell Rd., Marietta, Georgia (other than on the Premises) not specifically identified herein.

EXHIBIT 3

**MINUTES OF THE MEETING OF THE ADMINISTRATIVE COUNCIL OF MT.
BETHEL UNITED METHODIST CHURCH, INC. HELD 14 APRIL 2021**

A meeting of the Administrative Council of Mt. Bethel United Methodist Church, Inc. ("Mt. Bethel") was held by videoconference commencing at approximately 7:00 p.m. on April 14, 2021. A quorum of the members of the Administrative Council was present and acting throughout the meeting. Michelle Hill recorded minutes of the meeting.

1. Upon a motion made and seconded, minutes of the meeting of the Administrative Council held in March of 2021 were unanimously approved as most recently submitted.

2. Ms. Hill discussed the minister review process and the mutual desire between Pastor Jody Ray and Mt. Bethel that Pastor Ray remain on staff. Ms. Hill also reported that the District Superintendent Jessica Terrell had informed Mt. Bethel that Pastor Ray would be reassigned, and Mt. Bethel would be receiving a new Senior Pastor. Ms. Hill noted that the SPRC had expressed concern to Terry Walton, Assistant to Bishop, that the reassignment and appointment of a new Senior Pastor did not follow the consultative process under the Book of Discipline.

3. Mr. Parsons discussed the potential impact that replacing Pastor Ray would have on Mt. Bethel Christian Academy.

4. Mr. Coppedge noted that the process for replacing a pastor is explicitly laid out in the Book of Discipline.

5. Pastor Ray thanked those on the Administrative Council and the congregation for their support and hard work during this time.

6. After some discussion, the Administrative Council voted on and unanimously approved the following resolutions:

Resolution # 1

WHEREAS, Section 2553 of The United Methodist Church Book of Discipline gives a local church the right to disaffiliate from the denomination for reasons of conscience regarding a change in the requirements and provisions of the Book of Discipline related to the practice of homosexuality or the ordination or marriage of self-avowed practicing homosexuals as resolved and adopted by the 2019 General Conference, or the actions or inactions of its annual conference related to these issues; and

WHEREAS, Mt. Bethel United Methodist Church, Inc. wishes to disaffiliate from The United Methodist Church and the North Georgia Annual Conference for reasons of conscience regarding the actions and inactions of the North Georgia Annual Conference related to the

practice of homosexuality and the ordination or marriage of self-avowed practicing homosexuals;

NOW, THEREFORE, BE IT RESOLVED, that Mt. Bethel United Methodist Church, Inc. elects to and hereby does initiate the process of disaffiliation from The United Methodist Church; and

NOW, THEREFORE, BE IT RESOLVED, that the Executive Committee created pursuant to the following resolution is hereby authorized and directed to take all further actions necessary to begin and pursue on behalf and in the name of Mt. Bethel the process of disaffiliation from The United Methodist Church.

Motion was read and seconded, questions were asked and answered, and the motion was unanimously approved.

Resolution # 2

Mount Bethel Administrative Council hereby charters an Executive Committee of the Administrative Council. The purpose of the committee is to enable and fully empower Mt. Bethel United Methodist Church, Inc. lay leadership to quickly react to changing events and information related to the possible reappointment of our current Sr. pastor and appointment of a new Sr. pastor and the possible disaffiliation of Mt. Bethel from The United Methodist Church and the North Georgia Annual Conference. The Executive Committee charter will expire when revoked by 2/3 majority of the Administrative Council. The Administrative Council may choose to renew or extend this charter at a subsequent meeting. The Administrative Council delegates its full authority under the Book of Discipline to the Executive Committee with the exception that the Executive Committee cannot under any circumstances renew or extend its own charter. The Executive Committee membership initially will consist of: Rustin Parsons, Ferrell Coppedge, Lindsay Hill, Beau Bradley, Jon Sterling, Andy Slavin, Dave Perry. Mr. Parsons will be the initial chairperson of the Executive Committee. The Executive Committee will make a report at each Administrative Council meeting.

Motion was read and seconded, questions were asked and answered, and the motion was unanimously approved.

Resolution # 3

Given the concern for the future of Mt. Bethel Christian Academy, the Administrative Council recommends the removal of the Senior Pastor position from the Mt. Bethel Christian Academy Board.

Motion was read and seconded, questions were asked and answered, and the motion was unanimously approved.

Resolution # 4

The 2021 Operating Budget for Mt. Bethel UMC is hereby amended so that (1) no compensation, in any form, including but not limited to salary, benefits, housing and reimbursable expenses, will be paid to the Senior Pastor effective July 1, 2021 and (2) no amounts designated as Ministry Contingency shall be spent without prior approval by the Administrative Council effective July 1, 2021. This amended budget shall remain effective until subsequently amended by the Administrative Council.

Motion was read and seconded, questions were asked and answered, and the motion was unanimously approved.

Resolution # 5

Effective April 14, 2021, Mt. Bethel UMC will cease any apportionment payments to the North Georgia Conference.

Motion was read and seconded, questions were asked and answered, and the motion was unanimously approved.

Following another brief question and answer section, there being no more business of the Administrative Council, the meeting was adjourned. Pastor Ray closed the meeting with prayer.

Respectfully submitted,

By: _____
Michelle Hill, Recording Secretary

EXHIBIT 4

Dr. Jody Ray
Dr. Carey Akin
Dr. John Freeland
Rev. Jonathan Lawson



Rev. Kim McGarr
Rev. Glenn Ray
Rev. Joshua Toepper

Bishop Sue Hauptert-Johnson
North Georgia Annual Conference
1700 Century Circle NE
Suite 100
Atlanta, GA 30345

June 28, 2021

Bishop Hauptert-Johnson,

The Mt. Bethel United Methodist Church's Staff Parish Relations Committee has met frequently over the last several months to discuss the appointment of the Rev. Dr. Steven Usry. We have endeavored to have meaningful conversations and dialogue with you regarding his appointment, but you have not responded favorably to our repeated requests.

While we recognize your authority to appoint a pastor to Mt. Bethel UM Church, we are aware of our responsibilities for that individual. Given the abrupt and late notification of a clergy change and the lack of any meaningful consultation, we will, under protest and while our Complaint hearing is still being resolved, provide accordingly for Dr. Usry:

- [1] The annual conference minimum salary of \$40,000,
- [2] A housing allowance of \$17,600 beginning July 1, 2021, and,
- [3] The annual conference minimum for pension, health insurance, and continuing education.

As Mt. Bethel UM Church is a gracious and welcoming congregation, we will receive Dr. Usry accordingly. He will, like all of our clergy and staff, work with the Rev. Dr. Jody Ray, our Senior Administrator, and with the Staff Parish Relations Committee.

Respectfully,

A handwritten signature in black ink that reads 'Casey L. Alarcon'. The signature is written in a cursive style.

Casey Alarcon, Chair
Staff Parish Relations for Mt. Bethel UMC

Cc: Rev. Dr. Jessica Terrell
Rev. Dr. Steven Usry

EXHIBIT 5

June 28, 2021

P.O. Box 682602
Marietta, GA 30068

Bishop Lawson Bryan, President
Southeastern Jurisdiction College of Bishops
South Georgia Episcopal Area
P. O. Box 7227
Macon, GA. 31209

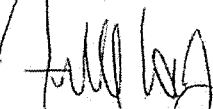
Bishop Sue Hauptert-Johnson, Secretary
Southeastern Jurisdiction College of Bishops
North Georgia Episcopal Area
1700 Century Circle NE
Suite 100
Atlanta, GA. 30345

Via Certified Mail, Return Receipt Requested

Bishops Bryan and Hauptert-Johnson:

I enclose a written complaint filed against Bishop Sue Hauptert-Johnson. By copy of this letter, I have provided a copy of the complaint to Bishop Sue Hauptert-Johnson.

Sincerely,



Ferrell Coppedge
On Behalf of the Complainants

cc: Bishop Sue Hauptert-Johnson

COMPLAINT AGAINST BISHOP SUE HAUPERT-JOHNSON

The undersigned are members of and leaders at Mt. Bethel United Methodist Church. We file the following complaint against Bishop Sue Hauptert-Johnson, the bishop of the North Georgia Episcopal Area who provides episcopal oversight for the North Georgia Annual Conference, and the members of the Board of Trustees of the North Georgia Annual Conference (Eric Lee, Stacey Rushing, Bert Neal, Carolyn Stephens, Cathy Huffines, Sonja Brown, Julie Childs, Ginger Smith, Ernest Cooper, Mathew Pinson, John Lawrence, and Harold Tarpley). This complaint is filed as a result of the actions of Bishop Hauptert-Johnson and the members of the Board of Trustees of the North Georgia Annual Conference in connection with the request of Mt. Bethel United Methodist Church to disaffiliate from The United Methodist Church under ¶ 2553 of the *Book of Discipline*.

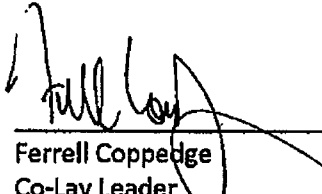
1. Disobedience to the Order and Discipline of The United Methodist Church – Paragraph 2553 of the *Book of Discipline* of The United Methodist Church provides a means by which a local church can disaffiliate from The United Methodist Church. Mt. Bethel United Methodist Church notified Bishop Hauptert-Johnson of its desire to commence the disaffiliation process on April 18, 2021, and requested that the process move ahead as soon as possible. The April 18, 2021 letter is attached as Exhibit A. On April 21, 2021, Rev. Dr. Jessica Terrell, a district superintendent in the North Georgia Annual Conference, at Bishop Hauptert-Johnson's direction, informed Mt. Bethel United Methodist Church, that engaging the disaffiliation process would be delayed until the early spring of 2022. The April 21, 2021 email is attached as Exhibit B. Mt. Bethel United Methodist Church reiterated its request to disaffiliate on April 21, 2021. The April 21, 2021 letter is attached as Exhibit C. On May 17, 2021, Mt. Bethel United Methodist Church received a response from Rev. Dr. Terrell, at Bishop Hauptert-Johnson's direction, identical to her previous response. A copy of the May 17, 2021 email is attached as Exhibit D. Such responses from the North Georgia Annual Conference at Bishop Hauptert-Johnson's direction deny Mt. Bethel United Methodist Church access to a duly adopted provision of the *Book of Discipline*. Bishop Hauptert-Johnson's directions are in disobedience to the order and discipline of The United Methodist Church.

Mt. Bethel United Methodist Church received a June 18, 2021 letter from T.E. Cauthorn, a lawyer representing the Board of Trustees (the "Board") of the North Georgia Conference of The United Methodist Church, advising Mt. Bethel that it "was ineligible at this time, among other things, to pursue disaffiliation under ¶2553 of the Discipline, as the Board has specifically affirmed that local churches seeking disaffiliation under ¶ 2553 of the Discipline must first demonstrate compliance with the Discipline." A copy of the June 18, 2021 letter is attached as Exhibit E. The letter was sent at the direction of Bishop Hauptert-Johnson and the Board.


Neither ¶ 2553 of the *Discipline* nor the "Steps of Disaffiliation Process Under ¶ 2553" adopted by the North Georgia Annual Conference Board of Trustees require local churches seeking to disaffiliate to first demonstrate compliance with the *Discipline*. A

copy of the "Steps to Disaffiliation Process Under ¶ 2553" is attached as Exhibit F. The imposition of and the assertion that such a requirement exists by Bishop Haupt-Johnson and the Board is an act of disobedience to the order and discipline of The United Methodist Church in that such a requirement contravenes ¶ 2553.


This 28 day of June, 2021.



Ferrell Coppedge
Co-Lay Leader
Mt. Bethel United Methodist Church



Rustin Parsons
Co-Lay Leader
Mt. Bethel United Methodist Church



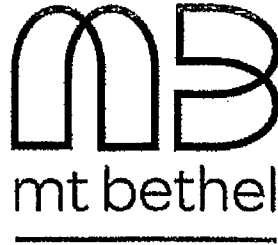
Andrew Slavin
Chair, Trustees
Mt. Bethel United Methodist Church



Casey Alaycon
Chair, Staff-Parish Relations Committee
Mt. Bethel United Methodist Church

EXHIBIT A

Dr. Jody Ray
Dr. Carey Akin
Dr. John Freeland
Rev. Jonathan Lawson



Rev. Kim McGarr
Rev. Glenn Ray
Rev. Joshua Toepper

April 18, 2021

Bishop Hauptert-Johnson and District Superintendent Jessica Terrell,

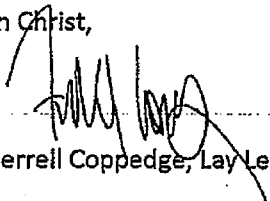
The Administrative Council of Mt. Bethel United Methodist Church, Inc., meeting on Wednesday, April 14, 2021, unanimously approved a resolution directing the leadership of the church to proceed with the disaffiliation process of ¶ 2553 of the Book of Discipline of The United Methodist Church effective immediately.


As the lay leaders of Mt. Bethel United Methodist Church, Inc., we are informing you of this action and requesting that the district superintendent schedule a church conference to approve the disaffiliation of the church to occur as soon as possible.

Additionally, we request that you provide us with the amount of the withdrawal liability to be paid under ¶ 2553(4)(d).

We look forward to receiving the date set for our church conference so that we can provide notice to all full professing members of Mt. Bethel United Methodist Church, Inc.

In Christ,


Ferrell Coppedge, Lay Leader


Rustin Parsons, Lay Leader

Mt. Bethel United Methodist Church

MB East Cobb | 4385 Lower Roswell Road | Marietta GA 30068 | 770.971.2880 | mtbethel.org
MB North | 2509 Post Oak Trail Road | Marietta GA 30067 | 678.202.4063 | mtbethel.org/north

EXHIBIT B

From: Jessica Terrell [<mailto:jessica.terrell@ngumc.net>]
Sent: Wednesday, April 21, 2021 10:31 AM
To: MBExecCommittee <MBExecCommittee@mtbethel.org>
Cc: Ferrell Coppedge <ferrell.coppedge@gmail.com>; Rustin Parsons <rustinnparsons@gmail.com>
Subject: Re: Notice of Mt. Bethel Administrative Council Action

Dear Members of Mt. Bethel United Methodist Church Executive Committee,

Bishop Sue Hauptert-Johnson forwarded to me the request for disaffiliation of Mt. Bethel United Methodist Church under Paragraph 2553 of the Book of Discipline.

I anticipate that the Conference Board of Trustees, which is charged with negotiating the terms of disaffiliation, will present its plan for negotiating disaffiliation requests at the June 2021 session of the Annual Conference. Any such requests will then be negotiated with the Board of Trustees, and the terms of that negotiation will be reflected in a formal Disaffiliation Agreement. That final agreement will then be presented to the June 2022 session of the Annual Conference for approval or rejection.

I will make note of the request of Mt. Bethel and, in order to complete the negotiations before the June 2022 session, I will most likely call a Church Conference to be held in the early spring of 2022. If the Church Conference by two-thirds majority votes to disaffiliate because of their disagreement with the United Methodist Church as it relates to human sexuality, then there will be sufficient time for the local church to negotiate a disaffiliation agreement with the Board of Trustees and place the same on the June 2022 Annual Conference agenda.

In the meantime, if there is anything I can do to support the mission and ministry of Mt. Bethel United Methodist Church, please do not hesitate to contact me.

In Christ,

Jessica

*Rev. Dr. Jessica E. Terrell
District Superintendent
Central West District*

Dr. Jody Ray
Dr. Carey Akin
Dr. John Freeland
Rev. Jonathan Lawson



Rev. Kim McGarr
Rev. Glenn Ray
Rev. Joshua Toepper

Rev. Dr. Terrell:

Thank you for your email of April 21. Paragraph 2553.4 of the Book of Discipline provides that the terms and conditions of disaffiliation are to be determined after the church conference votes to disaffiliate from The United Methodist Church. In addition, the terms and conditions are to be established by the annual conference board of trustees, not by action of the annual conference. See paragraph 2553.4

Thus, according to paragraph 2553.3, the church conference is to be scheduled without delay so that the professing members of Mt. Bethel United Methodist Church can take the required vote to disaffiliate. In accordance with paragraph 2553.3, the church conference is to be conducted in accordance with paragraph 248 and is to be within 120 days after the district superintendent calls the church conference. We request that you immediately schedule the date for the church conference so that we can give the notice to our professing members required by paragraph 2553.3.

Because paragraph 2553.4 sets forth that the disaffiliation agreement must be consistent with the provisions specified in that subparagraph and the General Council of Finance and Administration has already prepared the standard terms of the disaffiliation agreement which must be used, the process is straight-forward. Annual conference approval of the disaffiliation only occurs once the disaffiliation agreement has been finalized.

Please note that we are moving to disaffiliate because of the actions or inactions of the North Georgia Annual Conference with respect to the Book of Discipline provisions adopted at the 2019 General Conference.

As we have requested, please schedule the church conference required by paragraph 2553.3 so that we can move ahead in this process. Recent events are adversely impacting our church and we desire to accomplish this process at the earliest possible time in an amicable and orderly fashion.

In Christ,

Ferrell Coppedge, Lay Leader

Rustin Parsons, Lay Leader

EXHIBIT D

From: Jessica Terrell <jessica.terrell@ngumc.net>
Date: Monday, May 17, 2021 at 6:44 PM
To: MBExecCommittee <MBExecCommittee@mtbethel.org>, Bishop Sue Hauptert- Johnson <bishop@ngumc.org>, Terry Walton <terry.walton@ngumc.net>, Rustin Parsons <rustinparsons@gmail.com>, Ferrell Coppedge <ferrell.coppedge@gmail.com>
Subject: Re: Regarding Mt. Bethel UMC Disaffiliation

Dear Members of Mt. Bethel United Methodist Church Executive Committee,

Bishop Sue Hauptert-Johnson forwarded to me the request for disaffiliation of Mt. Bethel United Methodist Church under Paragraph 2553 of the Book of Discipline.

I anticipate that the Conference Board of Trustees, which is charged with negotiating the terms of disaffiliation, will present its plan for negotiating disaffiliation requests at the June 2021 session of the Annual Conference. Any such requests will then be negotiated with the Board of Trustees, and the terms of that negotiation will be reflected in a formal Disaffiliation Agreement. That final agreement will then be presented to the June 2022 session of the Annual Conference for approval or rejection.

I will make note of the request of Mt. Bethel and, in order to complete the negotiations before the June 2022 session, I will most likely call a Church Conference to be held in the early spring of 2022. If the Church Conference by two-thirds majority votes to disaffiliate because of their disagreement with the United Methodist Church as it relates to human sexuality, then there will be sufficient time for the local church to negotiate a disaffiliation agreement with the Board of Trustees and place the same on the June 2022 Annual Conference agenda.

In the meantime, if there is anything I can do to support the mission and ministry of Mt. Bethel United Methodist Church, please do not hesitate to contact me.

In Christ,

Jessica

*Rev. Dr. Jessica E. Terrell
District Superintendent
Central West District*

CAUTHORN NOHR & OWEN
212 CHURCH STREET
MARIETTA, GEORGIA 30060

EXHIBIT E

T.E. CAUTHORN
JASON L. NOHR
LISA A. OWEN
BETTINA S. DAVIES
MARIJANE E. CAUTHORN
BRITTANY E. SCHMIDT

(770) 528-0150
FAX: (770) 528-0160
WWW.CAETHORNNOHR.COM

June 18, 2021

Via First Class Mail and Certified Mail as follows:

Certified Mail No.

7006 0100 0001 1493 7331

Return Receipt Requested

Clayton Carmack, Registered Agent for
Mt. Bethel United Methodist Church, Inc.
326 Roswell Street, Suite 100
Marietta, GA 30060

Certified Mail No.

7006 0100 0001 1493 7393

Return Receipt Requested

Dan Boswell, CEO of Mt. Bethel United
Methodist Church, Inc.
4385 Lower Roswell Rd.
Marietta, GA 30068

Certified Mail No.

7006 0100 0001 1493 7379

Return Receipt Requested

Mark Droege, CFO of Mt. Bethel United
Methodist Church, Inc.
4385 Lower Roswell Rd.
Marietta, GA 30068

Certified Mail No.

7006 0100 0001 1493 5672

Return Receipt Requested

Al Stark, Secretary of Mt. Bethel United
Methodist Church, Inc.
4260 Creek Haven Dr.
Marietta, GA 30062

RE: Mt. Bethel United Methodist Church Compliance with the Book of
Discipline

Clayton Carmack, Dan Boswell, Mark Droege, and Al Stark:

Cauthorn Nohr & Owen and I have been retained by the Board of Trustees of the North Georgia Conference of the United Methodist Church ("the Board") with regard to Mt. Bethel United Methodist Church ("Mt. Bethel") compliance with the Book of Discipline of the United Methodist Church ("the Discipline"). Please direct all future correspondence and communication regarding this matter to me.

Mt. Bethel is a valued member of the North Georgia Conference of the United Methodist Church ("the Conference") with a longstanding history. The Board has a fiduciary duty to the Conference to "take all necessary legal steps to safeguard and protect the interests and rights of the annual conference anywhere and in all matters relating to property and rights to property." (Discipline, ¶2512.4.) This duty of the Board includes ensuring that the properties of all local churches, including Mt. Bethel,



Clayton Carmack, Registered Agent
Dan Boswell, CEO
Mark Droege, CFO
Al Stark, Secretary
June 18, 2021
Page 2 of 3

are "held, in trust, for the benefit of the entire denomination, and ownership and usage of church property is subject to the *Discipline*." (Discipline, ¶2501.1).

The Board is informed that Mt. Bethel is not in compliance with the Discipline, specifically:

- Mt. Bethel's decision this week to lease its real property to Mt. Bethel Christian Academy, Inc. for a term of twenty (20) years is not in compliance with ¶2541.1, .2 or .3 of the Discipline, in that an "executive committee" approved the lease without a charge conference and without the consent of the District Superintendent thereby creating an exigent circumstance which threatens the Conference's beneficial interest in the leased real property under ¶ 2549.3.b of the Discipline;
- Mt. Bethel changed its structure without charge conference approval when it formed its seven person "executive committee" with full authority and no time limit on terms;
- Mt. Bethel has indicated its refusal to accept appointed clergy;
- Mt. Bethel has not accepted the properly appointed interim pastor;
- Mt. Bethel has hired a lay "Chief Executive Officer/Preaching Pastor" for its United Methodist pulpit without required approvals;
- The Board is informed that Mt. Bethel has made plans to use credit lines, transfer interests in assets, and sell property without administrative or charge conference approvals; and,
- Mt. Bethel has failed to properly elect a new Staff/Pastor-Parish Relations Committee chair, when the previous chair stepped down.

As a result of the foregoing, Mount Bethel is ineligible at this time, among other things, to pursue disaffiliation under ¶ 2553 of the Discipline, as the Board has specifically affirmed that local churches seeking disaffiliation under ¶ 2553 of the Discipline must first demonstrate compliance with the Discipline. Furthermore, because Mt. Bethel has breached its obligations as detailed herein, it has exposed itself to a declaration of exigent circumstances pursuant to ¶ 2549.3.b of the Discipline. While any such declaration of exigent circumstances is within the sole discretion of the Bishop, Cabinet, and District Board of Church Location and Building, any such declaration would result in an immediate transfer of all assets of Mt. Bethel to the Board for disposition.



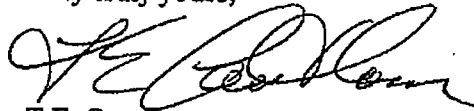
Clayton Carmack, Registered Agent
Dan Boswell, CEO
Mark Droege, CFO
Al Stark, Secretary
June 18, 2021
Page 3 of 3

The Board hereby demands that Mt. Bethel immediately cease and desist its non-compliant actions and take all affirmative steps that are needful and necessary to come into immediate compliance with the Discipline. Because of the extraordinary importance of these matters to all members of the United Methodist Church, to the Conference, to the Board, and to Mt. Bethel, time is of the essence and your immediate cooperation and affirmative action is required.

Please know that your district superintendent, Jessica Terrell, stands ready, willing, and able to assist you in resolving these compliance issues. The Board would request your written response and your proposed resolution of these issues within ten days of your receipt of this letter.

Thank you for your attention to these important matters.

Very truly yours,



T.E. Cauthorn

TEC

cc via e-mail:

Chair, Board of Trustees, North Georgia Conference;
Bishop, North Georgia Conference;
Chancellor, North Georgia Conference;
CEO, Mt. Bethel United Methodist Church, Inc.; and,
Registered Agent, Mt. Bethel United Methodist Church, Inc.

EXHIBIT F

Trustees of the North Georgia Conference of the UMC, Inc.

**205. a. The Trustees of the North Georgia Conference
of the United Methodist Church, Inc. Report 4/19/21**

The Conference Board of Trustees (CBOT) provides oversight of properties and other assets that are entrusted to us for the benefit of the Annual Conference in accordance with *The Discipline* of our church. We practice transparency and accountability in all ways possible as we oversee and support various initiatives and programs through judicious use of assets and report these to the Annual Conference (AC) and the AC leadership.

Norton Commercial continues to serve as the real estate agent of the AC through CBOT. This relationship was begun at the direction of the 2017 AC. While the relationship is only 4 years old, Norton's competence and expertise in evaluating, selling, and overseeing properties have proven to be very beneficial. As of March 1, 2021, Norton has facilitated the sale of 49 properties since July 1, 2017 (total sale value of \$20,925,601). We have 6 listed properties for sale with an aggregate "Broker's Opinion of Value" (BOV) of \$1,634,000. In addition, 3 properties are currently under contract with an aggregate contract value of \$2,252,000.

The Trustees continue the oversight of the Wesley Campership Fund. Due to the Covid-19 pandemic, camp operations were suspended for the summer, 2020, so no camperships were supported. North Georgia Camp and Retreat Ministries, Inc. (NGCRM) plans on having summer camp on a reduced capacity in summer, 2021. In recent years NGCRM Board of Directors does not have the ability to spend all that is generated by this fund for scholarships. They believe that funds for scholarships for underprivileged children are the easiest funds to raise from churches and individuals. The greater need is for capital expenditures in order to provide excellence in facilities and experiences. The greater need is for a \$10M capital endowment. As of March 4, 2021, the Wesley Campership Fund was \$2,972,044. At the recommendation of the NGCRM, CBOT recommends that the AC allow NGCRM to reallocate the Wesley Campership Fund from use as camperships to become part of the NGCRM capital endowment. This request will automatically be reviewed in 5 years and may be renewed after review.

A Relocation Committee for conference offices began working with an architect/planner, Jim Winer, to counsel the CBOT for a permanent location of the future UM Center. Our current UM Center lease terminates in March 2023. Given the uncertainty of the future shape and size of our AC, there is no report at this time.

The 2020 AC approved the recommendation of the CBOT for the formation of a committee to fairly and equitably begin to use the Barnes Fund for ministry. This Committee began its work as the Barnes Evaluation and Administration Team (BEAT) under the leadership of Steven Usry. The CBOT developed a spending policy for the Barnes Fund to be used by the BEAT to invest in ministry for the AC. BEAT will report to CBOT and CFA the usage of funds provided through the Barnes Fund.

The trustees continue to provide oversight of the E.R. Park Medical Mission Fund and the Louise D. Park Eye Fund. The E.R. Park Medical Mission Fund can be accessed through the Conference Director of Administrative Services. While both funds are underutilized, the Park Eye Fund has been particularly underutilized. The expectation of the

1 Park Eye Fund as stipulated in Mrs. Parks will is to identify patients “in definite need of
2 financial assistance in order to secure the indicated treatment of the disorder of the eye or
3 eyes which would result in blindness if such treatment were not otherwise available.”

4 At the 2019 AC, we reported entering a relationship with the Emory Eye Center.
5 Through 2/25/21, donations of \$475,214 have been made from the Park Eye Fund. Of that
6 \$224,050 has been used for completed surgeries and contact lenses.

7 The 2020 pandemic halted anticipated surgeries but another \$366,150 has been
8 identified as anticipated surgeries and contact lenses for children and young adults.
9 Contributions through the CBOT on behalf of the AC have been made to the Emory Eye
10 Center for Crosslinking for children under 17 years old and young adults. Crosslinking is a
11 newly approved procedure that prevents blindness, particularly in children. As of 2/25/21, 24
12 children under 18, 10 young adults between 18-21 and 12 adults between 22-33 have
13 received or will receive treatment through the Park Eye Fund.

14 Also, an additional 12 persons have benefited from donations for 19 Glaucoma
15 prescriptions from the Park Eye Fund from 9/1/20-12/31/20. The Park Eye Fund currently
16 has an accumulated balance of \$867,405 on 1/1/2020 to \$576,587 as of 12/31/2020, even
17 with the \$170,000 going to Emory Eye Center.

18 The 2019 General Conference produced legislation regarding disaffiliation of a local
19 church from the Annual Conference. CBOT has discussed the role assigned to the trustees
20 under that legislation and has adopted both a disaffiliation process and a standard form
21 agreement for local churches in keeping with the terms of Section 2553 of the
22 Discipline. The trustee’s “Disaffiliation Agreement pursuant to paragraph 2553” and “Steps
23 of disaffiliation process under par. 2553” are attached to this report. If any local churches
24 choose to invoke this process in the coming year, those disaffiliation agreements will be
25 presented to the 2022 annual conference for final approval.

26 Thank you for the trust you have placed with us as we strive to be good stewards of a
27 portion of our Conference’s resources.

28 CBOT Recommendation to the Annual Conference:

- 29 1. Allow NGCRM to reallocate the Wesley Campership Fund from use as camperships
30 to become part of the NGCRM capital endowment.
31

32 On behalf of your conference trustees, I want to say thank you for your support of our
33 Annual Conference and to thank each member of the trustees for their service.
34

35 John Simmons, Chair
36
37
38

39 **205.a. Steps of Disaffiliation Process Under ¶2553**
40

- 41 **1. Request for church conference and call by district superintendent.**

42 The church conference shall be conducted in accordance with ¶ 248 and shall be held within
43 one hundred twenty (120) days after the district superintendent calls for the church
44 conference.
45
46

1 **2. Approval of the disaffiliation resolution by a two-thirds majority of the professing**
2 **members of the local church present and voting at the church conference.**

3 At least two-thirds (2/3) of the professing members present at a church conference of Local
4 Church must vote to disaffiliate from The United Methodist Church “for reasons of
5 conscience regarding a change in the requirements and provisions of the Book of Discipline
6 related to the practice of homosexuality or the ordination or marriage of self-avowed
7 practicing homosexuals as resolved and adopted by the 2019 General Conference, or the
8 actions or inactions of its annual conference related to these issues which follow.”
9

10 **3. Establishment of the terms and conditions, including effective date, of the**
11 **disaffiliation agreement between the annual conference and the exiting local church**
12 **by the conference board of trustees.**

13 If the church conference votes to disaffiliate from The United Methodist Church, the terms
14 and conditions for that disaffiliation shall be established by the board of trustees of the
15 annual conference, with the advice of the cabinet, the annual conference treasurer, the
16 annual conference benefits officer, the director of connectional ministries, and the annual
17 conference chancellor.

18 a. Payments. Prior to the Disaffiliation Date, Local Church shall pay to Annual
19 Conference, the following:

20 i. Any unpaid apportionments for the twelve (12) months immediately prior to the
21 Disaffiliation Date;

22 ii. An additional twelve (12) months of apportionments;

23 iii. An amount equal to Local Church’s pro rata share, as determined by Annual
24 Conference, of Annual Conference’s unfunded pension obligations, based on the Annual
25 Conference’s aggregate funding obligations as determined by the General Board of
26 Pension and Health Benefits using market factors similar to a commercial annuity
27 provider;

28 iv. Any direct-bill obligations as verified by the Conference Benefits Office.

29 b. Other Liabilities. Local Church shall either satisfy all of its debts, loans, and
30 liabilities, or assign or transfer such obligations to its new entity. Local Church must provide
31 sufficient documentation of same to Annual Conference.

32 c. Intellectual Property. Local Church shall cease all use of “United Methodist,” the
33 Cross & Flame insignia, and any other intellectual property of the denomination and Annual
34 Conference, including the removal of all signage containing the same.”

35 d. Group Tax Exemption Ruling. As of the Disaffiliation Date, Local Church shall cease
36 to use, and also shall ensure that any affiliates of Local Church which have been included in
37 the group tax exemption ruling shall cease to use, any and all documentation stating that
38 Local Church is included in the denomination’s group tax exemption ruling administered by
39 the General Council on Finance and Administration of The United Methodist Church.

40 e. Records and Cemeteries. The Local Church shall cooperate with the staff of the
41 Annual Conference to ensure the preservation of church archives, membership rolls,
42 historical documents related to funerals, baptisms, weddings, minutes, etc.. If the Local
43 Church has a cemetery or columbarium, the Local Church shall ensure provisions related to
44
45
46

1 continued maintenance after disaffiliation and continued access for families and loved ones
2 of United Methodists buried there.

3 **4. Ratification of the disaffiliation agreement by a simple majority of the members of**
4 **the annual conference present and voting.**

5 The final Disaffiliation Agreement, after preparation by the Board of Trustees and execution
6 by the Local Church, must be “ratified by a simple majority of the members . . . present and
7 voting” at a duly-called session of Annual Conference.

8
9 **5. Completion of all steps must occur prior to December 31, 2023.**

10 The choice by a local church to disaffiliate with The United Methodist Church under this
11 paragraph shall be made in sufficient time for the process for exiting the denomination to be
12 complete prior to December 31, 2023.

13
14
15 **205.b. Disaffiliation Agreement Pursuant To ¶ 2553**

16
17 This Disaffiliation Agreement Pursuant to ¶ 2553 (“Disaffiliation Agreement”) is
18 entered into this _____ day of _____, 20____, by and between
19 _____ (“Local Church”) and North Georgia Annual Conference (“Annual
20 Conference”).

21
22 WHEREAS, Local Church is a United Methodist church within the boundaries of Annual
23 Conference;

24
25 WHEREAS, Local Church has held a church conference, in compliance with ¶¶ 246.8, 248,
26 and 2553.2-3 of *The Book of Discipline of The United Methodist Church* (“*Discipline*”), at
27 which at least two-thirds (2/3) of the professing members present at the church conference of
28 Local Church voted to disaffiliate from The United Methodist Church “for reasons of
29 conscience regarding a change in the requirements and provisions of the *Book of Discipline*
30 related to the practice of homosexuality or the ordination or marriage of self-avowed practicing
31 homosexuals as resolved and adopted by the 2019 General Conference, or the actions or
32 inactions of its annual conference related to these issues which follow.”

33
34 WHEREAS, pursuant to ¶ 2501.1 of the *Discipline*, Local Church holds its real and personal,
35 tangible and intangible property “in trust for The United Methodist Church and subject to the
36 provisions of its *Discipline*.”

37
38 WHEREAS, property subject to ¶ 2501.1 “can be released from the trust, transferred free of
39 trust or subordinated to the interests of creditors and other third parties only to the extent
40 authority is given by the *Discipline*.” (¶ 2501.2)

41
42 WHEREAS, ¶ 2553 provides a specific circumstance in which property subject to ¶ 2501.1
43 can be released from the trust imposed by that paragraph.

44
45 WHEREAS, ¶ 2553.4 requires the terms and conditions of Local Church’s disaffiliation from
46 The United Methodist Church to be “memorialized in a binding Disaffiliation Agreement.”

1 WHEREAS, Local Church and Annual Conference wish to (1) resolve all matters between
2 them, and Local Church wishes to acquire from Annual Conference all of Annual Conference's
3 interest, on behalf of The United Methodist Church, in the real and personal, tangible and
4 intangible property held by Local Church and (2) comply with the requirements of ¶ 2553 and
5 Judicial Council *Decision* 1379.

6
7 NOW, THEREFORE, in consideration of the foregoing and all the mutual covenants herein
8 contained, and for other good and valuable consideration, the receipt and sufficiency of which
9 is hereby acknowledged, Local Church and Annual Conference agree as follows:

- 10 1. Conditions Precedent. Local Church and Annual Conference acknowledge and agree:
- 11 a. *Church Conference Vote*. At least two-thirds (2/3) of the professing members
12 present at a church conference of Local Church must vote to disaffiliate from The
13 United Methodist Church "for reasons of conscience regarding a change in the
14 requirements and provisions of the *Book of Discipline* related to the practice of
15 homosexuality or the ordination or marriage of self-avowed practicing
16 homosexuals as resolved and adopted by the 2019 General Conference, or the
17 actions or inactions of its annual conference related to these issues which follow."
18 Local Church must provide documentation, to the satisfaction of Annual
19 Conference, which evidences the result of the disaffiliation vote taken at the church
20 conference. Such documentation must be certified by an authorized officer of Local
21 Church and shall be included as an exhibit to this Disaffiliation Agreement.
- 22 b. *Annual Conference Vote*. This Disaffiliation Agreement must be "ratified by a
23 simple majority of the members . . . present and voting" at a duly-called session of
24 Annual Conference, as required by Judicial Council *Decision* 1379 and ¶
25 2529.1b(3).

26 Should either of the above not occur, this Disaffiliation Agreement shall immediately become
27 null and void.

28 2. Applicability of ¶ 2501. Local Church acknowledges and agrees that pursuant to ¶ 2501 of
29 the *Discipline*, Local Church holds all property, real and personal, tangible and intangible, in
30 trust for the benefit of The United Methodist Church.

31 3. Date of Disaffiliation. Should Local Church timely comply with all of its obligations as set
32 forth herein, Local Church's disaffiliation from The United Methodist Church will be effective
33 on _____, 20__ ("Disaffiliation Date"). Such Disaffiliation Date must be subsequent to the
34 Annual Conference's ratification referenced in Section 1 above.

35 4. Local Church's Obligations. Unless a different date is specified, Local Church shall, by no
36 later than the Disaffiliation Date, do the following:

37 a. *Payments*. Prior to the Disaffiliation Date, Local Church shall pay to Annual
38 Conference, in a manner specified by Annual Conference, the following:

39 i. Local Church shall have the right to retain its real and personal, tangible
40 and intangible property without charge. Any costs relating to Local
41 Church's retention of its property will be borne by Local Church.

42 ii. Any unpaid apportionments for the twelve (12) months immediately prior
43 to the Disaffiliation Date, as calculated by Annual Conference, totaling
44 _____;

- 1 iii. An additional twelve (12) months of apportionments, as calculated by
2 Annual Conference, totaling _____;
- 3 iv. An amount equal to Local Church's pro rata share, as determined by Annual
4 Conference, of Annual Conference's unfunded pension obligations, based
5 on the Annual Conference's aggregate funding obligations as determined
6 by the General Board of Pension and Health Benefits using market factors
7 similar to a commercial annuity provider, totaling _____; and
8 v. Any other payments that are related to conference-provided benefits that are
9 direct billed to the Local Church for benefits provided prior to the effective
10 date of disaffiliation. The parties will consult with the Conference Benefits
11 Office to determine if there is an amount owed for direct billed benefits, and
12 the parties further agree to true-up any such obligations within a reasonable
13 period of time after the effective date of disaffiliation.
- 14 b. *Other Liabilities.* Local Church shall either satisfy all of its debts, loans, and
15 liabilities, or assign or transfer such obligations to its new entity. Local Church
16 must provide sufficient documentation of same to Annual Conference.
- 17 c. *Intellectual Property.* Local Church shall cease all use of "United Methodist," the
18 Cross & Flame insignia, and any other intellectual property of the denomination
19 and Annual Conference, including the removal of all signage containing the same.
- 20 d. *Group Tax Exemption Ruling.* As of the Disaffiliation Date, Local Church shall
21 cease to use, and also shall ensure that any affiliates of Local Church which have
22 been included in the group tax exemption ruling shall cease to use, any and all
23 documentation stating that Local Church is included in the denomination's group
24 tax exemption ruling administered by the General Council on Finance and
25 Administration of The United Methodist Church. Local Church and any of its
26 affiliates which have been included in the group tax exemption ruling will be
27 removed as of the Disaffiliation Date.
- 28 e. *Records and Cemeteries.* The Local Church shall cooperate with the Annual
29 Conference and its staff in securing the records of the Local Church, including
30 church archives, membership rolls, and historical documents related to funerals,
31 baptisms, weddings, minutes, etc. If the Local Church has a cemetery or
32 columbarium, the Local Church shall provide its plan for maintenance after
33 disaffiliation and continued access for families and loved ones of United Methodists
34 buried there.
- 35 5. Organizational Transition. Local Church shall take all steps necessary to close and/or
36 dissolve any legal entities and to settle, liquidate, or transfer all assets and obligations of such
37 entities, or to establish any new legal entities, or to modify its current organizing documents,
38 as needed to effectuate its disaffiliation from The United Methodist Church, to the satisfaction
39 of Annual Conference. Local Church shall indemnify, defend, and hold harmless Annual
40 Conference and its officers, directors, agents, and employees from any liability or costs
41 (including reasonable attorney fees) resulting from any claim, action, or cause of action for
42 damages to persons or property resulting from Local Church's failure to take all necessary
43 steps as required by this Section 5.
- 44 6. Property. On the Disaffiliation Date, Local Church will have full ownership of the property
45 and assets of the Local Church, except for those specifically required to be transferred to the
46

1 Annual Conference under this Agreement or for those subject to the rights of persons or entities
2 who are not parties to this Agreement. The parties shall ensure all necessary transfers or other
3 transactions relating to the above properties are completed prior to the Disaffiliation Date. Any
4 costs resulting from such transfers or other transactions shall be borne by Local Church.
5 Annual Conference shall fully cooperate with Local Church, as needed and applicable, to
6 ensure that such transfers and other transactions convey all of Annual Conference's interest –
7 both for itself and on behalf of The United Methodist Church – in the real and personal, tangible
8 and intangible property of Local Church.

9 **7. Release of Claims.** Upon the completion of all of their respective obligations herein,
10 Annual Conference and Local Church, for themselves and their agents, representatives,
11 members, trustees, employees, successors, attorneys, and assigns, hereby fully and forever
12 covenant not to sue each other, and release and discharge each other, and their current and
13 former trustees, officers, representatives, employees, and assigns, in both their official and
14 individual capacities, from any liability for any and all causes of action and claims, including
15 any statutory or common law cause of action, tort or contractual claims, any claims for
16 attorneys' fees, expenses and all other damages, whether known or unknown, foreseen or
17 unforeseen, which Annual Conference or Local Church ever had, now has, hereafter may have
18 or claim to have against any of the above-named entities or persons in any way arising out of
19 their relationship with each other. The parties further represent they have no pending lawsuit,
20 charge, complaint, or other action against each other. Notwithstanding the foregoing releases
21 and covenants not to sue, the parties may take action to enforce this Disaffiliation Agreement
22 in any court where jurisdiction and venue are proper.

23 **8. Time Limit.** Should the Local Church fail to satisfy all of its obligations set forth herein by
24 December 31, 2023, this Disaffiliation Agreement shall be null and void.

25 **9. Continuing as Plan Sponsor.** Nothing in this Disaffiliation Agreement shall prevent Local
26 Church, after the Disaffiliation Date, from continuing to sponsor benefit plans from the General
27 Board of Pension and Health Benefits, to the extent permitted by federal law, and provided
28 that Local Church has not expressly resolved that it no longer shares common religious bonds
29 with The United Methodist Church.

30 **10. Non-Severability.** Each of the terms of this Disaffiliation Agreement is a material and
31 integral part hereof. Should any provision of this Disaffiliation Agreement be held
32 unenforceable or contrary to law, the entire Disaffiliation Agreement shall be deemed null and
33 void.

34 IN WITNESS WHEREOF, the Local Church and the Annual Conference, through
35 authorized officers, have adopted this Disaffiliation Agreement on the date first above written.

36 LOCAL CHURCH: ANNUAL CONFERENCE:

37
38
39 BY: _____ BY: _____

40
41 ITS: _____ ITS: _____

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EXHIBIT 7

AFFIDAVIT OF RUSTIN PARSONS, CHAIR

BOARD OF TRUSTEES, MOUNT BETHEL CHRISTIAN ACADEMY, INC.

STATE OF GEORGIA :

COBB COUNTY :

On this day personally appeared Rustin Parsons who, being sworn upon his oath, states as follows:

1. My name is Rustin Parsons. I am over the age of 18 and am otherwise competent to testify to the facts in this affidavit. I have personal first-hand knowledge of the facts stated herein and they are true and correct.
2. I am a Chair, Board of Trustees of Mt. Bethel Christian Academy, Inc, ("MBCA"), a private K-12 school located in Cobb County, Georgia.
3. MBCA started as a Ministry of Mt. Bethel United Methodist Church ("Mt. Bethel"). MBCA is governed by a self-perpetuating and independent Board of Trustees.
4. MBCA's lower school shares Mt. Bethel's main campus pursuant to a lease from Mt. Bethel, while the MBCA's high school campus is located on a separate property along Post Oak Tritt Road which is owned by MBCA.
5. MBCA has benefitted greatly over the years from the positive relationship it has had with Mt. Bethel. Mt. Bethel has, on many occasions, assisted with financial contributions to MBCA.
6. MBCA is currently operating at its highest enrollment ever in its history as a Christian School. Enrollment has grown due, in part, because of the strength and stability of the relationship with Mt. Bethel and the ability to grow and expand the campus.
7. On May 24, 2021, MBCA signed a Lease Agreement with Mt. Bethel ("Lease Agreement"). The Lease Agreement was necessary to replace an expiring Facilities Use Agreement.
8. In addition to the property owned by MBCA, the ability of MBCA to utilize Mt. Bethel Church property and resources in East Cobb, including: classrooms, cafeteria, gymnasium, ball fields and other facilities have been very valuable to MBCA in support of its growth and

its ability to provide a positive Christian educational experience for its students.

9. MBCA is aware that the North Georgia Conference Board of Trustees is attempting to assert ownership and control over the assets, including real property, of Mt. Bethel.
10. Beyond the property relationship between Mt. Bethel and MBCA, Mt. Bethel and MBCA are currently aligned on theological issues, as confirmed by a Statement of Faith which has been unanimously approved by both.
11. The Statement of Faith was approved by Mt. Bethel's Administrative Counsel and the Trustees of MBCA. The Statement of Faith accurately reflects the principles espoused by MBCA's faculty and staff.
12. Overall, the conflict between Mt. Bethel and the North Georgia Conference Board of Trustees raises questions from faculty, parents and students. The longer the conflict persists, the more the questions persist.
13. MBCA, through Counsel, transmitted a letter to James Thornton, Chancellor of the North Georgia Conference on July 2, 2021 outlining in detail the items referenced above and providing documentation of the same. The letter further attaches the communication made from the MBCA Board of Trustees to MBCA Families on June 17, 2021. The July 2, 2021 letter and attachments are attached hereto and incorporated herein as Exhibit "A".
14. If Mt. Bethel were afforded the opportunity to vote among its own congregation regarding Mt. Bethel's future, it would help strengthen Mt. Bethel and minimize the harm to MBCA. Therefore, the members of the church should be afforded the opportunity to decide its future versus a court of law.
15. MBCA respectfully requests that all parties find a quick resolution to the dispute in a way that minimizes the impact to MBCA. MBCA believes that the vote among the members of the church is the quickest and fairest means toward resolution. MBCA communicated this position to the North Georgia Conference by letter from Counsel on April 19, 2021. A true and accurate copy of that letter is attached hereto and incorporated herein as Exhibit "B". A response received from Chancellor Thornton is attached hereto and incorporated herein as Exhibit "C."

16. The contents of this Affidavit were presented to a vote of the entire Board of Trustees of MBCA and unanimously approved and the Chair of the Board expressly authorized to sign the same.

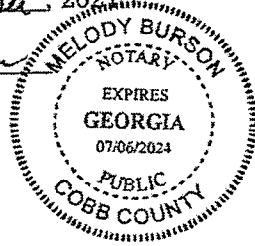
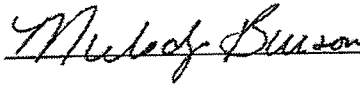
Further affiant sayeth not.



RUSTIN PARSONS,
CHAIR, BOARD OF TRUSTEES
MOUNT BETHEL CHRISTIAN
ACADEMY

Sworn to and subscribed before me

on this 6 day of October, 2021



LAW OFFICES
SCROGGINS & WILLIAMSON, P.C.

4401 NORTHSIDE PARKWAY

SUITE 450

ATLANTA, GEORGIA 30327

(404) 893-3880 - TELEPHONE

(404) 893-3886 - FACSIMILE

WWW.SWLAWFIRM.COM

J. ROBERT WILLIAMSON
ASHLEY REYNOLDS RAY
J. HAYDEN KEPNER, JR.
MATTHEW W. LEVIN

FRANK W. SCROGGINS (1933-2010)

July 2, 2021

By First Class Mail and Email

James C. Thornton
Thornton & Graham, P.C.
200 Church Street
Lagrange, GA. 30240
jim@tglawfirm.com

Re: Mt. Bethel Christian Academy, Inc.

Dear Mr. Thornton:

As you know, we serve as counsel for Mt. Bethel Christian Academy, Inc. (the "Academy").

It is our understanding that Bishop Hauptert-Johnson has had one or more recent conversations concerning the Academy with Daren Devore, a former member of the Academy's Board of Trustees (the "Board"). Mr. Devore has shared with the Board that during his conversations with the Bishop she expressed an interest in protecting the Academy and its students from any adverse effect from the current dispute between the North Georgia Conference (the "Conference") and Mt. Bethel United Methodist Church, Inc. ("MBUMC"). The Board appreciates the Bishop's desire to protect the Academy during the conflict between the Conference and MBUMC.

Consistent with the Bishop's expressed support for protecting the Academy, the Board has worked with MBUMC to take the following actions which the Board believes will help serve the long term interest of the Academy and its mission of providing a high quality Christian education for students in the community. First the Academy's Articles of Incorporation and Bylaws have been amended to provide greater operational independence for the Academy. Second, with the current Facility Use Agreement set to expire in the near future, a new lease was negotiated and executed to provide certainty for the Academy and MBUMC regarding the Academy's continuing use of the lower school facility on the MBUMC property. The Board firmly believes that the foregoing actions are also supportive of the interest of MBUMC, since, among other things, they result in the Academy assuming certain additional operational and financial responsibility. These actions were communicated to the school community in the attached announcement. As a result, we have seen enrollment increase and the school staff encouraged.

Exhibit A

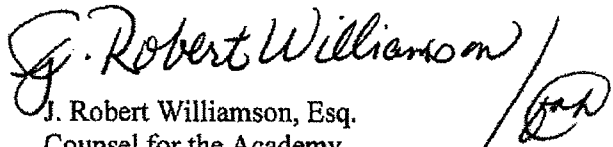
James C. Thornton
July 2, 2021
Page 2

We understand that during the Bishop's recent conversations with Mr. Devore she made an informal request for a copy of the lease and the Academy's recently amended Bylaws and Articles of Incorporation. We are informed that the Bishop has already received a copy of the lease from MBUMC. We have attached the amended Bylaws and Articles of Incorporation that we expect you will forward to the Bishop.

Additionally, the Board has received a copy of the recent demand letter sent to MBUMC from counsel for the Conference and the reply letter from counsel for MBUMC. Insofar as the Conference's demand in part seems to challenge the recently executed lease and questions recent decisions of the Administrative Council vis-vis the Academy, the Board is concerned that if litigation were to ensue between the Conference and MBUMC, the Academy might be drawn into that conflict necessarily to protect its interest with respect to the lease and recent amendments. In light of this risk, the Board would appreciate the Bishop's assurance that the Conference does not intend to challenge the lease or the recently amended Bylaws and Articles of Incorporation. This would go a long way to demonstrate the Bishop's goodwill and support for protecting the Academy.

Sincerely,

SCROGGINS & WILLIAMSON, P.C.


J. Robert Williamson, Esq.
Counsel for the Academy

JRW:fah
Enclosures



MT. BETHEL CHRISTIAN
ACADEMY

June 17, 2021

Dear MBCA Families,

We hope you are enjoying your summer, wherever you may be! We would like to take a moment to give you an update on some important and positive developments in the life of Mt. Bethel Christian Academy.

As many of you are aware, there has been a conflict between the North Georgia Conference of the United Methodist Church and Mt. Bethel UMC. Up to this point, there have been questions about how the conflict between the denomination and the church would affect the Academy. We are happy to report that with the strong support of the church, steps have been taken to ensure that the Academy is now able to operate with autonomy and continue to provide a high-quality education for generations to come, regardless of what may unfold in the UMC denomination. To this end, the following is a summary of the actions which have been officially adopted:

1. A 20-year lease on the Lower Roswell Road Campus (Lower & Middle School) has been formalized, ensuring that MBCA will be able to operate as it has been for the next generation and beyond.
2. The school's sole ownership and operation of the North Campus (Upper School) has been affirmed.
3. Operational control has been given to the school board. Except for changes to the bylaws, church approvals for school board decisions are no longer necessary.
4. The school board is now a self-perpetuating and sustaining board. Elections, assignments, and dismissals are at the sole discretion of the School Board of Trustees.
5. The Statement of Faith has been adopted by the board into its bylaws.
6. The Head of School is under the direct and sole supervision of the Board of Trustees.
7. Finances are under the school's control and responsibility, with quarterly reporting to the church.

While the Academy has remained close to the church and has continued as an affiliated ministry, the instability caused by denominational conflicts had raised questions about the impact to the school. These changes to the bylaws and articles of incorporation, done in full collaboration between the school and the church, have eliminated any uncertainty and set the school up for long-term viability. These actions ensure the Academy's ability to provide a Christ-centered education within the current mission and core values without any potential pressure to the contrary, embark on major capital improvements, ensure the finances remain separate from the church, affirm the school board's ability to set the vision and make decisions, and give MBCA a healthy autonomy that sets the stage for an exciting future.

Thanks to you all for your ongoing partnership. We are grateful for God's blessings on the school, and we are looking forward with anticipation to the next chapter in the life of Mt. Bethel Christian Academy!

A handwritten signature in cursive script, appearing to read "Rustin Parsons".

Mr. Rustin Parsons
MBCA Board Chair

A handwritten signature in cursive script, appearing to read "Jim Cianca".

Dr. Jim Cianca
MBCA Head of School

MT. BETHEL CHRISTIAN ACADEMY, INC.
AMENDED AND RESTATED BYLAWS
(Adopted June 8, 2021)

ARTICLE ONE

Name and Offices

1.1 Name. The name of this organization shall be Mt. Bethel Christian Academy, Inc. (hereinafter referred to as the "Corporation").

1.2 Registered Office and Agent. The Corporation shall maintain a registered office in the State of Georgia, and shall have a registered agent whose address is the same as the address of the registered office.

1.3 Other Offices. The Corporation also may have offices at such other places both within and outside the State of Georgia as the Board of Trustees (hereinafter, the "Board of Trustees" or the "Board") from time to time may determine and the business of the Corporation may require or make desirable.

ARTICLE TWO

Purposes, Objectives and Governing Instruments

2.1 Nonprofit Corporation. The Corporation shall be organized and operated as a nonprofit corporation under the provisions of the Georgia Nonprofit Corporation Code.

2.2 Charitable, Educational, and Scientific Purposes and Powers. The purposes of the Corporation, as set forth in its Articles of Incorporation, are exclusively charitable, educational, literary, and scientific within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, or the corresponding provision of any future federal tax law ("Section 501(c)(3)"). In furtherance of such purposes, the Corporation shall have the power to do all things necessary or convenient to carry out the purposes of the Corporation, as set forth in its Articles of Incorporation and these Bylaws, including all power and authority granted by the Georgia Nonprofit Corporation Code, within and subject to the limitations of Section 501(c)(3).

2.3 Governing Instruments. The Corporation shall be governed by its Articles of Incorporation and these Bylaws.

2.4 Nondiscrimination Policy. The Corporation will not practice or permit any unlawful discrimination on the basis of sex, age, race, color, national or ethnic origin, religion, or physical handicap or disability. Not in limitation of the foregoing, the Corporation shall (i) admit students of any race, color, and national or ethnic origin to the rights, privileges, programs, and activities generally accorded or made available to students at Mt. Bethel Christian Academy; and (ii) not discriminate on the basis of race, color, or

national or ethnic origin in the administration of its educational policies, admission policies, scholarship and loan programs, and athletic and other school-administered programs.

2.5 Statement of Faith. The Board of Trustees shall seek to exercise their duties and responsibilities under these Bylaws consistent with the Statement of Faith and Doctrinal Expectations adopted by the Board of Trustees, a copy of which is attached hereto as Exhibit A. Notwithstanding anything to the contrary set forth in these Bylaws, in the event that any action of the Corporation, the Board of Trustees or any employee of the corporation involves the commission of a felony or a crime of moral turpitude or in the event that the Corporation, the Board of Trustees or any employee of the Corporation takes an action or consents to any action that is grossly negligent, the Administrative Council of MBUMC may override such action or decision and take any action to the extent reasonably necessary to protect the reputation, community standing and best interests of the Corporation and/or MBUMC.

ARTICLE THREE

No Members

3.1 No Members. The Corporation shall not have members.

ARTICLE FOUR

Board of Trustees

4.1 Authority and Responsibility of the Board of Trustees.

(A) Except as otherwise provided in these Bylaws or the Articles of Incorporation of the Corporation, all corporate powers of the Corporation conferred by the Articles of Incorporation of the Corporation, these Bylaws, the Georgia Nonprofit Corporation Code, or otherwise shall be exercised by or under the authority of, and the business and affairs of the Corporation shall be managed by the Board of Trustees, subject, however, to the direction and authority of the Administrative Council of Mt. Bethel United Methodist Church, Inc. (hereinafter referred to as "MBUMC") as and only to the extent expressly provided in the Corporation's Articles of Incorporation and these Bylaws. Not in limitation of the foregoing, the following actions shall require the consent or approval of the Administrative Council of MBUMC:

(i) Dissolution or liquidation of the Corporation;

- (ii) Merger or consolidation of the Corporation, or sale, transfer or exchange of all or substantially all the Corporation's assets or operations;
 - (iii) Any business activity of the Corporation that is not within the purposes of the Corporation set forth in these Bylaws or the Articles of Incorporation of the Corporation;
 - (iv) Cessation or suspension of operations of the Corporation, or a material change in the types of activities conducted by the Corporation;
 - (v) Creation of any subsidiary of the Corporation;
 - (vi) Any amendment, restatement, repeal or rescission of the Articles of Incorporation or these Bylaws pursuant to Article 13;
 - (vii) Initiating or filing any lawsuit, litigation or other proceeding against MBUMC; provided, however, that the Board of Trustees shall not be required to seek the consent or approval of the Administrative Council of MBUMC to initiate or file any proceeding, including arbitration, against MBUMC to seek to protect or enforce the Corporation's rights under any lease or contract between the Corporation and MBUMC; and
 - (viii) Making any tax elections.
- (B) The Board of Trustees may adopt such rules and regulations for the conduct of its business and the business and affairs of the Corporation as the Board of Trustees deems advisable, and may, in the execution of its powers, delegate certain of its authority and responsibility to, or seek advice from, one or more committees as provided in Article 7.
- (C) The Board of Trustees shall not permit any part of the net earnings, capital, or other property of the Corporation to inure to the benefit of any Trustee, officer or other individual. However, the Corporation may employ such person or persons, including officers, attorneys, agents and assistants, as it deems necessary or desirable for the administration and management of the Corporation, and may pay reasonable compensation for the services performed and expenses incurred by any such person, as provided in Section 4.8.

4.2 Number and Term of Office. The number of Trustees shall not be less than five (5), nor more than twenty (20), as may be fixed from time to time by resolution of the Board of Trustees. Additionally, the Head of School at all times shall be an *ex officio*, non-voting member of the Board of Trustees. At any time that there are nine (9) or more Trustees (excluding, for these purposes, the Head of School), the Trustees shall be divided by resolution of the Board of Trustees into three (3) classes composed of as nearly equal a number of Trustees as possible for the purposes of staggering their terms in office. In accordance with procedures to be established by resolution of the Board of Trustees, the terms of office of each such class of Trustees shall be established so that each class of Trustees shall serve staggered terms of three (3) years. An incumbent Trustee's term of office shall not be shortened by a decrease in the number of Trustees or a shortening of the term of office for Trustees. If possible, more than fifty percent (50%) of the Trustees should have served on the Board for three (3) years or more in an effort to maintain a desirable balance of institutional knowledge. No Trustee shall serve more than two (2) successive terms, unless he or she is fulfilling a role as past Chairman or his or her service is needed to further the goal of maintaining fifty percent (50%) of Trustees with more than three (3) years on the Board.

4.3 Qualification of Trustees. In order to qualify as a Trustee, a person must be at least eighteen (18) years of age and an active Christian Church member and must understand and subscribe to a Christ-centered philosophy. The spouse, child, parent, brother, or sister of a member of the faculty or staff of the Corporation or of any other Trustee shall not be eligible to be a Trustee. Trustees are required to agree in writing, on an annual basis, to the Conflict of Interest Policy attached hereto as Exhibit B (the "Conflict of Interest Policy").

4.4 Election of Trustees. An annual election of Trustees will be conducted by the Board of Trustees in accordance with the following procedures: The Committee on Trustees will compile nominations for each Trustee position on the Board of Trustees and make nominations in its own right. In preparing a list of candidates, the Committee on Trustees will consider the skills, talents, and resources which will be needed by the Board. As part of this process, the Committee on Trustees will take into account the benefits of having Trustees of various constituencies of the Corporation on the Board. No nomination will be placed on the annual election ballot unless the nominee has affirmatively assented to the nomination.

4.5 Resignation. Any Trustee may resign at any time by delivering notice in writing or by electronic transmission to the Chairman or Secretary. Such resignation shall take effect at the time specified in the notice, or if no time is specified, upon receipt. A resignation need not be accepted to be effective.

4.6 Removal. Any Trustee may be removed at any time with or without cause by affirmative vote of a majority of the Trustees in office. A successor for any removed Trustee may be proposed by the Trustees to serve for a term corresponding with the unexpired term of the removed Trustee until a successor Trustee has been elected and

qualified or until his or her earlier death, resignation, retirement, disqualification, or removal.

4.7 Vacancies. Any vacancy of a Trustee position arising at any time and from any cause, including the authorization of an increase in the number of Trustees, shall be filled by the appointment (by affirmative vote of a majority of Trustees remaining in office within sixty (60) days of the occurrence of any vacancy) of an interim Trustee to serve for a term corresponding with the unexpired term of the predecessor Trustee or, in the case of a Trustee who has assumed a Board position pursuant to an increase in the number of Trustees, until the earlier of the next annual meeting of the Board of Trustees or any special meeting of the Board of Trustees called for the purpose of considering and voting upon the election of a permanent successor.

4.8 Compensation.

- (A) Except as provided in Section 4.8(B) below, no Trustee of the Corporation shall receive, directly or indirectly, any salary, compensation, or emolument from the Corporation in any capacity, but the Board may provide for reimbursement for any or all expenses incurred by a Trustee in attending meetings of the Board or otherwise incurred on behalf of the Corporation.
- (B) In the event that a Trustee is compensated by the Corporation for services rendered in a capacity other than that of Trustee, the Board shall determine the compensation of the Trustee in accordance with the Conflict of Interest Policy and the following practices and procedures:
 - (i) A Trustee who receives compensation, directly or indirectly, from the Corporation shall not vote on matters pertaining to his or her compensation or on matters pertaining to the compensation of any other Trustee and shall not serve on a committee whose jurisdiction includes compensation matters.
 - (ii) The Board shall approve a Trustee's compensation arrangement in advance of paying any compensation to such Trustee.
 - (iii) The date and terms of approved compensation arrangements shall be documented in writing.
 - (iv) The decision made by each Trustee who decided or voted on a compensation arrangement shall be recorded in writing.

- (v) The Board shall record in writing the information on which the Board relied to base its decision and the source of such information.
- (vi) The compensation of a Trustee shall be determined by a majority of the entire Board; provided, in the event that there are not a sufficient number of Trustees permitted to vote under Section 4.8(B)(i) to constitute a majority of the entire Board, such compensation shall be determined by a majority of all Trustees permitted to vote on such compensation matter.

ARTICLE FIVE

Meetings and Actions of the Board of Trustees

5.1 Place of Meeting. Meetings of the Board of Trustees may be held at any place within or outside the State of Georgia as set forth in the notice calling such meeting or in the event of a meeting held pursuant to waiver of notice, as may be set forth in the waiver, or if no place is so specified, at the principal office of the Corporation.

5.2 Regular Meetings; Notice. Regular meetings of the Board of Trustees may be held not less than quarterly and from time to time at such places designated by the Chairman or as the Board of Trustees may prescribe, without further notice of the date, time, place and purpose of the meeting.

5.3 Special Meetings; Notice. Special meetings of the Board of Trustees may be called by or at the request of the Chairman, the Executive Committee, or any three (3) Trustees in office at that time. Unless waived as contemplated in Section 6.2, notice of the date, time, place and purpose of any special meeting of the Board of Trustees shall be given by the Chairman or the Secretary, in accordance with Section 6.1, at least five (5) days before such meeting.

5.4 Waiver. Waiver of notice of all meetings of the Board of Trustees shall be governed by Section 6.2 of these Bylaws.

5.5 Quorum. At meetings of the Board of Trustees, a majority of the Trustees (excluding, for these purposes, the Head of School) then in office shall be necessary to constitute a quorum for the transaction of business. In the event that fewer than a majority, but at least one-third (1/3) of the Trustees are participating in a meeting, then the Board of Trustees is authorized to consider and make recommendation on any action which is viewed appropriate under the circumstances, which recommendation may be voted upon at a subsequent meeting, by mail or email ballot, or by written consent of the Board of Trustees.

5.6 Vote Required for Action. Except as otherwise provided in these Bylaws, the act of a majority of the Trustees present at a meeting at which a quorum is present shall be the act of the Board of Trustees.

5.7 Action by Trustees Without a Meeting. Any action required or permitted to be taken at a meeting of the Board of Trustees may be taken without a meeting if one or more consents in writing or by electronic transmission, setting forth the action so taken, are signed by members of the Board of Trustees entitled to vote on the action and constituting at least the minimum number of Trustees required to approve the action. Such consent shall have the same force and effect as an affirmative vote at a meeting duly called. The Trustees who did not sign the consent action shall be given notice of the action as soon as practicable, but no later than the next meeting of the Board of Trustees after the written consent action is signed by a sufficient number of Trustees. The signed consent, or a signed copy, shall be placed in the minute book of the Corporation. For purposes hereof, a signature includes any manual, facsimile, conformed, or electronic signature.

5.8 Telephone and Similar Meetings. Trustees may participate in and hold a meeting by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can simultaneously hear each other during the meeting. Participation in such a meeting shall constitute presence in person at the meeting, except where a Trustee participates in the meeting and, at the beginning of the meeting or promptly upon beginning participation, objects to holding the meeting or transacting business at the meeting and does not subsequently vote for or assent to any action taken at the meeting.

5.9 Adjournments. A meeting of the Board of Trustees, whether or not a quorum is present, may be adjourned by a majority of the Trustees present to reconvene at a specific time and place. It shall not be necessary to give notice of the reconvened meeting or of the business to be transacted, other than by announcement at the meeting which was adjourned. At any such reconvened meeting at which a quorum is present, any business may be transacted which could have been transacted at a meeting which was adjourned.

ARTICLE SIX

Notice and Waiver

6.1 Procedure. Whenever these Bylaws require notice to be given to any Trustee, the notice shall be given in accordance with this Section 6.1. Notice shall be in writing or by electronic transmission unless oral notice is reasonable under the circumstances. Notice may be communicated in person; by telephone, electronic mail, facsimile telecopy or other form of wire or wireless communication; or by mail or private carrier. Unless otherwise provided in the Articles of Incorporation of the Corporation, these Bylaws, or the Georgia Nonprofit Corporation Code, notice by electronic transmission shall be deemed to be notice in writing for purposes of these Bylaws. Written notice, if in a comprehensible form, is effective at the earliest of the following:

- (1) When received or when delivered, properly addressed, to the addressee's last known principal place of business or residence;
- (2) Five days after its deposit in the mail, as evidenced by the postmark, if mailed with first-class postage prepaid and correctly addressed; or
- (3) On the date shown on the return receipt, if sent by registered or certified mail, return receipt requested, and the receipt is signed by or on behalf of the addressee.

Notice given by electronic transmission shall be deemed effective:

- (A) If given by facsimile telecommunication, when transmitted to a number at which the addressee has consented to receive notice;
- (B) If given by electronic mail, when transmitted to an electronic mail address at which the addressee has consented to receive notice;
- (C) If given by a posting on an electronic network together with separate notice to the addressee of such specific posting, upon the later of (i) such posting, and (ii) the giving of such separate notice; or
- (D) If given by any other form of electronic transmission, when transmitted to the addressee.

An affidavit, certificate, or other written confirmation by the Secretary or an Assistant Secretary of the Corporation that the notice has been given under this Section 6.1 shall, in the absence of fraud, be *prima facie* evidence of the facts stated therein.

6.2 Waiver. A Trustee may waive any notice before or after the date and time stated in the notice. Except as provided in this Section 6.2, the waiver must be in writing or by electronic transmission, signed by the Trustee entitled to the notice and delivered to the Corporation for inclusion in the minutes or filing with the corporate records. Notice of any meeting of the Trustees shall not be required to be given to any Trustee who, either before or after such meeting, has waived such notice in person or by his or her authorized attorney in fact. A Trustee's attendance at or participation in a meeting waives any required notice to that Trustee of the meeting unless the Trustee at the beginning of the meeting (or promptly upon the Trustee's arrival) objects to holding the meeting or transacting business at the meeting and does not thereafter vote for or assent to action taken at the meeting. For purposes hereof, a signature includes any manual, facsimile, conformed, or electronic signature.

ARTICLE SEVEN

Committees of Trustees

7.1 Executive Committee. The Board of Trustees shall designate from among its members a standing Executive Committee, which shall consist of not less than three (3) Trustees and no more than five (5) Trustees. The Chairman, and Treasurer shall be members of the Executive Committee, and the Head of School shall be an *ex officio* non-voting member of the Executive Committee. The Executive Committee, except to the extent limited by the Board of Trustees, in such resolution, shall have and exercise all authority of the Board of Trustees in the management of the affairs of the Corporation between regular meetings of the Board of Trustees; provided, however, the Executive Committee shall not (i) adopt, amend, or repeal the Bylaws, (ii) elect, appoint, or remove Trustees or fill vacancies on the Board or on any committee of the Board, (iii) take any of the actions for which consent of the Administrative Council of MBUMC is required under Section 4.1(A), (iv) elect any officer of the Corporation except to fill a vacancy in an office until the next meeting of the Board, (v) remove any officer from office (but may suspend any officer from office until the next meeting of the Board), or (vi) authorize the substantial improvement of any real estate which is, or which is intended to become, a part of the Corporation's facilities.

7.2 Committee on Trustees. The Board of Trustees shall designate from among its members a standing Committee on Trustees, which shall consist of not less than three (3) Trustees. The Committee on Trustees will discharge the responsibilities designated to it under Section 4.4 hereof. The Committee on Trustees shall be appointed annually at such time as may be determined to be appropriate by the Board of Trustees.

7.3 Other Committees. In addition to the Executive Committee and Committee on Trustees, the Board of Trustees may authorize the appointment of other standing or temporary committees having such authority of the Board of Trustees in the management of the Corporation as is set forth by resolution adopted from time to time by the Board of Trustees. Each committee so designated shall consist of one (1) or more Trustees. Except as otherwise provided in such resolution, members of each such committee and the chair of each such committee shall be members of the Board of Trustees appointed by the Chairman. Such committees may include, but are not limited to, a Finance Committee, a Long Range Planning Committee, a Building and Housing Committee, and a Personnel and Compensation Review Committee. Each committee shall report to the full Board of Trustees activities undertaken and approved by such committee in the period from the last meeting of the Board of Trustees.

7.4 Advisory and Honorary Committees. The Board of Trustees may provide for advisory and honorary committees, consisting in whole or in part of persons who are not Trustees of the Corporation, as it deems necessary or desirable, and may discontinue any such committee at its pleasure. It shall be the function and purpose of each such committee to advise the Board of Trustees; and each such committee shall have such powers and perform such specific duties or functions, not inconsistent with the Articles of

Incorporation of the Corporation or these Bylaws, as the Board of Trustees may prescribe. Appointments to, and the chair of, any such advisory committees shall be made by the Chairman, unless the Board of Trustees otherwise provides.

7.5 Term of Appointment. Each member of a committee created or appointed by the Board of Trustees (including the Executive Committee and Nominating Committee) shall serve at the pleasure of the Board of Trustees. Each member of a committee appointed by the Chairman shall serve at the pleasure of the Chairman.

7.6 Rules and Related Matters. Each committee may adopt rules for its own government, so long as such rules are not inconsistent with these Bylaws or with any rules adopted by the Board of Trustees.

ARTICLE EIGHT

Officers

8.1 Number and Qualifications. The officers of the Corporation may consist of a Chairman, a Head of School, a Treasurer and a Secretary. The Board of Trustees may from time to time create and establish the duties of such other officers or assistant officers as it deems necessary for the efficient management of the Corporation, but the Corporation shall not be required to have at any time any officers other than a Chairman, a Head of School, a Secretary, and a Treasurer. Any two (2) or more offices may be held by the same person, except Chairman, Head of School and Treasurer. The Chairman and the Treasurer shall be members of the Board of Trustees; otherwise, officers need not be members of the Board of Trustees.

8.2 Election and Term of Office. The Board of Trustees will compile nominations for each officer position and make nominations in its own right at its annual meeting (or special meeting called for the purpose of considering and voting upon officers). No nomination will be placed on the annual election ballot unless the nominee has affirmatively assented to the nomination. Officers shall be elected by the Board of Trustees and shall serve for terms of two (2) years and until their successors have been elected and qualified, or until their earlier death, resignation, removal, retirement or disqualification.

8.3 Other Agents. The Board of Trustees may appoint from time to time such agents as it may deem necessary or desirable, each of whom shall hold office during the pleasure of the Board and shall have such authority and perform such duties and shall receive such reasonable compensation, if any, as the Board of Trustees may from time to time determine.

8.4 Removal. Any officer or agent elected or appointed by the Board of Trustees may be removed at any time, with or without cause, by the Board of Trustees.

8.5 Vacancies. A vacancy in any office arising at any time and from any cause may be filled for the unexpired term by the Board of Trustees.

8.6 Chairman. The Chairman, when present, shall preside at all meetings of the Board of Trustees and shall establish in his or her sole discretion the rules of procedure for the conduct of such meetings. He or she shall serve as a voting member of the Executive Committee of the Board of Trustees and as an *ex officio*, non-voting member of any and all other committees of Trustees unless he or she shall be elected to such committee in which case he or she shall be a voting member or such committee. The Chairman in general shall perform all duties and responsibilities as are normally incident to the office of chairman and as may be prescribed or assigned to him or her from time to time by the Board of Trustees. Upon resolution of the Board of Trustees, the Chairman shall be authorized to enter into any contract or agreement on behalf of the Corporation and to execute in the Corporation's name any instrument or other writing. Upon resolution of the Board of Trustees, the Chairman may be authorized to sign, and may sign alone or with the Secretary or any other officer of the Corporation so authorized by the Board of Trustees, any deeds, mortgagees, bonds, policies or insurance, contracts, investment certificates or other instruments which the Board of Trustees has authorized to be executed, except in cases where signing the execution thereof shall be expressly delegated by the Board of Trustees or by these Bylaws to some other officer or agent of the Corporation, or where it shall be required by law to be otherwise signed or executed. The Chairman must be a member of the Board of Trustees, and it is desirable for the outgoing Chairman to remain as an active Board member for a period of 2 years after his or her term as Chairman is completed.

8.7 Head of School. The Head of School shall be the administrative head of the Academy, shall be subject to the control, direction and supervision of the Board of Trustees and shall see that all orders and resolutions of the Board of Trustees are carried into effect. Subject to such control, direction and supervision of, and any limitations established by, the Board of Trustees, the Head of School shall manage, supervise, direct and control the normal, customary and routine day-to-day operations and management of the Corporation. The Head of School shall be an *ex officio*, non-voting member of the Board of Trustees of the Corporation. The Head of School shall employ and direct a suitable faculty of teachers and a staff for the conduct of the school and for the teaching, training, care, and control of the student body. The Head of School is authorized to execute annual contracts with such teachers within the limits of the budget fixed by the Board of Trustees and shall provide in each contract that the Head of School shall have the right to terminate the contract. The Head of School shall have full charge of enrollment, admission, classification, instruction, discipline, and dismissal of students entering or entered in the school, and may delegate such duties to such members of the faculty or staff as the Head of School deems appropriate. The Head of School shall also employ such suitable secretaries, assistants, and other personnel as may be necessary, subject to the limitations in the budget adopted by the Board of Trustees. The Head of School shall make such reports and perform such other duties as are assigned by the Board of Trustees and shall make periodic reports to the Chairman of the Board on matters concerning the Corporation.

8.8 Secretary.

- (A) The Secretary shall attend all meetings of the Board of Trustees, shall record all votes, actions and the minutes of all proceedings in a book to be kept for that purpose, and shall perform like duties for the executive and other committees when required or requested.
- (B) The Secretary shall give, or cause to be given, notice of all meetings of the Board of Trustees.
- (C) The Secretary shall, for the purpose of authenticating records of the Corporation, keep in safe custody the seal of the Corporation and, when authorized by the Board of Trustees or the Chairman, affix the seal to any corporate instrument. When so affixed, the seal shall be attested by the signature of the Secretary or any other officer of the Corporation.
- (D) The Secretary shall be under the supervision of the Board of Trustees. The Secretary shall perform such other duties and have such other authority and powers as the Board of Trustees or Chairman may from time to time prescribe or assign.

8.9 Assistant Secretaries. The assistant secretaries in the order of their seniority, unless otherwise determined by the Board of Trustees, shall, in the absence or disability of the Secretary, perform the duties and have the authority and exercise the powers of the Secretary. They shall perform such other duties and have such other powers as the Board of Trustees, Chairman, or Secretary may from time to time prescribe.

8.10 Treasurer.

- (A) The Treasurer shall have the custody of the corporate funds and securities, shall keep full and accurate accounts of receipts and disbursements of the Corporation and shall deposit all monies and other valuables in the name and to the credit of the Corporation into depositories designated by the Board of Trustees.
- (B) The Treasurer shall disburse the funds of the Corporation as ordered by the Board of Trustees, and shall prepare financial statements at such intervals as the Board of Trustees shall direct.
- (C) The Treasurer shall perform such other duties and have such other authority and powers as the Board of Trustees or Chairman may from time to time prescribe or assign.
- (D) The Treasurer must be a member of the Board of Trustees.

8.11 Assistant Treasurers. The assistant treasurers in the order of their seniority, unless otherwise determined by the Board of Trustees, shall, in the absence or disability of the Treasurer, perform the duties and have the authority and exercise the powers of the Treasurer. They shall perform such other duties and have such other powers as the Board of Trustees may from time to time prescribe. An Assistant Treasurer must be a member of the Board of Trustees.

8.12 Bonding of Officers. If required by the Board of Trustees, any officer of the Corporation shall give the Corporation a bond (in such form, in such sum, and with such surety or sureties as shall be satisfactory to the Board) for the faithful performance of the duties of such officer and for the restoration to the Corporation, in case of the such officer's death, resignation, retirement, or removal from office of all books, papers, vouchers, money and other property or whatever kind in such officer's possession or under such officer's control belonging to the Corporation.

ARTICLE NINE

Contracts, Checks, Deposits and Funds

9.1 Contracts. The Board of Trustees may authorize any officer or officers, agent or agents of the Corporation, in addition to the officers so authorized by these Bylaws, to enter into any contract or execute and deliver any instrument in the name and on behalf of the Corporation. Such authority must be in writing and may be general or confined to specific instances.

9.2 Checks, Drafts, Notes, Etc. All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Corporation shall be signed by such officer or officers, or agent or agents, of the Corporation and in such other manner as may from time to time be determined by resolution of the Board of Trustees. In the absence of such determination or resolution by the Board of Trustees, such instruments shall be signed by the Treasurer or an Assistant Treasurer and countersigned by the Chairman or the Head of School.

9.3 Deposits. All funds of the Corporation shall be deposited from time to time to the credit of the Corporation in such federally-insured banks, trust companies, or other depositories as the Board of Trustees may select.

9.4 Gifts. The Board of Trustees may accept on behalf of the Corporation any contribution, gift, bequest or devise for the general purposes or for any special purpose of the Corporation.

ARTICLE TEN

Distributions and Disbursements

10.1 Distributions and Disbursements. Subject to the restrictions imposed by Section 14-3-1301 of the Georgia Nonprofit Corporation Code and Section 501(c)(3), the Board of Trustees, not less frequently than annually, shall (a) determine all distributions to be made from net income and capital of the Corporation (including funds held by trustees, custodians or agents of the Corporation) pursuant to provisions of the Articles of Incorporation of the Corporation, these Bylaws, and the donors' directions if and to the extent applicable; (b) make, or authorize and direct the respective trustees, custodians, or agents having custody of funds of the Corporation to make, payments to organizations or persons to whom payments are to be made, in such amounts and at such times and with such accompanying restrictions, if any, as it deems necessary to assure use for the purposes and in the manner intended; and (c) determine all disbursements to be made for administrative expenses incurred by the Corporation and direct the respective trustees, custodians or agents having custody of funds of the Corporation as to the payments and funds to be charged.

10.2 Vote Required for Determinations. Unless otherwise expressly provided in the Articles of Incorporation, these Bylaws or by direction of the donor as a condition of a gift, all determinations under Section 10.1 shall be made by the affirmative vote of the Board of Trustees.

10.3 Distribution of Principal. Determinations may be made to distribute capital from funds given without directions as to principal or income, as well as pursuant to directions expressly permitting use of principal, but the Board of Trustees shall inform the trustee, custodian or agent having custody of the funds of the Corporation as far in advance as the Board of Trustees deems practicable in order to permit the trustee or agent to adjust its investment policies accordingly, and may, upon advice from the trustee, custodian or agent as to how the desired distribution and any necessary liquidation of investment can be accomplished most economically, adjust its directions for distributions so far as it deems practicable.

10.4 Determination of Effective Agencies and Means for Carrying Out the Purpose of the Corporation. The Board of Trustees shall gather and analyze facts and conduct such investigations and research as from time to time it deems necessary or desirable in order to determine the most effective means for carrying out the purposes and functions of the Corporation, and may direct disbursements for such fact gathering and analysis, investigation and research from funds given for such purposes or from funds given without designation as to purpose.

10.5 Furtherance of Corporate Purposes. In furtherance of the purposes and functions of the Corporation, and subject to applicable provisions of the Georgia Nonprofit Corporation Code and Section 501(c)(3), the Board of Trustees may direct distributions to such persons, organizations, governments or governmental agencies as in the opinion of

the Board of Trustees can best carry out such purposes and functions or help create a new qualified organizations to carry out such purposes and functions.

ARTICLE ELEVEN

Indemnification

11.1 Definitions.

As used in this Article 11, unless the context clearly requires a different meaning, the following terms shall have the following meanings:

- (A) "Code" means the Georgia Nonprofit Corporation Code, as codified in Chapter 3 of the Title 14 of the Official Code of Georgia Annotated.
- (B) "Corporation" includes any domestic or foreign predecessor entity of a corporation in a merger or other transaction in which the predecessor's existence ceased upon consummation of the transaction.
- (C) "Disinterested Trustee" means a Trustee who at the time of a vote or other action by the Board of Trustees is not (i) a Party to the Proceeding, or (ii) an individual having a familial, financial, professional, or employment relationship with the Trustee whose indemnification or advance for Expenses is the subject of the decision being made with respect to the Proceeding, which relationship would, in the circumstances, reasonably be expected to exert an influence on the Trustee's judgment when voting on the decision being made.
- (D) "Expenses" includes Council fees.
- (E) "Liability" means the obligation to pay a judgment, settlement, penalty, fine (including an excise tax assessed with respect to an employee benefit plan), or reasonable Expenses incurred with respect to a Proceeding.
- (F) "Official Capacity" means when used with respect to a Trustee, the position of Trustee in the Corporation, and when used with respect to an Officer, as contemplated in Section 11.8 of this Article 11, the office in the Corporation held by the Officer. "Official Capacity" does not include service for any other domestic or foreign corporation or any partnership, joint venture, trust, employee benefit plan, or other entity.
- (G) "Party" means an individual who was, is, or is threatened to be made a named defendant or respondent in a Proceeding.

- (H) "Proceeding" means any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative, arbitative, or investigative, and whether formal or informal.
- (I) "Trustee" or "Officer" means an individual who is or who was a Trustee or officer, respectively, of the Corporation, or who, while a Trustee or officer of the Corporation, is or was serving at the Corporation's request as a trustee, officer, partner, trustee, employee, or agent of another domestic or foreign corporation, partnership, joint venture, trust, employee benefit plan, or other entity. A Trustee or Officer is considered to be serving an employee benefit plan at the Corporation's request if his or her duties to the Corporation also impose duties on, or otherwise involve services by the Trustee or Officer to the plan or to participants in or beneficiaries of the plan. Further, unless the context otherwise requires, "Trustee" or "Officer" includes the estate or personal representative of a Trustee or Officer.

11.2. Authority to Indemnify. Except as otherwise provided in this Section 11.2, the Corporation may indemnify an individual who is a Party to a Proceeding because he or she is or was a Trustee against any Liability incurred with respect to the Proceeding if:

- (A) Such individual conducted himself or herself in good faith; and
- (B) Such individual reasonably believed:
 - (1) In the case of conduct in his or her Official Capacity as Trustee of the Corporation, that such conduct was in the best interests of the Corporation;
 - (2) In all other cases, that such conduct was at least not opposed to the best interests of the Corporation; and
 - (3) In the case of any criminal Proceeding, that the individual had no reasonable cause to believe such conduct was unlawful.

A Trustee's conduct with respect to an employee benefit plan for a purpose he or she believed in good faith to be in the interests of the participants in and beneficiaries of the plan is conduct that satisfies the requirements of Section 11.2(A) and 11.2(B). Further, the termination of a Proceeding by judgment, order, settlement, or conviction, or upon a plea of *nolo contendere* or its equivalent is not, of itself, determinative that the Trustee did not meet the standard of conduct described in this Section 11.2. The Corporation may not indemnify a Trustee under this Section 11.2 in connection with a Proceeding by or in the right of the Corporation, except for reasonable Expenses incurred in connection with the Proceeding if it is determined that the Trustee has met the relevant standard of conduct under this Section 11.2, or in connection with any other Proceeding with respect to conduct for which the Trustee was adjudged liable

on the basis that a personal benefit was improperly received by him or her, whether or not involving action in his or her Official Capacity as a Trustee of the Corporation.

11.3. Mandatory Indemnification. The Corporation shall indemnify a Trustee who was wholly successful, on the merits or otherwise, in the defense of any Proceeding to which such individual was a Party because he or she was a Trustee of the Corporation against the reasonable Expenses incurred by the Trustee in connection with the Proceeding.

11.4. Advance for Expenses. Before the final disposition of a Proceeding, the Corporation may advance funds to pay for or reimburse the reasonable Expenses incurred by a Trustee who is a Party to that Proceeding because he or she is a Trustee if he or she delivers to the Corporation:

- (A) A written affirmation of his or her good faith belief that he or she has met the relevant standard of conduct described in this Section 11.4 (and in Code Section 851), or that the Proceeding involves conduct for which Liability has been eliminated under a provision of the Articles of Incorporation (as authorized by Code Section 202(b)(4)); and
- (B) His or her written understanding to repay any funds advanced if it is ultimately determined that the Trustee is not entitled to indemnification under the provisions of the Code, the Articles of Incorporation, or these Bylaws. This understanding must be an unlimited general obligation of the Trustee but need not be secured and may be accepted by the Corporation without reference to the financial ability of the Trustee to make repayment.

Authorizations under this Section 11.4 shall be made by the Board of Trustees: (a) where there are two or more Disinterested Trustees, by a majority vote of all of the Disinterested Trustees (a majority of whom shall for such purpose constitute a quorum) or by a majority of the members of a committee of two or more Disinterested Trustees appointed by such a vote; or (b) when there are fewer than two Disinterested Trustees, then by the affirmative vote of a majority of Trustees present, in the presence of a quorum, unless the vote of a greater number of Trustees is required for action by the board (in accordance with Code Section 824(c)) and in which authorization Trustees who do not qualify as Disinterested Trustees may participate.

11.5. Court-Ordered Indemnification or Advance for Expenses. A Trustee who is a Party to a Proceeding because he or she is a Trustee may apply for indemnification or advance for Expenses to the court conducting the Proceeding or to another court of competent jurisdiction. After receipt of the application and after giving any notice it considers necessary, the court shall order indemnification or advance for Expenses if it determines:

- (A) that the Trustee is entitled to indemnification under this Article Eleven, or

- (B) in view of all of the relevant circumstances, that it is fair and reasonable to indemnify or advance Expenses to the Trustee, even if the Trustee has not met the relevant standard of conduct in Section 11.2, or failed to comply with the procedure in Section 11.4, or was adjudged liable in a Proceeding by or in the right of the Corporation described in the last sentence of Section 11.2, except for reasonable Expenses incurred in connection with the Proceeding if it is determined that the Trustee has met the relevant standard of conduct under Section 11.2, or in connection with any other Proceeding with respect to conduct for which the Trustee was adjudged liable on the basis that a personal benefit was improperly received by him or her, whether or not involving action in his or her Official Capacity as a Trustee of the Corporation.

If the court determines that the Trustee is entitled to indemnification or advance for Expenses, it may also order the Corporation to pay the Trustee's reasonable Expenses to obtain court ordered indemnification or advance for Expenses.

11.6. Procedure for Determination. The Corporation may not indemnify a Trustee under Section 11.2 unless authorized under the terms of Section 11.2, and a determination has been made for a specific Proceeding that indemnification of the Trustee is permissible in the circumstances because the Trustee has met the relevant standard of conduct set forth in Section 11.2. The determination shall be made:

- (A) If there are two or more Disinterested Trustees, by the Board of Trustees by a majority vote of all of the Disinterested Trustees (a majority of whom shall for such purpose constitute a quorum) or by a majority of the members of a committee of two or more Disinterested Trustees appointed by such a vote); or
- (B) By special legal counsel selected in the manner described in Section 11.6(A) or, if there are fewer than two Disinterested Trustees selected by the Board of Trustees (in which selection Trustees who do not qualify as Disinterested Trustees may participate).

Authorization of indemnification or of an obligation to indemnify and the evaluation as to the reasonableness of Expenses shall be made in the same manner as the determination that indemnification is permissible, except that if there are fewer than two Disinterested Trustees or if the determination is made by special legal counsel, the authorization of indemnification and the evaluation as to the reasonableness of Expenses shall be made by those Trustees who could select special legal Council (when there are fewer than two Disinterested Trustees) under Section 11.6(B).

11.7. Authorization of Indemnification Exceeding Statutory Levels. This Section 11.7 authorizes the Corporation to indemnify or obligate itself to indemnify a Trustee made a Party to a Proceeding, including a Proceeding brought by or in the right of the Corporation,

without regard to the limitations contained in Part 5 of Article 8 of the Code, or of other provisions of this Article 11; provided, however, the Corporation shall not indemnify a Trustee under this Section 11.7 for any Liability incurred in a Proceeding in which the Trustee is adjudged liable to the Corporation or is subjected to injunctive relief in favor of the Corporation for:

- (A) any appropriation, in violation of the Trustee's duties, of any business opportunity of the Corporation;
- (B) acts or omissions which involve intentional misconduct or a knowing violation of law;
- (C) the types of Liability respecting improper corporate distributions under Code Section 831; or
- (D) any transaction from which the Trustee received an improper personal benefit.

Before the Corporation may advance or reimburse Expenses of a Trustee prior to the final disposition of a Proceeding, as approved or authorized under this Section 11.7, the Trustee is to furnish to the Corporation (i) a written affirmation of his or her good faith belief that his or her conduct does not constitute behavior described in the preceding sentence of this Section 11.7, and (ii) a written undertaking, executed personally or on his or her behalf, to repay any funds advanced if it is ultimately determined that the Trustee is not entitled to indemnification under this Section 11.7.

11.8. Indemnification or Advance of Expenses for Officers of the Corporation, Committee Members, Employees, and Agents.

- (A) The Corporation may indemnify and advance Expenses under this Article Eleven to an Officer of the Corporation who is a Party to a Proceeding because he or she is an Officer of the Corporation to the same extent as a Trustee, as provided in this Article Eleven. If an Officer of the Corporation is not a Trustee, or although the Officer is also a Trustee, because the sole basis on which he or she is made a Party to the Proceeding is an act or omission solely as an Officer, the Corporation may indemnify or advance Expenses to such further extent permitted by the laws of Georgia, except for Liability arising out of conduct that constitutes:
 - (1) appropriation, in violation of his or her duties as an Officer, of any business opportunity of the Corporation,
 - (2) acts or omissions which involve intentional misconduct or a knowing violation of law,

- (3) the types of Liability for improper corporate distributions (as specified in Code Section 831), or
- (4) any transaction from which the individual received an improper personal benefit.

An officer of the Corporation who is not a Trustee entitled to mandatory indemnification under Section 11.3 may apply to a court for indemnification or advances for reasonable Expenses under Section 11.4 to the same extent to which a Trustee may be entitled to indemnification for advances for reasonable Expenses.

- (B) The Corporation shall indemnify and advance reasonable Expenses to a committee member, employee, or agent of the Corporation who is not a Trustee to the fullest possible extent permitted by law. The procedures for such indemnification or Advance shall be consistent with those for Trustees or Officers of the Corporation.

11.9 Indemnification or Advance of Expenses for MBUMC and Trustees, Officers, Employees, and Agents of MBUMC. The Corporation shall indemnify and advance reasonable Expenses to MBUMC, members of the Administrative Council of MBUMC, and trustees, committee members, employee, and agents of MBUMC to the fullest possible extent permitted by law. The procedures for such indemnification or Advance shall be consistent with those for Trustees or Officers of the Corporation.

11.10. Insurance. The Corporation may purchase and maintain insurance on behalf of each individual who is a Trustee, Officer, employee, or agent of the Corporation, or who, while a Trustee, Officer, employee, or agent of the Corporation, serves at the Corporation's request as a Trustee, Officer, partner, trustee, employee, or agent of another domestic or foreign corporation, partnership, joint venture, trust, employee benefit plan, or other entity against Liability asserted against or incurred by him or her in that capacity or arising from his or her status as a Trustee, Officer, employee, or agent, whether or not the Corporation would have power to indemnify or advance Expenses to him or her against the same liability under this Article Eleven.

11.11 Prior Obligation to Indemnify or Advance Expenses. Pursuant to the provisions of Code Section 858, the Corporation is authorized to obligate itself in advance of the act or omission giving rise to a Proceeding to provide indemnification or advance funds to pay for or reimburse reasonable Expenses of a Trustee, Officer, employee or agent to the fullest extent permitted by law. The Corporation has power to pay or reimburse a Trustee or Officer in connection with his or her appearance as a witness in a Proceeding at a time when he or she is not a Party. Further, except to the extent limited in Section 11.8, this Article Eleven does not otherwise limit the Corporation's power to indemnify, advance reasonable Expenses to, or provide or maintain insurance on behalf of an employee or agent.

ARTICLE TWELVE

Miscellaneous

12.1 Books and Records. The Corporation shall maintain books and records of account and minutes of the proceedings of the Board of Trustees and committees having any of the authority of the Board of Trustees, executed consents evidencing all actions taken by the Board of Trustees or committees of the Board of Trustees or committees of the Board of Trustees without a meeting, and waivers of notice of all meetings of the Board of Trustees and its committees. In addition, the Corporation shall keep copies of all records required to be kept under Georgia law. MBUMC and its duly authorized representatives shall have the right to examine the Corporation's books, records and documents during normal business hours, and representatives of the Corporation will be available as reasonably requested by MBUMC to meet with trustees, officers, committees and representatives of MBUMC to review and discuss such books, records and documents.

12.2 Financial Reports. The Corporation shall provide the Board of Trustees and MBUMC with the following financial reports, together with such other financial reports as may be reasonably requested by the Board of Trustees or MBUMC:

- (A) Annual financial statements (balance sheet and income statement, cash flow statements, and associated footnotes to the financial statements), prepared in accordance with generally accepted accounting principles, consistently applied, within one hundred twenty (120) days of the end of each fiscal year of the Corporation, which shall be audited by an independent accounting firm selected by the Board of Trustees; and
- (B) A quarterly report, prepared in accordance with generally accepted accounting principles, consistently applied, and in a format consistent with the annual financial statements provided under subparagraph (A) above, and submitted to the Board of Trustees and MBUMC within twenty (20) days of the end of each such calendar quarter.

12.3 Insurance. The Corporation shall procure and maintain at all times comprehensive general liability, umbrella, employer's liability, property (with respect to which the Corporation has an insurable interest) and workers' compensation insurance for its obligations and actions and on its employees with such limits as are generally reasonable and appropriate given the nature of the business of the Corporation, and shall cause MBUMC to be named as an additional insured on each such policy.

12.4 Corporate Seal. The corporate seal (of which there may be one or more exemplars) shall be in such form as the Board of Trustees may from time to time determine.

12.5 Fiscal Year. The fiscal year of the Corporation shall be from July 1 to June 30 each year, provided, however, the Board of Trustees is authorized to change the fiscal year from time to time as it deems appropriate.

12.6 Internal Revenue Code. All references in these bylaws to sections of the Internal Revenue Code shall be considered references to the Internal Revenue Code of 1986, as amended, and to the corresponding provisions of any applicable future Federal tax law.

12.7 Relation to Articles of Incorporation. These Bylaws are subject to, and governed by, the laws of the State of Georgia and the Articles of Incorporation of the Corporation (as may be amended or restated from time to time). If there are conflicts or inconsistencies between the provisions of Georgia law or the Articles of Incorporation and these Bylaws, the provisions of Georgia law and the Articles of Incorporation (in that order) shall prevail.

ARTICLE THIRTEEN

Amendments

13.1 Amendments. A majority of the Board of Trustees then in office shall have the sole power and authority to amend, restate, repeal or rescind the Articles of Incorporation of the Corporation and these Bylaws and to adopt new Bylaws; provided, however, any amendment, restatement, repeal or rescission of the Articles of Incorporation or these Bylaws shall also require the written consent of the Administrative Council of MBUMC. Notwithstanding anything to the contrary in these Bylaws, it will require a supermajority of no less than 75% of the Board of Trustees then in office to amend Article 2, Section 2.5 of the Bylaws.

ARTICLE FOURTEEN

Tax-Exempt Status

14.1 Tax Exempt Status. The affairs of the Corporation at all times shall be conducted in such a manner as to assure the Corporation's status as an organization qualifying for exemption from tax pursuant to Section 501(c)(3), and the Corporation shall not carry on any activity not permitted to be carried on by an organization exempt from federal income tax under Section 501(c)(3).

EXHIBIT A

Statement of Faith

Believing that salvation comes by Christ alone (John 14:6), and trusting in Him as my Savior, I believe in:

- One God, eternally existent in three persons, Father, Son, and Holy Spirit.
 - The Bible as the inspired Word of God.
 - The Deity of our Lord, Jesus Christ, God's only Son, who was conceived of the Holy Spirit and born of the virgin Mary. Having lived a sinless life, He died for our sins through which we receive eternal life. He was resurrected after death and will return to be with all who believe in Him.
 - The presence and power of the Holy Spirit who in dwells every believer, comforting us in need and empowering us to live in accordance with His word.
- Because of my faith in Christ and being mindful of my constant witness in a community of children,
- I believe that the Bible, God's written word, is the ultimate authority for my beliefs, values, attitudes, and behaviors.
 - I seek spiritual maturity by maintaining a personal devotional life, participating in worship and prayer with others, and being involved in the life and ministry of a local church.
 - I seek to respect all people as each bears God's image.
 - I seek to exhibit and cultivate the attitudes and behaviors of love, joy, peace, patience, kindness, goodness, faithfulness, gentleness, and self-control.
 - When conflict arises, I commit to following a Biblical process for correction, forgiveness, reconciliation, and restoration.

Additional Doctrinal Expectations

- Human Sexuality – We affirm that all persons are individuals of sacred worth, created in the image of God. We also affirm that humanity's fallen nature renders us all sexually broken. We affirm the sanctity of the marriage covenant that is expressed in love, mutual support, personal commitment, and shared fidelity between a man and a woman. Sexual relations are affirmed only within the covenant of monogamous, heterosexual marriage. While, we do not condone the practice of homosexuality and consider this practice incompatible with Christian teaching, we affirm that God's grace is available to all people. We expect the MBCA staff not to judge, reject, or condemn lesbian and gay students, parents, and families. We commit ourselves to be in ministry for all people.
- Gender Identity - We affirm that persons, being of sacred worth and created in the image of God, need the ministry of the Church in their struggles for human fulfillment. Based upon the Biblical witness, we believe that God created two genders, male and female. We have sincere empathy for those who struggle with the issue of gender identity, and would desire to help them find healing, consistent with God's best plan and design. We

do not believe that encouraging a departure from this plan and design in any way helps the individual, but rather compounds harm. For this reason, all students and staff will be required to dress according to the gender of their God-given anatomical features. All students, staff, parents, and visitors must use the restrooms and locker rooms aligned with their God-given anatomical features. Students with gender identity conflicts will be appropriately and lovingly counseled in Biblical truth using the Scriptures. We all need the spiritual and emotional care of a fellowship that enables reconciling relationships with God, with others, and with self. We will seek to live together in Christian community, welcoming, forgiving, and loving one another, as Christ has loved and accepted us.

- Abortion – We affirm that human life begins at the moment of conception, as the genetic

uniqueness of the individual originates in this event, as well as the biological activity of cellular growth and division. Further, we recognize that the particular spiritual character of humanity, being created in the image of God, being endowed with a soul, makes every detail of the human being impossible to measure scientifically. This also makes human life of sacred worth to God and therefore to us as well. This belief in the sanctity of human life makes it impossible for us to support or affirm abortion, except when the physical life of the mother is in danger and no other medical procedure is available, or in the case of severe fetal anomalies incompatible with life. We unconditionally reject abortion as an acceptable means of birth control, gender selection, or eugenics. We recognize the injury that abortion inflicts on the life of a woman and sympathetically recognize her trauma as a result of this event. We do not condemn persons who have been led to make this choice in the past, but rather desire to be the presence and grace of God to them.

- Human Need for Salvation - Human beings, born with a sin-nature originating from the Fall of Humanity, are in need of redemption and salvation from the wages of sin, which is eternal death. Since redemption that brings salvation is something which humans cannot earn or achieve for themselves, it is necessary that we receive it as a free gift of God's grace. In affirming the eternal deity of Jesus Christ, his sacrificial death and victorious resurrection, we also confess the necessity of Christ's sacrifice for us. The consequence of an unrepentant and unregenerate life is eternal separation from God. We affirm that God's justifying grace is universally available to all who confess, repent, and place their faith in the person and work of Jesus Christ. We do not affirm Universalist Theology which holds that all people will ultimately receive salvation. We acknowledge that the Bible's descriptions of Hell might be metaphorical, but we also believe they accurately convey the desperate circumstances of being separated from God. We affirm the very real consequences of rebellion against God that rejects His loving invitation.

EXHIBIT B

**CONFLICT OF INTEREST POLICY
OF
MT. BETHEL CHRISTIAN ACADEMY, INC.**

**ARTICLE I
PURPOSE**

The purpose of this conflict of interest policy (this "Policy") is to protect the interests of Mt. Bethel Christian Academy, Inc. (the "Corporation"), a tax-exempt organization, when the Corporation is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer, trustee, or committee member of the Corporation or might result in a possible "excess benefit transaction", as that term is defined in Article II below. This Policy is intended to supplement, but not replace, any applicable state and/or federal laws governing conflicts of interest applicable to nonprofit and charitable organizations.

**ARTICLE II
DEFINITIONS**

1. Interested Person: Any trustee, principal officer, or member of a committee that has been delegated powers by the Board of Trustees of the Corporation (the "Board"), who has a direct or indirect Financial Interest, as defined below, is an "Interested Person."

2. Financial Interest: A person has a "Financial Interest" if the person has, directly or indirectly, through business, investment, or family:

(A) An ownership or investment interest in any entity with which the Corporation has a transaction or arrangement,

(B) A compensation arrangement with the Corporation or with any entity or individual with which the Corporation has a transaction or arrangement, or

(C) A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Corporation is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial. A Financial Interest is not necessarily a conflict of interest. Under Article III, Section 2, a person who has a Financial Interest may have a conflict of interest only if the Board or appropriate committee decides that a conflict of interest exists.

3. Excess Benefit Transaction: "Excess Benefit Transaction" shall have the same meaning as an "excess benefit transaction" defined in Section 4958(c)(1) of the Internal Revenue Code of 1986, as amended.

ARTICLE III PROCEDURES

1. Duty to Disclose: In connection with any actual or possible conflict of interest, an Interested Person must disclose, and must be given the opportunity to disclose, the existence of the Financial Interest, and all material facts with respect thereto, to the Board or to a committee of the Board with powers delegated by the Board to consider the proposed transaction or arrangement.

2. Determining Whether a Conflict of Interest Exists: After the Interested Person discloses the Financial Interest and all material facts with respect thereto, and after any discussion with the Interested Person, he or she must leave the Board or committee meeting, if present, while the determination of a conflict of interest is discussed and voted upon. The remaining disinterested Board or committee members shall determine, by a majority vote, if a conflict of interest exists.

3. Procedures for Addressing a Conflict of Interest. If the Board or committee determines that a conflict of interest exists with respect to a proposed transaction or arrangement:

(A) The chairperson of the Board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.

(B) After exercising due diligence, the disinterested members of the Board or committee shall determine, by majority vote, whether the Corporation can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.

(C) If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the disinterested members of the Board or committee shall determine by a majority vote whether the transaction or arrangement is in the Corporation's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination, the disinterested members of the Board or committee shall determine whether or not to enter into the transaction or arrangement.

4. Violations of the Conflict of Interest Policy.

(A) If the Board or committee has reasonable cause to believe an officer, trustee, or committee member has failed to disclose an actual or possible conflict of interest, it shall inform the officer, trustee, or member of the basis for such belief and afford the officer, trustee, or committee member an opportunity to explain the alleged failure to disclose.

(B) If, after hearing the officer's, trustee's, or committee member's response and after making further investigation as warranted by the circumstances, the Board or committee determines the officer, trustee, or committee member has failed to disclose an actual or possible conflict of interest, the Board or committee shall take appropriate disciplinary and corrective action.

ARTICLE IV RECORDS OF PROCEEDINGS

The minutes of the Board and all committees with powers delegated by the Board shall contain:

(A) The names of the persons who disclosed or otherwise were found to have a Financial Interest in connection with an actual or possible conflict of interest, the nature of the Financial Interest, any action taken to determine whether a conflict of interest was present, and the Board's or committee's decision as to whether a conflict of interest in fact existed, and

(B) The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

ARTICLE V COMPENSATION

(A) A voting member of the Board who receives compensation, directly or indirectly, from the Corporation for services is precluded from voting on matters pertaining to that member's compensation and on matters pertaining to the compensation of any other member of the Board.

(B) A person who receives compensation, directly or indirectly, from the Corporation for services is precluded from serving on any committee whose jurisdiction includes compensation matters.

(C) No voting member of the Board or any committee who receives compensation, directly or indirectly, from the Corporation is prohibited from providing information to the Board or to any committee regarding compensation; provided that, the disinterested members of the Board or committee shall conduct an independent discussion and investigation into compensation matters without the participation of the person whose compensation matters are being determined.

**ARTICLE VI
ANNUAL STATEMENTS**

Each trustee, principal officer and member of a committee with Board delegated powers shall annually sign a statement, in the form attached hereto as Schedule I, which affirms that such person:

- (A) Has received a copy of this Policy,
- (B) Has read and understands this Policy,
- (C) Has agreed to comply with this Policy, and
- (D) Understands the Corporation is charitable and, in order to maintain its federal tax exemption, must engage primarily in activities that accomplish one or more of its tax-exempt purposes.

**ARTICLE VII
PERIODIC REVIEWS**

To ensure the Corporation operates in a manner consistent with its charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, the Board shall conduct periodic reviews. The periodic reviews shall, at a minimum, include the following subjects:

- (A) Whether compensation arrangements and benefits are reasonable, based on competent survey information, and the result of arm's length bargaining; and
- (B) Whether partnerships, joint ventures, and arrangements with management organizations conform to the Corporation's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes, and do not result in inurement, impermissible private benefit, or an Excess Benefit Transaction.

**ARTICLE VIII
USE OF OUTSIDE EXPERTS**

When conducting the periodic reviews as provided for in Article VII, the Corporation may, but need not, use outside advisors. If outside advisors are used, their use shall not relieve the Board of its responsibility to conduct periodic reviews.

Mt. Bethel Christian Academy, Inc.
Conflict of Interest Policy Acknowledgement Form

Pursuant to Article VI of the Conflict of Interest Policy of Mt. Bethel Christian Academy, Inc. (the "Policy"), I hereby affirm that:

- I have received a copy of the Policy.
- I have read and understand the Policy.
- I agree to comply with the Policy.
- I understand Mt. Bethel Christian Academy, Inc. is a charitable organization and, in order to maintain its federal tax exemption, it must engage primarily in activities that accomplish one or more of its tax-exempt purposes.

Name (printed)

Title

Signature

Date

AMENDED AND RESTATED ARTICLES OF INCORPORATION
OF
MT. BETHEL CHRISTIAN ACADEMY, INC.

1.

The name of the Corporation is: Mt. Bethel Christian Academy, Inc.

2.

The street address of the registered office of the Corporation is c/o Jim Cianca, 2509 Post Oak Tritt Road, Marietta, Georgia 30062. The registered agent of the Corporation at such address shall be Jim Cianca, or any such other person as shall be selected from time to time by the Board of Trustees of the Corporation.

3.

The Corporation will not have members within the meaning of Section 14-3-140(20) of the Georgia Nonprofit Corporation Code.

4.

The mailing address of the principal office of the Corporation is 4385 Lower Roswell Road, Marietta, Georgia 30068.

5.

The Corporation is organized pursuant to the provisions of the Georgia Nonprofit Corporation Code.

6.

Any member of the Board of Trustees of the Corporation shall be selected, removed and replaced by the Board of Trustees of the Corporation, as described in more detail in the Bylaws of the Corporation. No Trustee of the Corporation shall be personally liable to the Corporation for monetary damages for breach of duty of care or other duty as a Trustee; provided, however, to the extent required by applicable law, this Article 7 shall not eliminate or limit the liability of a Trustee (i) for any appropriation, in violation of a Trustee's duties, of any business opportunity of the Corporation; (ii) for acts or omissions which involve intentional misconduct or a knowing violation of law; (iii) for the types of liability set forth in Sections 14-3-860 through 14-3-864 of the Georgia Nonprofit Corporation Code; or (iv) for any transaction from which the Trustee derived an improper personal benefit. If applicable law is amended to authorize corporate action further eliminating or limiting the liability of Trustees, then the liability of each Trustee of the Corporation shall be eliminated or limited to the fullest extent permitted by applicable law, as amended. Neither the amendment or repeal of this Article 7, nor the adoption of any provision of these Articles of Incorporation inconsistent with this Article 7, shall eliminate or reduce the

effect of this Article 7 in respect of any acts or omissions occurring prior to such amendment, repeal or adoption of an inconsistent provision.

7.

(a) The Corporation is organized to conduct and provide a Christ-centered education for children.

(b) The Corporation is organized to operate exclusively for one or more purposes specified in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"), including, for such purposes, the making of distributions to organizations that qualify as exempt organizations under Section 501(c)(3) of the Code (or the corresponding provision of any future United States Internal Revenue Law).

8.

The Corporation is not organized and shall not be operated for pecuniary gain or profit. No part of the net earnings of the Corporation shall inure to the benefit of, or be distributable to its members, trustees, officers, or other private persons, except that the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in Article 8 hereof. No substantial part of the activities of the Corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the Corporation shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of or in opposition to any candidate for public office. Notwithstanding any other provision of these Articles of Incorporation, the Corporation shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt from federal income tax under Section 501(c)(3) of the Code, or the corresponding section of any future federal tax code, or (b) by a corporation, contributions to which are deductible under Section 170(c)(2) of the Code, or the corresponding section of any future federal tax code.


9.

Upon the dissolution of the Corporation, assets shall be distributed to Mt. Bethel United Methodist Church, Inc. (or any successor thereto), or, if Mt. Bethel United Methodist Church, Inc. (or any successor thereto) at such time is not in existence or fails to adhere to any Statement of Faith set forth in the Bylaws of the Corporation, as directed by the Board of Trustees of the Corporation for one or more exempt purposes within the meaning of section 501(c)(3) of the Code, or the corresponding section of any future federal tax code. Any such assets not so disposed of shall be disposed of by a court of competent jurisdiction of the county in which the principal office of the Corporation is then located, exclusively for such purposes or to such organization or organizations, as said court shall determine, which are organized and operated exclusively for such purposes.

10.

The approval of the Board of Trustees of the Corporation, with the consent of the Administrative Council of Mt. Bethel United Methodist Church, Inc. (or any successor thereto), shall be required for any amendment, restatement, repeal or rescission of these Articles of Incorporation.

IN WITNESS WHEREOF, the undersigned has executed these Articles of Incorporation this 8th day of June, 2021.


Chairman

LAW OFFICES
SCROGGINS & WILLIAMSON, P.C.

4401 NORTHSIDE PARKWAY

SUITE 450

ATLANTA, GEORGIA 30327

(404) 893-3880 - TELEPHONE
(404) 893-3886 - FACSIMILE

WWW.SWLAWFIRM.COM

J. ROBERT WILLIAMSON
ASHLEY REYNOLDS RAY
J. HAYDEN KEPNER, JR.
MATTHEW W. LEVIN

FRANK W. SCROGGINS (1993-2010)

April 19, 2021

By First Class Mail and Email

Bishop Sue Hauptert-Johnson
North Georgia Conference
United Methodist Church
1700 Century Cir NE, Suite 100
Atlanta, GA 30345
bishop@ngumc.org

Re: Mt. Bethel Christian Academy, Inc.

Dear Bishop Hauptert-Johnson:


We serve as counsel for Mt. Bethel Christian Academy, Inc. (the "**Academy**") and its Board of Trustees (the "**Board**").

By letter dated April 10, 2021, the Board wrote to you expressing its concerns about the potential adverse impact from the "projected appointment of Dr. Jody Ray." We understand that the appointment of Dr. Ray has been announced and that a new senior pastor has been appointed for Mt. Bethel United Methodist Church (the "**Church**").

The Academy and the Board believe that recent developments have exacerbated the situation. It is imperative that we meet with you or your counsel at the earliest possible time to discuss these issues. We also understand that the Church has petitioned for disaffiliation under the Book of Discipline. An orderly and prompt resolution of these issues and the petition are necessary to prevent irreparable harm to the Academy. Please let us know if you and/or your counsel are available to discuss these matters.

Sincerely,

SCROGGINS & WILLIAMSON, P.C.


J. Robert Williamson, Esq.
Counsel for the Academy

THE RAINER FIRM

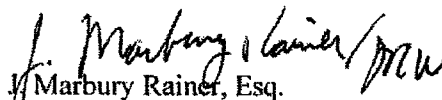

J. Marbury Rainer, Esq.
Counsel for the Board

Exhibit B

THORNTON & GRAHAM, P.C.

ATTORNEYS AT LAW
200 CHURCH STREET
LAGRANGE, GEORGIA 30240

HEATHER W. GRAHAM
JAMES C. THORNTON
ALSO ADMITTED IN AL

706 884-2727
FAX 706 242-4923

April 21, 2021

VIA EMAIL (rwilliamson@swlawfirm.com and marbury@rainerfirm.com)
& FIRST CLASS MAIL

J. Robert Williamson, Esq.
Scroggins & Williamson, P.C.
4401 Northside Parkway
Suite 450
Atlanta, GA 30327

J. Marbury Rainer, Esq.
The Rainer Firm
P. O. Box 20320
Atlanta, GA 30325

RE: Mt. Bethel Christian Academy, Inc.

Dear Mr. Williamson and Mr. Rainer:

Please be advised that I serve as Chancellor of the North Georgia Annual Conference of the United Methodist Church, and in that capacity, serve as legal counsel to Bishop Sue Hauptert-Johnson, the resident bishop of the Annual Conference. Please direct any future communications intended for the Bishop or the Annual Conference regarding the Mt. Bethel Christian Academy, Inc. (the "Academy") to me.

I am in receipt of your letter dated April 19, 2021, directed to the Bishop on behalf of the Academy and its Board of Trustees. As you may know, the Book of Discipline of the United Methodist Church grants the Bishop assigned to each annual conference the authority to appoint ministers to the local churches within such annual conference area. Such appointments are made by the Bishop in her discretion, after consultation with the District Superintendents. Any meeting outside the Church's appointive process to discuss the Bishop's appointment of clergy to Mt. Bethel United Methodist Church is therefore inappropriate.

You mention that representatives of Mt. Bethel United Methodist Church have requested disaffiliation under the provisions of Paragraph 2553 of the Book of Discipline. The disaffiliation process is managed by the Board of Trustees of the Annual Conference under the steps outlined in the Discipline. That disaffiliation process will begin with a church conference

Exhibit C

April 21, 2021

J. Robert Williamson, Esq. et al.

Page Two

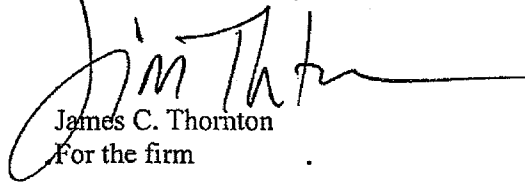
of all members of the local church to be held at such time as the District Superintendent of the Central West District issues such a call, and the process will only proceed if two-thirds of the members of the local vote to disaffiliate at such conference. If the church conference votes to disaffiliate, that vote commences a negotiation process between the local church and the Conference Board of Trustees. Upon the conclusion of the negotiation, a disaffiliation agreement will be presented to the next subsequent session of the Annual Conference. The members of the Annual Conference can either accept or reject the disaffiliation.

Given the multiple steps in the process, the earliest possible date for conclusion of that disaffiliation process will be the June 2022 session of the Annual Conference. I can assure you that the process will be orderly and will follow the relevant provisions of the Book of Discipline. The conclusion of that process is certainly not determined, but in any event will not occur for at least fourteen months.

With all that said, I want to express the desire of the Bishop to help maintain the vibrant mission and ministry of Mt. Bethel United Methodist Church, and the Bishop is also supportive of the success of the Academy. Given the recently announced change in the ministerial appointments to Mt. Bethel, the Bishop and I would encourage you and your clients to embrace the newly appointed ministerial staff and to work cooperatively to ensure the vibrancy of both the local church and the Academy.

Very truly yours,

Thornton & Graham, P.C.



James C. Thornton
For the firm

cc: Bishop Sue Haupert-Johnson (via email only)

EXHIBIT 8



Connie Taylor, Clerk of Superior Court
Cobb County, Georgia

IN THE SUPERIOR COURT OF COBB COUNTY
STATE OF GEORGIA

THE TRUSTEES OF THE NORTH
GEORGIA CONFERENCE OF THE
UNITED METHODIST CHURCH, INC.,

PETITIONER,

VS.

MT. BETHEL UNITED METHODIST
CHURCH, INC. D/B/A MT. BETHEL
UNITED METHODIST CHURCH,

RESPONDENT.

CIVIL ACTION FILE NUMBER:

**PETITION FOR DECLARATORY JUDGMENT, ACCOUNTING, AND
INTERLOCUTORY AND PERMANENT INJUNCTION**

The Trustees of the North Georgia Conference of the United Methodist Church, Inc. seek declaratory judgment, an accounting, and interlocutory and permanent injunctions against Respondent by showing the following:

1.

Petitioner is a non-profit corporation, incorporated under the laws of the State of Georgia.

2.

Respondent is a non-profit corporation, incorporated under the laws of the State of Georgia, doing business as Mt. Bethel United Methodist Church, with its principal office and place of doing business located at 4385 Lower Roswell Road, Marietta, Georgia 30068-4130 in unincorporated Cobb County.

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3.

Respondent may be served with process by service upon its registered agent, Clayton Carmack, at its registered office located at 326 Roswell Street, Suite 100, Marietta, Cobb County, Georgia 30060.

4.

This Court has jurisdiction over this matter.

5.

Venue is proper in this Court.

6.

By July 12, 2021, because Respondent had taken steps inconsistent with The Book of Discipline (as more specifically set forth in paragraph 13 below), Petitioner took ownership of all of Respondent's assets.

7.

Petitioner has demanded possession of its assets and Respondent has refused to comply with that demand. Respondent's possession of the assets owned on and after July 12, 2021 by Petitioner is illegal.

8.

At all times relevant to this petition, Respondent was subject to the obligations and regulations governing the United Methodist Church denomination known as The Book of Discipline.

9.

The Book of Discipline outlines the law, doctrine, administration, organizational work, and procedures of The United Methodist Church (“The Church”), a hierarchical worldwide religious denomination. Each General Conference of The Church amends The Book of Discipline, and the actions of the General Conference are reflected in quadrennial revisions. Local churches are subject to The Book of Discipline and the Church hierarchy.

10.

The State of Georgia recognizes controlling religious doctrine over domestic nonprofit corporations. Rector, Wardens, Vestrymen of Christ Church in Savannah, et al. v. Bishop of the Episcopal Diocese of Georgia, Inc., et al., 290 Ga. 95, 718 S.E.2d 237 (2011).

11.

All property held by any United Methodist Church is held in trust for the benefit of the entire denomination. United Methodist Churches are governed by a hierarchical structure as set forth in a book known as The Book of Discipline. The Book of Discipline governs the rules of the whole Church. As it pertains to assets held by individual local churches, ¶ 2501 of The Book of Discipline provides:

1. All properties of United Methodist local churches and other United Methodist agencies and institutions are held, in trust, for the benefit of the entire denomination, and ownership and usage of church property is subject to the Discipline. This trust requirement is an essential element of the historic polity of The United Methodist Church or its predecessor denominations or communions and has been a part of the Discipline since 1797. It reflects the connectional structure of the Church by ensuring that

the property will be used solely for purposes consonant with the mission of the entire denomination as set forth in the Discipline. The trust requirement is thus a fundamental expression of United Methodism whereby local churches and other agencies and institutions within the denomination are both held accountable to and benefit from their connection with the entire worldwide Church.

In consonance with the legal definition and self-understanding of the United Methodist Church (see ¶ 141), and with particular reference to its lack of capacity to hold title to property, the United Methodist Church is organized as a connectional structure, and titles to all real and personal, tangible and intangible property held at jurisdictional, annual, or district conference levels, or by a local church or charge, or by an agency or institution of the Church, shall be held in trust for The United Methodist Church and subject to the provisions of its Discipline. Titles are not held by The United Methodist Church (see ¶ 807.1) or by the General Conference of The United Methodist Church, but instead by the incorporated conferences, agencies, or organizations of the denomination, or in the case of unincorporated bodies of the denomination, by boards of trustees established for the purpose of holding and administering real and personal, tangible and intangible property.

2. The trust is and always has been irrevocable, except as provided in the Discipline. Property can be released from the trust, transferred free of trust or subordinated to the interests of creditors and other third parties only to the extent authority is given by the Discipline.

3. Local churches and other United Methodist agencies and institutions may acquire, hold, maintain, improve, and sell property for purposes consistent with the mission of the Church, unless restricted or prevented by the Discipline.

12.

Petitioner is charged with safeguarding the rights and interests of the United Methodist Congregation. ¶ 2512 of The Book of Discipline requires Petitioner to “intervene and take all necessary legal steps to safeguard and protect the interests and

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rights of the annual conference anywhere and in all matters relating to property and rights to property whether arising by gift, devise, or otherwise, or where held in trust or established for the benefit of the annual conference or its membership.”

13.

Petitioner was required to take ownership of Respondent’s assets because Respondent ceased acting as a United Methodist Church and violated The Book of Discipline when it:

- a. hired a lay “Chief Executive Officer/Lead Preacher” for the United Methodist pulpit;
- b. changed Mt. Bethel United Methodist Church, Inc.’s governance structure when a seven-person executive committee was formed without convening a required “Charge Conference;”
- c. refused a properly appointed pastor and sought to limit the role of the appointed pastor-in-charge;
- d. failed to convene a “Charge Conference” necessary to properly elect a new Staff/Pastor-Parish Relations Committee Chair; and,
- e. signed a 20-year lease of improved real estate to Mt. Bethel Christian Academy, Inc. (“Academy”) without complying with the policies outlined in The Book of Discipline.

14.

¶ 2549.3.b of The Book of Discipline provides:

If at any time between sessions of annual conference, if the presiding bishop, the majority of the district superintendents, and the appropriate

district board of church location and building all consent, they may, in their sole discretion, declare that exigent circumstances exist that require immediate protection of the local church's property, for the benefit of the denomination. In such case, title to all the real and personal, tangible and intangible property of the local church shall immediately vest in the annual conference board of trustees who may hold or dispose of such property in its sole discretion, subject to any standing rule of the annual conference. Exigent circumstances include, but are not limited to, situations where a local church no longer serves the purpose for which it was organized or incorporated [cites omitted] or where the local church property is no longer used, kept, or maintained by its membership as a place of divine worship of The United Methodist Church. When it next meets, the annual conference shall decide whether to formally close the local church

15.

On June 18, 2021, Petitioner formally demanded that Respondent immediately cease and desist its non-compliant actions and take all needful and necessary affirmative steps to come into immediate compliance with The Book of Discipline, as shown by Exhibit A which is attached hereto and incorporated herein by express reference.

16.

On June 18, 2021, Petitioner advised Respondent that time is of the essence and demanded its immediate cooperation and affirmative action.

17.

On June 18, 2021, Petitioner advised Respondent:

Please know that your district superintendent, Jessica Terrell, stands ready, willing, and able to assist you in resolving these compliance issues. The Board would request your written response and your proposed resolution of these issues within ten days of your receipt of this letter.

18.

Despite this offer of assistance, Respondent failed to become compliant with The Book of Discipline.

19.

Thereafter, the Bishop and Appointive Cabinet of the Conference met via Zoom on July 9, 2021.

20.

At that July 9, 2021 meeting, the report of The District Committee on Building and Location of the Central West District was received and it recommended the closure of Respondent because of exigent circumstances pursuant to ¶ 2549.3.b of The Book of Discipline.

21.

At that same July 9, 2021 meeting and consistent with the recommendation of The District Committee on Building and Location of the Central West District, the Bishop and Appointive Cabinet unanimously determined that:

- a. Respondent's decision to lease real property for a term of twenty (20) years is not in compliance with ¶¶ 2541.1, .2 or .3 of The Book of Discipline;
- b. Respondent changed its structure without Charge Conference approval when it formed a seven-person "executive committee" with full authority and with no time limit;
- c. Respondent refused to accept appointed clergy;

- d. Respondent refused a properly appointed interim pastor;
- e. Respondent hired a lay "Chief Executive Officer/Lead Preacher" for its United Methodist pulpit without required approvals;
- f. Respondent failed to properly elect a Staff/Pastor-Parish Relations Committee Chair; and,
- g. Closure of Respondent is required pursuant to ¶ 2549.3.b of The Book of Discipline, and all assets of Respondent, both real and personal, tangible and intangible are transferred to Petitioner.

22.

Petitioner has a fiduciary duty to take all necessary legal steps to safeguard and protect the interests and rights of The Church between sessions of annual conference in all matters relating to the assets held in trust by individual churches.

23.

The assets under the control of Respondent and titled in the name of "Mt. Bethel United Methodist Church, Inc." are in fact held in trust for the benefit of The Church and are subject to The Book of Discipline.

24.

On July 12, 2021, Petitioner demanded possession of the assets, as shown by Exhibit B, which is attached hereto and incorporated herein by express reference.

25.

Real property, including but not limited to church buildings utilized by Respondent for worship, is held, maintained, and used pursuant to the trust, and is

more particularly described in Exhibit C, which is attached hereto and incorporated herein by express reference.

26.

Personal property, tangible or intangible, whether a direct or indirect interest, whether a legal interest, an equitable interest, or a beneficial interest, is held, maintained, and used by Respondent pursuant to the trust.

27.

Respondent has used and continues to use property and interests in property for purposes other than the mission and ministry of The Church in violation of The Book of Discipline. Said use constitutes a breach of fiduciary duty.

28.

This Court's interlocutory and permanent injunction is necessary to unravel Respondent's previous breaches of fiduciary duty and to prevent future breaches of fiduciary duty.

29.

Many of Respondent's former members wish to continue within The Book of Discipline and to continue the mission of The Church.

30.

In order to make provision for the spiritual guidance and pastoral care of many of Respondent's former members, it is essential that this Court declare that all the assets are the property of Petitioner.

31.

In order to fulfill its duties and to care for many of the Respondent's former members, Petitioner is entitled to the exclusive possession and use of all of Respondent's assets including "Mt. Bethel United Methodist Church, Inc. d/b/a Mt. Bethel United Methodist Church", itself.

32.

An actual controversy exists between Petitioner and Respondent.

33.

Declaratory judgment is necessary and appropriate to set forth and determine the Petitioner's ownership of the assets and rights thereto.

34.

As a result of Respondent's continued use and control of the assets held by it in derogation of the trust, Petitioner has suffered and will continue to suffer irreparable injury.

COUNT ONE - DECLARATORY JUDGMENT

35.

Averments 1 through 34 are incorporated herein.

36.

This Court should declare the rights of Petitioner to the assets held by Respondent.

COUNT TWO - ACCOUNTING

37.

Averments 1 through 36 are incorporated herein.

38.

This Court should enter its Order requiring Respondent to make an accounting to Petitioner for each of the assets.

COUNT THREE – INTERLOCUTORY INJUNCTION

39.

Averments 1 through 38 are incorporated herein

40.

Respondent's breach of fiduciary duty authorizes the entry of an interlocutory injunction restraining and enjoining Respondent from further interference with Petitioner's ownership, possession, and control of the assets until further order of this Court.

COUNT FOUR - PERMANENT INJUNCTION

41.

Averments 1 through 40 are incorporated herein.

42.

Petitioner is entitled to the entry of a permanent injunction restraining and enjoining Respondent from exercising or claiming to exercise any right, record title, ownership, possession, enjoyment, use, and control to and of the assets.

Petitioner is entitled to the entry of an affirmative permanent injunction requiring that Respondent formally transfer all record title, possession, enjoyment, use, and control to each asset and of each asset to Petitioner, including transfer of "Mt. Bethel United Methodist Church, Inc. d/b/a Mt. Bethel United Methodist Church", itself.

WHEREFORE, Petitioner prays:

- a. Summons and Process issue and Respondent be served with same as required by law;
- b. This Court's Rule Nisi issue requiring Respondent to appear before the assigned Judge and show cause, if any it may, why this Court's Interlocutory Injunction should not issue as set out herein;
- c. This Court enter Declaratory Judgment as set out herein;
- d. This Court enter an Order requiring an Accounting as set out herein;
- e. This Court enter an Interlocutory Injunction as set out herein;
- f. This Court enter a Permanent Injunction as set out herein; and,
- g. This Court grant such other and further relief it deems reasonable and appropriate.

This 8th day of September, 2021.



T. E. Cauthorn
Georgia Bar Number 117400
tec@cauthornohr.com
Brittany E. Schmidt

Georgia Bar Number 774837
bes@cauthornnohr.com

CAUTHORN NOHR & OWEN
212 Church Street
Marietta, Georgia 30060
770-528-0150
770-528-0160 [fax]
www.cauthornnohr.com

/s/ J. Wickliffe Cauthorn
Georgia Bar Number 907911
wick@thecauthornfirm.com

THE CAUTHORN FIRM
201 Cherokee Street
Marietta, Georgia 30060
404-991-2700
404-920-5609 [fax]
www.thecauthornfirm.com

STATE OF GEORGIA
COUNTY OF COBB

VERIFICATION

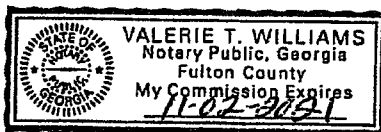
Personally appeared before me, Julie Childs, who after first being placed under oath deposes and says:

1. I am sui juris and suffer under no legal disability;
2. I am the Chair of the Trustees of the North Georgia Conference of the United Methodist Church, Inc. ("Petitioner");
3. I am delegated the authority by the Petitioner to take such actions as are necessary, including without limitation the commencement of litigation, to protect the assets of Petitioner;
4. I am authorized to verify the within and foregoing Petition; and,
5. The averments set forth in the within and foregoing Petition are true and correct to the best of my knowledge, information, and belief.


Julie Childs

Sworn to and subscribed before me by
Julie Childs this 8th day of September, 2021.


Notary Public
My Commission expires:



Superior Court of Cobb County, CAFN: _____
The Trustees etc. v. Mt. Bethel etc.; Petition for Declaratory Judgment, Accounting, and
Interlocutory and Permanent Injunction

EXHIBIT A

CAUTHORN NOHR & OWEN

212 CHURCH STREET
MARIETTA, GEORGIA 30060

T. E. CAUTHORN
JASON L. NOHR
LISA A. OWEN
BETTINA S. DAVIES
MARIJANE E. CAUTHORN
BRITTANY E. SCHMIDT

(770) 528-0150
FAX: (770) 528-0160
WWW.CAETHORNNOHR.COM

June 18, 2021

Via First Class Mail and Certified Mail as follows:

Certified Mail No.

7006 0100 0001 1493 7331

Return Receipt Requested

Clayton Carmack, Registered Agent for
Mt. Bethel United Methodist Church, Inc.
326 Roswell Street, Suite 100
Marietta, GA 30060

Certified Mail No.

7006 0100 0001 1493 7393

Return Receipt Requested

Dan Boswell, CEO of Mt. Bethel United
Methodist Church, Inc.
4385 Lower Roswell Rd.
Marietta, GA 30068

Certified Mail No.

7006 0100 0001 1493 7379

Return Receipt Requested

Mark Droege, CFO of Mt. Bethel United
Methodist Church, Inc.
4385 Lower Roswell Rd.
Marietta, GA 30068

Certified Mail No.

7006 0100 0001 1493 5672

Return Receipt Requested

Al Stark, Secretary of Mt. Bethel United
Methodist Church, Inc.
4260 Creek Haven Dr.
Marietta, GA 30062

RE: Mt. Bethel United Methodist Church Compliance with the Book of
Discipline

Clayton Carmack, Dan Boswell, Mark Droege, and Al Stark:

Cauthorn Nohr & Owen and I have been retained by the Board of Trustees of the North Georgia Conference of the United Methodist Church ("the Board") with regard to Mt. Bethel United Methodist Church ("Mt. Bethel") compliance with the Book of Discipline of the United Methodist Church ("the Discipline"). Please direct all future correspondence and communication regarding this matter to me.

Mt. Bethel is a valued member of the North Georgia Conference of the United Methodist Church ("the Conference") with a longstanding history. The Board has a fiduciary duty to the Conference to "take all necessary legal steps to safeguard and protect the interests and rights of the annual conference anywhere and in all matters relating to property and rights to property." (Discipline, ¶2512.4.) This duty of the Board includes ensuring that the properties of all local churches, including Mt. Bethel,



Clayton Carmack, Registered Agent
Dan Boswell, CEO
Mark Droege, CFO
Al Stark, Secretary
June 18, 2021
Page 2 of 3

are "held, *in trust*, for the benefit of the entire denomination, and ownership and usage of church property is subject to the *Discipline*." (*Discipline*, ¶2501.1).

The Board is informed that Mt. Bethel is not in compliance with the *Discipline*, specifically:

- Mt. Bethel's decision this week to lease its real property to Mt. Bethel Christian Academy, Inc. for a term of twenty (20) years is not in compliance with ¶2541.1, .2 or .3 of the *Discipline*, in that an "executive committee" approved the lease without a charge conference and without the consent of the District Superintendent thereby creating an exigent circumstance which threatens the Conference's beneficial interest in the leased real property under ¶ 2549.3.b of the *Discipline*;
- Mt. Bethel changed its structure without charge conference approval when it formed its seven person "executive committee" with full authority and no time limit on terms;
- Mt. Bethel has indicated its refusal to accept appointed clergy;
- Mt. Bethel has not accepted the properly appointed interim pastor;
- Mt. Bethel has hired a lay "Chief Executive Officer/Preaching Pastor" for its United Methodist pulpit without required approvals;
- The Board is informed that Mt. Bethel has made plans to use credit lines, transfer interests in assets, and sell property without administrative or charge conference approvals; and,
- Mt. Bethel has failed to properly elect a new Staff/Pastor-Parish Relations Committee chair, when the previous chair stepped down.

As a result of the foregoing, Mount Bethel is ineligible at this time, among other things, to pursue disaffiliation under ¶ 2553 of the *Discipline*, as the Board has specifically affirmed that local churches seeking disaffiliation under ¶ 2553 of the *Discipline* must first demonstrate compliance with the *Discipline*. Furthermore, because Mt. Bethel has breached its obligations as detailed herein, it has exposed itself to a declaration of exigent circumstances pursuant to ¶ 2549.3.b of the *Discipline*. While any such declaration of exigent circumstances is within the sole discretion of the Bishop, Cabinet, and District Board of Church Location and Building, any such declaration would result in an immediate transfer of all assets of Mt. Bethel to the Board for disposition.



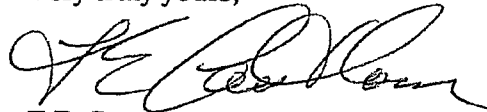
Clayton Carmack, Registered Agent
Dan Boswell, CEO
Mark Droege, CFO
Al Stark, Secretary
June 18, 2021
Page 3 of 3

The Board hereby demands that Mt. Bethel immediately cease and desist its non-compliant actions and take all affirmative steps that are needful and necessary to come into immediate compliance with the Discipline. Because of the extraordinary importance of these matters to all members of the United Methodist Church, to the Conference, to the Board, and to Mt. Bethel, time is of the essence and your immediate cooperation and affirmative action is required.

Please know that your district superintendent, Jessica Terrell, stands ready, willing, and able to assist you in resolving these compliance issues. The Board would request your written response and your proposed resolution of these issues within ten days of your receipt of this letter.

Thank you for your attention to these important matters.

Very truly yours,



T.E. Cauthorn

TEC

cc via e-mail:

Chair, Board of Trustees, North Georgia Conference;
Bishop, North Georgia Conference;
Chancellor, North Georgia Conference;
CEO, Mt. Bethel United Methodist Church, Inc.; and,
Registered Agent, Mt. Bethel United Methodist Church, Inc.

EXHIBIT B

CAUTHORN NOHR & OWEN

212 CHURCH STREET
MARIETTA, GEORGIA 30060

T.E. CAUTHORN
JASON L. NOHR
LISA A. OWEN
BETTINA S. DAVIES
MARIJANE E. CAUTHORN
BRITTANY E. SCHMIDT

(770) 528-0150
FAX: (770)528-0160
WWW.CAUTHORNOHR.COM

July 12, 2021

VIA Hand-Delivery:

Robert D. Ingram
Attorney at Law
Moore Ingram Johnson & Steele, LLP
326 Roswell Street, Suite 100
Marietta, GA 30060

RE: Mt. Bethel United Methodist Church

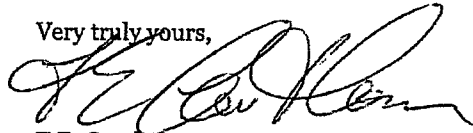
Robert Ingram:

On Friday, July 9, 2021, the Bishop and the Appointive Cabinet of the North Georgia Conference of the United Methodist Church met via Zoom and unanimously voted to close Mt. Bethel United Methodist Church located in eastern Cobb County ("Mt. Bethel") due to exigent circumstances and transferred all assets of said church to my client, the Trustees of the North Georgia Conference of the United Methodist Church ("Trustees"), as provided by the Book of Discipline, ¶ 2549.3.b.

The July 9, 2021 action has resulted in an immediate transfer of all assets of your client to the Trustees. The Trustees are mindful of the fact that employees, families, and members of Mt. Bethel and students and families connected to the Mt. Bethel Christian Academy ("Academy") will continue to participate in employment, instruction, activities, and worship at their church and their Academy. My client intends that none of their employment, instruction, activities, and worship be affected in any way by the closure and transfer of assets and by the operations going forward under the auspices of the Trustees and Steven Usry.

My client hereby demands that Mt. Bethel immediately take all action needful and necessary to deliver to my client within ten (10) days hereof lists identifying all of its assets and recognizing the transfer of each asset to the Trustees. My client asks that Mt. Bethel cooperate with the Trustees' future steps to preserve employment, participation, and worship at the church and the Academy.

Very truly yours,



T.E. Cauthorn

TEC/

Copy via e-mail: Robert D. Ingram

EXHIBIT C

Tract One - 4505 LOWER ROSWELL RD - Tax Parcel 01001000090:

All of that tract or parcel of land lying and being in Land Lot 10 of the 1st District, 2nd Section of Cobb County, Georgia and being more particularly described as follows:

Commencing at a point at the Southeastern intersection of Cagle Road (40' right-of-way) and the Northwestern intersection of Lower Roswell Road (60' right-of-way); thence continuing along the right-of-way line of Lower Roswell Road South 82°46'43" West a distance of 236.96 feet to an iron pin found and the POINT OF BEGINNING; thence continuing along the Northerly right-of-way of Lower Roswell Road South 82°46'43" West a distance of 100.21 feet to a right-of-way monument; thence leaving the right-of-way of Lower Roswell Road North 01°10'56" East a distance of 387.72 feet to an iron pin set; thence North 85°21'13" East a distance of 113.14 feet to an iron pin found; thence South 05°36'56" East a distance of 182.56 feet to an open top found; thence South 04°12'40" East a distance of 19.62 feet to an iron pin found; thence South 88°42'16" West a distance of 35.89 feet to an iron pin found; thence South 01°30'07" West a distance of 182.20 feet to an iron pin found on the Northerly right-of-way of Lower Roswell Road and the POINT OF BEGINNING.

Said tract contains 0.997 acres as shown on that certain survey prepared for Mt. Bethel United Methodist Church, Inc. and Commonwealth Land Title Insurance Company by West Georgia Surveyors, Inc. bearing the seal and certification of Larry D. Neese, Georgia Registered Land Surveyor No. 2235, dated January 24, 2006, last revised February 6, 2006.

TOGETHER WITH all land owned by Hussein Sultan in Land Lot 10 of the 1st District, 2nd Section of Cobb County, Georgia, which is hereby conveyed in order to convey any gaps and gore in the preceding legal description.

Tract Two - 4525 LOWER ROSWELL RD - Tax Parcel 01001000100:

ALL THAT TRACT OR PARCEL OF LAND lying and being in Land Lot 10 of the 1st District, 2nd Section, of Cobb County, Georgia, more particularly described as follows:

BEGINNING at a Right-of-Way monument found 25.38' West from the intersection of the Northern Right-of-Way line of Lower Roswell Road (60' R/W) and the Western Right-of-Way line of Cagle Road (40' R/W) if extended; thence S 85°10'51" W along the Northern Right-of-Way line of Lower Roswell Road (60' R/W) a distance of 213.06' to a 1/2" rebar set; thence N 03°54'18" E leaving said Right-of-Way a distance of 182.14' to a 1/2" rebar set; thence S 88°44'49" E a distance of 36.00' to a 5/8" rebar found; thence N 01°57'22" W a distance of 19.65' to a 1" open top pipe found; thence N 85°05'45" E a distance of 167.66' to a 1/2" rebar set on the Western Right-of-Way line of Cagle Road (40' R/W); thence S 06°37'32" E along said Right-of-Way a distance of 171.08' to a 1/2" rebar set; thence S 39°21'09" W a distance of 35.01' to a Right-of-Way monument found; which is the point of beginning, having an area of 42195.0 SQ. FT. square feet, 0.97-acres; and being shown on that certain Survey Plat For: Mt. Bethel United Methodist Church, Inc., a Georgia non-profit corporation and Lawyers Title Insurance Corporation, dated June 9, 2004, prepared by Georgia Land Surveying Co., Inc., Josh L. Lewis, III, GRLS No. 1751, which Survey is hereby made reference to and incorporated herein.

Tract Three - 4608 LOWER ROSWELL RD - Tax Parcel 01001000140:

ALL THAT TRACT or parcel of land lying and being in Land Lots 9 and 10 of the 1st District, 2nd Section, Cobb County, Georgia; and being more particularly described as follows:

Beginning at the northwest mitered intersection of the southerly right-of-way of Lower Roswell Road (variable R/W) with the westerly right-of-way of Woodlawn Drive (variable R/W); then traveling along the southerly right-of-way of Lower Roswell Road the following courses and distances:

THENCE South 58 degrees 52 minutes 11 seconds West for a distance of 128.63 feet to a point;

THENCE South 65 degrees 28 minutes 46 seconds West for a distance of 181.03 feet to the Point of Beginning; then leaving said right-of-way

THENCE South 01 degrees 45 minutes 06 seconds West for a distance of 78.66 feet to a point;

THENCE South 01 degrees 43 minutes 59 seconds West for a distance of 150.13 feet to a point;

THENCE South 87 degrees 54 minutes 47 seconds West for a distance of 23.43 feet to a point;

THENCE South 73 degrees 15 minutes 21 seconds West for a distance of 100.14 feet to a point;

THENCE South 56 degrees 42 minutes 07 seconds West for a distance of 56.71 feet to a point;

THENCE North 43 degrees 37 minutes 37 seconds West for a distance of 100.00 feet to a point;

THENCE North 44 degrees 50 minutes 20 seconds East for a distance of 38.11 feet to a point;

THENCE North 16 degrees 20 minutes 09 seconds West for a distance of 127.84 feet to a point on the southerly right-of-way of Lower Roswell Road (being a 60 foot right-of-way at this point); then traveling along said right-of-way

THENCE along a curve to the left having a radius of 1939.87 feet and an arc length of 267.67 feet, being subtended by a chord of North 70 degrees 39 minutes 49 seconds East for a distance of 267.46 feet to a point; then leaving said right-of-way

THENCE South 01 degrees 45 minutes 06 seconds West for a distance of 21.14 feet to the point of beginning.

Said property contains 1.205 acres more or less.

Said property being more particularly depicted on that certain Survey and Plat prepared for Mt. Bethel United Methodist Church, Inc. and Chicago Title Insurance Company dated May 23, 2001, prepared by Betterton Surveying & Design, Inc., Robert B. Betterton, G.R.L.S.#2496, which survey is hereby made reference to and incorporated herein.

Tract Four - 615 WOODLAWN DR - Tax Parcel 01001000510

ALL THAT TRACT OR PARCEL OF LAND lying and being in Land Lot 10, 1st District, 2nd Section Cobb County, Georgia, and being more particularly described as follows:

TO FIND THE TRUE POINT OF BEGINNING, commence at a point of formed by the intersection of the southeasterly right-of-way of Lower Roswell Road and the westerly right-of-way of Woodlawn Drive, as if said right-of-ways were extended to form an angle instead of a curve; thence running southerly along the westerly right-of-way of Woodlawn Drive South 00 degrees 02 minutes 11 seconds West a distance of 16.56 feet to the POINT OF BEGINNING.

FROM THE TRUE POINT OF BEGINNING THUS ESTABLISHED, thence continuing southerly along the westerly right-of-way of Woodlawn Drive South 00 degrees 02 minutes 11 seconds West a distance of 207.73 feet to a five-eighth inch rebar set on the westerly right-of-way of Woodlawn Drive; thence leaving the westerly right-of-way of Woodlawn Drive and running South 89 degrees 10 minutes 41 seconds West a distance of 290.70 feet to a one-half inch found; thence North 01 degree 45 minutes 06 seconds East a distance of 78.66 feet to a five-eighth inch rebar set and being located on the southeasterly right-of-way of Lower Roswell Road; thence run northeasterly along the southeasterly right-of-way of Lower Roswell Road North 65 degrees 28 minutes 46 seconds East a distance of 181.03 feet to a five-eighth inch rebar set; thence continuing along the southeasterly right-of-way of Lower Roswell Road North 58 degrees 52 minutes 11 seconds a distance of 128.63 feet to a PK nail set; thence leaving the southeasterly right-of-way of Lower Roswell Road and run South 58 degrees 25 minutes 23 seconds East a distance of 15.94 feet to the TRUE POINT OF BEGINNING.

The aforescribed property contains 0.967 acres of land, more or less, and is more particularly shown and delineated on a plat of survey dated April 14, 2000, prepared for Mt. Bethel United Methodist Church, Inc. and Lawyers Title Insurance Corporation by HDR/WL Jordan, Bryant G. Kachel, Georgia Registered Land Surveyor No. 2700, which plat of survey is incorporated herein and by this reference made a part of this description; being improved property known as 615 Woodlawn Drive, Marietta, Georgia 30068.

The aforescribed property being the same property as conveyed to Robert Bennett (a/k/a H. Robert Bennett) and Tammy Bennett (a/k/a Tammy B. Bennett) from Tamra, Inc., a Georgia corporation by virtue of a Warranty Deed dated July 14, 1995 and recorded in the Office of the Clerk of Superior Court of Cobb County, Georgia in Deed Book 8986, Page 481.

Tract Five - JOHNSON FERRY RD – Tax Parcel 01006800020

All that tract or parcel of land lying and being in Land Lots 68 and 86 of the 1st District, 2nd Section of Cobb County, Georgia being a 1.5 acre tract, more or less, known as the Mt. Bethel Cemetery which is further described as being bounded on the west by Johnson Ferry Road; on the north by a private right of way owned by Atlanta Gas Light separating the subject property from the Northside / East Cobb Medical Center which medical center property is described in Deed Book 15186, Page 2528 Cobb County Deed Records; on the east by the Atlanta Swim Academy as owned by Ronald C. Grzelka and Barbara A. Grzelka and described at Deed Book 10967, Page 66, aforesaid records; and on the south by a Zaxbys Restaurant owned by GOFF 10, LLC and described at Deed Book 14248, Page 4147, aforesaid records.

Tract Six - 4451 Lower Roswell RD and 4385 Lower Roswell Rd – Comprising Tax Parcels 16104500020, 16104500030, and 1611160020:

ALL THAT TRACT OR PARCEL OF LAND lying and being in Land Lots 1115, 1116 and 1045, 2nd Section, 16th District, Cobb County, Georgia, containing 26.8007 acres as shown on that certain Boundary and Topographic Survey for Mount Bethel United Methodist Church prepared by Travis N. Pruitt, Sr., Georgia Registered Land Surveyor No. 1729 of Travis Pruitt & Associates, Inc., dated April 28, 2001, last revised December 10, 2001, and being more particularly described as follows:

BEGINNING at a 3" angle iron found and being the common corner of Land Lots 1045, 1046, 1115 and 1116;

Thence run North 00°20'30" East a distance of 581.78 feet to a point;

Thence run North 00°48'00" West a distance of 534.10 feet to a point;

Thence run North 01°21'30" East a distance of 51.06 feet to a point;

Thence run North 89°48'09" East a distance of 676.06 feet to a point;

Thence run South 01°54'41" West a distance of 7.56 feet to a point;

Thence run South 64°29'27" East a distance of 134.45 feet to a point;

Thence run South 45°29'46" East a distance of 587.69 feet to a nail and washer found;

Thence run South 77°26'00" West a distance of 364.07 feet to a nail and washer found;

Thence run South 00°21'03" West a distance of 680.67 feet to a nail and washer found on the northerly right-of-way line of Lower Roswell Road (right-of-way varies);

Thence run South 82°47'05" West a distance of 240.63 feet to a point;

Thence run North 00°07'29" East a distance of 15.12 feet to a point;

Thence run South 82°47'05" West a distance of 222.93 feet to a point;

Thence run along the arc of a curve to the left, said arc having a radius of 2231.40 feet and an arc length of 205.09 feet and being subtended by a chord bearing South 80°09'06" West a distance of 205.02 feet to a point;

Thence run South 00°17'54" East a distance of 15.04 feet to a point;

Thence run along the arc of a curve to the left, said arc having a radius of 1227.00 feet and an arc length of 163.10 feet and being subtended by a chord bearing South 75°48'06" West a distance of 162.98 feet to a point;

Thence leaving the northerly right-of-way line of Lower Roswell Road (right-of-way varies) run North 15°57'54" West a distance of 209.50 feet to a point;

Thence run South 89°36'54" East a distance of 23.40 feet to a 3" angle iron found and the common corner of Land Lots 1045, 1046, 1115 and 1116 and the POINT OF BEGINNING.

TOGETHER WITH the Sewer Easement contained in that Sanitary Sewer Easement contained in that Grant of Easement and Agreement by and between Charlotte H. Davis and Mt. Bethel United Methodist Church, Inc., dated March 30, 2001, recorded at Deed Book 13350, Page 1404, Cobb County, Georgia Records.

Tract Seven - 630 FAIRFIELD DR NE - Tax Parcel 16104600020:

TRACT ONE

All that tract or parcel of land lying and being in Land Lot 1046, 16th District, 2nd Section, Cobb County, Georgia, being shown on plat of survey for Robert E. Cook, Jr. and James L. Cook by West Georgia Engineers & Surveyors, Inc., dated June 4, 1984, and being more particularly described as follows:

BEGINNING at an iron pin on the northeasterly side of Fairfield Drive 380.03 feet northwesterly from the intersection of the northeasterly side of Fairfield Drive and the northerly side of Lower Roswell Road; thence running North 05 degrees 25 minutes 00 seconds West along the northeasterly side of Fairfield Drive a distance of 107.17 feet to an iron pin; thence North 84 degrees 39 minutes 00 seconds East a distance of 194.5 feet to an iron pin on the east Land Lot line of Land Lot 1046; thence South 00 degrees 20 minutes 00 seconds West along the east Land Lot line of Land Lot 1046 a distance of 111.90 feet to an iron pin; thence South 85 degrees 57 minutes 25 seconds West a distance of 110.9 feet to an iron pin; thence South 85 degrees 57 minutes 25 seconds West a distance of 72.44 feet to an iron pin and the point of beginning.

TRACT TWO

All that tract or parcel of land lying and being in Land Lot 1046, 16th District, 2nd Section, Cobb County, Georgia, and being more particularly described as follows:

BEGINNING at an iron pin on the northeasterly side of Fairfield Drive 357.52 feet northwesterly from the intersection of the northeasterly side of Fairfield Drive and the northerly side of Lower Roswell Road; thence running North 05 degrees 25 minutes 00 seconds West along the northeasterly side of Fairfield Drive a distance of 22.51 feet to an iron pin; thence North 85 degrees 57 minutes 25 seconds East a distance of 72.44 feet to an iron pin; thence South 70 degrees 47 minutes 55 seconds West a distance of 75.46 feet to an iron pin and the point of beginning.

Tract Eight - 684 FAIRFIELD DR NE – Tax Parcel 16104600230:

All that tract or parcel of land lying and being in Land Lot 1046 of the 16th District, 2nd Section of Cobb County, Georgia and being Lot 74, Block "O" of Indian Hills Country Club Subdivision, Unit Eight, as per plat recorded in Plat Book 57, page 3, Cobb County, Georgia records which plat is made a part hereof by this reference

Tract Nine - 672 FAIRFIELD DR NE - Tax Parcel 16104600240:

All that tract or parcel of land lying and being in Land Lot 1046 of the 16th District, 2nd Section of Cobb County, Georgia, containing 0.53 acres, as shown on that survey for Mount Bethel United Methodist Church, prepared by Georgia Land Surveying Co., Inc., bearing the seal and certification of Josh L. Lewis, III, Georgia Registered Land Surveyor No. 1761, dated May 30, 2003, and being more particularly described as follows:

BEGIN at an iron pin placed on the eastern right-of-way line of Fairfield Drive (50' right-of-way), said iron pin being 708.0 feet from the intersection of Fairfield Drive (50' right-of-way) and Lower Roswell Road (70' right-of-way), as measured in a northerly direction along the eastern right-of-way line of Fairfield Drive (50' right-of-way); thence travel along the eastern right-of-way line of Fairfield Drive (50' right-of-way) North 00 degrees 40 minutes 53 seconds West, a distance of 115.33 feet to an iron pin found; thence leave the eastern right-of-way line of Fairfield Drive (50' right-of-way) and travel North 89 degrees 29 minutes 22 seconds East, a distance of 203.19 feet to an iron pin found on the eastern land lot line of Land Lot 1046 and the western land lot line of Land Lot 1045; run thence along the eastern land lot line of Land Lot 1046 and the western land lot line of Land Lot 1045 South 00 degrees 20 minutes 30 seconds West, a distance of 115.04 feet to a point in fence post; thence leave the eastern land lot line of Land Lot 1046 and the western land lot line of Land Lot 1045 and travel South 89 degrees 24 minutes 08 seconds West, a distance of 201.14 feet to an iron pin placed on the eastern right-of-way line of Fairfield Drive (50' right-of-way), said iron pin being the POINT OF BEGINNING.

Tract Ten - 660 FAIRFIELD DR NE - Tax Parcel 16104600250:

ALL THAT TRACT or parcel of land lying and being in Land Lot 1046 of the 16th District, 2nd Section of Cobb County, Georgia, being Unit 8, Block O, Lot 76, Indian Hills Country Club Subdivision, and being more particularly described as follows:

BEGINNING at a point on the easterly side of a right-of-way marker on Fairfield Drive, 603.0 feet north of the right-of-way of Lower Roswell Road; thence running north along the right-of-way line on Fairfield Drive, 105.0 feet to an iron pin; thence east 202.56 feet to an iron pin being the northern line of Land Lot 1046 (said dimension being recorded as 201.6 feet in a Warranty Deed dated February 8, 1973, recorded in Cobb County Records, Deed Book 1397, Page 547); thence running southerly along the northern line of Land Lot 1046, 105.0 feet to an iron pin; thence west 202.55 feet (said dimension being recorded as 200.1 feet in a Warranty Deed dated February 8, 1973, recorded in Deed Book 1397, Page 547), to the Point of Beginning, being known as 660 Fairfield Drive, according to the present system of numbering houses in Cobb County, Georgia.

THE ABOVE-DESCRIBED property is the same property as described in a warranty deed dated June 29, 1973 and recorded in Deed Book 1439, Page 640, re-recorded in Deed Book 1448, Page 736, Cobb County Records. The parties hereto acknowledge vague legal description in said prior warranty deed, which omits a reference to Cobb County in paragraph one of the legal description and makes a reference to "DeKalb" County in paragraph two of the legal description when in fact the said reference should read "Cobb" County. It is the further intent of this deed, therefore, to ascertain the correct legal description as the said property should be, due to the fact that Contemporary Development, Inc. is no longer doing business and the fact that a corrective warranty deed cannot be obtained.

Tract Eleven - 648 FAIRFIELD DR NE - Tax Parcel 16104600260:

All that tract or parcel of land lying and being in Land Lot 1046 of the 16th Land District, 2nd Section, Cobb County, Georgia, being Lot 77, Block O, Indian Hills Country Club, Unit Eight, as per plat recorded in Plat Book 57, page 3, Cobb County, Georgia Records, and being more particularly described as follows:

BEGIN at a 3/4" open top found on the eastern right-of-way line of Fairfield Drive (50' right-of-way), said open top being 486.10 feet from the intersection of Fairfield Drive (50' right-of-way) and Lower Roswell Road, as measured in a northerly direction along the eastern right-of-way line of Fairfield Drive (50' right-of-way); thence travel along the eastern right-of-way line of Fairfield Drive (50' right-of-way) the following courses and distances: North 05 degrees 58 minutes 53 seconds West, a distance of 8.67 feet to a point; along the arc of a curve to the right, said arc having a distance of 96.05 feet and being subtended by a chord having a chord bearing of North 02 degrees 42 minutes 58 seconds West and a chord distance of 96.02 feet, to a point; and North 01 degrees 07 minutes 03 seconds West, a distance of 11.96 feet to a 3/8" rebar set; thence leave the eastern right-of-way line of Fairfield Drive (50' right-of-way) and travel North 88 degrees 54 minutes 57 seconds East a distance of 200.10 feet to a point located on the eastern land lot line of Land Lot 1046 and the western land lot line of Land Lot 1045; run thence along the eastern land lot line of Land Lot 1046 and the western land lot line of Land Lot 1045 South 00 degrees 20 minutes 30 seconds west, a distance of 100.00 feet to a 1" crimp top found; thence leave the eastern land lot line of Land Lot 1046 and the western land lot line of Land Lot 1045 and travel South 84 degrees 01 minutes 37 seconds West a distance of 194.84 feet to a 3/4" open top found on the eastern right-of-way line of Fairfield Drive (50' right-of-way), said 3/4" open top found being the POINT OF BEGINNING.

Said tract contains 0.49 acres as shown on that Survey for Mount Bethel United Methodist Church, prepared by Georgia Land Surveying Co., Inc., bearing the seal and certification of Josh L. Lewis, III, Georgia Registered Land Surveyor No. 1761, dated September 12, 2001, which survey is hereby made reference to and incorporated herein.

Tract Twelve - FAIRFIELD DR NE - Tax Parcel 16104600480:

ALL THAT TRACT OR PARCEL OF LAND lying and being in Land Lot 1046, 16th District, 2nd Section, Cobb County, Georgia and being more particularly described as follows:

COMMENCE at an iron pin found and being the common corner of Land Lots 1045, 1046, 1115 and 1116; thence South 89 degrees 19 minutes 55 seconds West along the common land lot lines of Land Lots 1046 and 1115 a distance of 170.52 to an iron pin found and being located on the easterly right-of-way of Fairfield Drive (said right-of-way being 30.00 feet in width); thence North 05 degrees 50 minutes 55 seconds West along the easterly right-of-way of Fairfield Drive a distance of 103.62 feet to an iron pin found; thence North 70 degrees 22 minutes 47 seconds East a distance of 75.46 feet to an iron pin found; thence North 85 degrees 45 minutes 40 seconds East a distance of 111.02 feet to an iron pin placed and being located on the common land lot line of Land Lots 1045 and 1046; thence South 00 degrees 18 minutes 48 seconds West along the common land lot lines of Land Lots 1045 and 1046 a distance of 134.64 feet to an iron pin found and being the TRUE POINT OF BEGINNING.

The aforescribed property contains 0.508 acres of land more or less and is more particularly delineated and shown on as Parcel "c" on a plat of survey dated October 23, 1989, prepared for Mt. Bethel United Methodist Church, Inc., The First National Bank of Atlanta and Lawyers Title Insurance Corporation by Watts & Browning Engineers, Inc. Gary Gillespie, Georgia Land Surveyor's No. 2121, which plat is incorporated herein by this reference and made a part of this legal description.

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Tract Thirteen - 4345 LOWER ROSWELL RD – Tax Parcel 16111500150:

All that tract or parcel of land lying and being in Land Lots 1115 and 1116 of the 16th Land District, 2nd Section, Cobb County, Georgia, being more particularly described as follows:

Begin at the land lot corner common to Land Lots 1045, 1116, 1115 and 1046 and travel in a westerly direction along the southern land lot line of Land Lot 1046 and the northern land lot line of Land Lot 1115 South 89 degrees 28 minutes 09 seconds West a distance of 23.40 feet to a point and the TRUE POINT OF BEGINNING; thence leave the southern land lot line of Land Lot 1046 and the northern land lot line of Land Lot 1115 and travel South 15 degrees 49' minutes 07 seconds East a distance of 209.50 feet to a point located on the northern right-of-way line of Lower Roswell Road (variable right-of-way); run thence along the northern right-of-way line of Lower Roswell Road (variable right-of-way) along the arc of a curve to the left, said arc having a distance of 106.65 feet and being subtended by a chord having a chord bearing of South 71 degrees 45 minutes 16 seconds West and a chord distance of 106.64 feet, to a point located at the mitered intersection of Lower Roswell Road (variable right-of-way) and Fairfield Drive (variable right-of-way) (a public right-of-way); thence travel along the mitered intersection of Lower Roswell Road (variable right-of-way) and Fairfield Drive (variable right-of-way) (a public right-of-way) North 64 degrees 03 minutes 28 seconds west a distance of 35.10 feet to a point located on the eastern right-of-way line of Fairfield Drive (variable right-of-way) (a public right-of-way); thence travel along the eastern right-of-way line of Fairfield Drive (variable right-of-way) the following courses and distances: North 14 degrees 05 minutes 16 seconds West a distance of 140.92 feet, North 35 degrees 07 minutes 17 seconds West a distance of 47.82 feet, and along the arc of a curve to the right, said arc having a distance of 42.79 feet and being subtended by a chord having a chord bearing of North 12 degrees 14 minutes 04 seconds West and a chord distance of 42.70 feet, to a ½" rebar found on the northern land lot line of Land Lot 1115 and the southern land lot line of Land Lot 1046; run thence along the northern land lot line of Land Lot 1115 and the southern land lot line of Land Lot 1046 North 89 degrees 11 minutes 24 seconds East a distance of 146.60 feet to a point, said point being the TRUE POINT OF BEGINNING.

Said tract contains 0.700 acres as shown on that Survey for Mount Bethel United Methodist Church, prepared by Georgia Land Surveying Co., Inc., bearing the seal and certification of Josh L. Lewis, III, Georgia Registered Land Surveyor No. 1761, dated September 12, 2001, which survey is hereby made reference to and incorporated herein.

Tract Fourteen - 4385 LOWER ROSWELL RD - Tax Parcel 16111600030:

ALL THAT TRACT OR PARCEL OF LAND lying and being in Land Lots 1115 and 1116 of the 16th District, 2nd Section, Cobb County, Georgia, as shown on a plat of same made by Lane S. Bishop, Surveyor, dated August 30, 1978, being more particularly described as follows:

BEGINNING at a point on the northeasterly side of Lower Roswell Road (also known as South Roswell Road) a distance of 131 feet from the intersection of the northerly side of said road and the easterly side of Fairfield Drive at an iron pin; thence north 13 degrees 40 minutes west a distance of 209.5 feet to the north original line of Land Lot 1115, thence south 87 degrees 19 minutes east along said north land lot line of Land Lots 1115 and 1116 a distance of 214.8 feet to an iron pin; thence south 2 degrees 0 minutes west a distance of 160 feet to the northerly right-of-way of Lower Roswell Road; thence southwesterly along the arc of the right-of-way of said road a distance of 163.1 feet to the iron pin and the point of beginning.

The aforescribed property is more particularly delineated and shown on a Plat of Survey recorded in the Office of the Clerk of Superior Court of Cobb County, Georgia, in Plat Book 71, Page 166, which plat of survey is incorporated herein and by this reference made a part of this description, and is also the same property as conveyed to Leslie Pearl Bowen by Deed of Assent dated September 8, 1978, recorded in Deed Book 1930, Page 698, aforesaid records.

EXHIBIT 9

Petition 90066

[Print this page](#)

SUBMITTED TEXT

CLOSE WINDOW X

Disaffiliation - Taylor - NEW Par. 2553 (90066-TC-¶2500-G)

Amend, effective as of the close of the 2019 General Conference, Chapter Six, Church Property, by adding a new Section VIII. Disaffiliation of Local Churches Over Issues Related to Human Sexuality, then by adding a new ¶ 2553 as follows:

¶ 2553. Disaffiliation of a Local Church over Issues Related to Human Sexuality.

1. Basis--Because of the current deep conflict within The United Methodist Church around issues of human sexuality, a local church shall have a limited right, under the provisions of this paragraph, to disaffiliate from the denomination for reasons of conscience regarding a change in the requirements and provisions of the Book of Discipline related to the practice of homosexuality or the ordination or marriage of self-avowed practicing homosexuals as resolved and adopted by the 2019 General Conference, or the actions or inactions of its annual conference related to these issues which follow.

2. Time Limits--The choice by a local church to disaffiliate with The United Methodist Church under this paragraph shall be made in sufficient time for the process for exiting the denomination to be complete prior to December 31, 2023. The provisions of ¶ 2553 expire on December 31, 2023 and shall not be used after that date.

3. Initial Inquiry to disaffiliate from The United Methodist Church--If the church council of a local church determines that the church wishes to consider disaffiliation from The United Methodist Church under this paragraph, that church council shall submit a request to the district superintendent to begin this process. The district superintendent shall appoint a task force under ¶ 213 for the purpose of making findings and a recommendation to the district superintendent on whether the church will have a viable future within or outside The United Methodist Church. The provisions of ¶ 213.2 and ¶ 213.3 shall not apply. If the local church, as it exists at the time of the assessment, is found to have a viable future, the district superintendent shall call a church conference under ¶ 248 for the sole purpose of deciding whether to disaffiliate from The United Methodist Church under this paragraph, based upon the reasons in ¶ 2553.1. If the local church is found to not have a viable future, the district superintendent shall recommend closure under ¶ 2549, or take other appropriate action, and all property of the local church shall remain with The United Methodist Church according to the provisions of ¶ 2549.

4. Decision Making Process--The church conference shall be conducted in accordance with ¶ 248 and shall be held within one hundred twenty (120) days after the district superintendent calls for the church conference. In addition to the provisions of ¶ 246.8, special attention shall be made to give broad notice to the full professing membership of the local church regarding the time and place of a church conference called for this purpose and to use all means necessary, including electronic communication where possible, to communicate. The decision to disaffiliate from The United Methodist Church must be approved by a two-thirds (2/3) majority vote of the professing members of the local church present at the church conference.

5. Process following decision to disaffiliate from The United Methodist Church--If the church conference votes to disaffiliate from The United Methodist Church, the terms and conditions for that disaffiliation shall be established by the resident bishop of the applicable annual conference, with the advice of the cabinet, the annual conference treasurer, the annual conference benefits officer, the director of connectional ministries, and the annual conference chancellor. The terms and conditions, including the effective date of disaffiliation, shall be memorialized in a binding Disaffiliation Agreement between the annual conference and the trustees of the local church, acting on behalf of the members. That agreement must be consistent with the following provisions:

a) Standard Terms of the Disaffiliation Agreement. The General Council on Finance and Administration shall develop a standard form for Disaffiliation Agreements under this paragraph to protect The United Methodist Church as set forth in ¶ 807.9. The agreement shall include a recognition of the validity and applicability of ¶ 2501, notwithstanding the release of property therefrom. Annual conferences may develop additional standard terms that are not inconsistent with the standard form of this paragraph.

- b) Apportionments. The local church shall pay any unpaid apportionments for the 12 months prior to disaffiliation, as well as an additional 12 months of apportionments.
- c) Grants. All grants received by the local church from the annual conference or its ancillary organizations within five (5) years from the date of disaffiliation shall be repaid.
- d) Property. A disaffiliating local church shall have the right to retain its real and personal, tangible and intangible property. All transfers of property shall be made prior to disaffiliation. All costs for transfer of title or other legal work shall be borne by the disaffiliating local church.
- e) Pension Liabilities. The local church shall contribute withdrawal liability in an amount equal to its pro rata share of any aggregate unfunded pension obligations to the annual conference. The General Board of Pension and Health Benefits shall determine the aggregate funding obligations of the annual conference using market factors similar to a commercial annuity provider, from which the annual conference will determine the local church's share.
- f) Other Liabilities. The local church shall satisfy all other debts, loans, and liabilities, or assign and transfer them to its new entity, prior to disaffiliation.
- g) Payment Terms. The agreement shall specify the terms and conditions of the payment to the annual conference for any sums related to ¶ 2553.5. b, c, and e. The term of payment shall not exceed ten (10) years.
- h) Disaffiliating Churches Continuing as Plan Sponsors of the General Board of Pension and Health Benefits Plans. The United Methodist Church believes that a local church disaffiliating under ¶ 2553 shall continue to share common religious bonds and convictions with The United Methodist Church based on shared Wesleyan theology and tradition and Methodist roots, unless the local church expressly resolves to the contrary. As such, a local church disaffiliating under ¶ 2553 shall continue to be eligible to sponsor voluntary employee benefit plans through the General Board of Pension and Health Benefits under ¶ 1504.2, subject to the applicable terms and conditions of the plans.
- i) Once the disaffiliating local church has reimbursed the applicable annual conference for all funds due under the agreement, and provided that there are no other outstanding liabilities or claims against The United Methodist Church as a result of the disaffiliation, in consideration of the provisions of this paragraph, the applicable annual conference shall release any claims that it may have under ¶ 2501 and other paragraphs of *The Book of Discipline of The United Methodist Church* commonly referred to as the trust clause, or under the agreement.

RATIONALE

Creates a consistent process for local churches who desire to disaffiliate from The United Methodist Church over disagreements related to human sexuality to receive their property while reducing the impact on the annual conference by paying their portion of conference pension liabilities, and other financial considerations.

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EXHIBIT 10

SUBJECT TO FINAL EDITING

JUDICIAL COUNCIL OF THE UNITED METHODIST CHURCH

DECISION NO. 1379

IN RE: Petition for Declaratory Decision from the Council of Bishops regarding the constitutionality, meaning, application, and effect of Petition 90066 as amended.

DIGEST OF CASE

Paragraph 41 of the Constitution governs the narrowly defined circumstance of a local church transferring from one annual conference to another but does not apply to a local church seeking to exit The United Methodist Church. Under ¶ 33 of the Constitution, the annual conference as the basic body in the Church has the reserved right to make final decisions regarding the disaffiliation of local churches within its boundaries.

Any legislation of the General Conference permitting the “gracious exit” of a local church must require at a minimum that (1) the disaffiliation resolution be approved by a two-thirds majority of the professing members of the local church present and voting at the church conference, (2) the terms and conditions, including effective date, of the agreement between the annual conference and the exiting local church be established by the conference board of trustees in accordance with applicable church law and civil laws, and (3) the disaffiliation agreement be ratified by a simple majority of the members of the annual conference present and voting.

When taken together with the consent of the annual conference pursuant to ¶ 2529.1(b)(3), Petition 90066 as amended meets all three requirements and is constitutional and provides a means for the disaffiliation of a local church.

Our ruling with respect to the disaffiliation of a local church in JCD 1377 is modified.

STATEMENT OF FACTS

Acting as Legislative Committee, on February 25, 2019, the delegates to the 2019 Special General Conference amended and reported out Petition 90066, also known as the Taylor Disaffiliation Plan.¹ Subsequently, the committee passed a motion requesting the Judicial Council to determine the constitutionality of the Traditional Plan [hereinafter TP], including Petitions 90066 and 90059 (Boyette Disaffiliation Plan).² The following day, we rendered a

¹ See Daily Christian Advocate [hereinafter DCA], Vol. 2, No. 5 (February 26, 2019), pp. 440-445. Petition 90066 as originally submitted is printed in the Daily Christian Advocate, Vol. 1 [hereinafter ADCA], pp. 205-206.

² See DCA, Vol. 2, No. 5 (February 27, 2019), p. 467. The motion passed 437 to 371. The maker of the motion mistakenly invoked ¶ 2610 as the basis for the request. See *id.* at 464. That paragraph applies to acts of the General Conference, not a legislative committee. At the time the motion was made, the delegates acted as a *legislative committee*. The correct provision would have been ¶ 2609.4, which mandates that the “Judicial Council shall hear and determine the legality of any action taken by any body created or authorized by the General Conference... upon appeal by one-third of the members thereof...” Addressing the question whether a legislative committee was authorized to request a declaratory decision from the Judicial Council, the legislative chair cited JCD 1318 and 887 and answered it in the affirmative. See *id.* at 447. In JCD 1318, the Judicial Council accepted jurisdiction under ¶ 2609.4 for a request from the Judicial Administration Legislative Committee. In JCD 887, the Council did likewise but without citing the authority for jurisdiction.

declaratory decision, ruling both disaffiliation plans to be in violation of ¶¶ 33 and 41, therefore, unconstitutional. JCD 1377 at 3-4.

On February 26, during plenary session, the *Minority Report on Disaffiliation* was substituted for the majority report by a vote of 402 to 400.³ In adopting the minority report, the General Conference enacted a new ¶ 2553, which reads:

¶ 2553. Disaffiliation of a Local Church Over Issues Related to Human Sexuality—

1. *Basis*-- Because of the current deep conflict within The United Methodist Church around issues of human sexuality, a local church shall have a limited right, under the provisions of this paragraph, to disaffiliate from the denomination for reasons of conscience regarding a change in the requirements and provisions of the *Book of Discipline* related to the practice of homosexuality or the ordination or marriage of self-avowed practicing homosexuals as resolved and adopted by the 2019 General Conference, or the actions or inactions of its annual conference related to these issues which follow.

2. *Time Limits*--The choice by a local church to disaffiliate with The United Methodist Church under this paragraph shall be made in sufficient time for the process for exiting the denomination to be complete prior to December 31, 2023. The provisions of ¶ 2553 expire on December 31, 2023 and shall not be used after that date.

3. *Decision Making Process*--The church conference shall be conducted in accordance with ¶ 248 and shall be held within one hundred twenty (120) days after the district superintendent calls for the church conference. In addition to the provisions of ¶ 246.8, special attention shall be made to give broad notice to the full professing membership of the local church regarding the time and place of a church conference called for this purpose and to use all means necessary, including electronic communication where possible, to communicate. The decision to disaffiliate from The United Methodist Church must be approved by a two-thirds (2/3) majority vote of the professing members of the local church present at the church conference.

4. *Process Following Decision to Disaffiliate from The United Methodist Church*--If the church conference votes to disaffiliate from The United Methodist Church, the terms and conditions for that disaffiliation shall be established by the board of

³ See DCA, Vol. 2, No. 5 (February 27, 2019), p. 521. Listed as Calendar Item 19, the minority report reads (in relevant part):

Minority Report

Adopt Petition #90066 (ADCA, p. 205) with the following changes:

1. Delete what is printed as section 2553.3 in its entirety
2. In the section listed as section 2553.5, first sentence, replace “the resident bishop” with “the board of trustees”
3. Delete the first sentence section 2553.5g
4. Change the final sentence section 2553.5g, by replacing it with the following: “Payment shall occur prior to the effective date of departure.”
5. Delete the entirety of what is printed as sub-section 2553.5c, and re-number the rest accordingly.

DCA, Vol. 2, No. 2 (February 24, 2019), p. 386 (with editorial changes as noted in DCA, Vol. 2, No. 5 [February 27, 2019], p. 516). See also 2019 General Conference Legislation Tracking posted online at <http://www.umc.org/who-we-are/2019-general-conference-legislation-tracking>.

trustees of the applicable annual conference, with the advice of the cabinet, the annual conference treasurer, the annual conference benefits officer, the director of connectional ministries, and the annual conference chancellor. The terms and conditions, including the effective date of disaffiliation, shall be memorialized in a binding Disaffiliation Agreement between the annual conference and the trustees of the local church, acting on behalf of the members. That agreement must be consistent with the following provisions:

a) *Standard Terms of the Disaffiliation Agreement.* The General Council on Finance and Administration shall develop a standard form for Disaffiliation Agreements under this paragraph to protect The United Methodist Church as set forth in ¶ 807.9. The agreement shall include a recognition of the validity and applicability of ¶ 2501, notwithstanding the release of property therefrom. Annual conferences may develop additional standard terms that are not inconsistent with the standard form of this paragraph.

b) *Apportionments.* The local church shall pay any unpaid apportionments for the 12 months prior to disaffiliation, as well as an additional 12 months of apportionments.

c) *Property.* A disaffiliating local church shall have the right to retain its real and personal, tangible and intangible property. All transfers of property shall be made prior to disaffiliation. All costs for transfer of title or other legal work shall be borne by the disaffiliating local church.

d) *Pension Liabilities.* The local church shall contribute withdrawal liability in an amount equal to its pro rata share of any aggregate unfunded pension obligations to the annual conference. The General Board of Pension and Health Benefits shall determine the aggregate funding obligations of the annual conference using market factors similar to a commercial annuity provider, from which the annual conference will determine the local church's share.

e) *Other Liabilities.* The local church shall satisfy all other debts, loans, and liabilities, or assign and transfer them to its new entity, prior to disaffiliation.

f) *Payment Terms.* Payment shall occur prior to the effective date of departure.

g) *Disaffiliating Churches Continuing as Plan Sponsors of the General Board of Pension and Health Benefits Plans.* The United Methodist Church believes that a local church disaffiliating under ¶ 2553 shall continue to share common religious bonds and convictions with The United Methodist Church based on shared Wesleyan theology and tradition and Methodist roots, unless the local church expressly resolves to the contrary. As such, a local church disaffiliating under ¶ 2553 shall continue to be eligible to sponsor voluntary employee benefit plans through the General Board of Pension and Health Benefits under ¶ 1504.2, subject to the applicable terms and conditions of the plans.

h) Once the disaffiliating local church has reimbursed the applicable annual conference for all funds due under the agreement, and provided that there are no other outstanding liabilities or claims against The United Methodist Church as a result of the disaffiliation, in consideration of the provisions of this paragraph, the applicable annual conference shall release any claims that it may have under ¶ 2501 and other paragraphs of *The Book of Discipline of The United Methodist Church* commonly referred to as the trust clause, or under the agreement.

On March 6, 2019, the Council of Bishops [hereinafter Petitioner] filed a request for declaratory decision as to the constitutionality, meaning, application, and effect of Petition 90066 as amended.

Petitioner and Beth Ann Cook filed briefs as interested parties. In addition, Lonnie Brooks, Warren Light, John Lomperis, and Thomas Starnes wrote separate briefs as *amici curiae*.

JURISDICTION

The Judicial Council has jurisdiction pursuant to ¶¶ 2609.1 and 2610.1 of *The Book of Discipline 2016* [hereinafter *The Discipline*]. The Petitioner has standing to request a declaratory decision pursuant to ¶¶ 2609.1 and 2610.2(b) of *The Discipline*.

ANALYSIS AND RATIONALE

In JCD 1377, we held that the *pre*-minority-report version of Petition 90066 violated ¶ 33 because, “[b]y sidestepping the mandatory annual conference ratification, the proposed legislation infringes upon ‘such other rights [of the annual conference] as have not been delegated to the General Conference under the Constitution.’” JCD 1377 at 4 (quoting JCD 1366 at 45 and Constitution, ¶ 33). Our analysis was based in part on JCD 1366 in which we applied ¶ 41 and ruled a similar provision in the TP unconstitutional on the grounds that the “proposed legislation improperly substitutes the 55-percent majority for the two-thirds supermajority requirement” and “completely omits the annual conference as the body ratifying any local church vote to change affiliation.” JCD 1366 at 45.

Since then, supporters and opponents of the TP alike have argued convincingly that ¶ 41 does not apply to a disaffiliating local church because this provision governs, as the heading says, the narrowly defined circumstance of “Transfer of Local Churches,” or in constitutional terms, a “local church [requesting to] be transferred from one annual conference to another in which it is geographically located.”⁴ Constitution, ¶ 41.1. We agree. Consequently, we determine that ¶ 41 is inapplicable when a local church seeks to exit The United Methodist Church.

However, under the principle of enumerated powers, “all matters distinctly connectional,” over which the General Conference has full legislative power, must be expressly listed in the Constitution.⁵ Constitution, ¶ 16. Since the disaffiliation of local churches is *not*

⁴ See Opening Brief of Beth Ann Cook, p. 5 (“...however, ¶ 41, by its very terms, is only applicable to the transfer of a local church from one annual conference to another annual conference in The United Methodist Church and does not provide for a ‘mandatory annual conference ratification’ in all situations of a local church changing its affiliation with The United Methodist Church.”); Opening Brief of John Lomperis, p. 5 (“...the plain-sense language of ¶41 is that, in the Constitution’s own words, it only applies to situations in which a congregation seeks to ‘transfer from one annual conference to another [i.e., another UMC annual conference] in which it is geographically located,’ and that nothing in the actual language of ¶41 indicates that it is intended to address congregations leaving The United Methodist Church altogether.”); Opening Brief of Thomas Starnes, p. 8 (“Specifically, we do not believe the Constitution requires annual conference approval by a two-thirds majority vote in the circumstances contemplated by Petition 90066 and similar “disaffiliation” petitions. By its terms, Constitution ¶ 41 expressly applies only to a transfer of a local church from one UMC annual conference to another UMC annual conference. In that particular circumstance, the Constitution not only requires the approval of both annual conferences, but requires supermajorities to approve the transfer at both the church conference and annual conference level.”).

⁵ See JCD 5 (Interim Judicial Council): “The powers of a General Conference are enumerated in Paragraph 15 [now ¶ 16] (Art. IV, Division One, Part I) of the Constitution.” [emphasis added].

mentioned among the enumerated powers of the General Conference, this subject matter has “not been delegated to the General Conference under the Constitution,” and, therefore, the final decision concerning exiting local churches belongs to the annual conference as part of its “reserved rights.” Constitution, ¶ 33.

In light of the foregoing conclusions, the parts of our ruling in JCD 1377 that address the question of local church disaffiliation are hereby modified. Any legislation of the General Conference permitting the “gracious exit” of a local church must have the following minimum requirements:

- (1) Approval of the disaffiliation resolution by a two-thirds majority of the professing members of the local church present and voting at the church conference.
- (2) Establishment of the terms and conditions, including effective date, of the disaffiliation agreement between the annual conference and the exiting local church by the conference board of trustees in accordance with applicable Church law and civil laws.
- (3) Ratification of the disaffiliation agreement by a simple majority of the members of the annual conference present and voting.

Upon examination of the *post*-minority-report language, we find that ¶ 2553 satisfies the first two conditions. The legislation lacks a provision stating that the disaffiliation agreement is subject to ratification by the annual conference. Although the board of trustees, cabinet, and other conference officials are mandated to participate in the decision-making process under ¶ 2553.4, their role “in facilitating the change of affiliation...is not sufficient to make up for the annual conference’s involvement.” JCD 1366 at 45. As we recently ruled in JCD 1371, the decision of the board of trustees, though important and necessary, cannot be a substitute for the action of the annual conference. “The Annual Conference is to maintain its role in decision-making.” *Id.* at 3.

As a stand-alone piece of legislation, Petition 90066 falls short of the third requirement. However, its constitutionality, meaning, application, and effect should not be determined in isolation. If upheld, this legislation will be codified as ¶ 2553 in *The Discipline* and must be construed in relation to other pertinent disciplinary paragraphs. Fortunately, there is a provision elsewhere in *The Discipline*, which supplies the missing requirement. Paragraph 2529, placed under “Section VI. Local Church Property” and entitled “*Charge Conference Authority*,” which provides, in § 1(b)(3):

b) Regardless of whether the charge conference elects to incorporate the local church, the local church:

- (3) cannot sever its connectional relationship to The United Methodist Church without the consent of the annual conference. [emphasis added]

Although the previous sub-sections pertain to the powers and duties of the charge conference, § 1(b)(3) places a restriction on the local church as a whole but also, by extension, the *church conference* because the latter is integral part of the former. *The Discipline*, ¶ 248.⁶ Here is the ingredient found to be missing in JCD 1377, which was already in *The Discipline*. Under ¶ 2529.1(b)(3), the church conference cannot resolve to sever its ties with The United Methodist Church “without the consent of the annual conference.” As a policy, the prohibition of exit

⁶ Entitled “*Church Conference*,” ¶ 248 states:

To encourage broader participation by members of the church, the charge conference may be convened as the church conference, extending the vote to all professing members of the local church present at such meetings [emphasis added].

without annual conference consent is closely related to ¶ 2553, which sets forth the process for congregations deciding to leave the denomination. Even though ¶ 2553 contains no reference to ¶ 2529.1(b)(3), it is indisputable that both provisions regulate the same subject matter, namely the disaffiliation of local churches, and, thus, should be read together. Paragraph 2529.1(b)(3) does not say whether the consent must be obtained *before* or *after* the church conference action, nor does it indicate the majority (*simple* or *supermajority*) required for the annual conference action. Absent specific language to the contrary, this provision can reasonably be construed as requiring ratification (*i.e.* consent after) by simple majority of the members of an annual conference.⁷

Save for ¶ 2529.1(b)(3), the legislation under review would fall short of the third requirement and run afoul of the Constitution. “When reviewing legislation for constitutionality, we defer to the legislative authority of the General Conference. In reviewing acts of the General Conference for constitutionality, our first inclination is to save legislation, if at all possible, and not destroy.” JCD 1210. In deference to the legislative branch, we reluctantly declare amended Petition 90066 constitutional but stress at the same time that the General Conference bears the responsibility to legislatively address the deficiency identified in ¶ 2553.

RULING

Paragraph 41 of the Constitution governs the narrowly defined circumstance of a local church transferring from one annual conference to another but does not apply to a local church seeking to exit The United Methodist Church. Under ¶ 33 of the Constitution, the annual conference as the basic body in the Church has the reserved right to make final decisions regarding the disaffiliation of local churches within its boundaries.

Any legislation of the General Conference permitting the “gracious exit” of a local church must require at a minimum that (1) the disaffiliation resolution be approved by a two-thirds majority of the professing members of the local church present and voting at the church conference, (2) the terms and conditions, including effective date, of the agreement between the annual conference and the exiting local church be established by the conference board of trustees in accordance with applicable church law and civil laws, and (3) the disaffiliation agreement be ratified by a simple majority of the members of the annual conference present and voting.

When taken together with the consent of the annual conference pursuant to ¶ 2529.1(b)(3), Petition 90066 as amended meets all three requirements and is constitutional and provides a means for the disaffiliation of a local church.

Our ruling with respect to the disaffiliation of a local church in JCD 1377 is modified.

April 25, 2019

⁷ To construe ¶ 2529.1(b)(3) as requiring consent by the annual conference *prior* to the church conference action would be inconsistent with ¶ 2553.4, which stipulates that the terms and conditions of the disaffiliation agreement be established by the board of trustees *after* “the church conference votes to disaffiliate from The United Methodist Church.” As a matter of law and practicality, until a church conference passes the disaffiliation resolution and the board of trustees approves the terms and conditions, there is nothing for the annual conference to consent to.

EXHIBIT 11

1 **Trustees of the North Georgia Conference of the UMC, Inc.**

2
3 **205. a. The Trustees of the North Georgia Conference**
4 **of the United Methodist Church, Inc. Report 4/19/21**
5

6 The Conference Board of Trustees (CBOT) provides oversight of properties and other assets
7 that are entrusted to us for the benefit of the Annual Conference in accordance with *The*
8 *Discipline* of our church. We practice transparency and accountability in all ways possible as
9 we oversee and support various initiatives and programs through judicious use of assets and
10 report these to the Annual Conference (AC) and the AC leadership.

11 Norton Commercial continues to serve as the real estate agent of the AC through
12 CBOT. This relationship was begun at the direction of the 2017 AC. While the relationship is
13 only 4 years old, Norton's competence and expertise in evaluating, selling, and overseeing
14 properties have proven to be very beneficial. As of March 1, 2021, Norton has facilitated the
15 sale of 49 properties since July 1, 2017 (total sale value of \$20,925,601). We have 6 listed
16 properties for sale with an aggregate "Broker's Opinion of Value" (BOV) of \$1,634,000. In
17 addition, 3 properties are currently under contract with an aggregate contract value of
18 \$2,252,000.

19 The Trustees continue the oversight of the Wesley Campership Fund. Due to the
20 Covid-19 pandemic, camp operations were suspended for the summer, 2020, so no
21 camperships were supported. North Georgia Camp and Retreat Ministries, Inc. (NGCRM)
22 plans on having summer camp on a reduced capacity in summer, 2021. In recent years
23 NGCRM Board of Directors does not have the ability to spend all that is generated by this
24 fund for scholarships. They believe that funds for scholarships for underprivileged children
25 are the easiest funds to raise from churches and individuals. The greater need is for capital
26 expenditures in order to provide excellence in facilities and experiences. The greater need is
27 for a \$10M capital endowment. As of March 4, 2021, the Wesley Campership Fund was
28 \$2,972,044. At the recommendation of the NGCRM, CBOT recommends that the AC allow
29 NGCRM to reallocate the Wesley Campership Fund from use as camperships to become part
30 of the NGCRM capital endowment. This request will automatically be reviewed in 5 years
31 and may be renewed after review.

32 A Relocation Committee for conference offices began working with an
33 architect/planner, Jim Winer, to counsel the CBOT for a permanent location of the future UM
34 Center. Our current UM Center lease terminates in March 2023. Given the uncertainty of the
35 future shape and size of our AC, there is no report at this time.

36 The 2020 AC approved the recommendation of the CBOT for the formation of a
37 committee to fairly and equitably begin to use the Barnes Fund for ministry. This Committee
38 began its work as the Barnes Evaluation and Administration Team (BEAT) under the
39 leadership of Steven Usry. The CBOT developed a spending policy for the Barnes Fund to be
40 used by the BEAT to invest in ministry for the AC. BEAT will report to CBOT and CFA the
41 usage of funds provided through the Barnes Fund.

42 The trustees continue to provide oversight of the E.R. Park Medical Mission Fund
43 and the Louise D. Park Eye Fund. The E.R. Park Medical Mission Fund can be accessed
44 through the Conference Director of Administrative Services. While both funds are
45 underutilized, the Park Eye Fund has been particularly underutilized. The expectation of the
46

1 Park Eye Fund as stipulated in Mrs. Parks will is to identify patients “in definite need of
2 financial assistance in order to secure the indicated treatment of the disorder of the eye or
3 eyes which would result in blindness if such treatment were not otherwise available.”

4 At the 2019 AC, we reported entering a relationship with the Emory Eye Center.
5 Through 2/25/21, donations of \$475,214 have been made from the Park Eye Fund. Of that
6 \$224,050 has been used for completed surgeries and contact lenses.

7 The 2020 pandemic halted anticipated surgeries but another \$366,150 has been
8 identified as anticipated surgeries and contact lenses for children and young adults.
9 Contributions through the CBOT on behalf of the AC have been made to the Emory Eye
10 Center for Crosslinking for children under 17 years old and young adults. Crosslinking is a
11 newly approved procedure that prevents blindness, particularly in children. As of 2/25/21, 24
12 children under 18, 10 young adults between 18-21 and 12 adults between 22-33 have
13 received or will receive treatment through the Park Eye Fund.

14 Also, an additional 12 persons have benefited from donations for 19 Glaucoma
15 prescriptions from the Park Eye Fund from 9/1/20-12/31/20. The Park Eye Fund currently
16 has an accumulated balance of \$867,405 on 1/1/2020 to \$576,587 as of 12/31/2020, even
17 with the \$170,000 going to Emory Eye Center.

18 The 2019 General Conference produced legislation regarding disaffiliation of a local
19 church from the Annual Conference. CBOT has discussed the role assigned to the trustees
20 under that legislation and has adopted both a disaffiliation process and a standard form
21 agreement for local churches in keeping with the terms of Section 2553 of the
22 Discipline. The trustee’s “Disaffiliation Agreement pursuant to paragraph 2553” and “Steps
23 of disaffiliation process under par. 2553” are attached to this report. If any local churches
24 choose to invoke this process in the coming year, those disaffiliation agreements will be
25 presented to the 2022 annual conference for final approval.

26 Thank you for the trust you have placed with us as we strive to be good stewards of a
27 portion of our Conference’s resources.

28 CBOT Recommendation to the Annual Conference:

- 29 1. Allow NGCRM to reallocate the Wesley Campership Fund from use as camperships
30 to become part of the NGCRM capital endowment.
31

32 On behalf of your conference trustees, I want to say thank you for your support of our
33 Annual Conference and to thank each member of the trustees for their service.
34

35 John Simmons, Chair
36

37
38
39 **205.a. Steps of Disaffiliation Process Under ¶2553**
40

41 **1. Request for church conference and call by district superintendent.**

42 The church conference shall be conducted in accordance with ¶ 248 and shall be held within
43 one hundred twenty (120) days after the district superintendent calls for the church
44 conference.
45
46

1 **2. Approval of the disaffiliation resolution by a two-thirds majority of the professing**
2 **members of the local church present and voting at the church conference.**

3 At least two-thirds (2/3) of the professing members present at a church conference of Local
4 Church must vote to disaffiliate from The United Methodist Church “for reasons of
5 conscience regarding a change in the requirements and provisions of the Book of Discipline
6 related to the practice of homosexuality or the ordination or marriage of self-avowed
7 practicing homosexuals as resolved and adopted by the 2019 General Conference, or the
8 actions or inactions of its annual conference related to these issues which follow.”
9

10 **3. Establishment of the terms and conditions, including effective date, of the**
11 **disaffiliation agreement between the annual conference and the exiting local church**
12 **by the conference board of trustees.**

13 If the church conference votes to disaffiliate from The United Methodist Church, the terms
14 and conditions for that disaffiliation shall be established by the board of trustees of the
15 annual conference, with the advice of the cabinet, the annual conference treasurer, the
16 annual conference benefits officer, the director of connectional ministries, and the annual
17 conference chancellor.

18 a. Payments. Prior to the Disaffiliation Date, Local Church shall pay to Annual
19 Conference, the following:

20 i. Any unpaid apportionments for the twelve (12) months immediately prior to the
21 Disaffiliation Date;

22 ii. An additional twelve (12) months of apportionments;

23 iii. An amount equal to Local Church’s pro rata share, as determined by Annual
24 Conference, of Annual Conference’s unfunded pension obligations, based on the Annual
25 Conference’s aggregate funding obligations as determined by the General Board of
26 Pension and Health Benefits using market factors similar to a commercial annuity
27 provider;

28 iv. Any direct-bill obligations as verified by the Conference Benefits Office.

29 b. Other Liabilities. Local Church shall either satisfy all of its debts, loans, and
30 liabilities, or assign or transfer such obligations to its new entity. Local Church must provide
31 sufficient documentation of same to Annual Conference.

32 c. Intellectual Property. Local Church shall cease all use of “United Methodist,” the
33 Cross & Flame insignia, and any other intellectual property of the denomination and Annual
34 Conference, including the removal of all signage containing the same.”
35

36 d. Group Tax Exemption Ruling. As of the Disaffiliation Date, Local Church shall cease
37 to use, and also shall ensure that any affiliates of Local Church which have been included in
38 the group tax exemption ruling shall cease to use, any and all documentation stating that
39 Local Church is included in the denomination’s group tax exemption ruling administered by
40 the General Council on Finance and Administration of The United Methodist Church.

41 e. Records and Cemeteries. The Local Church shall cooperate with the staff of the
42 Annual Conference to ensure the preservation of church archives, membership rolls,
43 historical documents related to funerals, baptisms, weddings, minutes, etc.. If the Local
44 Church has a cemetery or columbarium, the Local Church shall ensure provisions related to
45
46

1 continued maintenance after disaffiliation and continued access for families and loved ones
2 of United Methodists buried there.

3 **4. Ratification of the disaffiliation agreement by a simple majority of the members of**
4 **the annual conference present and voting.**

5 The final Disaffiliation Agreement, after preparation by the Board of Trustees and execution
6 by the Local Church, must be “ratified by a simple majority of the members . . . present and
7 voting” at a duly-called session of Annual Conference.

8
9 **5. Completion of all steps must occur prior to December 31, 2023.**

10 The choice by a local church to disaffiliate with The United Methodist Church under this
11 paragraph shall be made in sufficient time for the process for exiting the denomination to be
12 complete prior to December 31, 2023.

13
14
15 **205.b. Disaffiliation Agreement Pursuant To ¶ 2553**

16 This Disaffiliation Agreement Pursuant to ¶ 2553 (“Disaffiliation Agreement”) is
17 entered into this _____ day of _____, 20__, by and between
18 _____ (“Local Church”) and North Georgia Annual Conference (“Annual
19 Conference”).
20

21 WHEREAS, Local Church is a United Methodist church within the boundaries of Annual
22 Conference;
23

24 WHEREAS, Local Church has held a church conference, in compliance with ¶¶ 246.8, 248,
25 and 2553.2-.3 of *The Book of Discipline of The United Methodist Church* (“*Discipline*”), at
26 which at least two-thirds (2/3) of the professing members present at the church conference of
27 Local Church voted to disaffiliate from The United Methodist Church “for reasons of
28 conscience regarding a change in the requirements and provisions of the *Book of Discipline*
29 related to the practice of homosexuality or the ordination or marriage of self-avowed practicing
30 homosexuals as resolved and adopted by the 2019 General Conference, or the actions or
31 inactions of its annual conference related to these issues which follow.”
32

33 WHEREAS, pursuant to ¶ 2501.1 of the *Discipline*, Local Church holds its real and personal,
34 tangible and intangible property “in trust for The United Methodist Church and subject to the
35 provisions of its *Discipline*.”
36

37 WHEREAS, property subject to ¶ 2501.1 “can be released from the trust, transferred free of
38 trust or subordinated to the interests of creditors and other third parties only to the extent
39 authority is given by the *Discipline*.” (¶ 2501.2)

40 WHEREAS, ¶ 2553 provides a specific circumstance in which property subject to ¶ 2501.1
41 can be released from the trust imposed by that paragraph.
42

43 WHEREAS, ¶ 2553.4 requires the terms and conditions of Local Church’s disaffiliation from
44 The United Methodist Church to be “memorialized in a binding Disaffiliation Agreement.”
45
46

1 WHEREAS, Local Church and Annual Conference wish to (1) resolve all matters between
2 them, and Local Church wishes to acquire from Annual Conference all of Annual Conference's
3 interest, on behalf of The United Methodist Church, in the real and personal, tangible and
4 intangible property held by Local Church and (2) comply with the requirements of ¶ 2553 and
5 Judicial Council *Decision* 1379.

6
7 NOW, THEREFORE, in consideration of the foregoing and all the mutual covenants herein
8 contained, and for other good and valuable consideration, the receipt and sufficiency of which
9 is hereby acknowledged, Local Church and Annual Conference agree as follows:

- 10 1. Conditions Precedent. Local Church and Annual Conference acknowledge and agree:
- 11 a. *Church Conference Vote*. At least two-thirds (2/3) of the professing members
12 present at a church conference of Local Church must vote to disaffiliate from The
13 United Methodist Church “for reasons of conscience regarding a change in the
14 requirements and provisions of the *Book of Discipline* related to the practice of
15 homosexuality or the ordination or marriage of self-avowed practicing
16 homosexuals as resolved and adopted by the 2019 General Conference, or the
17 actions or inactions of its annual conference related to these issues which follow.”
18 Local Church must provide documentation, to the satisfaction of Annual
19 Conference, which evidences the result of the disaffiliation vote taken at the church
20 conference. Such documentation must be certified by an authorized officer of Local
21 Church and shall be included as an exhibit to this Disaffiliation Agreement.
 - 22 b. *Annual Conference Vote*. This Disaffiliation Agreement must be “ratified by a
23 simple majority of the members . . . present and voting” at a duly-called session of
24 Annual Conference, as required by Judicial Council *Decision* 1379 and ¶
25 2529.1b(3).

26 Should either of the above not occur, this Disaffiliation Agreement shall immediately become
27 null and void.

28 2. Applicability of ¶ 2501. Local Church acknowledges and agrees that pursuant to ¶ 2501 of
29 the *Discipline*, Local Church holds all property, real and personal, tangible and intangible, in
30 trust for the benefit of The United Methodist Church.

31 3. Date of Disaffiliation. Should Local Church timely comply with all of its obligations as set
32 forth herein, Local Church's disaffiliation from The United Methodist Church will be effective
33 on _____, 20__ (“Disaffiliation Date”). Such Disaffiliation Date must be subsequent to the
34 Annual Conference's ratification referenced in Section 1 above.

35 4. Local Church's Obligations. Unless a different date is specified, Local Church shall, by no
36 later than the Disaffiliation Date, do the following:

- 37 a. *Payments*. Prior to the Disaffiliation Date, Local Church shall pay to Annual
38 Conference, in a manner specified by Annual Conference, the following:
 - 39 i. Local Church shall have the right to retain its real and personal, tangible
40 and intangible property without charge. Any costs relating to Local
41 Church's retention of its property will be borne by Local Church.
 - 42 ii. Any unpaid apportionments for the twelve (12) months immediately prior
43 to the Disaffiliation Date, as calculated by Annual Conference, totaling
44 _____;

- 1 iii. An additional twelve (12) months of apportionments, as calculated by
2 Annual Conference, totaling _____;
- 3 iv. An amount equal to Local Church's pro rata share, as determined by Annual
4 Conference, of Annual Conference's unfunded pension obligations, based
5 on the Annual Conference's aggregate funding obligations as determined
6 by the General Board of Pension and Health Benefits using market factors
7 similar to a commercial annuity provider, totaling _____; and
- 8 v. Any other payments that are related to conference-provided benefits that are
9 direct billed to the Local Church for benefits provided prior to the effective
10 date of disaffiliation. The parties will consult with the Conference Benefits
11 Office to determine if there is an amount owed for direct billed benefits, and
12 the parties further agree to true-up any such obligations within a reasonable
13 period of time after the effective date of disaffiliation.
- 14 b. *Other Liabilities.* Local Church shall either satisfy all of its debts, loans, and
15 liabilities, or assign or transfer such obligations to its new entity. Local Church
16 must provide sufficient documentation of same to Annual Conference.
- 17 c. *Intellectual Property.* Local Church shall cease all use of "United Methodist," the
18 Cross & Flame insignia, and any other intellectual property of the denomination
19 and Annual Conference, including the removal of all signage containing the same.
- 20 d. *Group Tax Exemption Ruling.* As of the Disaffiliation Date, Local Church shall
21 cease to use, and also shall ensure that any affiliates of Local Church which have
22 been included in the group tax exemption ruling shall cease to use, any and all
23 documentation stating that Local Church is included in the denomination's group
24 tax exemption ruling administered by the General Council on Finance and
25 Administration of The United Methodist Church. Local Church and any of its
26 affiliates which have been included in the group tax exemption ruling will be
27 removed as of the Disaffiliation Date.
- 28 e. *Records and Cemeteries.* The Local Church shall cooperate with the Annual
29 Conference and its staff in securing the records of the Local Church, including
30 church archives, membership rolls, and historical documents related to funerals,
31 baptisms, weddings, minutes, etc. If the Local Church has a cemetery or
32 columbarium, the Local Church shall provide its plan for maintenance after
33 disaffiliation and continued access for families and loved ones of United Methodists
34 buried there.
- 35 5. Organizational Transition. Local Church shall take all steps necessary to close and/or
36 dissolve any legal entities and to settle, liquidate, or transfer all assets and obligations of such
37 entities, or to establish any new legal entities, or to modify its current organizing documents,
38 as needed to effectuate its disaffiliation from The United Methodist Church, to the satisfaction
39 of Annual Conference. Local Church shall indemnify, defend, and hold harmless Annual
40 Conference and its officers, directors, agents, and employees from any liability or costs
41 (including reasonable attorney fees) resulting from any claim, action, or cause of action for
42 damages to persons or property resulting from Local Church's failure to take all necessary
43 steps as required by this Section 5.
- 44 6. Property. On the Disaffiliation Date, Local Church will have full ownership of the property
45 and assets of the Local Church, except for those specifically required to be transferred to the
46

1 Annual Conference under this Agreement or for those subject to the rights of persons or entities
2 who are not parties to this Agreement. The parties shall ensure all necessary transfers or other
3 transactions relating to the above properties are completed prior to the Disaffiliation Date. Any
4 costs resulting from such transfers or other transactions shall be borne by Local Church.
5 Annual Conference shall fully cooperate with Local Church, as needed and applicable, to
6 ensure that such transfers and other transactions convey all of Annual Conference's interest –
7 both for itself and on behalf of The United Methodist Church – in the real and personal, tangible
8 and intangible property of Local Church.

9 7. Release of Claims. Upon the completion of all of their respective obligations herein,
10 Annual Conference and Local Church, for themselves and their agents, representatives,
11 members, trustees, employees, successors, attorneys, and assigns, hereby fully and forever
12 covenant not to sue each other, and release and discharge each other, and their current and
13 former trustees, officers, representatives, employees, and assigns, in both their official and
14 individual capacities, from any liability for any and all causes of action and claims, including
15 any statutory or common law cause of action, tort or contractual claims, any claims for
16 attorneys' fees, expenses and all other damages, whether known or unknown, foreseen or
17 unforeseen, which Annual Conference or Local Church ever had, now has, hereafter may have
18 or claim to have against any of the above-named entities or persons in any way arising out of
19 their relationship with each other. The parties further represent they have no pending lawsuit,
20 charge, complaint, or other action against each other. Notwithstanding the foregoing releases
21 and covenants not to sue, the parties may take action to enforce this Disaffiliation Agreement
22 in any court where jurisdiction and venue are proper.

23 8. Time Limit. Should the Local Church fail to satisfy all of its obligations set forth herein by
24 December 31, 2023, this Disaffiliation Agreement shall be null and void.

25 9. Continuing as Plan Sponsor. Nothing in this Disaffiliation Agreement shall prevent Local
26 Church, after the Disaffiliation Date, from continuing to sponsor benefit plans from the General
27 Board of Pension and Health Benefits, to the extent permitted by federal law, and provided
28 that Local Church has not expressly resolved that it no longer shares common religious bonds
29 with The United Methodist Church.

30 10. Non-Severability. Each of the terms of this Disaffiliation Agreement is a material and
31 integral part hereof. Should any provision of this Disaffiliation Agreement be held
32 unenforceable or contrary to law, the entire Disaffiliation Agreement shall be deemed null and
33 void.

34 IN WITNESS WHEREOF, the Local Church and the Annual Conference, through
35 authorized officers, have adopted this Disaffiliation Agreement on the date first above written.

36 LOCAL CHURCH:

ANNUAL CONFERENCE:

37
38
39 BY: _____

BY: _____

40
41 ITS: _____

ITS: _____

EXHIBIT 12

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**703. Resolution in Support of the
Protocol of Grace and Reconciliation through Separation**

WHEREAS, a diverse group of United Methodist called by the late Bishop John Yambasu and presided over by Kenneth Fienberg negotiated an agreement (the Protocol of Grace and Reconciliation through Separation, hereinafter the "Protocol") providing for an orderly process for amicable separation, and

WHEREAS, On January 29, 2020 the lay and clergy heads of the Southeast Jurisdictional Delegation released a statement supporting the Protocol, same including the North Georgia Conference lay and clergy head; and

WHEREAS, Bishop Sue Hauptert-Johnson and the Council of Bishops have expressed support of the Protocol, and

WHEREAS, legislation to implement the Protocol has been approved by several annual conferences and submitted to the Commission on General Conference pursuant to ¶507.6 of The Book of Discipline thereby making same proper for consideration at any general conference.

NOW, THEREFORE BE IT RESOLVED that the North Georgia Annual Conference hereby urges the passage of the Protocol of Grace and Reconciliation through Separation when said legislation comes before a special called general conference or a regular session of general conference.

Herzen Andone, clergy member, North West District
John Donaldson, clergy member, South East District
Jane Finley, lay member, North East District
Sarah Foster, lay member, Central East District
Tina Kirkland, lay member, North West District
Stephen Schofield, clergy member, North East District

EXHIBIT 13

Annual conferences shall prepare clergy and congregations for cross-racial and cross-cultural appointments. When such appointments are made, bishops, cabinets, and boards of ordained ministry shall provide specific training for the clergypersons so appointed and for their congregations.

¶ 426. *Consultation and Appointment-Making*—Consultation is the process whereby the bishop and/or district superintendent confer with the pastor and committee on pastor-parish relations, taking into consideration the criteria of ¶ 427, a performance evaluation, needs of the appointment under consideration, and mission of the Church. Consultation is not merely notification. Consultation is not committee selection or call of a pastor. The role of the committee on pastor-parish relations is advisory. Consultation is both a continuing process and a more intense involvement during the period of change in appointment.¹⁷

1. The process of consultation shall be mandatory in every annual conference.¹⁸

2. The Council of Bishops shall inquire annually of their colleagues about the implementation of the process of consultation in appointment-making in their respective areas.¹⁹

¶ 427. *Criteria*—Appointments shall take into account the unique needs of a charge, the community context, and also the gifts and evidence of God's grace of a particular pastor. To assist bishops, cabinets, pastors, and congregations to achieve an effective match of charges and pastors, criteria must be developed and analyzed in each instance and then shared with pastors and congregations.

1. *Congregations*—The district superintendent shall develop with the pastor and the committees on pastor-parish relations of all churches profiles that reflect the needs, characteristics, and opportunities for mission of the charge consistent with the Church's statement of purpose. These profiles shall be reviewed annually and updated when appropriate to include:

a) The general situation in which a congregation finds itself in a particular setting: size, financial condition, quality of lay leadership, special needs for pastoral ministry, and history.

b) The convictional stance of the congregation: theology; prejudices, if any; spiritual life.

17. See Judicial Council Decisions 492, 1174.

18. See Judicial Council Decision 492.

19. See Judicial Council Decision 701.

EXHIBIT 14

- c) reviewing and assigning responsibility for the implementation of actions taken by the council;
- d) communicating with members of the council and others as appropriate to permit informed action at council meetings;
- e) coordinating the various activities of the council;
- f) providing the initiative and leadership for the council as it does the planning, establishing of objectives and goals, and evaluating;
- g) participating in leadership training programs as offered by the annual conference and/or district.

The church council chairperson shall be entitled to attend meetings of all boards and committees of the church unless specifically limited by the *Book of Discipline*. The chairperson is encouraged to attend annual conference.

THE CHURCH COUNCIL

¶ 252. 1. *Purpose*—The church council shall provide for planning and implementing a program of nurture, outreach, witness, and resources in the local church. It shall also provide for the administration of its organization and temporal life. It shall envision, plan, implement, and annually evaluate the mission and ministry of the church. The church council shall be amenable to and function as the administrative agency of the charge conference (¶ 244).

2. *Mission and Ministry*—Nurture, outreach, and witness ministries and their accompanying responsibilities include:

a) The nurturing ministries of the congregation shall give attention to but not be limited to education, worship, Christian formation, membership care, small groups, and stewardship. Attention must be given to the needs of individuals and families of all ages.

b) The outreach ministries of the church shall give attention to local and larger community ministries of compassion, justice, and advocacy. These ministries include church and society, global ministries, higher education and campus ministry, health and welfare, Christian unity and interreligious concerns, religion and race, and the status and role of women.

c) The witness ministries of the church shall give attention to developing and strengthening evangelistic efforts of sharing of personal and congregational stories of Christian experience, faith, and service; communications; Lay Servant Minis-

tries; and other means that give expressions of witness for Jesus Christ.

d) The leadership development and resourcing ministries shall give attention to the ongoing preparation and development of lay and clergy leaders for the ministry of the church (¶ 258.1).

e) The nurture, outreach, and witness ministries and their accompanying responsibilities shall include consideration of (i) the election of a prayer coordinator to promote prayer and mobilize the local church to pray, (ii) establishing a prayer room or designated place for prayer and prayer resources, and (iii) encouraging intentional prayer for the pastoral leadership of the local church.

3. *Meetings*—*a)* The council shall meet at least quarterly. The chairperson or the pastor may call special meetings.

b) In order for the council to give adequate consideration to the missional purpose of the local church, it is recommended that the first agenda item at each meeting be related to its ministries of nurture, outreach, and witness. The administrative and supportive responsibilities of the church will then be given attention. It is recommended that the council use a consensus/discernment model of decision-making.

4. *Other Responsibilities*—It will also be the responsibility of the church council to:

a) review the membership of the local church;

b) fill interim vacancies occurring among the lay officers of the church between sessions of the annual charge conference;

c) establish the budget on recommendation of the committee on finance and ensure adequate provision for the financial needs of the church;

d) recommend to the charge conference the salary and other remuneration of the pastor(s) and staff members after receiving recommendations from the committee on pastor-parish relations (staff-parish relations);

e) review the recommendation of the committee on pastor-parish relations regarding provision of adequate housing for the pastor(s), and report the same to the charge conference for approval. Housing provisions shall comply with the annual conference housing policy and parsonage standards. Housing shall not be considered as part of compensation or remuneration except to the extent provided for in denominational pension and benefit plans.

5. *Membership*—The charge conference will determine the size of the church council. Members of the church council shall be involved in the mission and ministry of the congregation as defined in ¶ 252.2. The membership of the council may consist of as few as eleven persons or as many as the charge conference deems appropriate. The council shall include persons who represent the program ministries of the church as outlined in ¶ 243. The membership shall include but not be limited to the following:

- a) the chairperson of the church council;
- b) the lay leader;
- c) the chairperson and/or a representative of the pastor-parish relations committee;
- d) the chairperson and/or a representative of the committee on finance;
- e) the chairperson and/or a representative of the board of trustees;
- f) the church treasurer;
- g) a lay member to annual conference;
- h) the president and/or a representative of the United Methodist Men;
- i) the president and/or a representative of the United Methodist Women;
- j) a young adult representative
- k) a representative of the United Methodist Youth;
- l) the pastor(s).

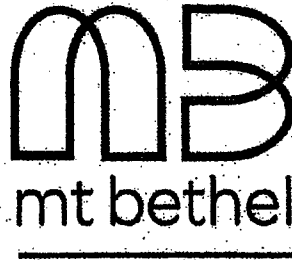
6. *Quorum*—The members present and voting at any duly announced meeting shall constitute a quorum.

SPECIALIZED MINISTRIES

¶ 253. *Age-Level, Family, and Specialized-Ministries Coordinators* (see also ¶ 252)—The charge conference may elect annually a coordinator of children's ministries, a coordinator of youth ministries, a coordinator of adult ministries, and a coordinator of family ministries. Where young adult and specific age-level ministries would be enhanced, coordinators of young adult and/or older adult ministries may be elected. Where camps and retreats are part of faith formation across the age span, a coordinator of camp and retreat ministries may be elected. Where there are civic youth-serving agencies or scouting ministry units present there may be elected a scouting coordinator. Where needs for specialized areas of ministry arise (for example, single adults or persons

EXHIBIT 15

Dr. Jody Ray
Dr. Carey Akin
Dr. John Freeland
Rev. Jonathan Lawson



Rev. Kim McGarr
Rev. Glenn Ray
Rev. Joshua Toepper

April 18, 2021

Bishop Haupt-Johnson and District Superintendent Jessica Terrell,

The Administrative Council of Mt. Bethel United Methodist Church, Inc., meeting on Wednesday, April 14, 2021, unanimously approved a resolution directing the leadership of the church to proceed with the disaffiliation process of ¶ 2553 of the Book of Discipline of The United Methodist Church effective immediately.

As the lay leaders of Mt. Bethel United Methodist Church, Inc., we are informing you of this action and requesting that the district superintendent schedule a church conference to approve the disaffiliation of the church to occur as soon as possible.

Additionally, we request that you provide us with the amount of the withdrawal liability to be paid under ¶ 2553(4)(d).

We look forward to receiving the date set for our church conference so that we can provide notice to all full-professing members of Mt. Bethel United Methodist Church, Inc.

In Christ,


Ferrell Coppedge, Lay Leader

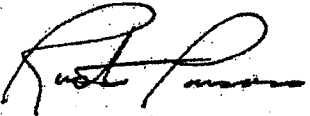

Rustin Parsons, Lay Leader

EXHIBIT 16

From: Jessica Terrell jessica.terrell@ngumc.net
Subject: Re: Notice of Mt. Bethel Administrative Council Action
Date: Apr 21, 2021 at 10:31:39 AM
To: MBExecCommittee MBExecCommittee@mtbethel.org
Cc: Ferrell Coppedge ferrell.coppedge@gmail.com, Rustin Parsons
Rustinnparsons@gmail.com

Dear Members of Mt. Bethel United Methodist Church Executive Committee,

Bishop Sue Hauptert-Johnson forwarded to me the request for disaffiliation of Mt. Bethel United Methodist Church under Paragraph 2553 of the Book of Discipline.

I anticipate that the Conference Board of Trustees, which is charged with negotiating the terms of disaffiliation, will present its plan for negotiating disaffiliation requests at the June 2021 session of the Annual Conference. Any such requests will then be negotiated with the Board of Trustees, and the terms of that negotiation will be reflected in a formal Disaffiliation Agreement. That final agreement will then be presented to the June 2022 session of the Annual Conference for approval or rejection.

I will make note of the request of Mt. Bethel and, in order to complete the negotiations before the June 2022 session, I will most likely call a Church Conference to be held in the early spring of 2022. If the Church Conference by two-thirds majority votes to disaffiliate because of their disagreement with the United Methodist Church as it relates to human sexuality, then there will be sufficient time for the local church to negotiate a disaffiliation agreement with the Board of Trustees and place the same on the June 2022 Annual Conference agenda.

In the meantime, if there is anything I can do to support the mission and ministry of Mt. Bethel United Methodist Church, please do not hesitate to contact me.

In Christ,

Jessica

*Rev. Dr. Jessica E. Terrell
District Superintendent
Central West District*

On Sun, Apr 18, 2021 at 2:18 PM MBExecCommittee
<MBExecCommittee@mtbethel.org> wrote:

EXHIBIT 17

17. In those instances where there are two or more churches on a pastoral charge, the charge conference may provide for a charge or parish council, a chargewide or parish treasurer, and such other officers, commissions, committees, and task groups as necessary to carry on the work of the charge.

18. In those instances where there are two or more churches on a pastoral charge, the charge conference may elect a chargewide or parish committee on nominations and leadership development, a chargewide or parish committee on pastor-parish relations, a chargewide or parish committee on finance, and a chargewide or parish board of trustees in such instances where property is held in common by two or more churches of the charge. All churches of the charge shall be represented on such chargewide or parish committees or boards. Chargewide or parish organization shall be consistent with disciplinary provisions for the local church.

19. In instances of multiple church charges, the charge conference shall provide for an equitable distribution of parsonage maintenance and upkeep expense or adequate housing allowance (if annual conference policy permits) among the several churches.

20. The charge conference shall promote awareness of and concurrence with the Doctrinal Standards and General Rules of The United Methodist Church, and with policies relative to Socially Responsible Investments (¶ 717), the Social Principles (¶¶ 160-166), and *The Book of Resolutions of The United Methodist Church*.

21. If any charge conference initiates, joins, monitors, or terminates a boycott, the guidelines in *The Book of Resolutions, 2012*, should be followed. The General Conference is the only body that can initiate, empower, or join a boycott in the name of The United Methodist Church.

22. When authorized by the district superintendent and the district board of church location and building, the charge conference may provide for the sponsoring of satellite congregations.

23. The charge conference shall have such other duties and responsibilities as the General, jurisdictional, or annual conference may duly commit to it.

¶ 248. *The Church Conference*—To encourage broader participation by members of the church, the charge conference may be convened as the church conference, extending the vote to all professing members of the local church present at such meetings. The church conference shall be authorized by the district superinten-

dent. It may be called at the discretion of the district superintendent or following a written request to the district superintendent by one of the following: the pastor, the church council, or 10 percent of the professing membership of the local church. In any case a copy of the request shall be given to the pastor. Additional regulations governing the call and conduct of the charge conference as set forth in ¶¶ 246-247 shall apply also to the church conference. A joint church conference for two or more churches may be held at the same time and place as the district superintendent may determine. A church conference shall be conducted in the language of the majority with adequate provision being made for translation. (For church local conference see ¶ 2527.)

¶ 249. *Election of Leaders*—The charge conference, or church conference authorized by the district superintendent, shall elect upon recommendation by the committee on nominations and leadership development of each local church on the pastoral charge, or by nomination from the floor and by vote of each such local church, at least the following leaders for the four basic responsibilities (¶ 244):

1. Chairperson of the church council.
2. The committee on nominations and leadership development.
3. The committee on pastor-parish relations and its chairperson.
4. A chairperson and additional members of the committee on finance; the financial secretary and the church treasurer(s) if not paid employees of the local church; and the trustees as provided in ¶¶ 2526-2528, unless otherwise required by state law.
5. The lay member(s) of the annual conference and lay leader(s).
6. A recording secretary (see ¶ 247.4).
7. Special attention shall be given to the inclusion of women, men, youth, young adults, persons over sixty-five years of age, persons with disabilities, and racial and ethnic persons.
8. All local church offices and all chairs of organizations within the local church may be shared between two persons, with the following exceptions: trustee, officers of the board of trustees, treasurer, lay member of annual conference, member and chairperson of the committee on staff- or pastor-parish relations. When two persons jointly hold a position that entails membership on the church council, both may be members of it.

EXHIBIT 18

Dr. Jody Ray
Dr. Carey Akin
Dr. John Freeland
Rev. Jonathan Lawson



Rev. Kim McGarr
Rev. Glenn Ray
Rev. Joshua Toepper

Rev. Dr. Terrell:

Thank you for your email of April 21. Paragraph 2553.4 of the Book of Discipline provides that the terms and conditions of disaffiliation are to be determined after the church conference votes to disaffiliate from The United Methodist Church. In addition, the terms and conditions are to be established by the annual conference board of trustees, not by action of the annual conference. See paragraph 2553.4

Thus, according to paragraph 2553.3, the church conference is to be scheduled without delay so that the professing members of Mt. Bethel United Methodist Church can take the required vote to disaffiliate. In accordance with paragraph 2553.3, the church conference is to be conducted in accordance with paragraph 248 and is to be within 120 days after the district superintendent calls the church conference. We request that you immediately schedule the date for the church conference so that we can give the notice to our professing members required by paragraph 2553.3.

Because paragraph 2553.4 sets forth that the disaffiliation agreement must be consistent with the provisions specified in that subparagraph and the General Council of Finance and Administration has already prepared the standard terms of the disaffiliation agreement which must be used, the process is straight-forward. Annual conference approval of the disaffiliation only occurs once the disaffiliation agreement has been finalized.

Please note that we are moving to disaffiliate because of the actions or inactions of the North Georgia Annual Conference with respect to the Book of Discipline provisions adopted at the 2019 General Conference.

As we have requested, please schedule the church conference required by paragraph 2553.3 so that we can move ahead in this process. Recent events are adversely impacting our church and we desire to accomplish this process at the earliest possible time in an amicable and orderly fashion.

In Christ,

Ferrell Coppedge, Lay Leader

Rustin Parsons, Lay Leader

Handwritten signatures and dates. The signature of Ferrell Coppedge is written over the printed name. The signature of Rustin Parsons is written over the printed name. The date '4/22/21' is written twice, once next to each signature.

EXHIBIT 19

From: Jessica Terrell <jessica.terrell@ngumc.net>

Date: Monday, May 17, 2021 at 6:44 PM

To: MBExecCommittee <MBExecCommittee@mtbethel.org>, Bishop Sue Hauptert- Johnson <bishop@ngumc.org>, Terry Walton <terry.walton@ngumc.net>, Rustin Parsons <rustinnparsons@gmail.com>, Ferrell Coppedge <ferrell.coppedge@gmail.com>

Subject: Re: Regarding Mt. Bethel UMC Disaffiliation

Dear Members of Mt. Bethel United Methodist Church Executive Committee,

Bishop Sue Hauptert-Johnson forwarded to me the request for disaffiliation of Mt. Bethel United Methodist Church under Paragraph 2553 of the Book of Discipline.

I anticipate that the Conference Board of Trustees, which is charged with negotiating the terms of disaffiliation, will present its plan for negotiating disaffiliation requests at the June 2021 session of the Annual Conference. Any such requests will then be negotiated with the Board of Trustees, and the terms of that negotiation will be reflected in a formal Disaffiliation Agreement. That final agreement will then be presented to the June 2022 session of the Annual Conference for approval or rejection.

I will make note of the request of Mt. Bethel and, in order to complete the negotiations before the June 2022 session, I will most likely call a Church Conference to be held in the early spring of 2022. If the Church Conference by two-thirds majority votes to disaffiliate because of their disagreement with the United Methodist Church as it relates to human sexuality, then there will be sufficient time for the local church to negotiate a disaffiliation agreement with the Board of Trustees and place the same on the June 2022 Annual Conference agenda.

In the meantime, if there is anything I can do to support the mission and ministry of Mt. Bethel United Methodist Church, please do not hesitate to contact me.

In Christ,

Jessica

*Rev. Dr. Jessica E. Terrell
District Superintendent
Central West District*

On Wed, May 12, 2021 at 1:23 PM MBExecCommittee <MBExecCommittee@mtbethel.org> wrote:

Please see attached the PDF of a letter posted USPS today

MB Executive Committee

P 770.971.2880 | *Transforming Lives 1x1*

EXHIBIT 20

Dr. Jody Ray
Dr. Carey Akin
Dr. John Freeland
Rev. Jonathan Lawson



Rev. Kim McGarr
Rev. Glenn Roy
Rev. Joshua Toepper

May 11, 2021

Bishop Sue Haupt-Johnson
The North Georgia Conference
of The United Methodist Church
1700 Century Circle, NE #100
Atlanta, GA. 30345

Rev. Dr. Jessica Terrell
District Superintendent, Central West District
PO Box 2058
Hiram, GA 30141

Re.: Mt. Bethel United Methodist Church, Inc. ¶2553 Disaffiliation

Dear Bishop Haupt-Johnson & Rev. Dr. Terrell:

As you are aware, on April 18, 2021, Mt. Bethel United Methodist Church, Inc., ("Mt. Bethel") provided you with notice of its intent to immediately disaffiliate from the United Methodist Church ("UMC"), per Book of Discipline ¶2553. Nonetheless, to date, the District Superintendent has not yet called for a church conference to conduct the required vote to approve the disaffiliation process. Wishing to preserve the status quo in this interim period pending the vote and execution of a Disaffiliation Agreement, we wanted to clarify our position as to certain matters:

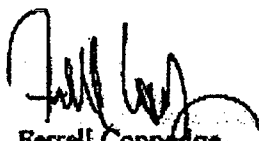
1. While Mt. Bethel currently has an appointed ordained elder who is capably administering sacraments and conducting worship services in the sanctuary, we wanted to make it clear that Mt. Bethel recognizes the right of the Bishop or her appointed ordained elder to also perform those tasks. Mt. Bethel wishes to preserve the status quo in this regard, and will continue to support its ordained elder, throughout this transition timeframe.
2. Understanding that disaffiliation involves a financial obligation by the disaffiliating church upon execution of a Disaffiliation Agreement, Mt. Bethel is willing to agree to begin escrowing the apportionments to be paid under ¶ 2553, once the church conference vote approving the disaffiliation process has taken place, and both parties are proceeding in good faith to complete the process (please advise us of the amount of apportionment payments and

Mt. Bethel United Methodist Church

1000 East Cobb L 4300 Lewis Rowland Blvd. 1 Marietta GA 30067 | 770.427.0690 | www.mtbethel.org
1000 East Cobb L 4300 Post Oak Dr Blvd. 1 Marietta GA 30067 | 770.427.0690 | www.mtbethel.org

Mt. Bethel's proportionate share of the unfunded pension liability of the North Georgia Annual Conference calculated to be due as part of the disaffiliation process). As we have previously expressed, we wish to have this vote taken expeditiously, and are concerned that three weeks have passed, and the church conference has not yet been scheduled. If you would please schedule the conference and the vote as soon as possible, an orderly disaffiliation can proceed as intended by ¶2553 of the Book of Discipline.

Thank you, and in Christ,



Ferrell Coppedge
Co-Lay Leader



Rustin Parsons
Co-Lay Leader

EXHIBIT 21

CAUTHORN NOHR & OWEN
212 CHURCH STREET
MARIETTA, GEORGIA 30060

T.E. CAUTHORN
JASON L. NOHR
LISA A. OWEN
BETTINA S. DAVIES
MARIJANE E. CAUTHORN
BRITTANY E. SCHMIDT

(770) 528-0150
FAX: (770) 528-0160
WWW.CAUTHORNNOHR.COM

June 18, 2021

Via First Class Mail and Certified Mail as follows:

Certified Mail No.

7006 0100 0001 1493 7331

Return Receipt Requested

Clayton Carmack, Registered Agent for
Mt. Bethel United Methodist Church, Inc.
326 Roswell Street, Suite 100
Marietta, GA 30060

Certified Mail No.

7006 0100 0001 1493 7393

Return Receipt Requested

Dan Boswell, CEO of Mt. Bethel United
Methodist Church, Inc.
4385 Lower Roswell Rd.
Marietta, GA 30068

Certified Mail No.

7006 0100 0001 1493 7379

Return Receipt Requested

Mark Droege, CFO of Mt. Bethel United
Methodist Church, Inc.
4385 Lower Roswell Rd.
Marietta, GA 30068

Certified Mail No.

7006 0100 0001 1493 5672

Return Receipt Requested

Al Stark, Secretary of Mt. Bethel United
Methodist Church, Inc.
4260 Creek Haven Dr.
Marietta, GA 30062

RE: Mt. Bethel United Methodist Church Compliance with the Book of
Discipline

Clayton Carmack, Dan Boswell, Mark Droege, and Al Stark:

Cauthorn Nohr & Owen and I have been retained by the Board of Trustees of the North Georgia Conference of the United Methodist Church ("the Board") with regard to Mt. Bethel United Methodist Church ("Mt. Bethel") compliance with the Book of Discipline of the United Methodist Church ("the Discipline"). Please direct all future correspondence and communication regarding this matter to me.

Mt. Bethel is a valued member of the North Georgia Conference of the United Methodist Church ("the Conference") with a longstanding history. The Board has a fiduciary duty to the Conference to "take all necessary legal steps to safeguard and protect the interests and rights of the annual conference anywhere and in all matters relating to property and rights to property." (Discipline, ¶2512.4.) This duty of the Board includes ensuring that the properties of all local churches, including Mt. Bethel,



Clayton Carmack, Registered Agent
Dan Boswell, CEO
Mark Droege, CFO
Al Stark, Secretary
June 18, 2021
Page 2 of 3

are "held, *in trust*, for the benefit of the entire denomination, and ownership and usage of church property is subject to the *Discipline*." (Discipline, ¶2501.1).

The Board is informed that Mt. Bethel is not in compliance with the Discipline, specifically:

- Mt. Bethel's decision this week to lease its real property to Mt. Bethel Christian Academy, Inc. for a term of twenty (20) years is not in compliance with ¶2541.1, .2 or .3 of the Discipline, in that an "executive committee" approved the lease without a charge conference and without the consent of the District Superintendent thereby creating an exigent circumstance which threatens the Conference's beneficial interest in the leased real property under ¶ 2549.3.b of the Discipline;
- Mt. Bethel changed its structure without charge conference approval when it formed its seven person "executive committee" with full authority and no time limit on terms;
- Mt. Bethel has indicated its refusal to accept appointed clergy;
- Mt. Bethel has not accepted the properly appointed interim pastor;
- Mt. Bethel has hired a lay "Chief Executive Officer/Preaching Pastor" for its United Methodist pulpit without required approvals;
- The Board is informed that Mt. Bethel has made plans to use credit lines, transfer interests in assets, and sell property without administrative or charge conference approvals; and,
- Mt. Bethel has failed to properly elect a new Staff/Pastor-Parish Relations Committee chair, when the previous chair stepped down.

As a result of the foregoing, Mount Bethel is ineligible at this time, among other things, to pursue disaffiliation under ¶ 2553 of the Discipline, as the Board has specifically affirmed that local churches seeking disaffiliation under ¶ 2553 of the Discipline must first demonstrate compliance with the Discipline. Furthermore, because Mt. Bethel has breached its obligations as detailed herein, it has exposed itself to a declaration of exigent circumstances pursuant to ¶ 2549.3.b of the Discipline. While any such declaration of exigent circumstances is within the sole discretion of the Bishop, Cabinet, and District Board of Church Location and Building, any such declaration would result in an immediate transfer of all assets of Mt. Bethel to the Board for disposition.



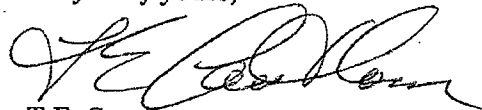
Clayton Carmack, Registered Agent
Dan Boswell, CEO
Mark Droege, CFO
Al Stark, Secretary
June 18, 2021
Page 3 of 3

The Board hereby demands that Mt. Bethel immediately cease and desist its non-compliant actions and take all affirmative steps that are needful and necessary to come into immediate compliance with the Discipline. Because of the extraordinary importance of these matters to all members of the United Methodist Church, to the Conference, to the Board, and to Mt. Bethel, time is of the essence and your immediate cooperation and affirmative action is required.

Please know that your district superintendent, Jessica Terrell, stands ready, willing, and able to assist you in resolving these compliance issues. The Board would request your written response and your proposed resolution of these issues within ten days of your receipt of this letter.

Thank you for your attention to these important matters.

Very truly yours,



T.E. Cauthorn

TEC

cc via e-mail:

Chair, Board of Trustees, North Georgia Conference;
Bishop, North Georgia Conference;
Chancellor, North Georgia Conference;
CEO, Mt. Bethel United Methodist Church, Inc.; and,
Registered Agent, Mt. Bethel United Methodist Church, Inc.

EXHIBIT 22

Dr. Jody Ray
Dr. Carey Akin
Dr. John Freeland
Rev. Jonathan Lawson



Rev. Kim McGarr
Rev. Glenn Ray
Rev. Joshua Toepper

Bishop Sue Hauptert-Johnson
North Georgia Annual Conference
1700 Century Circle NE
Suite 100
Atlanta, GA 30345

June 28, 2021

Bishop Hauptert-Johnson,

The Mt. Bethel United Methodist Church's Staff Parish Relations Committee has met frequently over the last several months to discuss the appointment of the Rev. Dr. Steven Usry. We have endeavored to have meaningful conversations and dialogue with you regarding his appointment, but you have not responded favorably to our repeated requests.

While we recognize your authority to appoint a pastor to Mt. Bethel UM Church, we are aware of our responsibilities for that individual. Given the abrupt and late notification of a clergy change and the lack of any meaningful consultation, we will, under protest and while our Complaint hearing is still being resolved, provide accordingly for Dr. Usry:

- [1] The annual conference minimum salary of \$40,000,
- [2] A housing allowance of \$17,600 beginning July 1, 2021, and,
- [3] The annual conference minimum for pension, health insurance, and continuing education.

As Mt. Bethel UM Church is a gracious and welcoming congregation, we will receive Dr. Usry accordingly. He will, like all of our clergy and staff, work with the Rev. Dr. Jody Ray, our Senior Administrator, and with the Staff Parish Relations Committee.

Respectfully,

A handwritten signature in black ink that reads 'Casey L. Alarcon'.

Casey Alarcon, Chair
Staff Parish Relations for Mt. Bethel UMC

Cc: Rev. Dr. Jessica Terrell
Rev. Dr. Steven Usry

EXHIBIT 23

CAUTHORN NOHR & OWEN

212 CHURCH STREET
MARIETTA, GEORGIA 30060

T.E. CAUTHORN
JASON L. NOHR
LISA A. OWEN
BETTINA S. DAVIES
MARIJANE E. CAUTHORN
BRITTANY E. SCHMIDT

(770) 528-0150
FAX: (770)528-0160
WWW.CAETHORNNOHR.COM

July 12, 2021
VIA Hand-Delivery:

Robert D. Ingram
Attorney at Law
Moore Ingram Johnson & Steele, LLP
326 Roswell Street, Suite 100
Marietta, GA 30060

RE: Mt. Bethel United Methodist Church

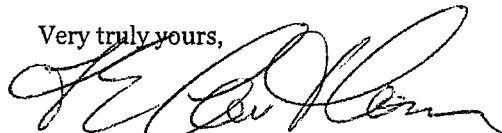
Robert Ingram:

On Friday, July 9, 2021, the Bishop and the Appointive Cabinet of the North Georgia Conference of the United Methodist Church met via Zoom and unanimously voted to close Mt. Bethel United Methodist Church located in eastern Cobb County ("Mt. Bethel") due to exigent circumstances and transferred all assets of said church to my client, the Trustees of the North Georgia Conference of the United Methodist Church ("Trustees"), as provided by the Book of Discipline, ¶ 2549.3.b.

The July 9, 2021 action has resulted in an immediate transfer of all assets of your client to the Trustees. The Trustees are mindful of the fact that employees, families, and members of Mt. Bethel and students and families connected to the Mt. Bethel Christian Academy ("Academy") will continue to participate in employment, instruction, activities, and worship at their church and their Academy. My client intends that none of their employment, instruction, activities, and worship be affected in any way by the closure and transfer of assets and by the operations going forward under the auspices of the Trustees and Steven Usry.

My client hereby demands that Mt. Bethel immediately take all action needful and necessary to deliver to my client within ten (10) days hereof lists identifying all of its assets and recognizing the transfer of each asset to the Trustees. My client asks that Mt. Bethel cooperate with the Trustees' future steps to preserve employment, participation, and worship at the church and the Academy.

Very truly yours,



T.E. Cauthorn

TEC/
Copy via e-mail: Robert D. Ingram

EXHIBIT 24

BISHOP HARVEY: The voting is now closed. It did not require, receive the required two-thirds vote. [Yes, 497; No, 289]

We will now move on to our next order of business. And we introduced it in the last, right before we took the break. We are now going to hear the minority report from Beth Ann Cook. Before you start her time, she does have one correction. Could she address that? Is it editorial? I think we can handle that. OK.

Minority Report on Disaffiliation

BETH ANN COOK (Indiana): For those who are trying to make sense of this in the DCA on p. 386, if you look at number one, at the end where it says point five, that should be point three. If you looked at that and you thought, how are you deleting point five in its entirety and then in line two changing the language in point five? That's why that didn't make any sense and I apologize that my eyes were not good last night. I was tired and so was the typist, and between us we made a mistake.

BISHOP HARVEY: Thank you.

COOK: My name is Beth Ann Cook and I serve as the pastor of Logansport First United Methodist Church in Indiana. I want to let you know that our flagship ministry is a day care and preschool with one hundred and forty beautiful children. One lesson every child learns at Logan First is that we should treat one another as Jesus taught us to in Matthew 7:12. That verse says we should treat one another as we want to be treated. Some of the fights in other churches over how to be in ministry with LGBTQ persons have gotten uglier than any fight I've ever seen among preschoolers. Honestly, they fight and kick sometimes. And yet it's true. The Episcopal Church wasted over sixty million on legal battles but the toll on hearts and

minds was much higher and there were broken relationships.

Those of us bringing this minority report are seeking to avoid such ugly fighting and hurting in the UMC. We already feel pain in this room. We do not want to force any church to leave the denomination. This does not force anyone to do so. What it does, it says that any church that discerns that because of today's votes, they cannot faithfully live out the gospel, would have an opportunity to have a fair process and to leave. The intended process is literally how I would want to be treated if I were the one hurting because of that. As it is currently written, the petition gives a blank check to annual conferences to add additional requirements to departing local churches. We all know there is deep mistrust in The United Methodist Church. Some annual conferences have small theological minorities who fear the misuse of power and I believe that's true on both ends of this issue. This would be a uniform plan across the entire United Methodist Church.

The Judicial Council ruled that this petition as it's currently worded is unconstitutional for two reasons. The first is that it is the conference board of trustees and not the bishop that has the responsibility of formalizing the agreement. The other would require an amendment from the floor to bring a vote of two-thirds of the annual conference to make sure that we are doing things legally. But this minority report is a way for us to seek to love one another in the midst of deep disagreement. Jesus said you will know that we are disciples because of our love for one another. Let us be known as those who love in the midst of deep disagreement and pain are seeking to have a fair process.

BISHOP CYNTHIA FIERRO HARVEY: Thank you. We have

a couple of points of order that I will—they need to be real points of order. Remember we've got to be very specific at this point. I'd like to call Ginger Gaines-Cirelli to mic. 3.

GINGER ELISE GAINES-CIRELLI (Baltimore-Washington): Thank you, Bishop. Ginger Gaines-Cirelli. Thank you, Bishop. This is Ginger Gaines-Cirelli, Baltimore-Washington Conference. Thank you. I'm not the greatest at the rules, so I hope I've gotten here on the right, pushing the right button.

BISHOP HARVEY: We'll help you.

GAINES-CIRELLI: All right, thank you. Pursuant to Par. 56.1 and 2609.1, I move that the body vote to appeal the General Conference's passage of the Traditional Plan.

BISHOP HARVEY: Could you cite the location of those page numbers again. It's in *The Book of Discipline*, I'm guessing, you're referring to.

GAINES-CIRELLI: Yes. Par. 56.1 and 2609.1. I move that the body vote to appeal the General Conference's passage of the Traditional Plan to the Judicial Council.

BISHOP HARVEY: This is not, this isn't proper before us, because you can't make a motion if you signed in for a point of order.

GAINES-CIRELLI: I didn't know what to use.

BISHOP HARVEY: OK. Which, which button, if you wanna refer, there's no button that says "refer." You have to use that other button; that no. 8 button.

GAINES-CIRELLI: Do I have to start over?

BISHOP HARVEY: I'm afraid so.

GAINES-CIRELLI: OK. Well, you'll know what I'm dialing in for.

BISHOP HARVEY: I gotcha.

GAINES-CIRELLI: Thank you.

BISHOP HARVEY: OK. A point of order, Dave Nuckols, mic.

CERTIFICATE OF SERVICE

This is to certify that I have served a copy of the foregoing VERIFIED ANSWER, COUNTERCLAIMS AND THIRD-PARTY CLAIMS upon the following by electronically filing same with the Court via Peachcourt, which will automatically send e-mail notification of such filing to the following attorneys of record:

T.E. Cauthorn, Esq.
Brittany E. Schmidt, Esq.
Cauthorn, Nohr & Owen
212 Church Street
Marietta, GA 30060
tec@cauthorntohr.com
bes@cauthorntohr.com

J. Wickliffe Cauthorn, Esq.
The Cauthorn Firm
1984 Howell Mill Road
Box 20059
Atlanta, GA 30325
wick@thecauthornfirm.com

This 5th day of October, 2021.

MOORE INGRAM JOHNSON & STEELE, LLP



Jeffrey A. Daxe

Emerson Overlook
326 Roswell Street, Suite 100
Marietta, Georgia 30060
770-429-1499
jad@mij.com