

Standard Form Disaffiliation Agreement-Tennessee-Western Kentucky Conference

As mandated by ¶ 2553

DISAFFILIATION AGREEMENT PURSUANT TO ¶ 2553

This Disaffiliation Agreement Pursuant to ¶ 2553 (“Disaffiliation Agreement”) is entered into this **30th** day of **August, 2023**, by and between **Alamo First United Methodist Church** (“Local Church”) and **The Tennessee-Western Kentucky Conference** of the United Methodist Church (“Annual Conference”).

WHEREAS, Local Church is a United Methodist church within the boundaries of Annual Conference;

WHEREAS, Local Church has held a church conference, in compliance with ¶¶ 246.8, 248, and 2553.2-.3 of *The Book of Discipline of The United Methodist Church* (“*Discipline*”), at which at least two-thirds (2/3) of the professing members present at the church conference of Local Church voted to disaffiliate from The United Methodist Church “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.”

WHEREAS, pursuant to ¶ 2501.1 of the *Discipline*, Local Church holds its real and personal, tangible and intangible property “in trust for The United Methodist Church and subject to the provisions of its *Discipline*.”

WHEREAS, property subject to ¶ 2501.1 “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*.” (¶ 2501.2)

WHEREAS, ¶ 2553 provides a specific circumstance in which property subject to ¶ 2501.1 can be released from the trust imposed by that paragraph.

WHEREAS, ¶ 2553.4 requires the terms and conditions of Local Church’s disaffiliation from The United Methodist Church to be “memorialized in a binding Disaffiliation Agreement.”

WHEREAS, Local Church and Annual Conference wish to (1) resolve all matters between them, and Local Church wishes to acquire from Annual Conference all of Annual Conference's interest, on behalf of The United Methodist Church, in the real and personal, tangible and intangible property held by Local Church and (2) comply with the requirements of ¶ 2553 and Judicial Council *Decision* 1379.

NOW, THEREFORE, in consideration of the foregoing and all the mutual covenants herein contained, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Local Church and Annual Conference agree as follows:

1. Conditions Precedent. Local Church and Annual Conference acknowledge and agree:
 - a. *Church Conference Vote*. At least two-thirds (2/3) of the professing members present at a church conference of Local Church must vote to disaffiliate from The United Methodist Church "*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.*" Local Church must provide documentation, to the satisfaction of Annual Conference, which evidences the result of the disaffiliation vote taken at the church conference. Such documentation must be certified by an authorized officer of Local Church and shall be included as EXHIBIT A to this Disaffiliation Agreement.
 - b. *Annual Conference Vote*. This Disaffiliation Agreement must be "ratified by a simple majority of the members . . . present and voting" at a duly-called session of Annual Conference, as required by Judicial Council *Decision* 1379 and ¶ 2529.1b(3).

Should either of the above not occur, this Disaffiliation Agreement shall immediately become null and void.

2. Applicability of ¶ 2501. Local Church acknowledges and agrees that pursuant to ¶ 2501 of the *Discipline*, Local Church holds all property, real and personal, tangible and intangible, in trust for the benefit of The United Methodist Church.

3. Date of Disaffiliation. Should Local Church timely comply with all of its obligations as set forth herein, Local Church's disaffiliation from The United Methodist Church will be effective on the last day of the month in which the Annual Conference votes to approve disaffiliation ("Disaffiliation Date"). The Disaffiliation Date must be subsequent to the Annual Conference's ratification referenced in Section 1 above.

4. Local Church's Obligations. Unless a different date is specified, Local Church shall, by no later than the Disaffiliation Date, do the following:

Payments. Prior to the Disaffiliation Date, Local Church shall pay to Annual Conference, in a manner specified by Annual Conference, the following:

- i. Local Church shall have the right to retain its real and personal, tangible and intangible property without charge. Any costs relating to Local Church's retention of its property will be borne by Local Church.
- ii. Any unpaid connectional for the twelve (12) months immediately prior to the Disaffiliation Date, as calculated by Annual Conference, totaling -\$1,353.00 credit balance
- iii. An additional twelve (12) months of connectional commitment, as calculated by Annual Conference, totaling \$13,720.00
- iv. Any past due Direct Bill Pension or Health Insurance payments \$0.00
- v. An amount equal to Local Church's pro rata share, based on a ratio of church's Connectional Commitment to the current year's budget, of Annual Conference's unfunded pension obligations, based on the Annual Conference's aggregate funding obligations as determined by the General Board of Pension and Health Benefits using market factors similar to a commercial annuity provider, totaling \$23,065.00
- vi. Any grant from the Annual Conference to the Local Church that was received within two (2) years prior to the Disaffiliation Date, including but not limited to grants for Equitable Compensation or small church capital improvements, shall be treated as a loan and shall be repaid in full prior to the Disaffiliation Date; \$0.00

vii. If the Bishop has appointed a pastor to serve a local church for the church year beginning July 1, 2023, the Church shall be responsible, prior to the Disaffiliation Date, for paying to Conference a sum equal to the cost of salary and benefits for the pastor until the end of the Conference year on June 30, 2024, notwithstanding that the Disaffiliation Date will be November 30, 2023, unless another appointment of equal or greater salary and benefits is available to the pastor at the time of the Church's disaffiliation. **Salary/Housing: \$0.00 Medical/Pension: \$0.00**

viii. **Total due for disaffiliation: \$35,432.00**

- b. *Other Liabilities.* Local Church shall either satisfy all of its debts, loans, and liabilities, or assign or transfer such obligations to its new entity. Such debts, loans and liabilities, and the disposition thereof, are listed in EXHIBIT B to this Agreement. Local Church must provide sufficient documentation of same to Annual Conference. Notwithstanding whether any such liability is disclosed in EXHIBIT B, all liabilities of Local Church shall remain liabilities of Local Church's new entity and shall not become liabilities of Annual Conference.
- c. *Intellectual Property.* Local Church shall cease all use of "United Methodist," the Cross & Flame insignia, and any other intellectual property of the denomination and Annual Conference, including the removal of all signage containing the same."
- d. *Group Tax Exemption Ruling.* As of the Disaffiliation Date, Local Church shall cease to use, and also shall ensure that any affiliates of Local Church which have been included in the group tax exemption ruling shall cease to use, any and all documentation stating that Local Church is included in the denomination's group tax exemption ruling administered by the General Council on Finance and Administration of The United Methodist Church. Local Church and any of its affiliates which have been included in the group tax exemption ruling will be removed as of the Disaffiliation Date.

5. **Organizational Transition.** Local Church shall take all steps necessary to close and/or dissolve any legal entities and to settle, liquidate, or transfer all assets and obligations of such entities, or to establish any new legal entities, or to modify its current organizing documents, as needed to effectuate its disaffiliation from The United Methodist Church to the satisfaction of Annual Conference. Local Church shall indemnify, defend, and hold harmless Annual Conference and its officers, directors, agents, and

employees from any liability or costs (including reasonable attorney fees) resulting from any claim, action, or cause of action for damages to persons or property resulting from Local Church's failure to take all necessary steps as required by this Section 5.

6. Property. On the Disaffiliation Date, Local Church will have full ownership of the property and assets listed in EXHIBIT B to this Agreement. For any real property to be retained by Local Church, Local Church shall cause to be prepared a quitclaim deed in the form shown in Exhibit C hereto, for signature by two Conference Trustees, which deed shall disclaim any interest of the Conference in the real property pursuant to the UMC trust clause or otherwise. Local Church shall be solely responsible for ensuring that the property description contained in the Quitclaim Deed is accurate, and Conference shall make no warranty of title as to Local Church's property. Local Church shall provide the information required by Exhibits A and B and the Quitclaim Deed referenced in Exhibit C prior to the date of the Annual Conference vote on disaffiliation. The parties shall ensure all necessary transfers or other transactions relating to the above properties are completed prior to the Disaffiliation Date. Any costs resulting from such transfers or other transactions shall be borne by Local Church. Annual Conference shall fully cooperate with Local Church, as needed and applicable, to ensure that such transfers and other transactions convey all of Annual Conference's interest – both for itself and on behalf of The United Methodist Church – in the real and personal, tangible and intangible property of Local Church.

7. Release of Claims. Upon the completion of all of their respective obligations herein, Annual Conference and Local Church, for themselves and their agents, representatives, members, trustees, employees, successors, attorneys, and assigns, hereby fully and forever covenant not to sue each other, and release and discharge each other, and their current and former trustees, officers, representatives, employees, and assigns, in both their official and individual capacities, from any liability for any and all causes of action and claims, including any statutory or common law cause of action, tort or contractual claims, any claims for attorneys' fees, expenses and all other damages, whether known or unknown, foreseen or unforeseen, which Annual Conference or Local Church ever had, now has, hereafter may have or claim to have against any of the above-named entities or persons in any way arising out of their relationship with each other. The parties further represent they have no pending lawsuit, charge, complaint, or other action against each other. Notwithstanding the foregoing releases and covenants not

to sue, the parties may take action to enforce this Disaffiliation Agreement in any court where jurisdiction and venue are proper.

8. Time Limit. Should the Local Church fail to satisfy all of its obligations set forth herein by December 31, 2023, this Disaffiliation Agreement shall be null and void.

9. Continuing as Plan Sponsor. Nothing in this Disaffiliation Agreement shall prevent Local Church, after the Disaffiliation Date, from continuing to sponsor benefit plans from the General Board of Pension and Health Benefits (Wespath) to the extent permitted by federal law, and provided that Local Church has not expressly resolved that it no longer shares common religious bonds with The United Methodist Church.

10. Non-Severability. Each of the terms of this Disaffiliation Agreement is a material and integral part hereof. Should any provision of this Disaffiliation Agreement be held unenforceable or contrary to law, the entire Disaffiliation Agreement shall be deemed null and void.

Representatives of the Local Church

Bernie Hunt Chair, Administrative Board

Date 8/30/23

Frankie B. Allege Chair, Board of Trustees

Date 8-30-23

Representatives of the Annual Conference

D. J. W. [Signature] District Superintendent

Date 8-30-23

Rachel B. Allege Authorized Member, Board of Trustees

Date 10/20/2023

EXHIBIT A TO DISAFFILIATION AGREEMENT

OFFICER'S CERTIFICATE OF THE DISAFFILIATION VOTE
OF THE MEMBERS OF THE
ALAMO FIRST UNITED METHODIST CHURCH

PHYSICAL ADDRESS OF CHURCH:

80 NORTH JOHNSON ST.
ALAMO, TN 38001

I, Bennett Hunt, as the undersigned officer or authorized designee of **Alamo First United Methodist Church** ("Church") certify the vote of the Church members that was taken to disaffiliate from the United Methodist Church pursuant to Paragraph 2553 of the *Book of Discipline of the United Methodist Church*.

I can certify that the following events transpired as described:

1. The Church Council and members of the Church met on **Wednesday, August 30, 2023** at **6:00p.m.** at a meeting duly called by the District Superintendent after notice as required by the *Book of Discipline*.

2. There were 84 ballots cast on the issue of whether to disaffiliate from the United Methodist Church subject to the provision of Paragraph 2553 of the *Book of Discipline*.

The number of votes needed to meet the required 2/3 majority is 56.

3. 26 voted "No;" against disaffiliation;

57 voted "Yes," to disaffiliate;

1 abstained.



OFFICER/AUTHORIZED DESIGNEE



CHAIR OF TRUSTEES



DISTRICT SUPERINTENDENT
Chair of Church Council

EXHIBIT B TO DISAFFILIATION AGREEMENT
LIST OF ASSETS TO BE TRANSFERRED AND LIABILITIES TO BE ASSUMED

Alamo First United Methodist Church Inc.
30 North Johnson St - Alamo, TN 38001
County of Crockett

REAL PROPERTY: **Physical Address, County where Located, Deed Book/Page and Use** (i.e., church building, parsonage, cemetery etc.) of Real Property to be transferred (Attach copies of deeds containing property description. If multiple properties, attached a list on a separate sheet.) **All listed information must be provided.**

Deed Book 131 Page 71 *Crockett County Court House - 1 South Bell St. - Alamo, TN 38001*
Church - Tract #1 *All Properties are on 1 Deed.*
Activity Bldg - Tract #5 *Activity Bldg Parking Lot - Tract #2 - Parsonage on 2 Tract #3 & #4*

BANK/FINANCIAL ACCOUNTS: List bank and type of each account in which trust clause is to be released. *- See Attached List (2 pages)*

PERSONAL PROPERTY: Trust clause is to be released in:

☒ All personal property, other than property bearing "United Methodist Church" or the Cross and Flame

☐ All personal property, with the exception of the following:

(List any property that will be retained by the Annual Conference)

EXISTING LIABILITIES (FOR EACH, PROVIDE PROOF OF SATISFACTION OF LIABILITY OR TRANSFER OF LIABILITY TO SUCCESSOR ENTITY):

MORTGAGES:

NONE

SECURED/UNSECURED

NOTES:

NONE

THREATENED OR PENDING LITIGATION

NONE

SUCCESSOR

ENTITY:

To Be Determined

(IF CORPORATION, PROVIDE CORPORATE NAME. IF UNINCORPORATED ENTITY, PROVIDE BOTH THE NAME OF THE NEW ENTITY AND THE NAMES OF INDIVIDUAL TRUSTEES IN WHOSE NAME TRANSFER SHOULD BE MADE)

TO BE DETERMINED

I CERTIFY THAT THE INFORMATION PROVIDED ABOVE IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

Rafaela L. Lamm
Treasurer / Trustee
OFFICER/AUTHORIZED

DESIGNEE

Standard Form Disaffiliation Agreement-Tennessee-Western Kentucky (TWK) Conference
As mandated by ¶ 2553

DISAFFILIATION AGREEMENT PURSUANT TO ¶ 2553

This Disaffiliation Agreement Pursuant to ¶ 2553 (“Disaffiliation Agreement”) is entered into this 18th day of September, 2023, by and between **Blooming Grove United Methodist Church** (“Local Church”) and **The Tennessee-Western Kentucky Conference** of the United Methodist Church (“Annual Conference”).

WHEREAS, Local Church is a United Methodist church within the boundaries of Annual Conference;

WHEREAS, Local Church has held a church conference, in compliance with ¶¶ 246.8, 248, and 2553.2-.3 of *The Book of Discipline of The United Methodist Church* (“*Discipline*”), at which at least two-thirds (2/3) of the professing members present at the church conference of Local Church voted to disaffiliate from The United Methodist Church “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.”

WHEREAS, pursuant to ¶ 2501.1 of the *Discipline*, Local Church holds its real and personal, tangible and intangible property “in trust for The United Methodist Church and subject to the provisions of its *Discipline*.”

WHEREAS, property subject to ¶ 2501.1 “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*.” (¶ 2501.2)

WHEREAS, ¶ 2553 provides a specific circumstance in which property subject to ¶ 2501.1 can be released from the trust imposed by that paragraph.

WHEREAS, ¶ 2553.4 requires the terms and conditions of Local Church’s disaffiliation from The United Methodist Church to be “memorialized in a binding Disaffiliation Agreement.”

WHEREAS, Local Church and Annual Conference wish to (1) resolve all matters between them, and Local Church wishes to acquire from Annual Conference all of Annual Conference's interest, on behalf of The United Methodist Church, in the real and personal, tangible and intangible property held by Local Church and (2) comply with the requirements of ¶ 2553 and Judicial Council *Decision* 1379.

NOW, THEREFORE, in consideration of the foregoing and all the mutual covenants herein contained, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Local Church and Annual Conference agree as follows:

1. Conditions Precedent. Local Church and Annual Conference acknowledge and agree:

- a. *Church Conference Vote*. At least two-thirds (2/3) of the professing members present at a church conference of Local Church must vote to disaffiliate from The United Methodist Church *"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."* Local Church must provide documentation, to the satisfaction of Annual Conference, which evidences the result of the disaffiliation vote taken at the church conference. Such documentation must be certified by an authorized officer of Local Church and shall be included as EXHIBIT A to this Disaffiliation Agreement.
- b. *Annual Conference Vote*. This Disaffiliation Agreement must be "ratified by a simple majority of the members . . . present and voting" at a duly-called session of Annual Conference, as required by Judicial Council *Decision* 1379 and ¶ 2529.1b(3).

Should either of the above not occur, this Disaffiliation Agreement shall immediately become null and void.

2. Applicability of ¶ 2501. Local Church acknowledges and agrees that pursuant to ¶ 2501 of the *Discipline*, Local Church holds all property, real and personal, tangible and intangible, in trust for the benefit of The United Methodist Church.

3. Date of Disaffiliation. Should Local Church timely comply with all of its obligations as set forth herein, Local Church's disaffiliation from The United Methodist Church will be effective on the last day of the month in which the Annual Conference votes to approve disaffiliation ("Disaffiliation Date"). The Disaffiliation Date must be subsequent to the Annual Conference's ratification referenced in Section 1 above.

4. Local Church's Obligations. Unless a different date is specified, Local Church shall, by no later than the Disaffiliation Date, do the following:

Payments. Prior to the Disaffiliation Date, Local Church shall pay to Annual Conference, in a manner specified by Annual Conference, the following:

- i. Local Church shall have the right to retain its real and personal, tangible and intangible property without charge. Any costs relating to Local Church's retention of its property will be borne by Local Church.
- ii. Any unpaid connectional for the twelve (12) months immediately prior to the Disaffiliation Date, as calculated by Annual Conference, totaling **\$(266.00)**
- iii. An additional twelve (12) months of connectional commitment, as calculated by Annual Conference, totaling **\$4,153.00**
- iv. Any past due Direct Bill Pension or Health Insurance payments **\$0.00**
- v. An amount equal to Local Church's pro rata share, based on a ratio of church's Connectional Commitment to the current year's budget, of Annual Conference's unfunded pension obligations, based on the Annual Conference's aggregate funding obligations as determined by the General Board of Pension and Health Benefits using market factors similar to a commercial annuity provider, totaling **\$4,539**
- vi. Any grant from the Annual Conference to the Local Church that was received within two (2) years prior to the Disaffiliation Date, including but not limited to grants for Equitable Compensation or small church capital improvements, shall be treated as a loan and shall be repaid in full prior to the Disaffiliation Date; **\$0.00**

vii. If the Bishop has appointed a pastor to serve a local church for the church year beginning July 1, 2023, the Church shall be responsible, prior to the Disaffiliation Date, for paying to Conference a sum equal to the cost of salary and benefits for the pastor until the end of the Conference year on June 30, 2024, notwithstanding that the Disaffiliation Date will be November 30, 2023, unless another appointment of equal or greater salary and benefits is available to the pastor at the time of the Church's disaffiliation. **\$0.00**

viii. **Total due for disaffiliation: \$8,426.00**

- b. *Other Liabilities.* Local Church shall either satisfy all of its debts, loans, and liabilities, or assign or transfer such obligations to its new entity. Such debts, loans and liabilities, and the disposition thereof, are listed in EXHIBIT B to this Agreement. Local Church must provide sufficient documentation of same to Annual Conference. Notwithstanding whether any such liability is disclosed in EXHIBIT B, all liabilities of Local Church shall remain liabilities of Local Church's new entity and shall not become liabilities of Annual Conference.
- c. *Intellectual Property.* Local Church shall cease all use of "United Methodist," the Cross & Flame insignia, and any other intellectual property of the denomination and Annual Conference, including the removal of all signage containing the same."
- d. *Group Tax Exemption Ruling.* As of the Disaffiliation Date, Local Church shall cease to use, and also shall ensure that any affiliates of Local Church which have been included in the group tax exemption ruling shall cease to use, any and all documentation stating that Local Church is included in the denomination's group tax exemption ruling administered by the General Council on Finance and Administration of The United Methodist Church. Local Church and any of its affiliates which have been included in the group tax exemption ruling will be removed as of the Disaffiliation Date.

5. **Organizational Transition.** Local Church shall take all steps necessary to close and/or dissolve any legal entities and to settle, liquidate, or transfer all assets and obligations of such entities, or to establish any new legal entities, or to modify its current organizing documents, as needed to effectuate its disaffiliation from The United Methodist Church to the satisfaction of Annual Conference. Local Church shall indemnify, defend, and hold harmless Annual Conference and its officers, directors, agents, and

employees from any liability or costs (including reasonable attorney fees) resulting from any claim, action, or cause of action for damages to persons or property resulting from Local Church's failure to take all necessary steps as required by this Section 5.

6. Property. On the Disaffiliation Date, Local Church will have full ownership of the property and assets listed in EXHIBIT B to this Agreement. For any real property to be retained by Local Church, Local Church shall cause to be prepared a quitclaim deed in the form shown in Exhibit C hereto, for signature by two Conference Trustees, which deed shall disclaim any interest of the Conference in the real property pursuant to the UMC trust clause or otherwise. Local Church shall be solely responsible for ensuring that the property description contained in the Quitclaim Deed is accurate, and Conference shall make no warranty of title as to Local Church's property. Local Church shall provide the information required by Exhibits A and B and the Quitclaim Deed referenced in Exhibit C prior to the date of the Annual Conference vote on disaffiliation. The parties shall ensure all necessary transfers or other transactions relating to the above properties are completed prior to the Disaffiliation Date. Any costs resulting from such transfers or other transactions shall be borne by Local Church. Annual Conference shall fully cooperate with Local Church, as needed and applicable, to ensure that such transfers and other transactions convey all of Annual Conference's interest – both for itself and on behalf of The United Methodist Church – in the real and personal, tangible and intangible property of Local Church.

7. Release of Claims. Upon the completion of all of their respective obligations herein, Annual Conference and Local Church, for themselves and their agents, representatives, members, trustees, employees, successors, attorneys, and assigns, hereby fully and forever covenant not to sue each other, and release and discharge each other, and their current and former trustees, officers, representatives, employees, and assigns, in both their official and individual capacities, from any liability for any and all causes of action and claims, including any statutory or common law cause of action, tort or contractual claims, any claims for attorneys' fees, expenses and all other damages, whether known or unknown, foreseen or unforeseen, which Annual Conference or Local Church ever had, now has, hereafter may have or claim to have against any of the above-named entities or persons in any way arising out of their relationship with each other. The parties further represent they have no pending lawsuit, charge, complaint, or other action against each other. Notwithstanding the foregoing releases and covenants not


to sue, the parties may take action to enforce this Disaffiliation Agreement in any court where jurisdiction and venue are proper.

8. Time Limit. Should the Local Church fail to satisfy all of its obligations set forth herein by December 31, 2023, this Disaffiliation Agreement shall be null and void.

9. Continuing as Plan Sponsor. Nothing in this Disaffiliation Agreement shall prevent Local Church, after the Disaffiliation Date, from continuing to sponsor benefit plans from the General Board of Pension and Health Benefits (Wespath) to the extent permitted by federal law, and provided that Local Church has not expressly resolved that it no longer shares common religious bonds with The United Methodist Church.

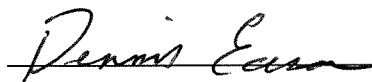
10. Non-Severability. Each of the terms of this Disaffiliation Agreement is a material and integral part hereof. Should any provision of this Disaffiliation Agreement be held unenforceable or contrary to law, the entire Disaffiliation Agreement shall be deemed null and void.

Representatives of the Local Church



Chair, Administrative Board

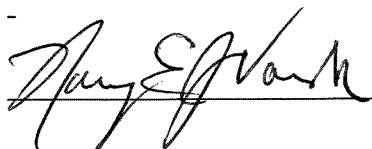
Date 9-18-23



Chair, Board of Trustees

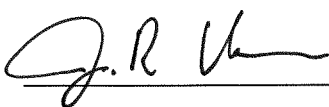
Date 9-18-23

Representatives of the Annual Conference



District Superintendent

Date 9-18-23



Authorized Member, Board of Trustees

Date 9-27-2023

EXHIBIT A TO DISAFFILIATION AGREEMENT
OFFICER'S CERTIFICATE OF THE DISAFFILIATION VOTE
OF THE **MEMBERS OF THE**
BLOOMING GROVE UNITED METHODIST CHURCH

PHYSICAL ADDRESS OF CHURCH:

1498 BLOOMING GROVE RD., S.

MCKENZIE, TN 38201

I, Daniel Ferguson, as the undersigned officer or authorized designee of **Blooming Grove United Methodist Church** ("Church") certify the vote of the Church members that was taken to disaffiliate from the United Methodist Church pursuant to Paragraph 2553 of the *Book of Discipline of the United Methodist Church*.

I can certify that the following events transpired as described:

1. The Church Council and members of the Church met on **September 18th, 2023, 6:00 p.m.** at a meeting duly called by the District Superintendent after notice as required by the *Book of Discipline*.

2. There were 21 ballots cast on the issue of whether to disaffiliate from the United Methodist Church subject to the provision of Paragraph 2553 of the *Book of Discipline*.

The number of votes needed to meet the required 2/3 majority is 13.

3. 1 voted "No;" against disaffiliation;
20 voted "Yes," to disaffiliate;
 abstained.

Dennis Egan

OFFICER/AUTHORIZED DESIGNEE

Daniel Ferguson

CHAIR OF TRUSTEES

Nancy E. J. Varden

DISTRICT SUPERINTENDENT

EXHIBIT B TO DISAFFILIATION AGREEMENT
LIST OF ASSETS TO BE TRANSFERRED AND LIABILITIES TO BE ASSUMED

REAL PROPERTY: Physical Address, County where Located, Deed Book/Page and Use (i.e., church building, parsonage, cemetery etc.) of Real Property to be transferred (Attach copies of deeds containing property description. If multiple properties, attached a list on a separate sheet.) **All listed information must be provided.**

1498 Blooming Grove Rd, South
McKenzie, TN 38201
Weakley County

See Attached Property List

BANK/FINANCIAL ACCOUNTS: List bank and type of each account in which trust clause is be released.

See Attached List

PERSONAL PROPERTY: Trust clause is to be released in:

X All personal property, other than property bearing "United Methodist Church" or the Cross and Flame

 All personal property, with the exception of the following:
(List any property that will be retained by the Annual Conference)

EXISTING LIABILITIES (FOR EACH, PROVIDE PROOF OF SATISFACTION OF LIABILITY OR TRANSFER OF LIABILITY TO SUCCESSOR ENTITY):

MORTGAGES: NONE

SECURED/UNSECURED NOTES: NONE

THREATENED NONE OR PENDING LITIGATION

SUCCESSOR ENTITY: Blooming Grove Methodist Church
(IF CORPORATION, PROVIDE CORPORATE NAME. IF UNINCORPORATED ENTITY, PROVIDE BOTH THE NAME OF THE NEW ENTITY AND THE NAMES OF INDIVIDUAL TRUSTEES IN WHOSE NAME TRANSFER SHOULD BE MADE)

I CERTIFY THAT THE INFORMATION PROVIDED ABOVE IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

Daniel Ferguson
8/21/23

OFFICER/AUTHORIZED DESIGNEE

Standard Form Disaffiliation Agreement-Tennessee-Western Kentucky (TWK) Conference
As mandated by ¶ 2553

DISAFFILIATION AGREEMENT PURSUANT TO ¶ 2553

This Disaffiliation Agreement Pursuant to ¶ 2553 (“Disaffiliation Agreement”) is entered into this **13th** day of **August**, 2023, by and between **Floyd’s Chapel United Methodist Church** (“Local Church”) and **The Tennessee-Western Kentucky Conference** of the United Methodist Church (“Annual Conference”).

WHEREAS, Local Church is a United Methodist church within the boundaries of Annual Conference;

WHEREAS, Local Church has held a church conference, in compliance with ¶¶ 246.8, 248, and 2553.2-.3 of *The Book of Discipline of The United Methodist Church* (“*Discipline*”), at which at least two-thirds (2/3) of the professing members present at the church conference of Local Church voted to disaffiliate from The United Methodist Church “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.”

WHEREAS, pursuant to ¶ 2501.1 of the *Discipline*, Local Church holds its real and personal, tangible and intangible property “in trust for The United Methodist Church and subject to the provisions of its *Discipline*.”

WHEREAS, property subject to ¶ 2501.1 “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*.” (¶ 2501.2)

WHEREAS, ¶ 2553 provides a specific circumstance in which property subject to ¶ 2501.1 can be released from the trust imposed by that paragraph.

WHEREAS, ¶ 2553.4 requires the terms and conditions of Local Church’s disaffiliation from The United Methodist Church to be “memorialized in a binding Disaffiliation Agreement.”

WHEREAS, Local Church and Annual Conference wish to (1) resolve all matters between them, and Local Church wishes to acquire from Annual Conference all of Annual Conference's interest, on behalf of The United Methodist Church, in the real and personal, tangible and intangible property held by Local Church and (2) comply with the requirements of ¶ 2553 and Judicial Council *Decision* 1379.

NOW, THEREFORE, in consideration of the foregoing and all the mutual covenants herein contained, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Local Church and Annual Conference agree as follows:

1. Conditions Precedent. Local Church and Annual Conference acknowledge and agree:

- a. *Church Conference Vote*. At least two-thirds (2/3) of the professing members present at a church conference of Local Church must vote to disaffiliate from The United Methodist Church "*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.*" Local Church must provide documentation, to the satisfaction of Annual Conference, which evidences the result of the disaffiliation vote taken at the church conference. Such documentation must be certified by an authorized officer of Local Church and shall be included as EXHIBIT A to this Disaffiliation Agreement.
- b. *Annual Conference Vote*. This Disaffiliation Agreement must be "ratified by a simple majority of the members . . . present and voting" at a duly-called session of Annual Conference, as required by Judicial Council *Decision* 1379 and ¶ 2529.1b(3).

Should either of the above not occur, this Disaffiliation Agreement shall immediately become null and void.

2. Applicability of ¶ 2501. Local Church acknowledges and agrees that pursuant to ¶ 2501 of the *Discipline*, Local Church holds all property, real and personal, tangible and intangible, in trust for the benefit of The United Methodist Church.

3. Date of Disaffiliation. Should Local Church timely comply with all of its obligations as set forth herein, Local Church's disaffiliation from The United Methodist Church will be effective on the last day of the month in which the Annual Conference votes to approve disaffiliation ("Disaffiliation Date"). The Disaffiliation Date must be subsequent to the Annual Conference's ratification referenced in Section 1 above.

4. Local Church's Obligations. Unless a different date is specified, Local Church shall, by no later than the Disaffiliation Date, do the following:

Payments. Prior to the Disaffiliation Date, Local Church shall pay to Annual Conference, in a manner specified by Annual Conference, the following:

- i. Local Church shall have the right to retain its real and personal, tangible and intangible property without charge. Any costs relating to Local Church's retention of its property will be borne by Local Church.
- ii. Any unpaid connectional for the twelve (12) months immediately prior to the Disaffiliation Date, as calculated by Annual Conference, totaling **\$ (221.00)**
- iii. An additional twelve (12) months of connectional commitment, as calculated by Annual Conference, totaling **\$4,047**
- iv. Any past due Direct Bill Pension or Health Insurance payments **\$0.00**
- v. An amount equal to Local Church's pro rata share, based on a ratio of church's Connectional Commitment to the current year's budget, of Annual Conference's unfunded pension obligations, based on the Annual Conference's aggregate funding obligations as determined by the General Board of Pension and Health Benefits using market factors similar to a commercial annuity provider, totaling **\$3,772.00**
- vi. Any grant from the Annual Conference to the Local Church that was received within two (2) years prior to the Disaffiliation Date, including but not limited to grants for Equitable Compensation or small church capital improvements, shall be treated as a loan and shall be repaid in full prior to the Disaffiliation Date; **\$0.00**

vii. If the Bishop has appointed a pastor to serve a local church for the church year beginning July 1, 2023, the Church shall be responsible, prior to the Disaffiliation Date, for paying to Conference a sum equal to the cost of salary and benefits for the pastor until the end of the Conference year on June 30, 2024, notwithstanding that the Disaffiliation Date will be November 30, 2023, unless another appointment of equal or greater salary and benefits is available to the pastor at the time of the Church's disaffiliation. **Salary/Housing: \$7,485.00 Medical/Pension: \$674.00**

viii. **Total due for disaffiliation: \$15,757.00**

- b. *Other Liabilities.* Local Church shall either satisfy all of its debts, loans, and liabilities, or assign or transfer such obligations to its new entity. Such debts, loans and liabilities, and the disposition thereof, are listed in EXHIBIT B to this Agreement. Local Church must provide sufficient documentation of same to Annual Conference. Notwithstanding whether any such liability is disclosed in EXHIBIT B, all liabilities of Local Church shall remain liabilities of Local Church's new entity and shall not become liabilities of Annual Conference.
- c. *Intellectual Property.* Local Church shall cease all use of "United Methodist," the Cross & Flame insignia, and any other intellectual property of the denomination and Annual Conference, including the removal of all signage containing the same."
- d. *Group Tax Exemption Ruling.* As of the Disaffiliation Date, Local Church shall cease to use, and also shall ensure that any affiliates of Local Church which have been included in the group tax exemption ruling shall cease to use, any and all documentation stating that Local Church is included in the denomination's group tax exemption ruling administered by the General Council on Finance and Administration of The United Methodist Church. Local Church and any of its affiliates which have been included in the group tax exemption ruling will be removed as of the Disaffiliation Date.

5. **Organizational Transition.** Local Church shall take all steps necessary to close and/or dissolve any legal entities and to settle, liquidate, or transfer all assets and obligations of such entities, or to establish any new legal entities, or to modify its current organizing documents, as needed to effectuate its disaffiliation from The United Methodist Church to the satisfaction of Annual Conference. Local Church shall indemnify, defend, and hold harmless Annual Conference and its officers, directors, agents, and

employees from any liability or costs (including reasonable attorney fees) resulting from any claim, action, or cause of action for damages to persons or property resulting from Local Church's failure to take all necessary steps as required by this Section 5.

6. Property. On the Disaffiliation Date, Local Church will have full ownership of the property and assets listed in EXHIBIT B to this Agreement. For any real property to be retained by Local Church, Local Church shall cause to be prepared a quitclaim deed in the form shown in Exhibit C hereto, for signature by two Conference Trustees, which deed shall disclaim any interest of the Conference in the real property pursuant to the UMC trust clause or otherwise. Local Church shall be solely responsible for ensuring that the property description contained in the Quitclaim Deed is accurate, and Conference shall make no warranty of title as to Local Church's property. Local Church shall provide the information required by Exhibits A and B and the Quitclaim Deed referenced in Exhibit C prior to the date of the Annual Conference vote on disaffiliation. The parties shall ensure all necessary transfers or other transactions relating to the above properties are completed prior to the Disaffiliation Date. Any costs resulting from such transfers or other transactions shall be borne by Local Church. Annual Conference shall fully cooperate with Local Church, as needed and applicable, to ensure that such transfers and other transactions convey all of Annual Conference's interest – both for itself and on behalf of The United Methodist Church – in the real and personal, tangible and intangible property of Local Church.

7. Release of Claims. Upon the completion of all of their respective obligations herein, Annual Conference and Local Church, for themselves and their agents, representatives, members, trustees, employees, successors, attorneys, and assigns, hereby fully and forever covenant not to sue each other, and release and discharge each other, and their current and former trustees, officers, representatives, employees, and assigns, in both their official and individual capacities, from any liability for any and all causes of action and claims, including any statutory or common law cause of action, tort or contractual claims, any claims for attorneys' fees, expenses and all other damages, whether known or unknown, foreseen or unforeseen, which Annual Conference or Local Church ever had, now has, hereafter may have or claim to have against any of the above-named entities or persons in any way arising out of their relationship with each other. The parties further represent they have no pending lawsuit, charge, complaint, or other action against each other. Notwithstanding the foregoing releases and covenants not

to sue, the parties may take action to enforce this Disaffiliation Agreement in any court where jurisdiction and venue are proper.

8. Time Limit. Should the Local Church fail to satisfy all of its obligations set forth herein by December 31, 2023, this Disaffiliation Agreement shall be null and void.

9. Continuing as Plan Sponsor. Nothing in this Disaffiliation Agreement shall prevent Local Church, after the Disaffiliation Date, from continuing to sponsor benefit plans from the General Board of Pension and Health Benefits (Wespath) to the extent permitted by federal law, and provided that Local Church has not expressly resolved that it no longer shares common religious bonds with The United Methodist Church.

10. Non-Severability. Each of the terms of this Disaffiliation Agreement is a material and integral part hereof. Should any provision of this Disaffiliation Agreement be held unenforceable or contrary to law, the entire Disaffiliation Agreement shall be deemed null and void.

Representatives of the Local Church

J. Paul Chair, Administrative Board

Date 8.13.23

Ernest Bushart Chair, Board of Trustees

Date 8-13-23

Representatives of the Annual Conference

James D. Camp District Superintendent

Date Aug 13, 2023

Rail B. Abbe Authorized Member, Board of Trustees

Date 10/20/2023

EXHIBIT A TO DISAFFILIATION AGREEMENT

OFFICER'S CERTIFICATE OF THE DISAFFILIATION VOTE OF THE MEMBERS OF THE FLOYD'S CHAPEL UNITED METHODIST CHURCH

PHYSICAL ADDRESS OF CHURCH:

37 DAVIS RD.

FRIENDSHIP, TN 38034

I, LINDA LEGGETT, as the undersigned officer or authorized designee of **Floyd's Chapel United Methodist Church** ("Church") certify the vote of the Church members that was taken to disaffiliate from the United Methodist Church pursuant to Paragraph 2553 of the *Book of Discipline of the United Methodist Church*.

I can certify that the following events transpired as described:

1. The Church Council and members of the Church met on **August 13th, 2023 at 4:00 p.m.** at a meeting duly called by the District Superintendent after notice as required by the *Book of Discipline*.

2. There were 23 ballots cast on the issue of whether to disaffiliate from the United Methodist Church subject to the provision of Paragraph 2553 of the *Book of Discipline*.

The number of votes needed to meet the required 2/3 majority is 16.

3. 0 voted "No;" against disaffiliation;
23 voted "Yes," to disaffiliate;
0 abstained.

Linda Sue Leggett

OFFICER/AUTHORIZED DESIGNEE

Ernest Bushart

CHAIR OF TRUSTEES

James R. Camp
DISTRICT SUPERINTENDENT

**EXHIBIT B TO DISAFFILIATION AGREEMENT
LIST OF ASSETS TO BE TRANSFERRED AND LIABILITIES TO BE
ASSUMED**

REAL PROPERTY: Physical Address, County where Located, Deed Book/Page and Use (i.e., church building, parsonage, cemetery etc.) of Real Property to be transferred (Attach copies of deeds containing property description. If multiple properties, attached a list on a separate sheet.)
All listed information must be provided. (See attached Legal Descriptions)

37 Davis Road

Friendship, Tennessee 38034

Parcel 1.00 and Parcel 1.01 on Tax Map 37 of Assessor's Office of
Crockett County, Tennessee

BANK/FINANCIAL ACCOUNTS: List bank and type of each account in which trust clause is
be released. [REDACTED]

PERSONAL PROPERTY: Trust clause is to be released in:

☒ All personal property, other than property bearing "United
Methodist Church" or the Cross and Flame

☐ All personal property, with the exception of the following:
(List any property that will be retained by the Annual Conference)

**EXISTING LIABILITIES (FOR EACH, PROVIDE PROOF OF SATISFACTION OF
LIABILITY OR TRANSFER OF LIABILITY TO SUCCESSOR ENTITY):**

MORTGAGES: NONE

SECURED/UNSECURED NOTES: NONE

THREATENED OR PENDING LITIGATION: NONE

**SUCCESSOR ENTITY: TERRY SCALLIONS, ERNEST BUSHART, RICK FISHER,
TERRY BRASFIELD, AND FREDDY EAST**

(IF CORPORATION, PROVIDE CORPORATE NAME. IF UNINCORPORATED ENTITY,
PROVIDE BOTH THE NAME OF THE NEW ENTITY AND THE NAMES OF INDIVIDUAL
TRUSTEES IN WHOSE NAME TRANSFER SHOULD BE MADE)

**I CERTIFY THAT THE INFORMATION PROVIDED ABOVE IS TRUE AND CORRECT
TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.**


OFFICER/AUTHORIZED DESIGNEE

Standard Form Disaffiliation Agreement-Tennessee-Western Kentucky (TWK) Conference
As mandated by ¶ 2553

DISAFFILIATION AGREEMENT PURSUANT TO ¶ 2553

This Disaffiliation Agreement Pursuant to ¶ 2553 (“Disaffiliation Agreement”) is entered into this 7th day of September, 2023, by and between **Gadsden United Methodist Church** (“Local Church”) and **The Tennessee-Western Kentucky Conference** of the United Methodist Church (“Annual Conference”).

WHEREAS, Local Church is a United Methodist church within the boundaries of Annual Conference;

WHEREAS, Local Church has held a church conference, in compliance with ¶¶ 246.8, 248, and 2553.2-.3 of *The Book of Discipline of The United Methodist Church* (“*Discipline*”), at which at least two-thirds (2/3) of the professing members present at the church conference of Local Church voted to disaffiliate from The United Methodist Church “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.”

WHEREAS, pursuant to ¶ 2501.1 of the *Discipline*, Local Church holds its real and personal, tangible and intangible property “in trust for The United Methodist Church and subject to the provisions of its *Discipline*.”

WHEREAS, property subject to ¶ 2501.1 “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*.” (¶ 2501.2)

WHEREAS, ¶ 2553 provides a specific circumstance in which property subject to ¶ 2501.1 can be released from the trust imposed by that paragraph.

WHEREAS, ¶ 2553.4 requires the terms and conditions of Local Church’s disaffiliation from The United Methodist Church to be “memorialized in a binding Disaffiliation Agreement.”

WHEREAS, Local Church and Annual Conference wish to (1) resolve all matters between them, and Local Church wishes to acquire from Annual Conference all of Annual Conference's interest, on behalf of The United Methodist Church, in the real and personal, tangible and intangible property held by Local Church and (2) comply with the requirements of ¶ 2553 and Judicial Council *Decision* 1379.

NOW, THEREFORE, in consideration of the foregoing and all the mutual covenants herein contained, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Local Church and Annual Conference agree as follows:

1. Conditions Precedent. Local Church and Annual Conference acknowledge and agree:
 - a. *Church Conference Vote*. At least two-thirds (2/3) of the professing members present at a church conference of Local Church must vote to disaffiliate from The United Methodist Church “*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.*” Local Church must provide documentation, to the satisfaction of Annual Conference, which evidences the result of the disaffiliation vote taken at the church conference. Such documentation must be certified by an authorized officer of Local Church and shall be included as EXHIBIT A to this Disaffiliation Agreement.
 - b. *Annual Conference Vote*. This Disaffiliation Agreement must be “ratified by a simple majority of the members . . . present and voting” at a duly-called session of Annual Conference, as required by Judicial Council *Decision* 1379 and ¶ 2529.1b(3).

Should either of the above not occur, this Disaffiliation Agreement shall immediately become null and void.

2. Applicability of ¶ 2501. Local Church acknowledges and agrees that pursuant to ¶ 2501 of the *Discipline*, Local Church holds all property, real and personal, tangible and intangible, in trust for the benefit of The United Methodist Church.

3. Date of Disaffiliation. Should Local Church timely comply with all of its obligations as set forth herein, Local Church's disaffiliation from The United Methodist Church will be effective on the last day of the month in which the Annual Conference votes to approve disaffiliation ("Disaffiliation Date"). The Disaffiliation Date must be subsequent to the Annual Conference's ratification referenced in Section 1 above.

4. Local Church's Obligations. Unless a different date is specified, Local Church shall, by no later than the Disaffiliation Date, do the following:

Payments. Prior to the Disaffiliation Date, Local Church shall pay to Annual Conference, in a manner specified by Annual Conference, the following:

- i. Local Church shall have the right to retain its real and personal, tangible and intangible property without charge. Any costs relating to Local Church's retention of its property will be borne by Local Church.
- ii. Any unpaid connectional for the twelve (12) months immediately prior to the Disaffiliation Date, as calculated by Annual Conference, totaling **\$1,471.00**
- iii. An additional twelve (12) months of connectional commitment, as calculated by Annual Conference, totaling **\$4,321.00**
- iv. Any past due Direct Bill Pension or Health Insurance payments **\$0.00**
- v. An amount equal to Local Church's pro rata share, based on a ratio of church's Connectional Commitment to the current year's budget, of Annual Conference's unfunded pension obligations, based on the Annual Conference's aggregate funding obligations as determined by the General Board of Pension and Health Benefits using market factors similar to a commercial annuity provider, totaling **\$6,269**
- vi. Any grant from the Annual Conference to the Local Church that was received within two (2) years prior to the Disaffiliation Date, including but not limited to grants for Equitable Compensation or small church capital improvements, shall be treated as a loan and shall be repaid in full prior to the Disaffiliation Date; **\$0.00**

vii. If the Bishop has appointed a pastor to serve a local church for the church year beginning July 1, 2023, the Church shall be responsible, prior to the Disaffiliation Date, for paying to Conference a sum equal to the cost of salary and benefits for the pastor until the end of the Conference year on June 30, 2024, notwithstanding that the Disaffiliation Date will be November 30, 2023, unless another appointment of equal or greater salary and benefits is available to the pastor at the time of the Church's disaffiliation.

viii. **Total due for disaffiliation: \$12,061.00**

b. *Other Liabilities.* Local Church shall either satisfy all of its debts, loans, and liabilities, or assign or transfer such obligations to its new entity. Such debts, loans and liabilities, and the disposition thereof, are listed in EXHIBIT B to this Agreement. Local Church must provide sufficient documentation of same to Annual Conference. Notwithstanding whether any such liability is disclosed in EXHIBIT B, all liabilities of Local Church shall remain liabilities of Local Church's new entity and shall not become liabilities of Annual Conference.

c. *Intellectual Property.* Local Church shall cease all use of "United Methodist," the Cross & Flame insignia, and any other intellectual property of the denomination and Annual Conference, including the removal of all signage containing the same."

d. *Group Tax Exemption Ruling.* As of the Disaffiliation Date, Local Church shall cease to use, and also shall ensure that any affiliates of Local Church which have been included in the group tax exemption ruling shall cease to use, any and all documentation stating that Local Church is included in the denomination's group tax exemption ruling administered by the General Council on Finance and Administration of The United Methodist Church. Local Church and any of its affiliates which have been included in the group tax exemption ruling will be removed as of the Disaffiliation Date.

5. **Organizational Transition.** Local Church shall take all steps necessary to close and/or dissolve any legal entities and to settle, liquidate, or transfer all assets and obligations of such entities, or to establish any new legal entities, or to modify its current organizing documents, as needed to effectuate its disaffiliation from The United Methodist Church to the satisfaction of Annual Conference. Local Church shall indemnify, defend, and hold harmless Annual Conference and its officers, directors, agents, and

employees from any liability or costs (including reasonable attorney fees) resulting from any claim, action, or cause of action for damages to persons or property resulting from Local Church's failure to take all necessary steps as required by this Section 5.

6. Property. On the Disaffiliation Date, Local Church will have full ownership of the property and assets listed in EXHIBIT B to this Agreement. For any real property to be retained by Local Church, Local Church shall cause to be prepared a quitclaim deed in the form shown in Exhibit C hereto, for signature by two Conference Trustees, which deed shall disclaim any interest of the Conference in the real property pursuant to the UMC trust clause or otherwise. Local Church shall be solely responsible for ensuring that the property description contained in the Quitclaim Deed is accurate, and Conference shall make no warranty of title as to Local Church's property. Local Church shall provide the information required by Exhibits A and B and the Quitclaim Deed referenced in Exhibit C prior to the date of the Annual Conference vote on disaffiliation. The parties shall ensure all necessary transfers or other transactions relating to the above properties are completed prior to the Disaffiliation Date. Any costs resulting from such transfers or other transactions shall be borne by Local Church. Annual Conference shall fully cooperate with Local Church, as needed and applicable, to ensure that such transfers and other transactions convey all of Annual Conference's interest – both for itself and on behalf of The United Methodist Church – in the real and personal, tangible and intangible property of Local Church.

7. Release of Claims. Upon the completion of all of their respective obligations herein, Annual Conference and Local Church, for themselves and their agents, representatives, members, trustees, employees, successors, attorneys, and assigns, hereby fully and forever covenant not to sue each other, and release and discharge each other, and their current and former trustees, officers, representatives, employees, and assigns, in both their official and individual capacities, from any liability for any and all causes of action and claims, including any statutory or common law cause of action, tort or contractual claims, any claims for attorneys' fees, expenses and all other damages, whether known or unknown, foreseen or unforeseen, which Annual Conference or Local Church ever had, now has, hereafter may have or claim to have against any of the above-named entities or persons in any way arising out of their relationship with each other. The parties further represent they have no pending lawsuit, charge, complaint, or other action against each other. Notwithstanding the foregoing releases and covenants not

to sue, the parties may take action to enforce this Disaffiliation Agreement in any court where jurisdiction and venue are proper.

8. Time Limit. Should the Local Church fail to satisfy all of its obligations set forth herein by December 31, 2023, this Disaffiliation Agreement shall be null and void.

9. Continuing as Plan Sponsor. Nothing in this Disaffiliation Agreement shall prevent Local Church, after the Disaffiliation Date, from continuing to sponsor benefit plans from the General Board of Pension and Health Benefits (Wespath) to the extent permitted by federal law, and provided that Local Church has not expressly resolved that it no longer shares common religious bonds with The United Methodist Church.

10. Non-Severability. Each of the terms of this Disaffiliation Agreement is a material and integral part hereof. Should any provision of this Disaffiliation Agreement be held unenforceable or contrary to law, the entire Disaffiliation Agreement shall be deemed null and void.

Representatives of the Local Church

Kyle D. Halgfield Chair, Administrative Board

Date SEP 7, 2023

Rt E. Foulk Chair, Board of Trustees

Date Sept 7, 2023

Representatives of the Annual Conference

James H. Camp District Superintendent

Date Sept 7, 2023

Raul B. Alegria Authorized Member, Board of Trustees

Date 10/20/2023

EXHIBIT A TO DISAFFILIATION AGREEMENT

OFFICER'S CERTIFICATE OF THE DISAFFILIATION VOTE
OF THE **MEMBERS OF THE**
GADSDEN UNITED METHODIST CHURCH

PHYSICAL ADDRESS OF CHURCH:

20048 Hwy 79

GADSDEN, TN 38337

I, Kelly Williams, as the undersigned officer or authorized designee of **Gadsden United Methodist Church** ("Church") certify the vote of the Church members that was taken to disaffiliate from the United Methodist Church pursuant to Paragraph 2553 of the *Book of Discipline of the United Methodist Church*.

I can certify that the following events transpired as described:

1. The Church Council and members of the Church met on **September 7, 2023 at 6:00 p.m.** at a meeting duly called by the District Superintendent after notice as required by the *Book of Discipline*.

2. There were 34 ballots cast on the issue of whether to disaffiliate from the United Methodist Church subject to the provision of Paragraph 2553 of the *Book of Discipline*.

The number of votes needed to meet the required 2/3 majority is 23.

3. 2 voted "No;" against disaffiliation;

32 voted "Yes," to disaffiliate;

Ø abstained.

Kelly Williams

OFFICER/AUTHORIZED DESIGNEE

RtE Losh

CHAIR OF TRUSTEES

James D. Camp

DISTRICT SUPERINTENDENT

**EXHIBIT B TO DISAFFILIATION AGREEMENT
LIST OF ASSETS TO BE TRANSFERRED AND LIABILITIES TO BE
ASSUMED**

REAL PROPERTY: Physical Address, County where Located, Deed Book/Page and Use (i.e., church building, parsonage, cemetery etc.) of Real Property to be transferred (Attach copies of deeds containing property description. If multiple properties, attached a list on a separate sheet.) All listed information must be provided.

Church Bldg - 20048 HWY 79 GADSDEN, TN 38337
DEED Book 9, pg 548; DEED Book 29, Pg 645
Family Life Center - 20048 Hwy 79 Gadsden, TN 38337
Deed Book 9, pg 548; Deed Book 29, Pg 645

BANK/FINANCIAL ACCOUNTS: List bank and type of each account in which trust clause is be released.

PERSONAL PROPERTY: Trust clause is to be released in:

X All personal property, other than property bearing "United Methodist Church" or the Cross and Flame

 All personal property, with the exception of the following:
(List any property that will be retained by the Annual Conference)

EXISTING LIABILITIES (FOR EACH, PROVIDE PROOF OF SATISFACTION OF LIABILITY OR TRANSFER OF LIABILITY TO SUCCESSOR ENTITY):

MORTGAGES: NONE

SECURED/UNSECURED NOTES: NONE

THREATENED OR PENDING LITIGATION NONE

SUCCESSOR ENTITY: Gadsden Methodist Church
(IF CORPORATION, PROVIDE CORPORATE NAME. IF UNINCORPORATED ENTITY, PROVIDE BOTH THE NAME OF THE NEW ENTITY AND THE NAMES OF INDIVIDUAL TRUSTEES IN WHOSE NAME TRANSFER SHOULD BE MADE)

I CERTIFY THAT THE INFORMATION PROVIDED ABOVE IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

Roy Matthews - Financial Chair
Sharon Mathis
Chairperson PPR

Roy Matthews Chairman Trustee
OFFICER/AUTHORIZED DESIGNEE

Kyle J. Holfield Church Council Chair

Standard Form Disaffiliation Agreement-Tennessee-Western Kentucky Conference
As mandated by ¶ 2553

DISAFFILIATION AGREEMENT PURSUANT TO ¶ 2553

This Disaffiliation Agreement Pursuant to ¶ 2553 (“Disaffiliation Agreement”) is entered into this **18th** day of **September, 2023**, by and between **Gates United Methodist Church** (“Local Church”) and **The Tennessee-Western Kentucky Conference** of the United Methodist Church (“Annual Conference”).

WHEREAS, Local Church is a United Methodist church within the boundaries of Annual Conference;

WHEREAS, Local Church has held a church conference, in compliance with ¶¶ 246.8, 248, and 2553.2-.3 of *The Book of Discipline of The United Methodist Church* (“*Discipline*”), at which at least two-thirds (2/3) of the professing members present at the church conference of Local Church voted to disaffiliate from The United Methodist Church “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.”

WHEREAS, pursuant to ¶ 2501.1 of the *Discipline*, Local Church holds its real and personal, tangible and intangible property “in trust for The United Methodist Church and subject to the provisions of its *Discipline*.”

WHEREAS, property subject to ¶ 2501.1 “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*.” (¶ 2501.2)

WHEREAS, ¶ 2553 provides a specific circumstance in which property subject to ¶ 2501.1 can be released from the trust imposed by that paragraph.

WHEREAS, ¶ 2553.4 requires the terms and conditions of Local Church’s disaffiliation from The United Methodist Church to be “memorialized in a binding Disaffiliation Agreement.”

WHEREAS, Local Church and Annual Conference wish to (1) resolve all matters between them, and Local Church wishes to acquire from Annual Conference all of Annual Conference's interest, on behalf of The United Methodist Church, in the real and personal, tangible and intangible property held by Local Church and (2) comply with the requirements of ¶ 2553 and Judicial Council *Decision* 1379.

NOW, THEREFORE, in consideration of the foregoing and all the mutual covenants herein contained, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Local Church and Annual Conference agree as follows:

1. Conditions Precedent. Local Church and Annual Conference acknowledge and agree:
 - a. *Church Conference Vote*. At least two-thirds (2/3) of the professing members present at a church conference of Local Church must vote to disaffiliate from The United Methodist Church *"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."* Local Church must provide documentation, to the satisfaction of Annual Conference, which evidences the result of the disaffiliation vote taken at the church conference. Such documentation must be certified by an authorized officer of Local Church and shall be included as EXHIBIT A to this Disaffiliation Agreement.
 - b. *Annual Conference Vote*. This Disaffiliation Agreement must be "ratified by a simple majority of the members . . . present and voting" at a duly-called session of Annual Conference, as required by Judicial Council *Decision* 1379 and ¶ 2529.1b(3).

Should either of the above not occur, this Disaffiliation Agreement shall immediately become null and void.

2. Applicability of ¶ 2501. Local Church acknowledges and agrees that pursuant to ¶ 2501 of the *Discipline*, Local Church holds all property, real and personal, tangible and intangible, in trust for the benefit of The United Methodist Church.

3. Date of Disaffiliation. Should Local Church timely comply with all of its obligations as set forth herein, Local Church's disaffiliation from The United Methodist Church will be effective on the last day of the month in which the Annual Conference votes to approve disaffiliation ("Disaffiliation Date"). The Disaffiliation Date must be subsequent to the Annual Conference's ratification referenced in Section 1 above.

4. Local Church's Obligations. Unless a different date is specified, Local Church shall, by no later than the Disaffiliation Date, do the following:

Payments. Prior to the Disaffiliation Date, Local Church shall pay to Annual Conference, in a manner specified by Annual Conference, the following:

- i. Local Church shall have the right to retain its real and personal, tangible and intangible property without charge. Any costs relating to Local Church's retention of its property will be borne by Local Church.
- ii. Any unpaid connectional for the twelve (12) months immediately prior to the Disaffiliation Date, as calculated by Annual Conference, totaling **\$589.00**
- iii. An additional twelve (12) months of connectional commitment, as calculated by Annual Conference, totaling **\$1,134.00**
- iv. Any past due Direct Bill Pension or Health Insurance payments **\$0.00**
- v. An amount equal to Local Church's pro rata share, based on a ratio of church's Connectional Commitment to the current year's budget, of Annual Conference's unfunded pension obligations, based on the Annual Conference's aggregate funding obligations as determined by the General Board of Pension and Health Benefits using market factors similar to a commercial annuity provider, totaling **\$2,009.00**
- vi. Any grant from the Annual Conference to the Local Church that was received within two (2) years prior to the Disaffiliation Date, including but not limited to grants for Equitable Compensation or small church capital improvements, shall be treated as a loan and shall be repaid in full prior to the Disaffiliation Date; **\$0.00**

vii. If the Bishop has appointed a pastor to serve a local church for the church year beginning July 1, 2023, the Church shall be responsible, prior to the Disaffiliation Date, for paying to Conference a sum equal to the cost of salary and benefits for the pastor until the end of the Conference year on June 30, 2024, notwithstanding that the Disaffiliation Date will be November 30, 2023, unless another appointment of equal or greater salary and benefits is available to the pastor at the time of the Church's disaffiliation. **Salary/Housing: \$3,150.00 Medical/Pension: \$0.00**

viii. **Total due for disaffiliation: \$6,882.00**

- b. *Other Liabilities.* Local Church shall either satisfy all of its debts, loans, and liabilities, or assign or transfer such obligations to its new entity. Such debts, loans and liabilities, and the disposition thereof, are listed in EXHIBIT B to this Agreement. Local Church must provide sufficient documentation of same to Annual Conference. Notwithstanding whether any such liability is disclosed in EXHIBIT B, all liabilities of Local Church shall remain liabilities of Local Church's new entity and shall not become liabilities of Annual Conference.
- c. *Intellectual Property.* Local Church shall cease all use of "United Methodist," the Cross & Flame insignia, and any other intellectual property of the denomination and Annual Conference, including the removal of all signage containing the same."
- d. *Group Tax Exemption Ruling.* As of the Disaffiliation Date, Local Church shall cease to use, and also shall ensure that any affiliates of Local Church which have been included in the group tax exemption ruling shall cease to use, any and all documentation stating that Local Church is included in the denomination's group tax exemption ruling administered by the General Council on Finance and Administration of The United Methodist Church. Local Church and any of its affiliates which have been included in the group tax exemption ruling will be removed as of the Disaffiliation Date.

5. **Organizational Transition.** Local Church shall take all steps necessary to close and/or dissolve any legal entities and to settle, liquidate, or transfer all assets and obligations of such entities, or to establish any new legal entities, or to modify its current organizing documents, as needed to effectuate its disaffiliation from The United Methodist Church to the satisfaction of Annual Conference. Local Church shall indemnify, defend, and hold harmless Annual Conference and its officers, directors, agents, and

employees from any liability or costs (including reasonable attorney fees) resulting from any claim, action, or cause of action for damages to persons or property resulting from Local Church's failure to take all necessary steps as required by this Section 5.

6. Property. On the Disaffiliation Date, Local Church will have full ownership of the property and assets listed in EXHIBIT B to this Agreement. For any real property to be retained by Local Church, Local Church shall cause to be prepared a quitclaim deed in the form shown in Exhibit C hereto, for signature by two Conference Trustees, which deed shall disclaim any interest of the Conference in the real property pursuant to the UMC trust clause or otherwise. Local Church shall be solely responsible for ensuring that the property description contained in the Quitclaim Deed is accurate, and Conference shall make no warranty of title as to Local Church's property. Local Church shall provide the information required by Exhibits A and B and the Quitclaim Deed referenced in Exhibit C prior to the date of the Annual Conference vote on disaffiliation. The parties shall ensure all necessary transfers or other transactions relating to the above properties are completed prior to the Disaffiliation Date. Any costs resulting from such transfers or other transactions shall be borne by Local Church. Annual Conference shall fully cooperate with Local Church, as needed and applicable, to ensure that such transfers and other transactions convey all of Annual Conference's interest – both for itself and on behalf of The United Methodist Church – in the real and personal, tangible and intangible property of Local Church.

7. Release of Claims. Upon the completion of all of their respective obligations herein, Annual Conference and Local Church, for themselves and their agents, representatives, members, trustees, employees, successors, attorneys, and assigns, hereby fully and forever covenant not to sue each other, and release and discharge each other, and their current and former trustees, officers, representatives, employees, and assigns, in both their official and individual capacities, from any liability for any and all causes of action and claims, including any statutory or common law cause of action, tort or contractual claims, any claims for attorneys' fees, expenses and all other damages, whether known or unknown, foreseen or unforeseen, which Annual Conference or Local Church ever had, now has, hereafter may have or claim to have against any of the above-named entities or persons in any way arising out of their relationship with each other. The parties further represent they have no pending lawsuit, charge, complaint, or other action against each other. Notwithstanding the foregoing releases and covenants not

to sue, the parties may take action to enforce this Disaffiliation Agreement in any court where jurisdiction and venue are proper.

8. Time Limit. Should the Local Church fail to satisfy all of its obligations set forth herein by December 31, 2023, this Disaffiliation Agreement shall be null and void.

9. Continuing as Plan Sponsor. Nothing in this Disaffiliation Agreement shall prevent Local Church, after the Disaffiliation Date, from continuing to sponsor benefit plans from the General Board of Pension and Health Benefits (Wespath) to the extent permitted by federal law, and provided that Local Church has not expressly resolved that it no longer shares common religious bonds with The United Methodist Church.

10. Non-Severability. Each of the terms of this Disaffiliation Agreement is a material and integral part hereof. Should any provision of this Disaffiliation Agreement be held unenforceable or contrary to law, the entire Disaffiliation Agreement shall be deemed null and void.

Representatives of the Local Church

Bobby R. Vaughn Chair, Administrative Board

Date 9/18/23

Leek Smith Chair, Board of Trustees

Date 9/18/2023

Representatives of the Annual Conference

David W. [Signature] District Superintendent

Date 9-18-2023

Raúl B. Alegri Authorized Member, Board of Trustees

Date 10/20/2023

EXHIBIT A TO DISAFFILIATION AGREEMENT

OFFICER'S CERTIFICATE OF THE DISAFFILIATION VOTE OF THE MEMBERS OF THE GATES UNITED METHODIST CHURCH

PHYSICAL ADDRESS OF CHURCH:

**198 Huntington St.
Gates, TN 38037**

I, Bobby R. Vaughn, as the undersigned officer or authorized designee of **Gates United Methodist Church** ("Church") certify the vote of the Church members that was taken to disaffiliate from the United Methodist Church pursuant to Paragraph 2553 of the *Book of Discipline* of the United Methodist Church.

I can certify that the following events transpired as described:

1. The Church Council and members of the Church met on **Sunday, September 10, 2023 at 2:30p.m.** at a meeting duly called by the District Superintendent after notice as required by the *Book of Discipline*.

2. There were 6 ballots cast on the issue of whether to disaffiliate from the United Methodist Church subject to the provision of Paragraph 2553 of the *Book of Discipline*.

The number of votes needed to meet the required 2/3 majority is 4.

3. 0 voted "No;" against disaffiliation;

5 voted "Yes," to disaffiliate;

1 abstained.

Bobby R. Vaughn
OFFICER/AUTHORIZED DESIGNEE

Lucky N. Dillard
CHAIR OF TRUSTEES
Finance
RD

[Signature]
DISTRICT SUPERINTENDENT

EXHIBIT B TO DISAFFILIATION AGREEMENT
LIST OF ASSETS TO BE TRANSFERRED AND LIABILITIES TO BE ASSUMED

REAL PROPERTY: Physical Address, County where Located, Deed Book/Page and Use (i.e., church building, parsonage, cemetery etc.) of Real Property to be transferred (Attach copies of deeds containing property description. If multiple properties, attached a list on a separate sheet.) All listed information must be provided.

			<u>198 Huntington Street</u>			
Church Bld	<u>Book 11 Page 625</u>	<u>Gates, Landerdale County TN</u>				
Lot	<u>Book 134 Page 146</u>	" "	"	"	"	"
Lot	<u>Book 47 Page 577</u>	" "	"	"	"	"

BANK/FINANCIAL ACCOUNTS: List bank and type of each account in which trust clause is be released.

PERSONAL PROPERTY: Trust clause is to be released in:

☒ All personal property, other than property bearing "United Methodist Church" or the Cross and Flame

☐ All personal property, with the exception of the following:
(List any property that will be retained by the Annual Conference)

EXISTING LIABILITIES (FOR EACH, PROVIDE PROOF OF SATISFACTION OF LIABILITY OR TRANSFER OF LIABILITY TO SUCCESSOR ENTITY):

MORTGAGES: None

SECURED/UNSECURED NOTES: None

THREATENED OR PENDING LITIGATION None

SUCCESSOR ENTITY: TBD

(IF CORPORATION, PROVIDE CORPORATE NAME. IF UNINCORPORATED ENTITY, PROVIDE BOTH THE NAME OF THE NEW ENTITY AND THE NAMES OF INDIVIDUAL TRUSTEES IN WHOSE NAME TRANSFER SHOULD BE MADE)

I CERTIFY THAT THE INFORMATION PROVIDED ABOVE IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

Billy R. Vaughn, CMAA
OFFICER/AUTHORIZED DESIGNEE

731-225-9119

cvaughn0903@icloud.com

Standard Form Disaffiliation Agreement-Tennessee-Western Kentucky Conference (TWK)
As mandated by ¶ 2553

DISAFFILIATION AGREEMENT PURSUANT TO ¶ 2553

This Disaffiliation Agreement Pursuant to ¶ 2553 (“Disaffiliation Agreement”) is entered into this 24th day of August, 2023, by and between **Gleason First United Methodist Church** (“Local Church”) and **The Tennessee-Western Kentucky Conference** of the United Methodist Church (“Annual Conference”).

WHEREAS, Local Church is a United Methodist church within the boundaries of Annual Conference;

WHEREAS, Local Church has held a church conference, in compliance with ¶¶ 246.8, 248, and 2553.2-.3 of *The Book of Discipline of The United Methodist Church* (“*Discipline*”), at which at least two-thirds (2/3) of the professing members present at the church conference of Local Church voted to disaffiliate from The United Methodist Church “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.”

WHEREAS, pursuant to ¶ 2501.1 of the *Discipline*, Local Church holds its real and personal, tangible and intangible property “in trust for The United Methodist Church and subject to the provisions of its *Discipline*.”

WHEREAS, property subject to ¶ 2501.1 “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*.” (¶ 2501.2)

WHEREAS, ¶ 2553 provides a specific circumstance in which property subject to ¶ 2501.1 can be released from the trust imposed by that paragraph.

WHEREAS, ¶ 2553.4 requires the terms and conditions of Local Church’s disaffiliation from The United Methodist Church to be “memorialized in a binding Disaffiliation Agreement.”

WHEREAS, Local Church and Annual Conference wish to (1) resolve all matters between them, and Local Church wishes to acquire from Annual Conference all of Annual Conference's interest, on behalf of The United Methodist Church, in the real and personal, tangible and intangible property held by Local Church and (2) comply with the requirements of ¶ 2553 and Judicial Council *Decision* 1379.

NOW, THEREFORE, in consideration of the foregoing and all the mutual covenants herein contained, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Local Church and Annual Conference agree as follows:

1. Conditions Precedent. Local Church and Annual Conference acknowledge and agree:

- a. *Church Conference Vote*. At least two-thirds (2/3) of the professing members present at a church conference of Local Church must vote to disaffiliate from The United Methodist Church *"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."* Local Church must provide documentation, to the satisfaction of Annual Conference, which evidences the result of the disaffiliation vote taken at the church conference. Such documentation must be certified by an authorized officer of Local Church and shall be included as EXHIBIT A to this Disaffiliation Agreement.
- b. *Annual Conference Vote*. This Disaffiliation Agreement must be "ratified by a simple majority of the members . . . present and voting" at a duly-called session of Annual Conference, as required by Judicial Council *Decision* 1379 and ¶ 2529.1b(3).

Should either of the above not occur, this Disaffiliation Agreement shall immediately become null and void.

2. Applicability of ¶ 2501. Local Church acknowledges and agrees that pursuant to ¶ 2501 of the *Discipline*, Local Church holds all property, real and personal, tangible and intangible, in trust for the benefit of The United Methodist Church.

3. Date of Disaffiliation. Should Local Church timely comply with all of its obligations as set forth herein, Local Church's disaffiliation from The United Methodist Church will be effective on the last day of the month in which the Annual Conference votes to approve disaffiliation ("Disaffiliation Date"). The Disaffiliation Date must be subsequent to the Annual Conference's ratification referenced in Section 1 above.

4. Local Church's Obligations. Unless a different date is specified, Local Church shall, by no later than the Disaffiliation Date, do the following:

Payments. Prior to the Disaffiliation Date, Local Church shall pay to Annual Conference, in a manner specified by Annual Conference, the following:

- i. Local Church shall have the right to retain its real and personal, tangible and intangible property without charge. Any costs relating to Local Church's retention of its property will be borne by Local Church.
- ii. Any unpaid connectional for the twelve (12) months immediately prior to the Disaffiliation Date, as calculated by Annual Conference, totaling **\$5,690**
- iii. An additional twelve (12) months of connectional commitment, as calculated by Annual Conference, totaling **\$13,802**
- iv. Any past due Direct Bill Pension or Health Insurance payments **\$0.00**
- v. An amount equal to Local Church's pro rata share, based on a ratio of church's Connectional Commitment to the current year's budget, of Annual Conference's unfunded pension obligations, based on the Annual Conference's aggregate funding obligations as determined by the General Board of Pension and Health Benefits using market factors similar to a commercial annuity provider, totaling **\$19,401**
- vi. Any grant from the Annual Conference to the Local Church that was received within two (2) years prior to the Disaffiliation Date, including but not limited to grants for Equitable Compensation or small church capital improvements, shall be treated as a loan and shall be repaid in full prior to the Disaffiliation Date; **\$0.00**

vii. If the Bishop has appointed a pastor to serve a local church for the church year beginning July 1, 2023, the Church shall be responsible, prior to the Disaffiliation Date, for paying to Conference a sum equal to the cost of salary and benefits for the pastor until the end of the Conference year on June 30, 2024, notwithstanding that the Disaffiliation Date will be November 30, 2023, unless another appointment of equal or greater salary and benefits is available to the pastor at the time of the Church's disaffiliation. **\$0.00**

viii. **Total due for disaffiliation: \$38,893.00**

- b. *Other Liabilities.* Local Church shall either satisfy all of its debts, loans, and liabilities, or assign or transfer such obligations to its new entity. Such debts, loans and liabilities, and the disposition thereof, are listed in EXHIBIT B to this Agreement. Local Church must provide sufficient documentation of same to Annual Conference. Notwithstanding whether any such liability is disclosed in EXHIBIT B, all liabilities of Local Church shall remain liabilities of Local Church's new entity and shall not become liabilities of Annual Conference.
- c. *Intellectual Property.* Local Church shall cease all use of "United Methodist," the Cross & Flame insignia, and any other intellectual property of the denomination and Annual Conference, including the removal of all signage containing the same."
- d. *Group Tax Exemption Ruling.* As of the Disaffiliation Date, Local Church shall cease to use, and also shall ensure that any affiliates of Local Church which have been included in the group tax exemption ruling shall cease to use, any and all documentation stating that Local Church is included in the denomination's group tax exemption ruling administered by the General Council on Finance and Administration of The United Methodist Church. Local Church and any of its affiliates which have been included in the group tax exemption ruling will be removed as of the Disaffiliation Date.

5. **Organizational Transition.** Local Church shall take all steps necessary to close and/or dissolve any legal entities and to settle, liquidate, or transfer all assets and obligations of such entities, or to establish any new legal entities, or to modify its current organizing documents, as needed to effectuate its disaffiliation from The United Methodist Church to the satisfaction of Annual Conference. Local Church shall indemnify, defend, and hold harmless Annual Conference and its officers, directors, agents, and

employees from any liability or costs (including reasonable attorney fees) resulting from any claim, action, or cause of action for damages to persons or property resulting from Local Church's failure to take all necessary steps as required by this Section 5.

6. Property. On the Disaffiliation Date, Local Church will have full ownership of the property and assets listed in EXHIBIT B to this Agreement. For any real property to be retained by Local Church, Local Church shall cause to be prepared a quitclaim deed in the form shown in Exhibit C hereto, for signature by two Conference Trustees, which deed shall disclaim any interest of the Conference in the real property pursuant to the UMC trust clause or otherwise. Local Church shall be solely responsible for ensuring that the property description contained in the Quitclaim Deed is accurate, and Conference shall make no warranty of title as to Local Church's property. Local Church shall provide the information required by Exhibits A and B and the Quitclaim Deed referenced in Exhibit C prior to the date of the Annual Conference vote on disaffiliation. The parties shall ensure all necessary transfers or other transactions relating to the above properties are completed prior to the Disaffiliation Date. Any costs resulting from such transfers or other transactions shall be borne by Local Church. Annual Conference shall fully cooperate with Local Church, as needed and applicable, to ensure that such transfers and other transactions convey all of Annual Conference's interest – both for itself and on behalf of The United Methodist Church – in the real and personal, tangible and intangible property of Local Church.

7. Release of Claims. Upon the completion of all of their respective obligations herein, Annual Conference and Local Church, for themselves and their agents, representatives, members, trustees, employees, successors, attorneys, and assigns, hereby fully and forever covenant not to sue each other, and release and discharge each other, and their current and former trustees, officers, representatives, employees, and assigns, in both their official and individual capacities, from any liability for any and all causes of action and claims, including any statutory or common law cause of action, tort or contractual claims, any claims for attorneys' fees, expenses and all other damages, whether known or unknown, foreseen or unforeseen, which Annual Conference or Local Church ever had, now has, hereafter may have or claim to have against any of the above-named entities or persons in any way arising out of their relationship with each other. The parties further represent they have no pending lawsuit, charge, complaint, or other action against each other. Notwithstanding the foregoing releases and covenants not

to sue, the parties may take action to enforce this Disaffiliation Agreement in any court where jurisdiction and venue are proper.

8. Time Limit. Should the Local Church fail to satisfy all of its obligations set forth herein by December 31, 2023, this Disaffiliation Agreement shall be null and void.

9. Continuing as Plan Sponsor. Nothing in this Disaffiliation Agreement shall prevent Local Church, after the Disaffiliation Date, from continuing to sponsor benefit plans from the General Board of Pension and Health Benefits (Wespath) to the extent permitted by federal law, and provided that Local Church has not expressly resolved that it no longer shares common religious bonds with The United Methodist Church.

10. Non-Severability. Each of the terms of this Disaffiliation Agreement is a material and integral part hereof. Should any provision of this Disaffiliation Agreement be held unenforceable or contrary to law, the entire Disaffiliation Agreement shall be deemed null and void.

Representatives of the Local Church

Pam Belen Chair, Administrative Board

Date 8-24-23

Clay R. Wilson Chair, Board of Trustees

Date 8-24-2023

Representatives of the Annual Conference

Nancy E. Varde District Superintendent

Date Aug. 24, 2023

J. R. U Authorized Member, Board of Trustees

Date 9-27-2023

EXHIBIT A TO DISAFFILIATION AGREEMENT

OFFICER'S CERTIFICATE OF THE DISAFFILIATION VOTE
OF THE **MEMBERS OF THE**
GLEASON FIRST UNITED METHODIST CHURCH

PHYSICAL ADDRESS OF CHURCH:

102 CHURCH STREET

GLEASON, TN 38229

I, Pam Belew Monte Bowers as the undersigned officer or authorized designee of **Gleason First United Methodist Church** certify the vote of the Church members that was taken to disaffiliate from the United Methodist Church pursuant to Paragraph 2553 of the *Book of Discipline of the United Methodist Church*.

I can certify that the following events transpired as described:

1. The Church Council and members of the Church met on **August 24th, 2023 at 6:00 p.m.** at a meeting duly called by the District Superintendent after notice as required by the *Book of Discipline*.

2. There were 76 ballots cast on the issue of whether to disaffiliate from the United Methodist Church subject to the provision of Paragraph 2553 of the *Book of Discipline*.

The number of votes needed to meet the required 2/3 majority is 51.

3. 3 voted "No;" against disaffiliation;

73 voted "Yes," to disaffiliate;

0 abstained.

Monte Bowers 8-24-2023

Pam Belew 8-24-23

Clay R. Wilson

OFFICER/AUTHORIZED DESIGNEE

CHAIR OF TRUSTEES

Nancy J. Varlen
DISTRICT SUPERINTENDENT

SW 8/24/23

November 2022

**EXHIBIT B TO DISAFFILIATION AGREEMENT
LIST OF ASSETS TO BE TRANSFERRED AND LIABILITIES TO BE ASSUMED**

REAL PROPERTY: Physical Address, County where Located, Deed Book/Page and Use (i.e., church building, parsonage, cemetery etc.) of Real Property to be transferred (Attach copies of deeds containing property description. If multiple properties, attached a list on a separate sheet.) **All listed information must be provided.**

Church Building- 102 Church Street, Gleason, TN, Weakley County

Parsonage-104 Church Street, Gleason, TN, Weakley County

(see previously emailed deeds)

BANK/FINANCIAL ACCOUNTS: List bank and type of each account in which trust clause is to be released.

PERSONAL PROPERTY: Trust clause is to be released in:

☒ All personal property, other than property bearing "United Methodist Church" or the Cross/Flame.

☒ All personal property, with the exception of the following:

(List any property that will be retained by the Annual Conference)

United Methodist Hymnals in honor or memory of individuals will remain at newly formed church.

EXISTING LIABILITIES (FOR EACH, PROVIDE PROOF OF SATISFACTION OF LIABILITY OR TRANSFER OF LIABILITY TO SUCCESSOR ENTITY):

MORTGAGES: none

SECURED/UNSECURED NOTES: none

THREATENED OR PENDING LITIGATION none

SUCCESSOR ENTITY: Gleason Methodist Church

(IF CORPORATION, PROVIDE CORPORATE NAME. IF UNINCORPORATED ENTITY, PROVIDE BOTH THE NAME OF THE NEW ENTITY AND THE NAMES OF INDIVIDUAL TRUSTEES IN WHOSE NAME TRANSFER SHOULD BE MADE)

I CERTIFY THAT THE INFORMATION PROVIDED ABOVE IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

Pam Belen
OFFICER/AUTHORIZED DESIGNEE

Standard Form Disaffiliation Agreement-TWK Conference

As mandated by ¶ 2553

DISAFFILIATION AGREEMENT PURSUANT TO ¶ 2553

This Disaffiliation Agreement Pursuant to ¶ 2553 (“Disaffiliation Agreement”) is entered into this 29th day of August, 2023, by and between **Griffin’s Chapel United Methodist Church** (“Local Church”) and **The Tennessee-Western Kentucky Conference** of the United Methodist Church (“Annual Conference”).

WHEREAS, Local Church is a United Methodist church within the boundaries of Annual Conference;

WHEREAS, Local Church has held a church conference, in compliance with ¶¶ 246.8, 248, and 2553.2-.3 of *The Book of Discipline of The United Methodist Church* (“*Discipline*”), at which at least two-thirds (2/3) of the professing members present at the church conference of Local Church voted to disaffiliate from The United Methodist Church “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.”

WHEREAS, pursuant to ¶ 2501.1 of the *Discipline*, Local Church holds its real and personal, tangible and intangible property “in trust for The United Methodist Church and subject to the provisions of its *Discipline*.”

WHEREAS, property subject to ¶ 2501.1 “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*.” (¶ 2501.2)

WHEREAS, ¶ 2553 provides a specific circumstance in which property subject to ¶ 2501.1 can be released from the trust imposed by that paragraph.

WHEREAS, ¶ 2553.4 requires the terms and conditions of Local Church’s disaffiliation from The United Methodist Church to be “memorialized in a binding Disaffiliation Agreement.”

WHEREAS, Local Church and Annual Conference wish to (1) resolve all matters between them, and Local Church wishes to acquire from Annual Conference all of Annual Conference's interest, on behalf of The United Methodist Church, in the real and personal, tangible and intangible property held by Local Church and (2) comply with the requirements of ¶ 2553 and Judicial Council *Decision* 1379.

NOW, THEREFORE, in consideration of the foregoing and all the mutual covenants herein contained, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Local Church and Annual Conference agree as follows:

1. Conditions Precedent. Local Church and Annual Conference acknowledge and agree:
 - a. *Church Conference Vote*. At least two-thirds (2/3) of the professing members present at a church conference of Local Church must vote to disaffiliate from The United Methodist Church *"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."* Local Church must provide documentation, to the satisfaction of Annual Conference, which evidences the result of the disaffiliation vote taken at the church conference. Such documentation must be certified by an authorized officer of Local Church and shall be included as EXHIBIT A to this Disaffiliation Agreement.
 - b. *Annual Conference Vote*. This Disaffiliation Agreement must be "ratified by a simple majority of the members . . . present and voting" at a duly-called session of Annual Conference, as required by Judicial Council *Decision* 1379 and ¶ 2529.1b(3).

Should either of the above not occur, this Disaffiliation Agreement shall immediately become null and void.

2. Applicability of ¶ 2501. Local Church acknowledges and agrees that pursuant to ¶ 2501 of the *Discipline*, Local Church holds all property, real and personal, tangible and intangible, in trust for the benefit of The United Methodist Church.

3. Date of Disaffiliation. Should Local Church timely comply with all of its obligations as set forth herein, Local Church's disaffiliation from The United Methodist Church will be effective on the last day of the month in which the Annual Conference votes to approve disaffiliation ("Disaffiliation Date"). The Disaffiliation Date must be subsequent to the Annual Conference's ratification referenced in Section 1 above.

4. Local Church's Obligations. Unless a different date is specified, Local Church shall, by no later than the Disaffiliation Date, do the following:

Payments. Prior to the Disaffiliation Date, Local Church shall pay to Annual Conference, in a manner specified by Annual Conference, the following:

- i. Local Church shall have the right to retain its real and personal, tangible and intangible property without charge. Any costs relating to Local Church's retention of its property will be borne by Local Church.
- ii. Any unpaid connectional for the twelve (12) months immediately prior to the Disaffiliation Date, as calculated by Annual Conference, totaling **\$1,015.00**
- iii. An additional twelve (12) months of connectional commitment, as calculated by Annual Conference, totaling **\$2,650.00**
- iv. Any past due Direct Bill Pension or Health Insurance payments **\$0.00**
- v. An amount equal to Local Church's pro rata share, based on a ratio of church's Connectional Commitment to the current year's budget, of Annual Conference's unfunded pension obligations, based on the Annual Conference's aggregate funding obligations as determined by the General Board of Pension and Health Benefits using market factors similar to a commercial annuity provider, totaling **\$4,325.00**
- vi. Any grant from the Annual Conference to the Local Church that was received within two (2) years prior to the Disaffiliation Date, including but not limited to grants for Equitable Compensation or small church capital improvements, shall be treated as a loan and shall be repaid in full prior to the Disaffiliation Date; **\$0.00**

vii. If the Bishop has appointed a pastor to serve a local church for the church year beginning July 1, 2023, the Church shall be responsible, prior to the Disaffiliation Date, for paying to Conference a sum equal to the cost of salary and benefits for the pastor until the end of the Conference year on June 30, 2024, notwithstanding that the Disaffiliation Date will be November 30, 2023, unless another appointment of equal or greater salary and benefits is available to the pastor at the time of the Church's disaffiliation. **\$0.00**

viii. **Total due for disaffiliation: \$7,990.00**

- b. *Other Liabilities.* Local Church shall either satisfy all of its debts, loans, and liabilities, or assign or transfer such obligations to its new entity. Such debts, loans and liabilities, and the disposition thereof, are listed in EXHIBIT B to this Agreement. Local Church must provide sufficient documentation of same to Annual Conference. Notwithstanding whether any such liability is disclosed in EXHIBIT B, all liabilities of Local Church shall remain liabilities of Local Church's new entity and shall not become liabilities of Annual Conference.
- c. *Intellectual Property.* Local Church shall cease all use of "United Methodist," the Cross & Flame insignia, and any other intellectual property of the denomination and Annual Conference, including the removal of all signage containing the same."
- d. *Group Tax Exemption Ruling.* As of the Disaffiliation Date, Local Church shall cease to use, and also shall ensure that any affiliates of Local Church which have been included in the group tax exemption ruling shall cease to use, any and all documentation stating that Local Church is included in the denomination's group tax exemption ruling administered by the General Council on Finance and Administration of The United Methodist Church. Local Church and any of its affiliates which have been included in the group tax exemption ruling will be removed as of the Disaffiliation Date.

5. **Organizational Transition.** Local Church shall take all steps necessary to close and/or dissolve any legal entities and to settle, liquidate, or transfer all assets and obligations of such entities, or to establish any new legal entities, or to modify its current organizing documents, as needed to effectuate its disaffiliation from The United Methodist Church to the satisfaction of Annual Conference. Local Church shall indemnify, defend, and hold harmless Annual Conference and its officers, directors, agents, and

employees from any liability or costs (including reasonable attorney fees) resulting from any claim, action, or cause of action for damages to persons or property resulting from Local Church's failure to take all necessary steps as required by this Section 5.

6. Property. On the Disaffiliation Date, Local Church will have full ownership of the property and assets listed in EXHIBIT B to this Agreement. For any real property to be retained by Local Church, Local Church shall cause to be prepared a quitclaim deed in the form shown in Exhibit C hereto, for signature by two Conference Trustees, which deed shall disclaim any interest of the Conference in the real property pursuant to the UMC trust clause or otherwise. Local Church shall be solely responsible for ensuring that the property description contained in the Quitclaim Deed is accurate, and Conference shall make no warranty of title as to Local Church's property. Local Church shall provide the information required by Exhibits A and B and the Quitclaim Deed referenced in Exhibit C prior to the date of the Annual Conference vote on disaffiliation. The parties shall ensure all necessary transfers or other transactions relating to the above properties are completed prior to the Disaffiliation Date. Any costs resulting from such transfers or other transactions shall be borne by Local Church. Annual Conference shall fully cooperate with Local Church, as needed and applicable, to ensure that such transfers and other transactions convey all of Annual Conference's interest – both for itself and on behalf of The United Methodist Church – in the real and personal, tangible and intangible property of Local Church.

7. Release of Claims. Upon the completion of all of their respective obligations herein, Annual Conference and Local Church, for themselves and their agents, representatives, members, trustees, employees, successors, attorneys, and assigns, hereby fully and forever covenant not to sue each other, and release and discharge each other, and their current and former trustees, officers, representatives, employees, and assigns, in both their official and individual capacities, from any liability for any and all causes of action and claims, including any statutory or common law cause of action, tort or contractual claims, any claims for attorneys' fees, expenses and all other damages, whether known or unknown, foreseen or unforeseen, which Annual Conference or Local Church ever had, now has, hereafter may have or claim to have against any of the above-named entities or persons in any way arising out of their relationship with each other. The parties further represent they have no pending lawsuit, charge, complaint, or other action against each other. Notwithstanding the foregoing releases and covenants not

to sue, the parties may take action to enforce this Disaffiliation Agreement in any court where jurisdiction and venue are proper.

8. Time Limit. Should the Local Church fail to satisfy all of its obligations set forth herein by December 31, 2023, this Disaffiliation Agreement shall be null and void.

9. Continuing as Plan Sponsor. Nothing in this Disaffiliation Agreement shall prevent Local Church, after the Disaffiliation Date, from continuing to sponsor benefit plans from the General Board of Pension and Health Benefits (Wespath) to the extent permitted by federal law, and provided that Local Church has not expressly resolved that it no longer shares common religious bonds with The United Methodist Church.

10. Non-Severability. Each of the terms of this Disaffiliation Agreement is a material and integral part hereof. Should any provision of this Disaffiliation Agreement be held unenforceable or contrary to law, the entire Disaffiliation Agreement shall be deemed null and void.

Representatives of the Local Church

Gary Bearden Chair, Administrative Board

Date Aug 29, 2023

Garl Brammer Chair, Board of Trustees

Date AUG 29 2023

Representatives of the Annual Conference

James D. Camp District Superintendent

Date Aug 29, 2023

Raul B. Alcega Authorized Member, Board of Trustees

Date 10/20/2023

EXHIBIT A TO DISAFFILIATION AGREEMENT

OFFICER'S CERTIFICATE OF THE DISAFFILIATION VOTE
OF THE **MEMBERS OF THE**
GRIFFIN'S CHAPEL UNITED METHODIST CHURCH

PHYSICAL ADDRESS OF CHURCH:

187 GRIFFIN'S CHAPEL ROAD

BRADFORD, TN 38316

I, April Branson, as the undersigned officer or authorized designee of **Griffin's Chapel United Methodist Church** ("Church") certify the vote of the Church members that was taken to disaffiliate from the United Methodist Church pursuant to Paragraph 2553 of the *Book of Discipline of the United Methodist Church*.

I can certify that the following events transpired as described:

1. The Church Council and members of the Church met on **August 29th, 2023 at 6:00 p.m.** at a meeting duly called by the District Superintendent after notice as required by the *Book of Discipline*.

2. There were 16 ballots cast on the issue of whether to disaffiliate from the United Methodist Church subject to the provision of Paragraph 2553 of the *Book of Discipline*.

The number of votes needed to meet the required 2/3 majority is 11.

3. 0 voted "No;" against disaffiliation;

16 voted "Yes," to disaffiliate;

0 abstained.

April Branson

OFFICER/AUTHORIZED DESIGNEE

Jael Branson

CHAIR OF TRUSTEES

James D. Camp

DISTRICT SUPERINTENDENT

November 2022

EXHIBIT B TO DISAFFILIATION AGREEMENT
LIST OF ASSETS TO BE TRANSFERRED AND LIABILITIES TO BE ASSUMED

REAL PROPERTY: Physical Address, County where Located, Deed Book/Page and Use (i.e., church building, parsonage, cemetery etc.) of Real Property to be transferred (Attach copies of deeds containing property description. If multiple properties, attached a list on a separate sheet.) **All listed information must be provided.**

<u>187 Griffin Chapel Rd. Bradford, TN 38316</u>	<u>Need more information</u>
<u>Gibson County</u>	<u>on some of this.</u>
<u>book 878</u>	<u>Page 197</u>
<u>12</u>	<u>157</u>
<u>58</u>	<u>440/459</u>
	<u>Some deeds may overlap.</u>

BANK/FINANCIAL ACCOUNTS: List bank and type of each account in which trust clause is to be released.

PERSONAL PROPERTY: Trust clause is to be released in:

Attached

☒ All personal property, other than property bearing "United Methodist Church" or the Cross/Flame.

☐ All personal property, with the exception of the following:

(List any property that will be retained by the Annual Conference)

EXISTING LIABILITIES (FOR EACH, PROVIDE PROOF OF SATISFACTION OF LIABILITY OR TRANSFER OF LIABILITY TO SUCCESSOR ENTITY):

MORTGAGES:

None

SECURED/UNSECURED NOTES:

None

THREATENED OR PENDING LITIGATION

None

SUCCESSOR ENTITY:

Griffin Chapel Methodist Church

(IF CORPORATION, PROVIDE CORPORATE NAME. IF UNINCORPORATED ENTITY, PROVIDE BOTH THE NAME OF THE NEW ENTITY AND THE NAMES OF INDIVIDUAL TRUSTEES IN WHOSE NAME TRANSFER SHOULD BE MADE)

I CERTIFY THAT THE INFORMATION PROVIDED ABOVE IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

Trustees of Griffin Chapel Methodist Church

- Joel Branson Their successors
- Pat Roberson & and assigns.
- Ray Robinson
- Kay Perry

April Branson
OFFICER/AUTHORIZED DESIGNEE

Treasurer

Standard Form Disaffiliation Agreement-Name Conference

As mandated by ¶ 2553

DISAFFILIATION AGREEMENT PURSUANT TO ¶ 2553

This Disaffiliation Agreement Pursuant to ¶ 2553 ("Disaffiliation Agreement") is entered into this 24th day of April, 2023, by and between Harris (Obion County) ("Local Church") and TWK Conference of the United Methodist Church ("Annual Conference").

WHEREAS, Local Church is a United Methodist church within the boundaries of Annual Conference;

WHEREAS, Local Church has held a church conference, in compliance with ¶¶ 246.8, 248, and 2553.2-3 of *The Book of Discipline of The United Methodist Church* ("Discipline"), at which at least two-thirds (2/3) of the professing members present at the church conference of Local Church voted to disaffiliate from The United Methodist Church "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."

WHEREAS, pursuant to ¶ 2501.1 of the *Discipline*, Local Church holds its real and personal, tangible and intangible property "in trust for The United Methodist Church and subject to the provisions of its *Discipline*."

WHEREAS, property subject to ¶ 2501.1 "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*." (¶ 2501.2)

WHEREAS, ¶ 2553 provides a specific circumstance in which property subject to ¶ 2501.1 can be released from the trust imposed by that paragraph.

WHEREAS, ¶ 2553.4 requires the terms and conditions of Local Church's disaffiliation from The United Methodist Church to be "memorialized in a binding Disaffiliation Agreement."

WHEREAS, Local Church and Annual Conference wish to (1) resolve all matters between them, and Local Church wishes to acquire from Annual Conference all of Annual Conference's interest, on behalf of The United Methodist Church, in the real and personal, tangible and intangible property held by Local Church and (2) comply with the requirements of ¶ 2553 and Judicial Council *Decision 1379*.

NOW, THEREFORE, in consideration of the foregoing and all the mutual covenants herein contained, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Local Church and Annual Conference agree as follows:

1. Conditions Precedent. Local Church and Annual Conference acknowledge and agree:
 - a. *Church Conference Vote*. At least two-thirds (2/3) of the professing members present at a church conference of Local Church must vote to disaffiliate from The United Methodist Church "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." Local Church must provide documentation, to the satisfaction of Annual Conference, which evidences the result of the disaffiliation vote taken at the church conference. Such documentation must be certified by an authorized officer of Local Church and shall be included as EXHIBIT A to this Disaffiliation Agreement.
 - b. *Annual Conference Vote*. This Disaffiliation Agreement must be "ratified by a simple majority of the members . . . present and voting" at a duly-called session of Annual Conference, as required by Judicial Council *Decision 1379* and ¶ 2529.1b(3).

Should either of the above not occur, this Disaffiliation Agreement shall immediately become null and void.

2. Applicability of ¶ 2501. Local Church acknowledges and agrees that pursuant to ¶ 2501 of the *Discipline*, Local Church holds all property, real and personal, tangible and intangible, in trust for the benefit of The-United Methodist Church.

3. Date of Disaffiliation. Should Local Church timely comply with all of its obligations as set forth herein, Local Church's disaffiliation from The United Methodist Church will be effective on the last day of the month in which the Annual Conference votes to approve disaffiliation ("Disaffiliation Date"). The Disaffiliation Date must be subsequent to the Annual Conference's ratification referenced in Section 1 above.

4. Local Church's Obligations. Unless a different date is specified, Local Church shall, by no later than the Disaffiliation Date, do the following:

a. *Payments.* Prior to the Disaffiliation Date, Local Church shall pay to Annual Conference, in a manner specified by Annual Conference, the following:

- i. Local Church shall have the right to retain its real and personal, tangible and intangible property without charge. Any costs relating to Local Church's retention of its property will be borne by Local Church.
- ii. Any unpaid connectional for the twelve (12) months immediately prior to the Disaffiliation Date, as calculated by Annual Conference, totaling 900.00;
- iii. An additional twelve (12) months of connectional commitment, as calculated by Annual Conference, totaling 2,827.00;
- iv. Any past due Direct Bill Pension or Health Insurance payments _____
- v. An amount equal to Local Church's pro rata share, based on a ratio of church's Connectional Commitment to the current year's budget, of Annual Conference's unfunded pension obligations, based on the Annual Conference's aggregate funding obligations as determined by the General Board of Pension and Health Benefits using market factors similar to a commercial annuity provider, totaling 2,763.00;

- vi. Any grant from the Annual Conference to the Local Church that was received within two (2) years prior to the Disaffiliation Date, including but not limited to grants for Equitable Compensation or small church capital improvements, shall be treated as a loan and shall be repaid in full prior to the Disaffiliation Date;
 - vii. If the Bishop has appointed a pastor to serve a local church for the church year beginning July 1, 2023, the Church shall be responsible, prior to the Disaffiliation Date, for paying to Conference a sum equal to the cost of salary and benefits for the pastor until the end of the Conference year on June 30, 2024, notwithstanding that the Disaffiliation Date will be November 30, 2023, unless another appointment of equal or greater salary and benefits is available to the pastor at the time of the Church's disaffiliation.
- b. *Other Liabilities.* Local Church shall either satisfy all of its debts, loans, and liabilities, or assign or transfer such obligations to its new entity. Such debts, loans and liabilities, and the disposition thereof, are listed in EXHIBIT B to this Agreement. Local Church must provide sufficient documentation of same to Annual Conference. Notwithstanding whether any such liability is disclosed in EXHIBIT B, all liabilities of Local Church shall remain liabilities of Local Church's new entity and shall not become liabilities of Annual Conference.
- c. *Intellectual Property.* Local Church shall cease all use of "United Methodist," the Cross & Flame insignia, and any other intellectual property of the denomination and Annual Conference, including the removal of all signage containing the same."
- d. *Group Tax Exemption Ruling.* As of the Disaffiliation Date, Local Church shall cease to use, and also shall ensure that any affiliates of Local Church which have been included in the group tax exemption ruling shall cease to use, any and all documentation stating that Local Church is included in the denomination's group tax exemption ruling administered by the General Council on Finance and Administration of The United Methodist Church. Local Church and any of its affiliates which have been included in the group tax exemption ruling will be removed as of the Disaffiliation Date.

5. Organizational Transition. Local Church shall take all steps necessary to close and/or dissolve any legal entities and to settle, liquidate, or transfer all assets and obligations of such entities, or to establish any new legal entities, or to modify its current organizing documents, as needed to effectuate its disaffiliation from The United Methodist Church to the satisfaction of Annual Conference. Local Church shall indemnify, defend, and hold harmless Annual Conference and its officers, directors, agents, and employees from any liability or costs (including reasonable attorney fees) resulting from any claim, action, or cause of action for damages to persons or property resulting from Local Church's failure to take all necessary steps as required by this Section 5.

6. Property. On the Disaffiliation Date, Local Church will have full ownership of the property and assets listed in EXHIBIT B to this Agreement. For any real property to be retained by Local Church, Local Church shall cause to be prepared a quitclaim deed in the form shown in Exhibit C hereto, for signature by two Conference Trustees, which deed shall disclaim any interest of the Conference in the real property pursuant to the UMC trust clause or otherwise. Local Church shall be solely responsible for ensuring that the property description contained in the Quitclaim Deed is accurate, and Conference shall make no warranty of title as to Local Church's property. Local Church shall provide the information required by Exhibits A and B and the Quitclaim Deed referenced in Exhibit C prior to the date of the Annual Conference vote on disaffiliation. The parties shall ensure all necessary transfers or other transactions relating to the above properties are completed prior to the Disaffiliation Date. Any costs resulting from such transfers or other transactions shall be borne by Local Church. Annual Conference shall fully cooperate with Local Church, as needed and applicable, to ensure that such transfers and other transactions convey all of Annual Conference's interest both for itself and on behalf of The United Methodist Church – in the real and personal, tangible and intangible property of Local Church.

7. Release of Claims. Upon the completion of all of their respective obligations herein, Annual Conference and Local Church, for themselves and their agents, representatives, members, trustees, employees, successors, attorneys, and assigns, hereby fully and forever covenant not to sue each other, and release and discharge each other, and their current and former trustees, officers, representatives, employees, and assigns, in both their official and individual capacities, from any liability for any and all causes of action and claims, including any statutory or common law cause of action, tort or contractual claims, any claims for attorneys' fees, expenses and all other damages,

whether known or unknown, foreseen or unforeseen, which Annual Conference or Local Church ever had, now has, hereafter may have or claim to have against any of the above-named entities or persons in any way arising out of their relationship with each other. The parties further represent they have no pending lawsuit, charge, complaint, or other action against each other. Notwithstanding the foregoing releases and covenants not to sue, the parties may take action to enforce this Disaffiliation Agreement in any court where jurisdiction and venue are proper.

8. Time Limit. Should the Local Church fail to satisfy all of its obligations set forth herein by December 31, 2023, this Disaffiliation Agreement shall be null and void.

9. Continuing as Plan Sponsor. Nothing in this Disaffiliation Agreement shall prevent Local Church, after the Disaffiliation Date, from continuing to sponsor benefit plans from the General Board of Pension and Health Benefits (Wespath) to the extent permitted by federal law, and provided that Local Church has not expressly resolved that it no longer shares common religious bonds with The United Methodist Church.

10. Non-Severability. Each of the terms of this Disaffiliation Agreement is a material and integral part hereof. Should any provision of this Disaffiliation Agreement be held unenforceable or contrary to law, the entire Disaffiliation Agreement shall be deemed null and void.

Representatives of the Local Church

Judy Rombo Chair, Administrative Board

Date 4-24-23

Sandra Ross Chair, Board of Trustees

Date 4/24/23

Representatives of the Annual Conference

Nancy J. Ward District Superintendent

Date 4/24/23

Raul B. Alegria Authorized Member, Board of Trustees Date 10/20/2023

EXHIBIT A TO DISAFFILIATION AGREEMENT

OFFICER'S CERTIFICATE OF THE DISAFFILIATION VOTE
OF THE
MEMBERS OF THE HARRIS (OBION) COUNTY
UNITED METHODIST CHURCH
PHYSICAL ADDRESS OF CHURCH:
3706 CHURCH RD., UNION CITY, TN 38261

I, Sandra Ross, as the undersigned officer or authorized designee of Harris United Methodist Church ("Church") certify the vote of the Church members that was taken to disaffiliate from the United Methodist Church pursuant to Paragraph 2553 of the *Book of Discipline of the United Methodist Church*.

I can certify that the following events transpired as described:

1. The Church Council and members of the Church met on April 24, 2023, at a meeting duly called by the District Superintendent after notice as required by the *Book of Discipline*.

2. There were 13 ballots cast on the issue of whether to disaffiliate from the United Methodist Church subject to the provision of Paragraph 2553 of the *Book of Discipline*. —0— voted "No;" against disaffiliation; 13 voted "Yes," to disaffiliate; and —0— abstained. Copies of the ballots are available for inspection upon request.

Sandra Ross

OFFICER/AUTHORIZED DESIGNEE

November 2022

**EXHIBIT B TO DISAFFILIATION AGREEMENT
LIST OF ASSETS TO BE TRANSFERRED AND LIABILITIES TO BE ASSUMED**

REAL PROPERTY: Physical Address, County where Located, Deed Book/Page and Use (i.e., church building, parsonage, cemetery etc.) of Real Property to be transferred (Attach copies of deeds containing property description. If multiple properties, attached a list on a separate sheet.) All listed information must be provided.

- 3706 Church Rd., Union City, TN 38261, Obion County, Book 3 / Page 538 - Church
- 205 Frankie Ln., South Fulton, TN 38257, Obion County, Book 14-k /
Page 509, parsonage

BANK/FINANCIAL ACCOUNTS: List bank and type of each account in which trust clause is to be released.

PERSONAL PROPERTY: Trust clause is to be released in:

- X All personal property, other than property bearing "United Methodist Church" or the Cross/Flame.
____ All personal property, with the exception of the following:
(List any property that will be retained by the Annual Conference)

EXISTING LIABILITIES (FOR EACH, PROVIDE PROOF OF SATISFACTION OF LIABILITY OR TRANSFER OF LIABILITY TO SUCCESSOR ENTITY):

MORTGAGES: None

SECURED/UNSECURED NOTES: None

THREATENED OR PENDING LITIGATION None

SUCCESSOR ENTITY: Harris Fellowship Church

(IF CORPORATION, PROVIDE CORPORATE NAME. IF UNINCORPORATED ENTITY, PROVIDE BOTH THE NAME OF THE NEW ENTITY AND THE NAMES OF INDIVIDUAL TRUSTEES IN WHOSE NAME TRANSFER SHOULD BE MADE)

I CERTIFY THAT THE INFORMATION PROVIDED ABOVE IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

Pastor Gerald Crispeland
OFFICER/AUTHORIZED DESIGNEE

Standard Form Disaffiliation Agreement-Tennessee-Western Kentucky Conference

As mandated by ¶ 2553

DISAFFILIATION AGREEMENT PURSUANT TO ¶ 2553

This Disaffiliation Agreement Pursuant to ¶ 2553 (“Disaffiliation Agreement”) is entered into this **18th** day of **September, 2023**, by and between **Lebanon United Methodist Church (Crockett Co.)** (“Local Church”) and **The Tennessee-Western Kentucky Conference** of the United Methodist Church (“Annual Conference”).

WHEREAS, Local Church is a United Methodist church within the boundaries of Annual Conference;

WHEREAS, Local Church has held a church conference, in compliance with ¶¶ 246.8, 248, and 2553.2-.3 of *The Book of Discipline of The United Methodist Church* (“*Discipline*”), at which at least two-thirds (2/3) of the professing members present at the church conference of Local Church voted to disaffiliate from The United Methodist Church “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.”

WHEREAS, pursuant to ¶ 2501.1 of the *Discipline*, Local Church holds its real and personal, tangible and intangible property “in trust for The United Methodist Church and subject to the provisions of its *Discipline*.”

WHEREAS, property subject to ¶ 2501.1 “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*.” (¶ 2501.2)

WHEREAS, ¶ 2553 provides a specific circumstance in which property subject to ¶ 2501.1 can be released from the trust imposed by that paragraph.

WHEREAS, ¶ 2553.4 requires the terms and conditions of Local Church’s disaffiliation from The United Methodist Church to be “memorialized in a binding Disaffiliation Agreement.”

WHEREAS, Local Church and Annual Conference wish to (1) resolve all matters between them, and Local Church wishes to acquire from Annual Conference all of Annual Conference's interest, on behalf of The United Methodist Church, in the real and personal, tangible and intangible property held by Local Church and (2) comply with the requirements of ¶ 2553 and Judicial Council *Decision* 1379.

NOW, THEREFORE, in consideration of the foregoing and all the mutual covenants herein contained, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Local Church and Annual Conference agree as follows:

1. Conditions Precedent. Local Church and Annual Conference acknowledge and agree:
 - a. *Church Conference Vote*. At least two-thirds (2/3) of the professing members present at a church conference of Local Church must vote to disaffiliate from The United Methodist Church "*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.*" Local Church must provide documentation, to the satisfaction of Annual Conference, which evidences the result of the disaffiliation vote taken at the church conference. Such documentation must be certified by an authorized officer of Local Church and shall be included as EXHIBIT A to this Disaffiliation Agreement.
 - b. *Annual Conference Vote*. This Disaffiliation Agreement must be "ratified by a simple majority of the members . . . present and voting" at a duly-called session of Annual Conference, as required by Judicial Council *Decision* 1379 and ¶ 2529.1b(3).

Should either of the above not occur, this Disaffiliation Agreement shall immediately become null and void.

2. Applicability of ¶ 2501. Local Church acknowledges and agrees that pursuant to ¶ 2501 of the *Discipline*, Local Church holds all property, real and personal, tangible and intangible, in trust for the benefit of The United Methodist Church.

3. Date of Disaffiliation. Should Local Church timely comply with all of its obligations as set forth herein, Local Church's disaffiliation from The United Methodist Church will be effective on the last day of the month in which the Annual Conference votes to approve disaffiliation ("Disaffiliation Date"). The Disaffiliation Date must be subsequent to the Annual Conference's ratification referenced in Section 1 above.

4. Local Church's Obligations. Unless a different date is specified, Local Church shall, by no later than the Disaffiliation Date, do the following:

Payments. Prior to the Disaffiliation Date, Local Church shall pay to Annual Conference, in a manner specified by Annual Conference, the following:

- i. Local Church shall have the right to retain its real and personal, tangible and intangible property without charge. Any costs relating to Local Church's retention of its property will be borne by Local Church.
- ii. Any unpaid connectional for the twelve (12) months immediately prior to the Disaffiliation Date, as calculated by Annual Conference, totaling **\$571.00**
- iii. An additional twelve (12) months of connectional commitment, as calculated by Annual Conference, totaling **\$2,468.00**
- iv. Any past due Direct Bill Pension or Health Insurance payments **\$0.00**
- v. An amount equal to Local Church's pro rata share, based on a ratio of church's Connectional Commitment to the current year's budget, of Annual Conference's unfunded pension obligations, based on the Annual Conference's aggregate funding obligations as determined by the General Board of Pension and Health Benefits using market factors similar to a commercial annuity provider, totaling **\$3,535.00**
- vi. Any grant from the Annual Conference to the Local Church that was received within two (2) years prior to the Disaffiliation Date, including but not limited to grants for Equitable Compensation or small church capital improvements, shall be treated as a loan and shall be repaid in full prior to the Disaffiliation Date; **\$0.00**

vii. If the Bishop has appointed a pastor to serve a local church for the church year beginning July 1, 2023, the Church shall be responsible, prior to the Disaffiliation Date, for paying to Conference a sum equal to the cost of salary and benefits for the pastor until the end of the Conference year on June 30, 2024, notwithstanding that the Disaffiliation Date will be November 30, 2023, unless another appointment of equal or greater salary and benefits is available to the pastor at the time of the Church's disaffiliation. **Salary/Housing: \$0.00 Medical/Pension: \$0.00**

viii. **Total due for disaffiliation: \$6,574.00**

- b. *Other Liabilities.* Local Church shall either satisfy all of its debts, loans, and liabilities, or assign or transfer such obligations to its new entity. Such debts, loans and liabilities, and the disposition thereof, are listed in EXHIBIT B to this Agreement. Local Church must provide sufficient documentation of same to Annual Conference. Notwithstanding whether any such liability is disclosed in EXHIBIT B, all liabilities of Local Church shall remain liabilities of Local Church's new entity and shall not become liabilities of Annual Conference.
- c. *Intellectual Property.* Local Church shall cease all use of "United Methodist," the Cross & Flame insignia, and any other intellectual property of the denomination and Annual Conference, including the removal of all signage containing the same."
- d. *Group Tax Exemption Ruling.* As of the Disaffiliation Date, Local Church shall cease to use, and also shall ensure that any affiliates of Local Church which have been included in the group tax exemption ruling shall cease to use, any and all documentation stating that Local Church is included in the denomination's group tax exemption ruling administered by the General Council on Finance and Administration of The United Methodist Church. Local Church and any of its affiliates which have been included in the group tax exemption ruling will be removed as of the Disaffiliation Date.

5. Organizational Transition. Local Church shall take all steps necessary to close and/or dissolve any legal entities and to settle, liquidate, or transfer all assets and obligations of such entities, or to establish any new legal entities, or to modify its current organizing documents, as needed to effectuate its disaffiliation from The United Methodist Church to the satisfaction of Annual Conference. Local Church shall indemnify, defend, and hold harmless Annual Conference and its officers, directors, agents, and

employees from any liability or costs (including reasonable attorney fees) resulting from any claim, action, or cause of action for damages to persons or property resulting from Local Church's failure to take all necessary steps as required by this Section 5.

6. Property. On the Disaffiliation Date, Local Church will have full ownership of the property and assets listed in EXHIBIT B to this Agreement. For any real property to be retained by Local Church, Local Church shall cause to be prepared a quitclaim deed in the form shown in Exhibit C hereto, for signature by two Conference Trustees, which deed shall disclaim any interest of the Conference in the real property pursuant to the UMC trust clause or otherwise. Local Church shall be solely responsible for ensuring that the property description contained in the Quitclaim Deed is accurate, and Conference shall make no warranty of title as to Local Church's property. Local Church shall provide the information required by Exhibits A and B and the Quitclaim Deed referenced in Exhibit C prior to the date of the Annual Conference vote on disaffiliation. The parties shall ensure all necessary transfers or other transactions relating to the above properties are completed prior to the Disaffiliation Date. Any costs resulting from such transfers or other transactions shall be borne by Local Church. Annual Conference shall fully cooperate with Local Church, as needed and applicable, to ensure that such transfers and other transactions convey all of Annual Conference's interest – both for itself and on behalf of The United Methodist Church – in the real and personal, tangible and intangible property of Local Church.

7. Release of Claims. Upon the completion of all of their respective obligations herein, Annual Conference and Local Church, for themselves and their agents, representatives, members, trustees, employees, successors, attorneys, and assigns, hereby fully and forever covenant not to sue each other, and release and discharge each other, and their current and former trustees, officers, representatives, employees, and assigns, in both their official and individual capacities, from any liability for any and all causes of action and claims, including any statutory or common law cause of action, tort or contractual claims, any claims for attorneys' fees, expenses and all other damages, whether known or unknown, foreseen or unforeseen, which Annual Conference or Local Church ever had, now has, hereafter may have or claim to have against any of the above-named entities or persons in any way arising out of their relationship with each other. The parties further represent they have no pending lawsuit, charge, complaint, or other action against each other. Notwithstanding the foregoing releases and covenants not

to sue, the parties may take action to enforce this Disaffiliation Agreement in any court where jurisdiction and venue are proper.

8. Time Limit. Should the Local Church fail to satisfy all of its obligations set forth herein by December 31, 2023, this Disaffiliation Agreement shall be null and void.

9. Continuing as Plan Sponsor. Nothing in this Disaffiliation Agreement shall prevent Local Church, after the Disaffiliation Date, from continuing to sponsor benefit plans from the General Board of Pension and Health Benefits (Wespath) to the extent permitted by federal law, and provided that Local Church has not expressly resolved that it no longer shares common religious bonds with The United Methodist Church.

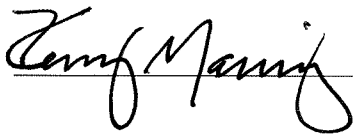
10. Non-Severability. Each of the terms of this Disaffiliation Agreement is a material and integral part hereof. Should any provision of this Disaffiliation Agreement be held unenforceable or contrary to law, the entire Disaffiliation Agreement shall be deemed null and void.

Representatives of the Local Church



Chair, Administrative Board

Date 9-18-23



Chair, Board of Trustees

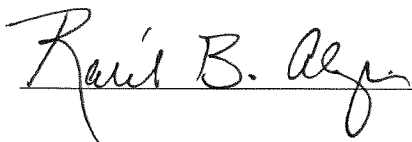
Date 9-18-23

Representatives of the Annual Conference



District Superintendent

Date 9-18-23



Authorized Member, Board of Trustees

Date 10/26/2023

EXHIBIT A TO DISAFFILIATION AGREEMENT

OFFICER'S CERTIFICATE OF THE DISAFFILIATION VOTE
OF THE MEMBERS OF THE
LEBANON UNITED METHODIST CHURCH (CROCKETT CO.)

PHYSICAL ADDRESS OF CHURCH:

**5745 CHESTNUT BLUFF-MAURY CITY RD.
HALLS, TN 38040**

I, Tim Holland, as the undersigned officer or authorized designee of **Lebanon United Methodist Church (Crockett Co.)** ("Church") certify the vote of the Church members that was taken to disaffiliate from the United Methodist Church pursuant to Paragraph 2553 of the *Book of Discipline of the United Methodist Church*.

I can certify that the following events transpired as described:

1. The Church Council and members of the Church met on **Monday, September 18, 2023** at **6:00p.m.** at a meeting duly called by the District Superintendent after notice as required by the *Book of Discipline*.


2. There were 11 ballots cast on the issue of whether to disaffiliate from the United Methodist Church subject to the provision of Paragraph 2553 of the *Book of Discipline*.

The number of votes needed to meet the required 2/3 majority is 8.

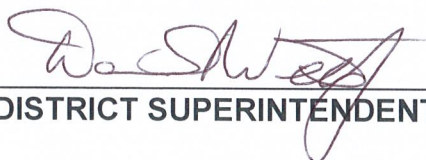
3. 0 voted "No;" against disaffiliation;
11 voted "Yes," to disaffiliate;
0 abstained.



OFFICER/AUTHORIZED DESIGNEE



CHAIR OF TRUSTEES



DISTRICT SUPERINTENDENT

EXHIBIT B TO DISAFFILIATION AGREEMENT
LIST OF ASSETS TO BE TRANSFERRED AND LIABILITIES TO BE ASSUMED

REAL PROPERTY: Physical Address, County where Located, Deed Book/Page and Use (i.e., church building, parsonage, cemetery etc.) of Real Property to be transferred (Attach copies of deeds containing property description. If multiple properties, attached a list on a separate sheet.) **All listed information must be provided.**

6034 Chestnut Bluff Rd.
Friendship, TN 38034
Please see the attached Deeds.

BANK/FINANCIAL ACCOUNTS: List bank and type of each account in which trust clause is be released. Please see the attached list.

PERSONAL PROPERTY: Trust clause is to be released in:

☒ All personal property, other than property bearing "United Methodist Church" or the Cross and Flame

☐ All personal property, with the exception of the following:
(List any property that will be retained by the Annual Conference)

EXISTING LIABILITIES (FOR EACH, PROVIDE PROOF OF SATISFACTION OF LIABILITY OR TRANSFER OF LIABILITY TO SUCCESSOR ENTITY):

MORTGAGES: None

SECURED/UNSECURED NOTES: None

THREATENED None OR PENDING LITIGATION

SUCCESSOR ENTITY: Kenny Manning, Ronnie Smallwood, Tim Holland, and William Ortega
(IF CORPORATION, PROVIDE CORPORATE NAME. IF UNINCORPORATED ENTITY, PROVIDE BOTH THE NAME OF THE NEW ENTITY AND THE NAMES OF INDIVIDUAL TRUSTEES IN WHOSE NAME TRANSFER SHOULD BE MADE) Trustees,

I CERTIFY THAT THE INFORMATION PROVIDED ABOVE IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

Kenny Manning

OFFICER/AUTHORIZED DESIGNEE

Standard Form Disaffiliation Agreement-Tennessee-Western Kentucky Conference

As mandated by ¶ 2553

DISAFFILIATION AGREEMENT PURSUANT TO ¶ 2553

This Disaffiliation Agreement Pursuant to ¶ 2553 (“Disaffiliation Agreement”) is entered into this **17th** day of **September, 2023**, by and between **Marvin’s Chapel United Methodist Church** (“Local Church”) and **The Tennessee-Western Kentucky Conference** of the United Methodist Church (“Annual Conference”).

WHEREAS, Local Church is a United Methodist church within the boundaries of Annual Conference;

WHEREAS, Local Church has held a church conference, in compliance with ¶¶ 246.8, 248, and 2553.2-.3 of *The Book of Discipline of The United Methodist Church* (“*Discipline*”), at which at least two-thirds (2/3) of the professing members present at the church conference of Local Church voted to disaffiliate from The United Methodist Church “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.”

WHEREAS, pursuant to ¶ 2501.1 of the *Discipline*, Local Church holds its real and personal, tangible and intangible property “in trust for The United Methodist Church and subject to the provisions of its *Discipline*.”

WHEREAS, property subject to ¶ 2501.1 “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*.” (¶ 2501.2)

WHEREAS, ¶ 2553 provides a specific circumstance in which property subject to ¶ 2501.1 can be released from the trust imposed by that paragraph.

WHEREAS, ¶ 2553.4 requires the terms and conditions of Local Church’s disaffiliation from The United Methodist Church to be “memorialized in a binding Disaffiliation Agreement.”

WHEREAS, Local Church and Annual Conference wish to (1) resolve all matters between them, and Local Church wishes to acquire from Annual Conference all of Annual Conference's interest, on behalf of The United Methodist Church, in the real and personal, tangible and intangible property held by Local Church and (2) comply with the requirements of ¶ 2553 and Judicial Council *Decision* 1379.

NOW, THEREFORE, in consideration of the foregoing and all the mutual covenants herein contained, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Local Church and Annual Conference agree as follows:

1. Conditions Precedent. Local Church and Annual Conference acknowledge and agree:
 - a. *Church Conference Vote*. At least two-thirds (2/3) of the professing members present at a church conference of Local Church must vote to disaffiliate from The United Methodist Church “*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.*” Local Church must provide documentation, to the satisfaction of Annual Conference, which evidences the result of the disaffiliation vote taken at the church conference. Such documentation must be certified by an authorized officer of Local Church and shall be included as EXHIBIT A to this Disaffiliation Agreement.
 - b. *Annual Conference Vote*. This Disaffiliation Agreement must be “ratified by a simple majority of the members . . . present and voting” at a duly-called session of Annual Conference, as required by Judicial Council *Decision* 1379 and ¶ 2529.1b(3).

Should either of the above not occur, this Disaffiliation Agreement shall immediately become null and void.

2. Applicability of ¶ 2501. Local Church acknowledges and agrees that pursuant to ¶ 2501 of the *Discipline*, Local Church holds all property, real and personal, tangible and intangible, in trust for the benefit of The United Methodist Church.

3. Date of Disaffiliation. Should Local Church timely comply with all of its obligations as set forth herein, Local Church's disaffiliation from The United Methodist Church will be effective on the last day of the month in which the Annual Conference votes to approve disaffiliation ("Disaffiliation Date"). The Disaffiliation Date must be subsequent to the Annual Conference's ratification referenced in Section 1 above.

4. Local Church's Obligations. Unless a different date is specified, Local Church shall, by no later than the Disaffiliation Date, do the following:

Payments. Prior to the Disaffiliation Date, Local Church shall pay to Annual Conference, in a manner specified by Annual Conference, the following:

- i. Local Church shall have the right to retain its real and personal, tangible and intangible property without charge. Any costs relating to Local Church's retention of its property will be borne by Local Church.
- ii. Any unpaid connectional for the twelve (12) months immediately prior to the Disaffiliation Date, as calculated by Annual Conference, totaling \$636.00
- iii. An additional twelve (12) months of connectional commitment, as calculated by Annual Conference, totaling \$1,518.00
- iv. Any past due Direct Bill Pension or Health Insurance payments \$0.00
- v. An amount equal to Local Church's pro rata share, based on a ratio of church's Connectional Commitment to the current year's budget, of Annual Conference's unfunded pension obligations, based on the Annual Conference's aggregate funding obligations as determined by the General Board of Pension and Health Benefits using market factors similar to a commercial annuity provider, totaling \$2,169.00
- vi. Any grant from the Annual Conference to the Local Church that was received within two (2) years prior to the Disaffiliation Date, including but not limited to grants for Equitable Compensation or small church capital improvements, shall be treated as a loan and shall be repaid in full prior to the Disaffiliation Date; \$0.00

Will
confirm
Goodby

Confirmed
amount
\$509.00
9-18-1

vii. If the Bishop has appointed a pastor to serve a local church for the church year beginning July 1, 2023, the Church shall be responsible, prior to the Disaffiliation Date, for paying to Conference a sum equal to the cost of salary and benefits for the pastor until the end of the Conference year on June 30, 2024, notwithstanding that the Disaffiliation Date will be November 30, 2023, unless another appointment of equal or greater salary and benefits is available to the pastor at the time of the Church's disaffiliation. **Salary/Housing: \$0.00 Medical/Pension: \$0.00**

viii. **Total due for disaffiliation: \$4,323.00**

Will confirm amount JDO
Confirmed total \$4,196.00

- b. *Other Liabilities.* Local Church shall either satisfy all of its debts, loans, and liabilities, or assign or transfer such obligations to its new entity. Such debts, loans and liabilities, and the disposition thereof, are listed in EXHIBIT B to this Agreement. Local Church must provide sufficient documentation of same to Annual Conference. Notwithstanding whether any such liability is disclosed in EXHIBIT B, all liabilities of Local Church shall remain liabilities of Local Church's new entity and shall not become liabilities of Annual Conference. 9-18- JDO
- c. *Intellectual Property.* Local Church shall cease all use of "United Methodist," the Cross & Flame insignia, and any other intellectual property of the denomination and Annual Conference, including the removal of all signage containing the same."
- d. *Group Tax Exemption Ruling.* As of the Disaffiliation Date, Local Church shall cease to use, and also shall ensure that any affiliates of Local Church which have been included in the group tax exemption ruling shall cease to use, any and all documentation stating that Local Church is included in the denomination's group tax exemption ruling administered by the General Council on Finance and Administration of The United Methodist Church. Local Church and any of its affiliates which have been included in the group tax exemption ruling will be removed as of the Disaffiliation Date.

5. Organizational Transition. Local Church shall take all steps necessary to close and/or dissolve any legal entities and to settle, liquidate, or transfer all assets and obligations of such entities, or to establish any new legal entities, or to modify its current organizing documents, as needed to effectuate its disaffiliation from The United Methodist Church to the satisfaction of Annual Conference. Local Church shall indemnify, defend, and hold harmless Annual Conference and its officers, directors, agents, and

employees from any liability or costs (including reasonable attorney fees) resulting from any claim, action, or cause of action for damages to persons or property resulting from Local Church's failure to take all necessary steps as required by this Section 5.

6. Property. On the Disaffiliation Date, Local Church will have full ownership of the property and assets listed in EXHIBIT B to this Agreement. For any real property to be retained by Local Church, Local Church shall cause to be prepared a quitclaim deed in the form shown in Exhibit C hereto, for signature by two Conference Trustees, which deed shall disclaim any interest of the Conference in the real property pursuant to the UMC trust clause or otherwise. Local Church shall be solely responsible for ensuring that the property description contained in the Quitclaim Deed is accurate, and Conference shall make no warranty of title as to Local Church's property. Local Church shall provide the information required by Exhibits A and B and the Quitclaim Deed referenced in Exhibit C prior to the date of the Annual Conference vote on disaffiliation. The parties shall ensure all necessary transfers or other transactions relating to the above properties are completed prior to the Disaffiliation Date. Any costs resulting from such transfers or other transactions shall be borne by Local Church. Annual Conference shall fully cooperate with Local Church, as needed and applicable, to ensure that such transfers and other transactions convey all of Annual Conference's interest – both for itself and on behalf of The United Methodist Church – in the real and personal, tangible and intangible property of Local Church.

7. Release of Claims. Upon the completion of all of their respective obligations herein, Annual Conference and Local Church, for themselves and their agents, representatives, members, trustees, employees, successors, attorneys, and assigns, hereby fully and forever covenant not to sue each other, and release and discharge each other, and their current and former trustees, officers, representatives, employees, and assigns, in both their official and individual capacities, from any liability for any and all causes of action and claims, including any statutory or common law cause of action, tort or contractual claims, any claims for attorneys' fees, expenses and all other damages, whether known or unknown, foreseen or unforeseen, which Annual Conference or Local Church ever had, now has, hereafter may have or claim to have against any of the above-named entities or persons in any way arising out of their relationship with each other. The parties further represent they have no pending lawsuit, charge, complaint, or other action against each other. Notwithstanding the foregoing releases and covenants not

to sue, the parties may take action to enforce this Disaffiliation Agreement in any court where jurisdiction and venue are proper.

8. Time Limit. Should the Local Church fail to satisfy all of its obligations set forth herein by December 31, 2023, this Disaffiliation Agreement shall be null and void.

9. Continuing as Plan Sponsor. Nothing in this Disaffiliation Agreement shall prevent Local Church, after the Disaffiliation Date, from continuing to sponsor benefit plans from the General Board of Pension and Health Benefits (Wespath) to the extent permitted by federal law, and provided that Local Church has not expressly resolved that it no longer shares common religious bonds with The United Methodist Church.

10. Non-Severability. Each of the terms of this Disaffiliation Agreement is a material and integral part hereof. Should any provision of this Disaffiliation Agreement be held unenforceable or contrary to law, the entire Disaffiliation Agreement shall be deemed null and void.

Representatives of the Local Church

Brinda S. Mann Chair, Administrative Board

Date 9-17-2023

Linda Carlton Chair, Board of Trustees
Member

Date 9/17/2023

Representatives of the Annual Conference

D. E. Wray District Superintendent

Date 9-17-2023

Raúl B. Reyes Authorized Member, Board of Trustees

Date 10/20/2023

EXHIBIT A TO DISAFFILIATION AGREEMENT

OFFICER'S CERTIFICATE OF THE DISAFFILIATION VOTE OF THE
MEMBERS OF THE
MARVIN'S CHAPEL UNITED METHODIST CHURCH

PHYSICAL ADDRESS OF CHURCH:

**588 Marvin's Chapel Rd.
Brownsville, TN 38012**

I, Brenda S. Mann, as the undersigned officer or authorized designee of **Marvin's Chapel United Methodist Church** ("Church") certify the vote of the Church members that was taken to disaffiliate from the United Methodist Church pursuant to Paragraph 2553 of the *Book of Discipline* of the United Methodist Church.

I can certify that the following events transpired as described:

1. The Church Council and members of the Church met on **Sunday, September 17, 2023 at 12:15p.m.** at a meeting duly called by the District Superintendent after notice as required by the *Book of Discipline*.

2. There were 4 ballots cast on the issue of whether to disaffiliate from the United Methodist Church subject to the provision of Paragraph 2553 of the *Book of Discipline*.

The number of votes needed to meet the required 2/3 majority is 3.

3. 1 voted "No;" against disaffiliation;

3 voted "Yes," to disaffiliate;

0 abstained.

Brenda S. Mann
OFFICER/AUTHORIZED DESIGNEE

Linda Carlton
CHAIR OF TRUSTEES
member

[Signature]
DISTRICT SUPERINTENDENT

To Nashville
8/23

**EXHIBIT B TO DISAFFILIATION AGREEMENT
LIST OF ASSETS TO BE TRANSFERRED AND LIABILITIES TO BE
ASSUMED**

REAL PROPERTY: Physical Address, County where Located, Deed Book/Page and Use (i.e., church building, parsonage, cemetery etc.) of Real Property to be transferred (Attach copies of deeds containing property description. If multiple properties, attached a list on a separate sheet.) All listed information must be provided.

Marvin's Chapel United Methodist Church
588 Marvin's Chapel Rd
Brownsville, TN 38012
Haywood County

BANK/FINANCIAL ACCOUNTS: List bank and type of each account in which trust clause is be released. Attached copy list.

PERSONAL PROPERTY: Trust clause is to be released in:

☒ All personal property, other than property bearing "United Methodist Church" or the Cross and Flame

☒ All personal property, with the exception of the following:
(List any property that will be retained by the Annual Conference)

None

EXISTING LIABILITIES (FOR EACH, PROVIDE PROOF OF SATISFACTION OF LIABILITY OR TRANSFER OF LIABILITY TO SUCCESSOR ENTITY):

MORTGAGES: None

SECURED/UNSECURED NOTES: None

THREATENED OR PENDING LITIGATION None

SUCCESSOR ENTITY: Marvin's Chapel Methodist Church
Trustees - Brenda S. Mann and Linda Carlton
(IF CORPORATION, PROVIDE CORPORATE NAME. IF UNINCORPORATED ENTITY, PROVIDE BOTH THE NAME OF THE NEW ENTITY AND THE NAMES OF INDIVIDUAL TRUSTEES IN WHOSE NAME TRANSFER SHOULD BE MADE)

I CERTIFY THAT THE INFORMATION PROVIDED ABOVE IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

Brenda S. Mann
OFFICER/AUTHORIZED DESIGNEE

Standard Form Disaffiliation Agreement-Tennessee-Western Kentucky (TWK) Conference
As mandated by ¶ 2553

DISAFFILIATION AGREEMENT PURSUANT TO ¶ 2553

This Disaffiliation Agreement Pursuant to ¶ 2553 (“Disaffiliation Agreement”) is entered into this **13th** day of **August**, 2023, by and between **Maury City United Methodist Church** (“Local Church”) and **The Tennessee-Western Kentucky Conference** of the United Methodist Church (“Annual Conference”).

WHEREAS, Local Church is a United Methodist church within the boundaries of Annual Conference;

WHEREAS, Local Church has held a church conference, in compliance with ¶¶ 246.8, 248, and 2553.2-.3 of *The Book of Discipline of The United Methodist Church* (“*Discipline*”), at which at least two-thirds (2/3) of the professing members present at the church conference of Local Church voted to disaffiliate from The United Methodist Church “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.”

WHEREAS, pursuant to ¶ 2501.1 of the *Discipline*, Local Church holds its real and personal, tangible and intangible property “in trust for The United Methodist Church and subject to the provisions of its *Discipline*.”

WHEREAS, property subject to ¶ 2501.1 “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*.” (¶ 2501.2)

WHEREAS, ¶ 2553 provides a specific circumstance in which property subject to ¶ 2501.1 can be released from the trust imposed by that paragraph.

WHEREAS, ¶ 2553.4 requires the terms and conditions of Local Church’s disaffiliation from The United Methodist Church to be “memorialized in a binding Disaffiliation Agreement.”

WHEREAS, Local Church and Annual Conference wish to (1) resolve all matters between them, and Local Church wishes to acquire from Annual Conference all of Annual Conference's interest, on behalf of The United Methodist Church, in the real and personal, tangible and intangible property held by Local Church and (2) comply with the requirements of ¶ 2553 and Judicial Council *Decision* 1379.

NOW, THEREFORE, in consideration of the foregoing and all the mutual covenants herein contained, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Local Church and Annual Conference agree as follows:

1. Conditions Precedent. Local Church and Annual Conference acknowledge and agree:
 - a. *Church Conference Vote*. At least two-thirds (2/3) of the professing members present at a church conference of Local Church must vote to disaffiliate from The United Methodist Church "*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.*" Local Church must provide documentation, to the satisfaction of Annual Conference, which evidences the result of the disaffiliation vote taken at the church conference. Such documentation must be certified by an authorized officer of Local Church and shall be included as EXHIBIT A to this Disaffiliation Agreement.
 - b. *Annual Conference Vote*. This Disaffiliation Agreement must be "ratified by a simple majority of the members . . . present and voting" at a duly-called session of Annual Conference, as required by Judicial Council *Decision* 1379 and ¶ 2529.1b(3).

Should either of the above not occur, this Disaffiliation Agreement shall immediately become null and void.

2. Applicability of ¶ 2501. Local Church acknowledges and agrees that pursuant to ¶ 2501 of the *Discipline*, Local Church holds all property, real and personal, tangible and intangible, in trust for the benefit of The United Methodist Church.

3. Date of Disaffiliation. Should Local Church timely comply with all of its obligations as set forth herein, Local Church's disaffiliation from The United Methodist Church will be effective on the last day of the month in which the Annual Conference votes to approve disaffiliation ("Disaffiliation Date"). The Disaffiliation Date must be subsequent to the Annual Conference's ratification referenced in Section 1 above.

4. Local Church's Obligations. Unless a different date is specified, Local Church shall, by no later than the Disaffiliation Date, do the following:

Payments. Prior to the Disaffiliation Date, Local Church shall pay to Annual Conference, in a manner specified by Annual Conference, the following:

- i. Local Church shall have the right to retain its real and personal, tangible and intangible property without charge. Any costs relating to Local Church's retention of its property will be borne by Local Church.
- ii. Any unpaid connectional for the twelve (12) months immediately prior to the Disaffiliation Date, as calculated by Annual Conference, totaling **\$6,592.00**
- iii. An additional twelve (12) months of connectional commitment, as calculated by Annual Conference, totaling **\$5,099.00**
- iv. Any past due Direct Bill Pension or Health Insurance payments **\$0.00**
- v. An amount equal to Local Church's pro rata share, based on a ratio of church's Connectional Commitment to the current year's budget, of Annual Conference's unfunded pension obligations, based on the Annual Conference's aggregate funding obligations as determined by the General Board of Pension and Health Benefits using market factors similar to a commercial annuity provider, totaling **\$9,469.00**
- vi. Any grant from the Annual Conference to the Local Church that was received within two (2) years prior to the Disaffiliation Date, including but not limited to grants for Equitable Compensation or small church capital improvements, shall be treated as a loan and shall be repaid in full prior to the Disaffiliation Date; **\$0.00**

vii. If the Bishop has appointed a pastor to serve a local church for the church year beginning July 1, 2023, the Church shall be responsible, prior to the Disaffiliation Date, for paying to Conference a sum equal to the cost of salary and benefits for the pastor until the end of the Conference year on June 30, 2024, notwithstanding that the Disaffiliation Date will be November 30, 2023, unless another appointment of equal or greater salary and benefits is available to the pastor at the time of the Church's disaffiliation. **Salary/Housing: \$10,482.00 Medical/Pension: \$943.00**

viii. **Total due for disaffiliation: \$32,585.00**

- b. *Other Liabilities.* Local Church shall either satisfy all of its debts, loans, and liabilities, or assign or transfer such obligations to its new entity. Such debts, loans and liabilities, and the disposition thereof, are listed in EXHIBIT B to this Agreement. Local Church must provide sufficient documentation of same to Annual Conference. Notwithstanding whether any such liability is disclosed in EXHIBIT B, all liabilities of Local Church shall remain liabilities of Local Church's new entity and shall not become liabilities of Annual Conference.
- c. *Intellectual Property.* Local Church shall cease all use of "United Methodist," the Cross & Flame insignia, and any other intellectual property of the denomination and Annual Conference, including the removal of all signage containing the same."
- d. *Group Tax Exemption Ruling.* As of the Disaffiliation Date, Local Church shall cease to use, and also shall ensure that any affiliates of Local Church which have been included in the group tax exemption ruling shall cease to use, any and all documentation stating that Local Church is included in the denomination's group tax exemption ruling administered by the General Council on Finance and Administration of The United Methodist Church. Local Church and any of its affiliates which have been included in the group tax exemption ruling will be removed as of the Disaffiliation Date.

5. Organizational Transition. Local Church shall take all steps necessary to close and/or dissolve any legal entities and to settle, liquidate, or transfer all assets and obligations of such entities, or to establish any new legal entities, or to modify its current organizing documents, as needed to effectuate its disaffiliation from The United Methodist Church to the satisfaction of Annual Conference. Local Church shall indemnify, defend, and hold harmless Annual Conference and its officers, directors, agents, and

employees from any liability or costs (including reasonable attorney fees) resulting from any claim, action, or cause of action for damages to persons or property resulting from Local Church's failure to take all necessary steps as required by this Section 5.

6. Property. On the Disaffiliation Date, Local Church will have full ownership of the property and assets listed in EXHIBIT B to this Agreement. For any real property to be retained by Local Church, Local Church shall cause to be prepared a quitclaim deed in the form shown in Exhibit C hereto, for signature by two Conference Trustees, which deed shall disclaim any interest of the Conference in the real property pursuant to the UMC trust clause or otherwise. Local Church shall be solely responsible for ensuring that the property description contained in the Quitclaim Deed is accurate, and Conference shall make no warranty of title as to Local Church's property. Local Church shall provide the information required by Exhibits A and B and the Quitclaim Deed referenced in Exhibit C prior to the date of the Annual Conference vote on disaffiliation. The parties shall ensure all necessary transfers or other transactions relating to the above properties are completed prior to the Disaffiliation Date. Any costs resulting from such transfers or other transactions shall be borne by Local Church. Annual Conference shall fully cooperate with Local Church, as needed and applicable, to ensure that such transfers and other transactions convey all of Annual Conference's interest – both for itself and on behalf of The United Methodist Church – in the real and personal, tangible and intangible property of Local Church.

7. Release of Claims. Upon the completion of all of their respective obligations herein, Annual Conference and Local Church, for themselves and their agents, representatives, members, trustees, employees, successors, attorneys, and assigns, hereby fully and forever covenant not to sue each other, and release and discharge each other, and their current and former trustees, officers, representatives, employees, and assigns, in both their official and individual capacities, from any liability for any and all causes of action and claims, including any statutory or common law cause of action, tort or contractual claims, any claims for attorneys' fees, expenses and all other damages, whether known or unknown, foreseen or unforeseen, which Annual Conference or Local Church ever had, now has, hereafter may have or claim to have against any of the above-named entities or persons in any way arising out of their relationship with each other. The parties further represent they have no pending lawsuit, charge, complaint, or other action against each other. Notwithstanding the foregoing releases and covenants not

to sue, the parties may take action to enforce this Disaffiliation Agreement in any court where jurisdiction and venue are proper.

8. Time Limit. Should the Local Church fail to satisfy all of its obligations set forth herein by December 31, 2023, this Disaffiliation Agreement shall be null and void.

9. Continuing as Plan Sponsor. Nothing in this Disaffiliation Agreement shall prevent Local Church, after the Disaffiliation Date, from continuing to sponsor benefit plans from the General Board of Pension and Health Benefits (Wespath) to the extent permitted by federal law, and provided that Local Church has not expressly resolved that it no longer shares common religious bonds with The United Methodist Church.

10. Non-Severability. Each of the terms of this Disaffiliation Agreement is a material and integral part hereof. Should any provision of this Disaffiliation Agreement be held unenforceable or contrary to law, the entire Disaffiliation Agreement shall be deemed null and void.

Representatives of the Local Church

Ray Jritt Chair, Administrative Board

Date 8-13-23

Bill N. Neal Chair, Board of Trustees

Date 8/13/23

Representatives of the Annual Conference

James O'Camp District Superintendent

Date Aug 13, 2023

Rail B. Adegun Authorized Member, Board of Trustees

Date 10/20/2023

EXHIBIT A TO DISAFFILIATION AGREEMENT

OFFICER'S CERTIFICATE OF THE DISAFFILIATION VOTE
OF THE **MEMBERS OF THE**
MAURY CITY UNITED METHODIST CHURCH

PHYSICAL ADDRESS OF CHURCH:

102 MILL ST.

MAURY CITY, TN 38050

I, Susan Jenkins, as the undersigned officer or authorized designee of **Maury City United Methodist Church** ("Church") certify the vote of the Church members that was taken to disaffiliate from the United Methodist Church pursuant to Paragraph 2553 of the *Book of Discipline of the United Methodist Church*.

I can certify that the following events transpired as described:

1. The Church Council and members of the Church met on **August 13th, 2023 at 6:00 p.m.** at a meeting duly called by the District Superintendent after notice as required by the *Book of Discipline*.

2. There were 16 ballots cast on the issue of whether to disaffiliate from the United Methodist Church subject to the provision of Paragraph 2553 of the *Book of Discipline*.

The number of votes needed to meet the required 2/3 majority is 11.

3. 1 voted "No;" against disaffiliation;

14 voted "Yes," to disaffiliate;

1 abstained.

Susan Jenkins

OFFICER/AUTHORIZED DESIGNEE

Billy J. Neef

CHAIR OF TRUSTEES

James H. Camp

DISTRICT SUPERINTENDENT

**EXHIBIT B TO DISAFFILIATION AGREEMENT
LIST OF ASSETS TO BE TRANSFERRED AND LIABILITIES TO BE
ASSUMED**

REAL PROPERTY: Physical Address, County where Located, Deed Book/Page and Use (i.e., church building, parsonage, cemetery etc.) of Real Property to be transferred (Attach copies of deeds containing property description. If multiple properties, attached a list on a separate sheet.)
All listed information must be provided.

Maury City United Methodist Church
102 Mill Street
Maury City, TN 38050

BANK/FINANCIAL ACCOUNTS: List bank and type of each account in which trust clause is be released. [REDACTED]

PERSONAL PROPERTY: [REDACTED]

 All personal property, other than property bearing "United Methodist Church" or the Cross and Flame

 All personal property, with the exception of the following:
(List any property that will be retained by the Annual Conference)

EXISTING LIABILITIES (FOR EACH, PROVIDE PROOF OF SATISFACTION OF LIABILITY OR TRANSFER OF LIABILITY TO SUCCESSOR ENTITY):

MORTGAGES: none

SECURED/UNSECURED NOTES: none

THREATENED OR PENDING LITIGATION none

SUCCESSOR ENTITY: Attached

(IF CORPORATION, PROVIDE CORPORATE NAME. IF UNINCORPORATED ENTITY, PROVIDE BOTH THE NAME OF THE NEW ENTITY AND THE NAMES OF INDIVIDUAL TRUSTEES IN WHOSE NAME TRANSFER SHOULD BE MADE)

I CERTIFY THAT THE INFORMATION PROVIDED ABOVE IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

[Signature]
OFFICER/AUTHORIZED DESIGNEE

Send emails to
susangjenkins@charter.net

Standard Form Disaffiliation Agreement-Tennessee-Western Kentucky Conference

As mandated by ¶ 2553

DISAFFILIATION AGREEMENT PURSUANT TO ¶ 2553

This Disaffiliation Agreement Pursuant to ¶ 2553 (“Disaffiliation Agreement”) is entered into this **20th** day of **September, 2023**, by and between **Moore’s Chapel United Methodist Church** (“Local Church”) and **The Tennessee-Western Kentucky Conference** of the United Methodist Church (“Annual Conference”).

WHEREAS, Local Church is a United Methodist church within the boundaries of Annual Conference;

WHEREAS, Local Church has held a church conference, in compliance with ¶¶ 246.8, 248, and 2553.2-.3 of *The Book of Discipline of The United Methodist Church* (“*Discipline*”), at which at least two-thirds (2/3) of the professing members present at the church conference of Local Church voted to disaffiliate from The United Methodist Church “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.”

WHEREAS, pursuant to ¶ 2501.1 of the *Discipline*, Local Church holds its real and personal, tangible and intangible property “in trust for The United Methodist Church and subject to the provisions of its *Discipline*.”

WHEREAS, property subject to ¶ 2501.1 “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*.” (¶ 2501.2)

WHEREAS, ¶ 2553 provides a specific circumstance in which property subject to ¶ 2501.1 can be released from the trust imposed by that paragraph.

WHEREAS, ¶ 2553.4 requires the terms and conditions of Local Church’s disaffiliation from The United Methodist Church to be “memorialized in a binding Disaffiliation Agreement.”

WHEREAS, Local Church and Annual Conference wish to (1) resolve all matters between them, and Local Church wishes to acquire from Annual Conference all of Annual Conference's interest, on behalf of The United Methodist Church, in the real and personal, tangible and intangible property held by Local Church and (2) comply with the requirements of ¶ 2553 and Judicial Council *Decision* 1379.

NOW, THEREFORE, in consideration of the foregoing and all the mutual covenants herein contained, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Local Church and Annual Conference agree as follows:

1. Conditions Precedent. Local Church and Annual Conference acknowledge and agree:
 - a. *Church Conference Vote*. At least two-thirds (2/3) of the professing members present at a church conference of Local Church must vote to disaffiliate from The United Methodist Church "*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.*" Local Church must provide documentation, to the satisfaction of Annual Conference, which evidences the result of the disaffiliation vote taken at the church conference. Such documentation must be certified by an authorized officer of Local Church and shall be included as EXHIBIT A to this Disaffiliation Agreement.
 - b. *Annual Conference Vote*. This Disaffiliation Agreement must be "ratified by a simple majority of the members . . . present and voting" at a duly-called session of Annual Conference, as required by Judicial Council *Decision* 1379 and ¶ 2529.1b(3).

Should either of the above not occur, this Disaffiliation Agreement shall immediately become null and void.

2. Applicability of ¶ 2501. Local Church acknowledges and agrees that pursuant to ¶ 2501 of the *Discipline*, Local Church holds all property, real and personal, tangible and intangible, in trust for the benefit of The United Methodist Church.

3. Date of Disaffiliation. Should Local Church timely comply with all of its obligations as set forth herein, Local Church's disaffiliation from The United Methodist Church will be effective on the last day of the month in which the Annual Conference votes to approve disaffiliation ("Disaffiliation Date"). The Disaffiliation Date must be subsequent to the Annual Conference's ratification referenced in Section 1 above.

4. Local Church's Obligations. Unless a different date is specified, Local Church shall, by no later than the Disaffiliation Date, do the following:

Payments. Prior to the Disaffiliation Date, Local Church shall pay to Annual Conference, in a manner specified by Annual Conference, the following:

- i. Local Church shall have the right to retain its real and personal, tangible and intangible property without charge. Any costs relating to Local Church's retention of its property will be borne by Local Church.
- ii. Any unpaid connectional for the twelve (12) months immediately prior to the Disaffiliation Date, as calculated by Annual Conference, totaling **\$392.00**
- iii. An additional twelve (12) months of connectional commitment, as calculated by Annual Conference, totaling **\$2,208.00**
- iv. Any past due Direct Bill Pension or Health Insurance payments **\$0.00**
- v. An amount equal to Local Church's pro rata share, based on a ratio of church's Connectional Commitment to the current year's budget, of Annual Conference's unfunded pension obligations, based on the Annual Conference's aggregate funding obligations as determined by the General Board of Pension and Health Benefits using market factors similar to a commercial annuity provider, totaling **\$2,212.00**
- vi. Any grant from the Annual Conference to the Local Church that was received within two (2) years prior to the Disaffiliation Date, including but not limited to grants for Equitable Compensation or small church capital improvements, shall be treated as a loan and shall be repaid in full prior to the Disaffiliation Date; **\$0.00**

vii. If the Bishop has appointed a pastor to serve a local church for the church year beginning July 1, 2023, the Church shall be responsible, prior to the Disaffiliation Date, for paying to Conference a sum equal to the cost of salary and benefits for the pastor until the end of the Conference year on June 30, 2024, notwithstanding that the Disaffiliation Date will be November 30, 2023, unless another appointment of equal or greater salary and benefits is available to the pastor at the time of the Church's disaffiliation. **Salary/Housing: \$0.00 Medical/Pension: \$0.00**

viii. **Total due for disaffiliation: \$4,812.00**

- b. *Other Liabilities.* Local Church shall either satisfy all of its debts, loans, and liabilities, or assign or transfer such obligations to its new entity. Such debts, loans and liabilities, and the disposition thereof, are listed in EXHIBIT B to this Agreement. Local Church must provide sufficient documentation of same to Annual Conference. Notwithstanding whether any such liability is disclosed in EXHIBIT B, all liabilities of Local Church shall remain liabilities of Local Church's new entity and shall not become liabilities of Annual Conference.
- c. *Intellectual Property.* Local Church shall cease all use of "United Methodist," the Cross & Flame insignia, and any other intellectual property of the denomination and Annual Conference, including the removal of all signage containing the same."
- d. *Group Tax Exemption Ruling.* As of the Disaffiliation Date, Local Church shall cease to use, and also shall ensure that any affiliates of Local Church which have been included in the group tax exemption ruling shall cease to use, any and all documentation stating that Local Church is included in the denomination's group tax exemption ruling administered by the General Council on Finance and Administration of The United Methodist Church. Local Church and any of its affiliates which have been included in the group tax exemption ruling will be removed as of the Disaffiliation Date.

5. **Organizational Transition.** Local Church shall take all steps necessary to close and/or dissolve any legal entities and to settle, liquidate, or transfer all assets and obligations of such entities, or to establish any new legal entities, or to modify its current organizing documents, as needed to effectuate its disaffiliation from The United Methodist Church to the satisfaction of Annual Conference. Local Church shall indemnify, defend, and hold harmless Annual Conference and its officers, directors, agents, and

employees from any liability or costs (including reasonable attorney fees) resulting from any claim, action, or cause of action for damages to persons or property resulting from Local Church's failure to take all necessary steps as required by this Section 5.

6. Property. On the Disaffiliation Date, Local Church will have full ownership of the property and assets listed in EXHIBIT B to this Agreement. For any real property to be retained by Local Church, Local Church shall cause to be prepared a quitclaim deed in the form shown in Exhibit C hereto, for signature by two Conference Trustees, which deed shall disclaim any interest of the Conference in the real property pursuant to the UMC trust clause or otherwise. Local Church shall be solely responsible for ensuring that the property description contained in the Quitclaim Deed is accurate, and Conference shall make no warranty of title as to Local Church's property. Local Church shall provide the information required by Exhibits A and B and the Quitclaim Deed referenced in Exhibit C prior to the date of the Annual Conference vote on disaffiliation. The parties shall ensure all necessary transfers or other transactions relating to the above properties are completed prior to the Disaffiliation Date. Any costs resulting from such transfers or other transactions shall be borne by Local Church. Annual Conference shall fully cooperate with Local Church, as needed and applicable, to ensure that such transfers and other transactions convey all of Annual Conference's interest – both for itself and on behalf of The United Methodist Church – in the real and personal, tangible and intangible property of Local Church.

7. Release of Claims. Upon the completion of all of their respective obligations herein, Annual Conference and Local Church, for themselves and their agents, representatives, members, trustees, employees, successors, attorneys, and assigns, hereby fully and forever covenant not to sue each other, and release and discharge each other, and their current and former trustees, officers, representatives, employees, and assigns, in both their official and individual capacities, from any liability for any and all causes of action and claims, including any statutory or common law cause of action, tort or contractual claims, any claims for attorneys' fees, expenses and all other damages, whether known or unknown, foreseen or unforeseen, which Annual Conference or Local Church ever had, now has, hereafter may have or claim to have against any of the above-named entities or persons in any way arising out of their relationship with each other. The parties further represent they have no pending lawsuit, charge, complaint, or other action against each other. Notwithstanding the foregoing releases and covenants not

to sue, the parties may take action to enforce this Disaffiliation Agreement in any court where jurisdiction and venue are proper.

8. Time Limit. Should the Local Church fail to satisfy all of its obligations set forth herein by December 31, 2023, this Disaffiliation Agreement shall be null and void.

9. Continuing as Plan Sponsor. Nothing in this Disaffiliation Agreement shall prevent Local Church, after the Disaffiliation Date, from continuing to sponsor benefit plans from the General Board of Pension and Health Benefits (Wespath) to the extent permitted by federal law, and provided that Local Church has not expressly resolved that it no longer shares common religious bonds with The United Methodist Church.

10. Non-Severability. Each of the terms of this Disaffiliation Agreement is a material and integral part hereof. Should any provision of this Disaffiliation Agreement be held unenforceable or contrary to law, the entire Disaffiliation Agreement shall be deemed null and void.

Representatives of the Local Church

Bruce Greff Chair, Administrative Board

Date 9-20-2022

Raymond A. Allen Chair, Board of Trustees

Date 9-30-2023

Representatives of the Annual Conference

David W. [Signature] District Superintendent

Date 9-20-23

Raúl B. Alegria Authorized Member, Board of Trustees

Date 10/20/2023

EXHIBIT A TO DISAFFILIATION AGREEMENT

OFFICER'S CERTIFICATE OF THE DISAFFILIATION VOTE
OF THE MEMBERS OF THE
MOORE'S CHAPEL UNITED METHODIST CHURCH

PHYSICAL ADDRESS OF CHURCH:

**2 OAK GROVE RD.
MILAN, TN 38358**

I, Bruce Griffin, as the undersigned officer or authorized designee of **Moore's Chapel United Methodist Church** ("Church") certify the vote of the Church members that was taken to disaffiliate from the United Methodist Church pursuant to Paragraph 2553 of the *Book of Discipline of the United Methodist Church*.

I can certify that the following events transpired as described:

1. The Church Council and members of the Church met on **Tuesday, August 29, 2023** at **5:00p.m.** at a meeting duly called by the District Superintendent after notice as required by the *Book of Discipline*.

2. There were 5 ballots cast on the issue of whether to disaffiliate from the United Methodist Church subject to the provision of Paragraph 2553 of the *Book of Discipline*.

The number of votes needed to meet the required 2/3 majority is 4.

3. 0 voted "No;" against disaffiliation;
5 voted "Yes," to disaffiliate;
0 abstained.

Bruce Griffin
OFFICER/AUTHORIZED DESIGNEE

Raymond G. Belmer
CHAIR OF TRUSTEES

D. D. [Signature]
DISTRICT SUPERINTENDENT

**EXHIBIT B TO DISAFFILIATION AGREEMENT
LIST OF ASSETS TO BE TRANSFERRED AND LIABILITIES TO BE
ASSUMED**

REAL PROPERTY: Physical Address, County where Located, Deed Book/Page and Use (i.e., church building, parsonage, cemetery etc.) of Real Property to be transferred (Attach copies of deeds containing property description. If multiple properties, attached a list on a separate sheet.) All listed information must be provided.

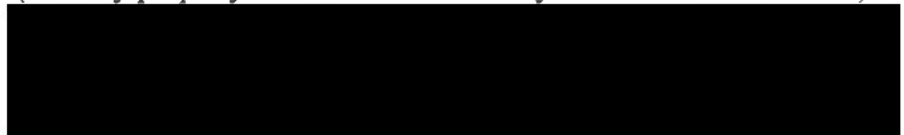
Moore's Chapel
2 Oak Grove Road
Milan, TN 38358

BANK/FINANCIAL ACCOUNTS: List bank and type of each account in which trust clause is be released.

PERSONAL PROPERTY: Trust clause is to be released in:

NONE All personal property, other than property bearing "United Methodist Church" or the Cross and Flame

NONE All personal property, with the exception of the following:
(List any property that will be retained by the Annual Conference)



EXISTING LIABILITIES (FOR EACH, PROVIDE PROOF OF SATISFACTION OF LIABILITY OR TRANSFER OF LIABILITY TO SUCCESSOR ENTITY):

MORTGAGES: NONE

SECURED/UNSECURED NOTES: _____

THREATENED OR PENDING LITIGATION _____

SUCCESSOR ENTITY: _____
(IF CORPORATION, PROVIDE CORPORATE NAME. IF UNINCORPORATED ENTITY, PROVIDE BOTH THE NAME OF THE NEW ENTITY AND THE NAMES OF INDIVIDUAL TRUSTEES IN WHOSE NAME TRANSFER SHOULD BE MADE)

I CERTIFY THAT THE INFORMATION PROVIDED ABOVE IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

OFFICER/AUTHORIZED DESIGNEE

TWK
Standard Form Disaffiliation Agreement-~~Name~~ Conference
As mandated by ¶ 2553

DISAFFILIATION AGREEMENT PURSUANT TO ¶ 2553

This Disaffiliation Agreement Pursuant to ¶ 2553 (“Disaffiliation Agreement”) is entered into this 13th day of August, 2023, by and between Mount Pleasant United Methodist Church (“Local Church”) and **The Tennessee-Western Kentucky Conference** of the United Methodist Church (“Annual Conference”).

WHEREAS, Local Church is a United Methodist church within the boundaries of Annual Conference;

WHEREAS, Local Church has held a church conference, in compliance with ¶¶ 246.8, 248, and 2553.2-.3 of *The Book of Discipline of The United Methodist Church* (“*Discipline*”), at which at least two-thirds (2/3) of the professing members present at the church conference of Local Church voted to disaffiliate from The United Methodist Church “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.”

WHEREAS, pursuant to ¶ 2501.1 of the *Discipline*, Local Church holds its real and personal, tangible and intangible property “in trust for The United Methodist Church and subject to the provisions of its *Discipline*.”

WHEREAS, property subject to ¶ 2501.1 “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*.” (¶ 2501.2)

WHEREAS, ¶ 2553 provides a specific circumstance in which property subject to ¶ 2501.1 can be released from the trust imposed by that paragraph.

WHEREAS, ¶ 2553.4 requires the terms and conditions of Local Church’s disaffiliation from The United Methodist Church to be “memorialized in a binding Disaffiliation Agreement.”

WHEREAS, Local Church and Annual Conference wish to (1) resolve all matters between them, and Local Church wishes to acquire from Annual Conference all of Annual Conference's interest, on behalf of The United Methodist Church, in the real and personal, tangible and intangible property held by Local Church and (2) comply with the requirements of ¶ 2553 and Judicial Council *Decision* 1379.

NOW, THEREFORE, in consideration of the foregoing and all the mutual covenants herein contained, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Local Church and Annual Conference agree as follows:

1. Conditions Precedent. Local Church and Annual Conference acknowledge and agree:
 - a. *Church Conference Vote*. At least two-thirds (2/3) of the professing members present at a church conference of Local Church must vote to disaffiliate from The United Methodist Church "*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.*" Local Church must provide documentation, to the satisfaction of Annual Conference, which evidences the result of the disaffiliation vote taken at the church conference. Such documentation must be certified by an authorized officer of Local Church and shall be included as EXHIBIT A to this Disaffiliation Agreement.
 - b. *Annual Conference Vote*. This Disaffiliation Agreement must be "ratified by a simple majority of the members . . . present and voting" at a duly-called session of Annual Conference, as required by Judicial Council *Decision* 1379 and ¶ 2529.1b(3).

Should either of the above not occur, this Disaffiliation Agreement shall immediately become null and void.

2. Applicability of ¶ 2501. Local Church acknowledges and agrees that pursuant to ¶ 2501 of the *Discipline*, Local Church holds all property, real and personal, tangible and intangible, in trust for the benefit of The United Methodist Church.

3. Date of Disaffiliation. Should Local Church timely comply with all of its obligations as set forth herein, Local Church's disaffiliation from The United Methodist Church will be effective on the last day of the month in which the Annual Conference votes to approve disaffiliation ("Disaffiliation Date"). The Disaffiliation Date must be subsequent to the Annual Conference's ratification referenced in Section 1 above.

4. Local Church's Obligations. Unless a different date is specified, Local Church shall, by no later than the Disaffiliation Date, do the following:

Payments. Prior to the Disaffiliation Date, Local Church shall pay to Annual Conference, in a manner specified by Annual Conference, the following:

- i. Local Church shall have the right to retain its real and personal, tangible and intangible property without charge. Any costs relating to Local Church's retention of its property will be borne by Local Church.
- ii. Any unpaid connectional for the twelve (12) months immediately prior to the Disaffiliation Date, as calculated by Annual Conference, totaling **\$852.00**
- iii. An additional twelve (12) months of connectional commitment, as calculated by Annual Conference, totaling **\$2,706.00**
- iv. Any past due Direct Bill Pension or Health Insurance payments **\$0.00**
- v. An amount equal to Local Church's pro rata share, based on a ratio of church's Connectional Commitment to the current year's budget, of Annual Conference's unfunded pension obligations, based on the Annual Conference's aggregate funding obligations as determined by the General Board of Pension and Health Benefits using market factors similar to a commercial annuity provider, totaling **\$3,634.00**
- vi. Any grant from the Annual Conference to the Local Church that was received within two (2) years prior to the Disaffiliation Date, including but not limited to grants for Equitable Compensation or small church capital improvements, shall be treated as a loan and shall be repaid in full prior to the Disaffiliation Date; **\$0.00**

vii. If the Bishop has appointed a pastor to serve a local church for the church year beginning July 1, 2023, the Church shall be responsible, prior to the Disaffiliation Date, for paying to Conference a sum equal to the cost of salary and benefits for the pastor until the end of the Conference year on June 30, 2024, notwithstanding that the Disaffiliation Date will be November 30, 2023, unless another appointment of equal or greater salary and benefits is available to the pastor at the time of the Church's disaffiliation. **Salary/Housing: \$0.00 Medical/Pension: \$0.00**

viii. **Total due for disaffiliation: \$7,192.00**

- b. *Other Liabilities.* Local Church shall either satisfy all of its debts, loans, and liabilities, or assign or transfer such obligations to its new entity. Such debts, loans and liabilities, and the disposition thereof, are listed in EXHIBIT B to this Agreement. Local Church must provide sufficient documentation of same to Annual Conference. Notwithstanding whether any such liability is disclosed in EXHIBIT B, all liabilities of Local Church shall remain liabilities of Local Church's new entity and shall not become liabilities of Annual Conference.
- c. *Intellectual Property.* Local Church shall cease all use of "United Methodist," the Cross & Flame insignia, and any other intellectual property of the denomination and Annual Conference, including the removal of all signage containing the same."
- d. *Group Tax Exemption Ruling.* As of the Disaffiliation Date, Local Church shall cease to use, and also shall ensure that any affiliates of Local Church which have been included in the group tax exemption ruling shall cease to use, any and all documentation stating that Local Church is included in the denomination's group tax exemption ruling administered by the General Council on Finance and Administration of The United Methodist Church. Local Church and any of its affiliates which have been included in the group tax exemption ruling will be removed as of the Disaffiliation Date.

5. Organizational Transition. Local Church shall take all steps necessary to close and/or dissolve any legal entities and to settle, liquidate, or transfer all assets and obligations of such entities, or to establish any new legal entities, or to modify its current organizing documents, as needed to effectuate its disaffiliation from The United Methodist Church to the satisfaction of Annual Conference. Local Church shall indemnify, defend, and hold harmless Annual Conference and its officers, directors, agents, and

employees from any liability or costs (including reasonable attorney fees) resulting from any claim, action, or cause of action for damages to persons or property resulting from Local Church's failure to take all necessary steps as required by this Section 5.

6. Property. On the Disaffiliation Date, Local Church will have full ownership of the property and assets listed in EXHIBIT B to this Agreement. For any real property to be retained by Local Church, Local Church shall cause to be prepared a quitclaim deed in the form shown in Exhibit C hereto, for signature by two Conference Trustees, which deed shall disclaim any interest of the Conference in the real property pursuant to the UMC trust clause or otherwise. Local Church shall be solely responsible for ensuring that the property description contained in the Quitclaim Deed is accurate, and Conference shall make no warranty of title as to Local Church's property. Local Church shall provide the information required by Exhibits A and B and the Quitclaim Deed referenced in Exhibit C prior to the date of the Annual Conference vote on disaffiliation. The parties shall ensure all necessary transfers or other transactions relating to the above properties are completed prior to the Disaffiliation Date. Any costs resulting from such transfers or other transactions shall be borne by Local Church. Annual Conference shall fully cooperate with Local Church, as needed and applicable, to ensure that such transfers and other transactions convey all of Annual Conference's interest – both for itself and on behalf of The United Methodist Church – in the real and personal, tangible and intangible property of Local Church.

7. Release of Claims. Upon the completion of all of their respective obligations herein, Annual Conference and Local Church, for themselves and their agents, representatives, members, trustees, employees, successors, attorneys, and assigns, hereby fully and forever covenant not to sue each other, and release and discharge each other, and their current and former trustees, officers, representatives, employees, and assigns, in both their official and individual capacities, from any liability for any and all causes of action and claims, including any statutory or common law cause of action, tort or contractual claims, any claims for attorneys' fees, expenses and all other damages, whether known or unknown, foreseen or unforeseen, which Annual Conference or Local Church ever had, now has, hereafter may have or claim to have against any of the above-named entities or persons in any way arising out of their relationship with each other. The parties further represent they have no pending lawsuit, charge, complaint, or other action against each other. Notwithstanding the foregoing releases and covenants not

to sue, the parties may take action to enforce this Disaffiliation Agreement in any court where jurisdiction and venue are proper.

8. Time Limit. Should the Local Church fail to satisfy all of its obligations set forth herein by December 31, 2023, this Disaffiliation Agreement shall be null and void.

9. Continuing as Plan Sponsor. Nothing in this Disaffiliation Agreement shall prevent Local Church, after the Disaffiliation Date, from continuing to sponsor benefit plans from the General Board of Pension and Health Benefits (Wespath) to the extent permitted by federal law, and provided that Local Church has not expressly resolved that it no longer shares common religious bonds with The United Methodist Church.

10. Non-Severability. Each of the terms of this Disaffiliation Agreement is a material and integral part hereof. Should any provision of this Disaffiliation Agreement be held unenforceable or contrary to law, the entire Disaffiliation Agreement shall be deemed null and void.

Representatives of the Local Church

Deane Meadows Chair, Administrative Board

Date 8-13-23

[Signature] Chair, Board of Trustees
Finance
[Signature]

Date 8/13/23

Representatives of the Annual Conference

[Signature] District Superintendent

Date 8-13-23

Rachel B. Reyer Authorized Member, Board of Trustees

Date _____

EXHIBIT A TO DISAFFILIATION AGREEMENT

OFFICER'S CERTIFICATE OF THE DISAFFILIATION VOTE OF THE **MEMBERS OF THE** **MOUNT PLEASANT UNITED METHODIST CHURCH**

PHYSICAL ADDRESS OF CHURCH:

**4299 Arp-Central Road
Ripley, TN 38063**

I, George Meadows, as the undersigned officer or authorized designee of **Mt. Pleasant United Methodist Church** ("Church") certify the vote of the Church members that was taken to disaffiliate from the United Methodist Church pursuant to Paragraph 2553 of the *Book of Discipline of the United Methodist Church*.

I can certify that the following events transpired as described:

1. The Church Council and members of the Church met on **Sunday, August 13, 2023 at 2:30p.m.** at a meeting duly called by the District Superintendent after notice as required by the *Book of Discipline*.

2. There were 10 ballots cast on the issue of whether to disaffiliate from the United Methodist Church subject to the provision of Paragraph 2553 of the *Book of Discipline*.

The number of votes needed to meet the required 2/3 majority is 7.

3. 0 voted "No;" against disaffiliation;

10 voted "Yes," to disaffiliate;

0 abstained.

George Meadows

OFFICER/AUTHORIZED DESIGNEE

[Signature]

CHAIR OF TRUSTEES

Finance [Signature]

[Signature]

DISTRICT SUPERINTENDENT

EXHIBIT B TO DISAFFILIATION AGREEMENT
LIST OF ASSETS TO BE TRANSFERRED AND LIABILITIES TO BE ASSUMED

REAL PROPERTY: Physical Address, County where Located, Deed Book/Page and Use (i.e., church building, parsonage, cemetery etc.) of Real Property to be transferred (Attach copies of deeds containing property description. If multiple properties, attached a list on a separate sheet.) **All listed information must be provided.**

4299 Arr Central Rd Ripley TN 38063 Lauderdale Co.
NO 8 pg 181 Deed Book Y-3 pg 320-321

BANK/FINANCIAL ACCOUNTS: List bank and type of each account in which trust clause is be released.

PERSONAL PROPERTY: Trust clause is to be released in:

- ☒ All personal property, other than property bearing "United Methodist Church" or the Cross/Flame.
☐ All personal property, with the exception of the following:
(List any property that will be retained by the Annual Conference)

EXISTING LIABILITIES (FOR EACH, PROVIDE PROOF OF SATISFACTION OF LIABILITY OR TRANSFER OF LIABILITY TO SUCCESSOR ENTITY):

MORTGAGES: 0

SECURED/UNSECURED NOTES: 0

THREATENED OR PENDING LITIGATION 0

SUCCESSOR ENTITY: Mount Pleasant Church - George meadows Stephanie Meadows

(IF CORPORATION, PROVIDE CORPORATE NAME. IF UNINCORPORATED ENTITY, PROVIDE BOTH THE NAME OF THE NEW ENTITY AND THE NAMES OF INDIVIDUAL TRUSTEES IN WHOSE NAME TRANSFER SHOULD BE MADE) Currently Inc. with the plans to remain an Inc.

I CERTIFY THAT THE INFORMATION PROVIDED ABOVE IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.


OFFICER/AUTHORIZED DESIGNEE

Standard Form Disaffiliation Agreement-Tennessee-Western Kentucky (TWK) Conference
As mandated by ¶ 2553

DISAFFILIATION AGREEMENT PURSUANT TO ¶ 2553

This Disaffiliation Agreement Pursuant to ¶ 2553 (“Disaffiliation Agreement”) is entered into this **11th** day of **September, 2023**, by and between **Mt. Zion United Methodist Church** (“Local Church”) and **The Tennessee-Western Kentucky Conference** of the United Methodist Church (“Annual Conference”).

WHEREAS, Local Church is a United Methodist church within the boundaries of Annual Conference;

WHEREAS, Local Church has held a church conference, in compliance with ¶¶ 246.8, 248, and 2553.2-.3 of *The Book of Discipline of The United Methodist Church* (“*Discipline*”), at which at least two-thirds (2/3) of the professing members present at the church conference of Local Church voted to disaffiliate from The United Methodist Church “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.”

WHEREAS, pursuant to ¶ 2501.1 of the *Discipline*, Local Church holds its real and personal, tangible and intangible property “in trust for The United Methodist Church and subject to the provisions of its *Discipline*.”

WHEREAS, property subject to ¶ 2501.1 “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*.” (¶ 2501.2)

WHEREAS, ¶ 2553 provides a specific circumstance in which property subject to ¶ 2501.1 can be released from the trust imposed by that paragraph.

WHEREAS, ¶ 2553.4 requires the terms and conditions of Local Church’s disaffiliation from The United Methodist Church to be “memorialized in a binding Disaffiliation Agreement.”

WHEREAS, Local Church and Annual Conference wish to (1) resolve all matters between them, and Local Church wishes to acquire from Annual Conference all of Annual Conference's interest, on behalf of The United Methodist Church, in the real and personal, tangible and intangible property held by Local Church and (2) comply with the requirements of ¶ 2553 and Judicial Council *Decision* 1379.

NOW, THEREFORE, in consideration of the foregoing and all the mutual covenants herein contained, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Local Church and Annual Conference agree as follows:

1. Conditions Precedent. Local Church and Annual Conference acknowledge and agree:
 - a. *Church Conference Vote*. At least two-thirds (2/3) of the professing members present at a church conference of Local Church must vote to disaffiliate from The United Methodist Church "*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.*" Local Church must provide documentation, to the satisfaction of Annual Conference, which evidences the result of the disaffiliation vote taken at the church conference. Such documentation must be certified by an authorized officer of Local Church and shall be included as EXHIBIT A to this Disaffiliation Agreement.
 - b. *Annual Conference Vote*. This Disaffiliation Agreement must be "ratified by a simple majority of the members . . . present and voting" at a duly-called session of Annual Conference, as required by Judicial Council *Decision* 1379 and ¶ 2529.1b(3).

Should either of the above not occur, this Disaffiliation Agreement shall immediately become null and void.

2. Applicability of ¶ 2501. Local Church acknowledges and agrees that pursuant to ¶ 2501 of the *Discipline*, Local Church holds all property, real and personal, tangible and intangible, in trust for the benefit of The United Methodist Church.

3. Date of Disaffiliation. Should Local Church timely comply with all of its obligations as set forth herein, Local Church's disaffiliation from The United Methodist Church will be effective on the last day of the month in which the Annual Conference votes to approve disaffiliation ("Disaffiliation Date"). The Disaffiliation Date must be subsequent to the Annual Conference's ratification referenced in Section 1 above.

4. Local Church's Obligations. Unless a different date is specified, Local Church shall, by no later than the Disaffiliation Date, do the following:

Payments. Prior to the Disaffiliation Date, Local Church shall pay to Annual Conference, in a manner specified by Annual Conference, the following:

- i. Local Church shall have the right to retain its real and personal, tangible and intangible property without charge. Any costs relating to Local Church's retention of its property will be borne by Local Church.
- ii. Any unpaid connectional for the twelve (12) months immediately prior to the Disaffiliation Date, as calculated by Annual Conference, totaling **\$4,008.00**
- iii. An additional twelve (12) months of connectional commitment, as calculated by Annual Conference, totaling **\$11,238.00**
- iv. Any past due Direct Bill Pension or Health Insurance payments **\$0.00**
- v. An amount equal to Local Church's pro rata share, based on a ratio of church's Connectional Commitment to the current year's budget, of Annual Conference's unfunded pension obligations, based on the Annual Conference's aggregate funding obligations as determined by the General Board of Pension and Health Benefits using market factors similar to a commercial annuity provider, totaling **\$17,082.00**
- vi. Any grant from the Annual Conference to the Local Church that was received within two (2) years prior to the Disaffiliation Date, including but not limited to grants for Equitable Compensation or small church capital improvements, shall be treated as a loan and shall be repaid in full prior to the Disaffiliation Date; **\$0.00**

vii. If the Bishop has appointed a pastor to serve a local church for the church year beginning July 1, 2023, the Church shall be responsible, prior to the Disaffiliation Date, for paying to Conference a sum equal to the cost of salary and benefits for the pastor until the end of the Conference year on June 30, 2024, notwithstanding that the Disaffiliation Date will be November 30, 2023, unless another appointment of equal or greater salary and benefits is available to the pastor at the time of the Church's disaffiliation. **\$23,119.00**

viii. **Total due for disaffiliation: \$55,447.00**

- b. *Other Liabilities.* Local Church shall either satisfy all of its debts, loans, and liabilities, or assign or transfer such obligations to its new entity. Such debts, loans and liabilities, and the disposition thereof, are listed in EXHIBIT B to this Agreement. Local Church must provide sufficient documentation of same to Annual Conference. Notwithstanding whether any such liability is disclosed in EXHIBIT B, all liabilities of Local Church shall remain liabilities of Local Church's new entity and shall not become liabilities of Annual Conference.
- c. *Intellectual Property.* Local Church shall cease all use of "United Methodist," the Cross & Flame insignia, and any other intellectual property of the denomination and Annual Conference, including the removal of all signage containing the same."
- d. *Group Tax Exemption Ruling.* As of the Disaffiliation Date, Local Church shall cease to use, and also shall ensure that any affiliates of Local Church which have been included in the group tax exemption ruling shall cease to use, any and all documentation stating that Local Church is included in the denomination's group tax exemption ruling administered by the General Council on Finance and Administration of The United Methodist Church. Local Church and any of its affiliates which have been included in the group tax exemption ruling will be removed as of the Disaffiliation Date.

5. **Organizational Transition.** Local Church shall take all steps necessary to close and/or dissolve any legal entities and to settle, liquidate, or transfer all assets and obligations of such entities, or to establish any new legal entities, or to modify its current organizing documents, as needed to effectuate its disaffiliation from The United Methodist Church to the satisfaction of Annual Conference. Local Church shall indemnify, defend, and hold harmless Annual Conference and its officers, directors, agents, and

employees from any liability or costs (including reasonable attorney fees) resulting from any claim, action, or cause of action for damages to persons or property resulting from Local Church's failure to take all necessary steps as required by this Section 5.

6. Property. On the Disaffiliation Date, Local Church will have full ownership of the property and assets listed in EXHIBIT B to this Agreement. For any real property to be retained by Local Church, Local Church shall cause to be prepared a quitclaim deed in the form shown in Exhibit C hereto, for signature by two Conference Trustees, which deed shall disclaim any interest of the Conference in the real property pursuant to the UMC trust clause or otherwise. Local Church shall be solely responsible for ensuring that the property description contained in the Quitclaim Deed is accurate, and Conference shall make no warranty of title as to Local Church's property. Local Church shall provide the information required by Exhibits A and B and the Quitclaim Deed referenced in Exhibit C prior to the date of the Annual Conference vote on disaffiliation. The parties shall ensure all necessary transfers or other transactions relating to the above properties are completed prior to the Disaffiliation Date. Any costs resulting from such transfers or other transactions shall be borne by Local Church. Annual Conference shall fully cooperate with Local Church, as needed and applicable, to ensure that such transfers and other transactions convey all of Annual Conference's interest – both for itself and on behalf of The United Methodist Church – in the real and personal, tangible and intangible property of Local Church.

7. Release of Claims. Upon the completion of all of their respective obligations herein, Annual Conference and Local Church, for themselves and their agents, representatives, members, trustees, employees, successors, attorneys, and assigns, hereby fully and forever covenant not to sue each other, and release and discharge each other, and their current and former trustees, officers, representatives, employees, and assigns, in both their official and individual capacities, from any liability for any and all causes of action and claims, including any statutory or common law cause of action, tort or contractual claims, any claims for attorneys' fees, expenses and all other damages, whether known or unknown, foreseen or unforeseen, which Annual Conference or Local Church ever had, now has, hereafter may have or claim to have against any of the above-named entities or persons in any way arising out of their relationship with each other. The parties further represent they have no pending lawsuit, charge, complaint, or other action against each other. Notwithstanding the foregoing releases and covenants not

to sue, the parties may take action to enforce this Disaffiliation Agreement in any court where jurisdiction and venue are proper.

8. Time Limit. Should the Local Church fail to satisfy all of its obligations set forth herein by December 31, 2023, this Disaffiliation Agreement shall be null and void.

9. Continuing as Plan Sponsor. Nothing in this Disaffiliation Agreement shall prevent Local Church, after the Disaffiliation Date, from continuing to sponsor benefit plans from the General Board of Pension and Health Benefits (Wespath) to the extent permitted by federal law, and provided that Local Church has not expressly resolved that it no longer shares common religious bonds with The United Methodist Church.

10. Non-Severability. Each of the terms of this Disaffiliation Agreement is a material and integral part hereof. Should any provision of this Disaffiliation Agreement be held unenforceable or contrary to law, the entire Disaffiliation Agreement shall be deemed null and void.

Representatives of the Local Church

Mike Harte Chair, Administrative Board

Date 9-11-23

Frank W. Brown Chair, Board of Trustees

Date 9-11-23

Representatives of the Annual Conference

Nancy J. Kande District Superintendent

Date 9-28-23

J. R. Um Authorized Member, Board of Trustees

Date 4-27-2023

EXHIBIT A TO DISAFFILIATION AGREEMENT

OFFICER'S CERTIFICATE OF THE DISAFFILIATION VOTE
OF THE **MEMBERS OF THE**
MT. ZION UNITED METHODIST CHURCH

PHYSICAL ADDRESS OF CHURCH:

5576 MT. ZION RD.

UNION CITY, TN 38261

Glenn Heatherly

I, David Hudson

, as the undersigned officer or authorized designee of **Mt. Zion United Methodist Church** ("Church") certify the vote of the Church members that was taken to disaffiliate from the United Methodist Church pursuant to Paragraph 2553 of the *Book of Discipline of the United Methodist Church*.

I can certify that the following events transpired as described:

1. The Church Council and members of the Church met on **September 11th, 2023 at 5:00 p.m.** at a meeting duly called by the District Superintendent after notice as required by the *Book of Discipline*.

2. There were 39 ballots cast on the issue of whether to disaffiliate from the United Methodist Church subject to the provision of Paragraph 2553 of the *Book of Discipline*.

The number of votes needed to meet the required 2/3 majority is 26.

3. 5 voted "No;" against disaffiliation;

34 voted "Yes," to disaffiliate;

0 abstained.

Glenn Heatherly

OFFICER/AUTHORIZED DESIGNEE

Frank W. Brown

CHAIR OF TRUSTEES

[Signature] 9/11/23

DISTRICT SUPERINTENDENT

Constance Relf

November 2022

EXHIBIT B TO DISAFFILIATION AGREEMENT
LIST OF ASSETS TO BE TRANSFERRED AND LIABILITIES TO BE ASSUMED

REAL PROPERTY: Physical Address, County where Located, Deed Book/Page and Use (i.e., church building, parsonage, cemetery etc.) of Real Property to be transferred (Attach copies of deeds containing property description. If multiple properties, attached a list on a separate sheet.) All listed information must be provided.

5576 Mt. Zion Rd. - Church & Cemetery
Book 2M Pg 444 Obion County, TN
Book 12D Pg 186

BANK/FINANCIAL ACCOUNTS: List bank and type of each account in which trust clause is to be released.

PERSONAL PROPERTY: Trust clause is to be released in:

☒ All personal property, other than property bearing "United Methodist Church" or the Cross/Flame.

☐ All personal property, with the exception of the following:

(List any property that will be retained by the Annual Conference)

EXISTING LIABILITIES (FOR EACH, PROVIDE PROOF OF SATISFACTION OF LIABILITY OR TRANSFER OF LIABILITY TO SUCCESSOR ENTITY):

MORTGAGES: 0

SECURED/UNSECURED NOTES: 0

THREATENED OR PENDING LITIGATION None

SUCCESSOR ENTITY: Mt. Zion Community Church

(IF CORPORATION, PROVIDE CORPORATE NAME. IF UNINCORPORATED ENTITY, PROVIDE BOTH THE NAME OF THE NEW ENTITY AND THE NAMES OF INDIVIDUAL TRUSTEES IN WHOSE NAME TRANSFER SHOULD BE MADE)

Mike Hampton, Tim Partin, Wreck Frazier, Frank Brown, Nancy Hamilton
I CERTIFY THAT THE INFORMATION PROVIDED ABOVE IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

Mike Hampton
OFFICER/AUTHORIZED DESIGNEE

Standard Form Disaffiliation Agreement-Tennessee-Western Kentucky Conference

As mandated by ¶ 2553

DISAFFILIATION AGREEMENT PURSUANT TO ¶ 2553

This Disaffiliation Agreement Pursuant to ¶ 2553 (“Disaffiliation Agreement”) is entered into this **10th** day of **September, 2023**, by and between **New Life United Methodist Church** (“Local Church”) and **The Tennessee-Western Kentucky Conference** of the United Methodist Church (“Annual Conference”).

WHEREAS, Local Church is a United Methodist church within the boundaries of Annual Conference;

WHEREAS, Local Church has held a church conference, in compliance with ¶¶ 246.8, 248, and 2553.2-.3 of *The Book of Discipline of The United Methodist Church* (“*Discipline*”), at which at least two-thirds (2/3) of the professing members present at the church conference of Local Church voted to disaffiliate from The United Methodist Church “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.”

WHEREAS, pursuant to ¶ 2501.1 of the *Discipline*, Local Church holds its real and personal, tangible and intangible property “in trust for The United Methodist Church and subject to the provisions of its *Discipline*.”

WHEREAS, property subject to ¶ 2501.1 “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*.” (¶ 2501.2)

WHEREAS, ¶ 2553 provides a specific circumstance in which property subject to ¶ 2501.1 can be released from the trust imposed by that paragraph.

WHEREAS, ¶ 2553.4 requires the terms and conditions of Local Church’s disaffiliation from The United Methodist Church to be “memorialized in a binding Disaffiliation Agreement.”

WHEREAS, Local Church and Annual Conference wish to (1) resolve all matters between them, and Local Church wishes to acquire from Annual Conference all of Annual Conference's interest, on behalf of The United Methodist Church, in the real and personal, tangible and intangible property held by Local Church and (2) comply with the requirements of ¶ 2553 and Judicial Council *Decision* 1379.

NOW, THEREFORE, in consideration of the foregoing and all the mutual covenants herein contained, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Local Church and Annual Conference agree as follows:

1. Conditions Precedent. Local Church and Annual Conference acknowledge and agree:
 - a. *Church Conference Vote*. At least two-thirds (2/3) of the professing members present at a church conference of Local Church must vote to disaffiliate from The United Methodist Church “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.” Local Church must provide documentation, to the satisfaction of Annual Conference, which evidences the result of the disaffiliation vote taken at the church conference. Such documentation must be certified by an authorized officer of Local Church and shall be included as EXHIBIT A to this Disaffiliation Agreement.
 - b. *Annual Conference Vote*. This Disaffiliation Agreement must be “ratified by a simple majority of the members . . . present and voting” at a duly-called session of Annual Conference, as required by Judicial Council *Decision* 1379 and ¶ 2529.1b(3).

Should either of the above not occur, this Disaffiliation Agreement shall immediately become null and void.

2. Applicability of ¶ 2501. Local Church acknowledges and agrees that pursuant to ¶ 2501 of the *Discipline*, Local Church holds all property, real and personal, tangible and intangible, in trust for the benefit of The United Methodist Church.

3. Date of Disaffiliation. Should Local Church timely comply with all of its obligations as set forth herein, Local Church's disaffiliation from The United Methodist Church will be effective on the last day of the month in which the Annual Conference votes to approve disaffiliation ("Disaffiliation Date"). The Disaffiliation Date must be subsequent to the Annual Conference's ratification referenced in Section 1 above.

4. Local Church's Obligations. Unless a different date is specified, Local Church shall, by no later than the Disaffiliation Date, do the following:

Payments. Prior to the Disaffiliation Date, Local Church shall pay to Annual Conference, in a manner specified by Annual Conference, the following:

- i. Local Church shall have the right to retain its real and personal, tangible and intangible property without charge. Any costs relating to Local Church's retention of its property will be borne by Local Church.
- ii. Any unpaid connectional for the twelve (12) months immediately prior to the Disaffiliation Date, as calculated by Annual Conference, totaling **\$440.00**
- iii. An additional twelve (12) months of connectional commitment, as calculated by Annual Conference, totaling **\$1,727.00**
- iv. Any past due Direct Bill Pension or Health Insurance payments **\$0.00**
- v. An amount equal to Local Church's pro rata share, based on a ratio of church's Connectional Commitment to the current year's budget, of Annual Conference's unfunded pension obligations, based on the Annual Conference's aggregate funding obligations as determined by the General Board of Pension and Health Benefits using market factors similar to a commercial annuity provider, totaling **\$2,230.00**
- vi. Any grant from the Annual Conference to the Local Church that was received within two (2) years prior to the Disaffiliation Date, including but not limited to grants for Equitable Compensation or small church capital improvements, shall be treated as a loan and shall be repaid in full prior to the Disaffiliation Date; **\$0.00**

vii. If the Bishop has appointed a pastor to serve a local church for the church year beginning July 1, 2023, the Church shall be responsible, prior to the Disaffiliation Date, for paying to Conference a sum equal to the cost of salary and benefits for the pastor until the end of the Conference year on June 30, 2024, notwithstanding that the Disaffiliation Date will be November 30, 2023, unless another appointment of equal or greater salary and benefits is available to the pastor at the time of the Church's disaffiliation. **Salary/Housing: \$0.00 Medical/Pension: \$0.00**

viii. **Total due for disaffiliation: \$4,397.00**

- b. *Other Liabilities.* Local Church shall either satisfy all of its debts, loans, and liabilities, or assign or transfer such obligations to its new entity. Such debts, loans and liabilities, and the disposition thereof, are listed in EXHIBIT B to this Agreement. Local Church must provide sufficient documentation of same to Annual Conference. Notwithstanding whether any such liability is disclosed in EXHIBIT B, all liabilities of Local Church shall remain liabilities of Local Church's new entity and shall not become liabilities of Annual Conference.
- c. *Intellectual Property.* Local Church shall cease all use of "United Methodist," the Cross & Flame insignia, and any other intellectual property of the denomination and Annual Conference, including the removal of all signage containing the same."
- d. *Group Tax Exemption Ruling.* As of the Disaffiliation Date, Local Church shall cease to use, and also shall ensure that any affiliates of Local Church which have been included in the group tax exemption ruling shall cease to use, any and all documentation stating that Local Church is included in the denomination's group tax exemption ruling administered by the General Council on Finance and Administration of The United Methodist Church. Local Church and any of its affiliates which have been included in the group tax exemption ruling will be removed as of the Disaffiliation Date.

5. **Organizational Transition.** Local Church shall take all steps necessary to close and/or dissolve any legal entities and to settle, liquidate, or transfer all assets and obligations of such entities, or to establish any new legal entities, or to modify its current organizing documents, as needed to effectuate its disaffiliation from The United Methodist Church to the satisfaction of Annual Conference. Local Church shall indemnify, defend, and hold harmless Annual Conference and its officers, directors, agents, and

employees from any liability or costs (including reasonable attorney fees) resulting from any claim, action, or cause of action for damages to persons or property resulting from Local Church's failure to take all necessary steps as required by this Section 5.

6. Property. On the Disaffiliation Date, Local Church will have full ownership of the property and assets listed in EXHIBIT B to this Agreement. For any real property to be retained by Local Church, Local Church shall cause to be prepared a quitclaim deed in the form shown in Exhibit C hereto, for signature by two Conference Trustees, which deed shall disclaim any interest of the Conference in the real property pursuant to the UMC trust clause or otherwise. Local Church shall be solely responsible for ensuring that the property description contained in the Quitclaim Deed is accurate, and Conference shall make no warranty of title as to Local Church's property. Local Church shall provide the information required by Exhibits A and B and the Quitclaim Deed referenced in Exhibit C prior to the date of the Annual Conference vote on disaffiliation. The parties shall ensure all necessary transfers or other transactions relating to the above properties are completed prior to the Disaffiliation Date. Any costs resulting from such transfers or other transactions shall be borne by Local Church. Annual Conference shall fully cooperate with Local Church, as needed and applicable, to ensure that such transfers and other transactions convey all of Annual Conference's interest – both for itself and on behalf of The United Methodist Church – in the real and personal, tangible and intangible property of Local Church.

7. Release of Claims. Upon the completion of all of their respective obligations herein, Annual Conference and Local Church, for themselves and their agents, representatives, members, trustees, employees, successors, attorneys, and assigns, hereby fully and forever covenant not to sue each other, and release and discharge each other, and their current and former trustees, officers, representatives, employees, and assigns, in both their official and individual capacities, from any liability for any and all causes of action and claims, including any statutory or common law cause of action, tort or contractual claims, any claims for attorneys' fees, expenses and all other damages, whether known or unknown, foreseen or unforeseen, which Annual Conference or Local Church ever had, now has, hereafter may have or claim to have against any of the above-named entities or persons in any way arising out of their relationship with each other. The parties further represent they have no pending lawsuit, charge, complaint, or other action against each other. Notwithstanding the foregoing releases and covenants not

to sue, the parties may take action to enforce this Disaffiliation Agreement in any court where jurisdiction and venue are proper.

8. Time Limit. Should the Local Church fail to satisfy all of its obligations set forth herein by December 31, 2023, this Disaffiliation Agreement shall be null and void.

9. Continuing as Plan Sponsor. Nothing in this Disaffiliation Agreement shall prevent Local Church, after the Disaffiliation Date, from continuing to sponsor benefit plans from the General Board of Pension and Health Benefits (Wespath) to the extent permitted by federal law, and provided that Local Church has not expressly resolved that it no longer shares common religious bonds with The United Methodist Church.

10. Non-Severability. Each of the terms of this Disaffiliation Agreement is a material and integral part hereof. Should any provision of this Disaffiliation Agreement be held unenforceable or contrary to law, the entire Disaffiliation Agreement shall be deemed null and void.

Representatives of the Local Church

Betty M. Burt Chair, Administrative Board

Date 9-10-23

Mark Myracle Chair, Board of Trustees

Date 9-10-23

Representatives of the Annual Conference

David A. [Signature] District Superintendent

Date 9-10-23

Raúl B. Aey Authorized Member, Board of Trustees

Date 10/20/2023

EXHIBIT A TO DISAFFILIATION AGREEMENT

OFFICER'S CERTIFICATE OF THE DISAFFILIATION VOTE OF THE
MEMBERS OF THE
NEW LIFE UNITED METHODIST CHURCH

PHYSICAL ADDRESS OF CHURCH:

**144 Hailliburton St.
Ripley, TN 38063**

I, Betty m. Burton, as the undersigned officer or authorized designee of **New Life United Methodist Church** ("Church") certify the vote of the Church members that was taken to disaffiliate from the United Methodist Church pursuant to Paragraph 2553 of the *Book of Discipline of the United Methodist Church*.

I can certify that the following events transpired as described:

1. The Church Council and members of the Church met on **Sunday, September 10, 2023 at 12:30p.m.** at a meeting duly called by the District Superintendent after notice as required by the *Book of Discipline*.

2. There were 21 ballots cast on the issue of whether to disaffiliate from the United Methodist Church subject to the provision of Paragraph 2553 of the *Book of Discipline*.

The number of votes needed to meet the required 2/3 majority is 14.

3. 1 voted "No;" against disaffiliation;

20 voted "Yes," to disaffiliate;

0 abstained.

Betty m. Burton
OFFICER/AUTHORIZED DESIGNEE

Mark Myrall
CHAIR OF TRUSTEES

DeShawn
DISTRICT SUPERINTENDENT

**EXHIBIT B TO DISAFFILIATION AGREEMENT
LIST OF ASSETS TO BE TRANSFERRED AND LIABILITIES TO BE
ASSUMED**

REAL PROPERTY: Physical Address, County where Located, Deed Book/Page and Use (i.e., church building, parsonage, cemetery etc.) of Real Property to be transferred (Attach copies of deeds containing property description. If multiple properties, attached a list on a separate sheet.) All listed information must be provided.

144 HALLIBURTON ST. Ripley, TENNESSEE 38063
LAUDERDALE
BOOK 616, Page 471-473

BANK/FINANCIAL ACCOUNTS: List bank and type of each account in which trust clause is to be released. [REDACTED]

PERSONAL PROPERTY: Trust clause is to be released in:

☒ All personal property, other than property bearing "United Methodist Church" or the Cross and Flame

☐ All personal property, with the exception of the following:
(List any property that will be retained by the Annual Conference)

EXISTING LIABILITIES (FOR EACH, PROVIDE PROOF OF SATISFACTION OF LIABILITY OR TRANSFER OF LIABILITY TO SUCCESSOR ENTITY):

MORTGAGES: NONE

SECURED/UNSECURED NOTES: NONE

THREATENED OR PENDING LITIGATION NONE

SUCCESSOR ENTITY: _____
(IF CORPORATION, PROVIDE CORPORATE NAME. IF UNINCORPORATED ENTITY, PROVIDE BOTH THE NAME OF THE NEW ENTITY AND THE NAMES OF INDIVIDUAL TRUSTEES IN WHOSE NAME TRANSFER SHOULD BE MADE)

I CERTIFY THAT THE INFORMATION PROVIDED ABOVE IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

Stacy Minace
OFFICER/AUTHORIZED DESIGNEE

Standard Form Disaffiliation Agreement-Tennessee-Western Kentucky (TWK) Conference
As mandated by ¶ 2553

DISAFFILIATION AGREEMENT PURSUANT TO ¶ 2553

This Disaffiliation Agreement Pursuant to ¶ 2553 (“Disaffiliation Agreement”) is entered into this **10th** day of **August**, 2023, by and between **Pleasant Valley United Methodist Church** (“Local Church”) and **The Tennessee-Western Kentucky Conference** of the United Methodist Church (“Annual Conference”).

WHEREAS, Local Church is a United Methodist church within the boundaries of Annual Conference;

WHEREAS, Local Church has held a church conference, in compliance with ¶¶ 246.8, 248, and 2553.2-.3 of *The Book of Discipline of The United Methodist Church* (“*Discipline*”), at which at least two-thirds (2/3) of the professing members present at the church conference of Local Church voted to disaffiliate from The United Methodist Church “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.”

WHEREAS, pursuant to ¶ 2501.1 of the *Discipline*, Local Church holds its real and personal, tangible and intangible property “in trust for The United Methodist Church and subject to the provisions of its *Discipline*.”

WHEREAS, property subject to ¶ 2501.1 “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*.” (¶ 2501.2)

WHEREAS, ¶ 2553 provides a specific circumstance in which property subject to ¶ 2501.1 can be released from the trust imposed by that paragraph.

WHEREAS, ¶ 2553.4 requires the terms and conditions of Local Church’s disaffiliation from The United Methodist Church to be “memorialized in a binding Disaffiliation Agreement.”

WHEREAS, Local Church and Annual Conference wish to (1) resolve all matters between them, and Local Church wishes to acquire from Annual Conference all of Annual Conference's interest, on behalf of The United Methodist Church, in the real and personal, tangible and intangible property held by Local Church and (2) comply with the requirements of ¶ 2553 and Judicial Council *Decision* 1379.

NOW, THEREFORE, in consideration of the foregoing and all the mutual covenants herein contained, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Local Church and Annual Conference agree as follows:

1. Conditions Precedent. Local Church and Annual Conference acknowledge and agree:
 - a. *Church Conference Vote*. At least two-thirds (2/3) of the professing members present at a church conference of Local Church must vote to disaffiliate from The United Methodist Church *"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."* Local Church must provide documentation, to the satisfaction of Annual Conference, which evidences the result of the disaffiliation vote taken at the church conference. Such documentation must be certified by an authorized officer of Local Church and shall be included as EXHIBIT A to this Disaffiliation Agreement.
 - b. *Annual Conference Vote*. This Disaffiliation Agreement must be "ratified by a simple majority of the members . . . present and voting" at a duly-called session of Annual Conference, as required by Judicial Council *Decision* 1379 and ¶ 2529.1b(3).

Should either of the above not occur, this Disaffiliation Agreement shall immediately become null and void.

2. Applicability of ¶ 2501. Local Church acknowledges and agrees that pursuant to ¶ 2501 of the *Discipline*, Local Church holds all property, real and personal, tangible and intangible, in trust for the benefit of The United Methodist Church.

3. Date of Disaffiliation. Should Local Church timely comply with all of its obligations as set forth herein, Local Church's disaffiliation from The United Methodist Church will be effective on the last day of the month in which the Annual Conference votes to approve disaffiliation ("Disaffiliation Date"). The Disaffiliation Date must be subsequent to the Annual Conference's ratification referenced in Section 1 above.

4. Local Church's Obligations. Unless a different date is specified, Local Church shall, by no later than the Disaffiliation Date, do the following:

Payments. Prior to the Disaffiliation Date, Local Church shall pay to Annual Conference, in a manner specified by Annual Conference, the following:

- i. Local Church shall have the right to retain its real and personal, tangible and intangible property without charge. Any costs relating to Local Church's retention of its property will be borne by Local Church.
- ii. Any unpaid connectional for the twelve (12) months immediately prior to the Disaffiliation Date, as calculated by Annual Conference, totaling **\$5,194.00**
- iii. An additional twelve (12) months of connectional commitment, as calculated by Annual Conference, totaling **\$7,640.00**
- iv. Any past due Direct Bill Pension or Health Insurance payments **\$0.00**
- v. An amount equal to Local Church's pro rata share, based on a ratio of church's Connectional Commitment to the current year's budget, of Annual Conference's unfunded pension obligations, based on the Annual Conference's aggregate funding obligations as determined by the General Board of Pension and Health Benefits using market factors similar to a commercial annuity provider, totaling **\$12,501.00**
- vi. Any grant from the Annual Conference to the Local Church that was received within two (2) years prior to the Disaffiliation Date, including but not limited to grants for Equitable Compensation or small church capital improvements, shall be treated as a loan and shall be repaid in full prior to the Disaffiliation Date; **\$0.00**

vii. If the Bishop has appointed a pastor to serve a local church for the church year beginning July 1, 2023, the Church shall be responsible, prior to the Disaffiliation Date, for paying to Conference a sum equal to the cost of salary and benefits for the pastor until the end of the Conference year on June 30, 2024, notwithstanding that the Disaffiliation Date will be November 30, 2023, unless another appointment of equal or greater salary and benefits is available to the pastor at the time of the Church's disaffiliation. **Salary/Housing: \$0.00 Medical/Pension: \$0.00**

viii. **Total due for disaffiliation: \$25,335.00**

- b. *Other Liabilities.* Local Church shall either satisfy all of its debts, loans, and liabilities, or assign or transfer such obligations to its new entity. Such debts, loans and liabilities, and the disposition thereof, are listed in EXHIBIT B to this Agreement. Local Church must provide sufficient documentation of same to Annual Conference. Notwithstanding whether any such liability is disclosed in EXHIBIT B, all liabilities of Local Church shall remain liabilities of Local Church's new entity and shall not become liabilities of Annual Conference.
- c. *Intellectual Property.* Local Church shall cease all use of "United Methodist," the Cross & Flame insignia, and any other intellectual property of the denomination and Annual Conference, including the removal of all signage containing the same."
- d. *Group Tax Exemption Ruling.* As of the Disaffiliation Date, Local Church shall cease to use, and also shall ensure that any affiliates of Local Church which have been included in the group tax exemption ruling shall cease to use, any and all documentation stating that Local Church is included in the denomination's group tax exemption ruling administered by the General Council on Finance and Administration of The United Methodist Church. Local Church and any of its affiliates which have been included in the group tax exemption ruling will be removed as of the Disaffiliation Date.

5. **Organizational Transition.** Local Church shall take all steps necessary to close and/or dissolve any legal entities and to settle, liquidate, or transfer all assets and obligations of such entities, or to establish any new legal entities, or to modify its current organizing documents, as needed to effectuate its disaffiliation from The United Methodist Church to the satisfaction of Annual Conference. Local Church shall indemnify, defend, and hold harmless Annual Conference and its officers, directors, agents, and

employees from any liability or costs (including reasonable attorney fees) resulting from any claim, action, or cause of action for damages to persons or property resulting from Local Church's failure to take all necessary steps as required by this Section 5.

6. Property. On the Disaffiliation Date, Local Church will have full ownership of the property and assets listed in EXHIBIT B to this Agreement. For any real property to be retained by Local Church, Local Church shall cause to be prepared a quitclaim deed in the form shown in Exhibit C hereto, for signature by two Conference Trustees, which deed shall disclaim any interest of the Conference in the real property pursuant to the UMC trust clause or otherwise. Local Church shall be solely responsible for ensuring that the property description contained in the Quitclaim Deed is accurate, and Conference shall make no warranty of title as to Local Church's property. Local Church shall provide the information required by Exhibits A and B and the Quitclaim Deed referenced in Exhibit C prior to the date of the Annual Conference vote on disaffiliation. The parties shall ensure all necessary transfers or other transactions relating to the above properties are completed prior to the Disaffiliation Date. Any costs resulting from such transfers or other transactions shall be borne by Local Church. Annual Conference shall fully cooperate with Local Church, as needed and applicable, to ensure that such transfers and other transactions convey all of Annual Conference's interest – both for itself and on behalf of The United Methodist Church – in the real and personal, tangible and intangible property of Local Church.

7. Release of Claims. Upon the completion of all of their respective obligations herein, Annual Conference and Local Church, for themselves and their agents, representatives, members, trustees, employees, successors, attorneys, and assigns, hereby fully and forever covenant not to sue each other, and release and discharge each other, and their current and former trustees, officers, representatives, employees, and assigns, in both their official and individual capacities, from any liability for any and all causes of action and claims, including any statutory or common law cause of action, tort or contractual claims, any claims for attorneys' fees, expenses and all other damages, whether known or unknown, foreseen or unforeseen, which Annual Conference or Local Church ever had, now has, hereafter may have or claim to have against any of the above-named entities or persons in any way arising out of their relationship with each other. The parties further represent they have no pending lawsuit, charge, complaint, or other action against each other. Notwithstanding the foregoing releases and covenants not

to sue, the parties may take action to enforce this Disaffiliation Agreement in any court where jurisdiction and venue are proper.

8. Time Limit. Should the Local Church fail to satisfy all of its obligations set forth herein by December 31, 2023, this Disaffiliation Agreement shall be null and void.

9. Continuing as Plan Sponsor. Nothing in this Disaffiliation Agreement shall prevent Local Church, after the Disaffiliation Date, from continuing to sponsor benefit plans from the General Board of Pension and Health Benefits (Wespath) to the extent permitted by federal law, and provided that Local Church has not expressly resolved that it no longer shares common religious bonds with The United Methodist Church.

10. Non-Severability. Each of the terms of this Disaffiliation Agreement is a material and integral part hereof. Should any provision of this Disaffiliation Agreement be held unenforceable or contrary to law, the entire Disaffiliation Agreement shall be deemed null and void.

Representatives of the Local Church

Willa D. Coe Chair, Administrative Board

Date 8-10-23

_____ Chair, Board of Trustees

Date _____

Representatives of the Annual Conference

Mary E. Johnson Vanden District Superintendent

Date Aug 11, 2023

J.R. Van Authorized Member, Board of Trustees

Date 8-23-23

EXHIBIT A TO DISAFFILIATION AGREEMENT
OFFICER'S CERTIFICATE OF THE DISAFFILIATION VOTE
OF THE **MEMBERS OF THE**
PLEASANT VALLEY UNITED METHODIST CHURCH

PHYSICAL ADDRESS OF CHURCH:

1422 PLEASANT VALLEY AVE.

UNION CITY, TN 38261

Willa Carr

I, *SERRY MELTON*, as the undersigned officer or authorized designee of **Pleasant Valley United Methodist Church** certify the vote of the Church members that was taken to disaffiliate from the United Methodist Church pursuant to Paragraph 2553 of the *Book of Discipline of the United Methodist Church*.

I can certify that the following events transpired as described:

1. The Church Council and members of the Church met on **August 10th, 2023 at 5:30 p.m.** at a meeting duly called by the District Superintendent after notice as required by the *Book of Discipline*.

2. There were *48* ballots cast on the issue of whether to disaffiliate from the United Methodist Church subject to the provision of Paragraph 2553 of the *Book of Discipline*.

The number of votes needed to meet the required 2/3 majority is *32*.

3. *7* voted "No," against disaffiliation;

40 voted "Yes," to disaffiliate;

1 abstained. *invalid*

32 needed

Serry Melton

OFFICER/AUTHORIZED DESIGNEE

Willa Carr

CHAIR OF TRUSTEES

DISTRICT SUPERINTENDENT

Sarah
8/10/23

Abby Bosse

11298 Spyglass Cove Lane

Reston, VA 20191

Molly Napier

4731 Centennial Blvd

Apt 144

Nashville, TN 37209

Wesley Parrish

8810 Fox River Way

Knoxville, TN 37923

1 Diane Riley

1909 Meadow Lark Dr.

Union City, TN 38261

2 Allen and Sonnie Neeley

2911 Petty Rd.

Union City, TN 38261

1 Lucas Riley

8905 State Rt. 94 E.

Fulton, KY 42041

2 Phil and Cathie Wesner

Philip Wesner

1402 Camden Street

Union City, TN 38261

David and Marsha Stokes

1423 Friar Tuck Rd.

Union City, TN 38261

Linda W. Stokes

868 Mosswood

Union City, Tn 38261

4

②

Jeff and Cindy Stone
4875 Stone Rd.
Union City, TN 38261

①

Bonnie Warren
1220 Fairway Ave.
Union City, TN 38261

①

Jane Taylor
2725 Lake Dr.
Union City, TN 38261

Emma Overman
5304 Winston Dr.
Indianapolis, IN 46226

Allen Tidwell
Englewood Lake Circle
Union City, TN 38261

①

Pat Geeting
2210 Dee Street
Union City, TN 38261

①

Wendel and Lori Weitlauf
982 Eastwood Dr.
Fulton, KY 42041

①

Elex Carter
141 Glenwood Dr.
Martin, TN 38261

①

Sarah English
P O Box 82
Clinton, KY 42031

①

⑤

Bridgid Harding
4302 Barnes Cove Dr.
Nashville, TN 37211

①

Kathryn McLaughlin
1617 Stonehedge Blvd.
Union City, TN 38261

②

Mike and Penny Holman
6649 Knox Daniel Rd.
Union City, TN 38261

⑧

Gerry Melton
Amy McCoy
1050 Wildwood Cove
Union City, TN 38261

①

Trudy Holman
% Etheridge House
701 Sherill Street
Union City, TN 38261

Beverly McLendon
1463 Meadow Drive
Union City, TN 38261

Emily Miller
2728 Pleasant Hill Rd.
Union City, TN 38261

Larry and Donna Mullins
400 Traditions Way Apt 208
Lebanon, TN 37807

⑨

②

Ottis and Jane Parrish
1307 Oak Street
Union City, TN 38261

①

Tamara Parrish
1301 Oak Street
Union City, TN 38261

③

(page 1)

PLEASANT VALLEY UNITED METHODIST CHURCH MEMBERSHIP

✓ Rae Ball

1016 Turner Street

Union City, TN 38261

✓ Jerry and Ann Cheatham

1208 Armstrong Blvd.

Union City, TN 38261

Susanne Baxter

2246 Overton Rd

Augusta, GA 30904

Keith Cochran

1597 Ellen Street

Union City, TN 38261

2 Phil and Beth Brown

258 E. Hwy. 22

Union City, TN 38261

Donna Coffman

6330 Bell Ln.

Union City, Tn 38261

(Monte Byrn

263 E. Hwy. 22

Union City, TN 38261

Valerie Combs

219 Laura St.

Martin, TN 38237

Allen Byassee

403 N. Perkins Rd.

Memphis, TN 38117

Edwin and Kim Davis

3191 E. Ed Moffatt Rd.

Union City, TN 38261

① New: William Heath Riley (sent to Scott & Joan)
1719 Meadowlark Dr.
Union City, TN 38261

① New: O'Shea Riley, III (sent to Scott & Joan)
1905 Meadowlark Dr.
Union City, TN 38261

① Ben F
① Joe F

\ Mrs. Pat Calhoun
10106 Turner St.
Union City, TN 38261

① Jean Elam
3694 Pete Gray Rd.
Union City, TN 38261

^ Willa D. Carr
3758 Shepard Rd
Union City, TN 38261

① Scott Ferguson
443 Sublett Rd.
Union City, TN 38261

dx Brian and Stacey Goletto
Katie Goletto
Allie Goletto
1405 Camden St.
Union City, TN 38261

Shae Ann Jackson
Little Bethel Church Rd
Wingo, KY 42088

① Andrew Glover
Audrey Glover
2911 Petty Rd.
Union City, TN 38261

11

Tommye Faye James
10 Wren Ct.
Franklin, TN 37064

Linda Lu Harding
3055 Briardcliff Rd NE
APT 613
Atlanta, GA 30329

Jacob and Ashley McKinnis
1304 Colonial Dr.
Union City, TN 38261

②

November 2022

EXHIBIT B TO DISAFFILIATION AGREEMENT
LIST OF ASSETS TO BE TRANSFERRED AND LIABILITIES TO BE ASSUMED

REAL PROPERTY: Physical Address, County where Located, Deed Book/Page and Use (i.e., church building, parsonage, cemetery etc.) of Real Property to be transferred (Attach copies of deeds containing property description. If multiple properties, attached a list on a separate sheet.) **All listed information must be provided.**

Pleasant Valley UMC and Christian Life Center, PVUMC Preschool
1422 Pleasant Valley Ave
Union City, TN 38261 Obern County, TN

BANK/FINANCIAL ACCOUNTS: List bank and type of each account in which trust clause is to be released.

PERSONAL PROPERTY: Trust clause is to be released in:

- ☒ All personal property, other than property bearing "United Methodist Church" or the Cross/Flame.
☐ All personal property, with the exception of the following:
(List any property that will be retained by the Annual Conference)

EXISTING LIABILITIES (FOR EACH, PROVIDE PROOF OF SATISFACTION OF LIABILITY OR TRANSFER OF LIABILITY TO SUCCESSOR ENTITY):

MORTGAGES: NONE

SECURED/UNSECURED NOTES: NONE

THREATENED OR PENDING LITIGATION NONE

SUCCESSOR ENTITY: Pleasant Valley Methodist Church

(IF CORPORATION, PROVIDE CORPORATE NAME. IF UNINCORPORATED ENTITY, PROVIDE BOTH THE NAME OF THE NEW ENTITY AND THE NAMES OF INDIVIDUAL TRUSTEES IN WHOSE NAME TRANSFER SHOULD BE MADE)

I CERTIFY THAT THE INFORMATION PROVIDED ABOVE IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

Willie D. Can
OFFICER/AUTHORIZED DESIGNEE

Standard Form Disaffiliation Agreement-Name Conference

As mandated by ¶ 2553

DISAFFILIATION AGREEMENT PURSUANT TO ¶ 2553

This Disaffiliation Agreement Pursuant to ¶ 2553 (“Disaffiliation Agreement”) is entered into this __17th__ day of __April__, 2023__, by and between __Salem N. (Gibson County)__ (“Local Church”) and TWK Conference of the United Methodist Church (“Annual Conference”).

WHEREAS, Local Church is a United Methodist church within the boundaries of Annual Conference;

WHEREAS, Local Church has held a church conference, in compliance with ¶¶ 246.8, 248, and 2553.2-.3 of *The Book of Discipline of The United Methodist Church* (“*Discipline*”), at which at least two-thirds (2/3) of the professing members present at the church conference of Local Church voted to disaffiliate from The United Methodist Church “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.”

WHEREAS, pursuant to ¶ 2501.1 of the *Discipline*, Local Church holds its real and personal, tangible and intangible property “in trust for The United Methodist Church and subject to the provisions of its *Discipline*.”

WHEREAS, property subject to ¶ 2501.1 “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*.” (¶ 2501.2)

WHEREAS, ¶ 2553 provides a specific circumstance in which property subject to ¶ 2501.1 can be released from the trust imposed by that paragraph.

WHEREAS, ¶ 2553.4 requires the terms and conditions of Local Church’s disaffiliation from The United Methodist Church to be “memorialized in a binding Disaffiliation Agreement.”

WHEREAS, Local Church and Annual Conference wish to (1) resolve all matters between them, and Local Church wishes to acquire from Annual Conference all of Annual Conference's interest, on behalf of The United Methodist Church, in the real and personal, tangible and intangible property held by Local Church and (2) comply with the requirements of ¶ 2553 and Judicial Council *Decision* 1379.

NOW, THEREFORE, in consideration of the foregoing and all the mutual covenants herein contained, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Local Church and Annual Conference agree as follows:

1. Conditions Precedent. Local Church and Annual Conference acknowledge and agree:
 - a. *Church Conference Vote*. At least two-thirds (2/3) of the professing members present at a church conference of Local Church must vote to disaffiliate from The United Methodist Church “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.” Local Church must provide documentation, to the satisfaction of Annual Conference, which evidences the result of the disaffiliation vote taken at the church conference. Such documentation must be certified by an authorized officer of Local Church and shall be included as EXHIBIT A to this Disaffiliation Agreement.
 - b. *Annual Conference Vote*. This Disaffiliation Agreement must be “ratified by a simple majority of the members . . . present and voting” at a duly-called session of Annual Conference, as required by Judicial Council *Decision* 1379 and ¶ 2529.1b(3).

Should either of the above not occur, this Disaffiliation Agreement shall immediately become null and void.

2. Applicability of ¶ 2501. Local Church acknowledges and agrees that pursuant to ¶ 2501 of the *Discipline*, Local Church holds all property, real and personal, tangible and intangible, in trust for the benefit of The United Methodist Church.

3. Date of Disaffiliation. Should Local Church timely comply with all of its obligations as set forth herein, Local Church's disaffiliation from The United Methodist Church will be effective on the last day of the month in which the Annual Conference votes to approve disaffiliation ("Disaffiliation Date"). The Disaffiliation Date must be subsequent to the Annual Conference's ratification referenced in Section 1 above.

4. Local Church's Obligations. Unless a different date is specified, Local Church shall, by no later than the Disaffiliation Date, do the following:

a. *Payments*. Prior to the Disaffiliation Date, Local Church shall pay to Annual Conference, in a manner specified by Annual Conference, the following:

- i. Local Church shall have the right to retain its real and personal, tangible and intangible property without charge. Any costs relating to Local Church's retention of its property will be borne by Local Church.
- ii. Any unpaid connectional for the twelve (12) months immediately prior to the Disaffiliation Date, as calculated by Annual Conference, totaling 4,345.00;
- iii. An additional twelve (12) months of connectional commitment, as calculated by Annual Conference, totaling 4,289.00;
- iv. Any past due Direct Bill Pension or Health Insurance payments _____
- v. An amount equal to Local Church's pro rata share, based on a ratio of church's Connectional Commitment to the current year's budget, of Annual Conference's unfunded pension obligations, based on the Annual Conference's aggregate funding obligations as determined by the General Board of Pension and Health Benefits using market factors similar to a commercial annuity provider, totaling 8,491.00;

- vi. Any grant from the Annual Conference to the Local Church that was received within two (2) years prior to the Disaffiliation Date, including but not limited to grants for Equitable Compensation or small church capital improvements, shall be treated as a loan and shall be repaid in full prior to the Disaffiliation Date;
 - vii. If the Bishop has appointed a pastor to serve a local church for the church year beginning July 1, 2023, the Church shall be responsible, prior to the Disaffiliation Date, for paying to Conference a sum equal to the cost of salary and benefits for the pastor until the end of the Conference year on June 30, 2024, notwithstanding that the Disaffiliation Date will be November 30, 2023, unless another appointment of equal or greater salary and benefits is available to the pastor at the time of the Church's disaffiliation.
- b. *Other Liabilities.* Local Church shall either satisfy all of its debts, loans, and liabilities, or assign or transfer such obligations to its new entity. Such debts, loans and liabilities, and the disposition thereof, are listed in EXHIBIT B to this Agreement. Local Church must provide sufficient documentation of same to Annual Conference. Notwithstanding whether any such liability is disclosed in EXHIBIT B, all liabilities of Local Church shall remain liabilities of Local Church's new entity and shall not become liabilities of Annual Conference.
- c. *Intellectual Property.* Local Church shall cease all use of "United Methodist," the Cross & Flame insignia, and any other intellectual property of the denomination and Annual Conference, including the removal of all signage containing the same."
- d. *Group Tax Exemption Ruling.* As of the Disaffiliation Date, Local Church shall cease to use, and also shall ensure that any affiliates of Local Church which have been included in the group tax exemption ruling shall cease to use, any and all documentation stating that Local Church is included in the denomination's group tax exemption ruling administered by the General Council on Finance and Administration of The United Methodist Church. Local Church and any of its affiliates which have been included in the group tax exemption ruling will be removed as of the Disaffiliation Date.

5. Organizational Transition. Local Church shall take all steps necessary to close and/or dissolve any legal entities and to settle, liquidate, or transfer all assets and obligations of such entities, or to establish any new legal entities, or to modify its current organizing documents, as needed to effectuate its disaffiliation from The United Methodist Church to the satisfaction of Annual Conference. Local Church shall indemnify, defend, and hold harmless Annual Conference and its officers, directors, agents, and employees from any liability or costs (including reasonable attorney fees) resulting from any claim, action, or cause of action for damages to persons or property resulting from Local Church's failure to take all necessary steps as required by this Section 5.

6. Property. On the Disaffiliation Date, Local Church will have full ownership of the property and assets listed in EXHIBIT B to this Agreement. For any real property to be retained by Local Church, Local Church shall cause to be prepared a quitclaim deed in the form shown in Exhibit C hereto, for signature by two Conference Trustees, which deed shall disclaim any interest of the Conference in the real property pursuant to the UMC trust clause or otherwise. Local Church shall be solely responsible for ensuring that the property description contained in the Quitclaim Deed is accurate, and Conference shall make no warranty of title as to Local Church's property. Local Church shall provide the information required by Exhibits A and B and the Quitclaim Deed referenced in Exhibit C prior to the date of the Annual Conference vote on disaffiliation. The parties shall ensure all necessary transfers or other transactions relating to the above properties are completed prior to the Disaffiliation Date. Any costs resulting from such transfers or other transactions shall be borne by Local Church. Annual Conference shall fully cooperate with Local Church, as needed and applicable, to ensure that such transfers and other transactions convey all of Annual Conference's interest – both for itself and on behalf of The United Methodist Church – in the real and personal, tangible and intangible property of Local Church.

7. Release of Claims. Upon the completion of all of their respective obligations herein, Annual Conference and Local Church, for themselves and their agents, representatives, members, trustees, employees, successors, attorneys, and assigns, hereby fully and forever covenant not to sue each other, and release and discharge each other, and their current and former trustees, officers, representatives, employees, and assigns, in both their official and individual capacities, from any liability for any and all causes of action and claims, including any statutory or common law cause of action, tort or contractual claims, any claims for attorneys' fees, expenses and all other damages,

whether known or unknown, foreseen or unforeseen, which Annual Conference or Local Church ever had, now has, hereafter may have or claim to have against any of the above-named entities or persons in any way arising out of their relationship with each other. The parties further represent they have no pending lawsuit, charge, complaint, or other action against each other. Notwithstanding the foregoing releases and covenants not to sue, the parties may take action to enforce this Disaffiliation Agreement in any court where jurisdiction and venue are proper.

8. Time Limit. Should the Local Church fail to satisfy all of its obligations set forth herein by December 31, 2023, this Disaffiliation Agreement shall be null and void.

9. Continuing as Plan Sponsor. Nothing in this Disaffiliation Agreement shall prevent Local Church, after the Disaffiliation Date, from continuing to sponsor benefit plans from the General Board of Pension and Health Benefits (Wespath) to the extent permitted by federal law, and provided that Local Church has not expressly resolved that it no longer shares common religious bonds with The United Methodist Church.

10. Non-Severability. Each of the terms of this Disaffiliation Agreement is a material and integral part hereof. Should any provision of this Disaffiliation Agreement be held unenforceable or contrary to law, the entire Disaffiliation Agreement shall be deemed null and void.

Representatives of the Local Church

Wayne Tosh Chair, Administrative Board Date 4-17-2023
Ran Chair, Board of Trustees Date 17 APRIL, 23

Representatives of the Annual Conference

James D. Camp District Superintendent Date April 17, 2023
Raul B. Aey Authorized Member, Board of Trustees Date 10/23/2023

EXHIBIT A TO DISAFFILIATION AGREEMENT

**OFFICER'S CERTIFICATE OF THE DISAFFILIATION VOTE
OF THE
MEMBERS OF THE SALEM N. GIBSON COUNTY
UNITED METHODIST CHURCH
PHYSICAL ADDRESS OF CHURCH:
351 BRADFORD HWY., RUTHERFORD, TN 38369**

I, CINDY LANDRUM, as the undersigned officer or authorized designee of Salem N. (Gibson County) United Methodist Church ("Church") certify the vote of the Church members that was taken to disaffiliate from the United Methodist Church pursuant to Paragraph 2553 of the *Book of Discipline of the United Methodist Church*.

I can certify that the following events transpired as described:

1. The Church Council and members of the Church met on April 17th, 2023 at a meeting duly called by the District Superintendent after notice as required by the *Book of Discipline*.

2. There were 19 ballots cast on the issue of whether to disaffiliate from the United Methodist Church subject to the provision of Paragraph 2553 of the *Book of Discipline*. 0 voted "No;" against disaffiliation; 19 voted "Yes," to disaffiliate; and 0 abstained. Copies of the ballots are available for inspection upon request.

Cindy Landrum

OFFICER/AUTHORIZED DESIGNEE

EXHIBIT B TO DISAFFILIATION AGREEMENT
LIST OF ASSETS TO BE TRANSFERRED AND LIABILITIES TO BE
ASSUMED

REAL PROPERTY: Physical Address, County where Located, Deed Book/Page and Use (i.e., church building, parsonage, cemetery etc.) of Real Property to be transferred (Attach copies of deeds containing property description. If multiple properties, attached a list on a separate sheet.) **All listed information must be provided.**

See attached copies of deeds.

BANK/FINANCIAL ACCOUNTS: List bank and type of each account in which trust clause is be released.

PERSONAL PROPERTY: Trust clause is to be released in:

X All personal property, other than property bearing "United Methodist Church" or the Cross and Flame

_____ All personal property, with the exception of the following:
(List any property that will be retained by the Annual Conference)

EXISTING LIABILITIES (FOR EACH, PROVIDE PROOF OF SATISFACTION OF LIABILITY OR TRANSFER OF LIABILITY TO SUCCESSOR ENTITY):

MORTGAGES: None.

SECURED/UNSECURED NOTES: None

THREATENED OR PENDING LITIGATION None

SUCCESSOR ENTITY: Salem Methodist Church of Rutherford
(IF CORPORATION, PROVIDE CORPORATE NAME. IF UNINCORPORATED ENTITY, Inc.
PROVIDE BOTH THE NAME OF THE NEW ENTITY AND THE NAMES OF INDIVIDUAL
TRUSTEES IN WHOSE NAME TRANSFER SHOULD BE MADE)

I CERTIFY THAT THE INFORMATION PROVIDED ABOVE IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

OFFICER/AUTHORIZED DESIGNEE

Standard Form Disaffiliation Agreement-Tennessee-Western Kentucky (TWK) Conference
As mandated by ¶ 2553

DISAFFILIATION AGREEMENT PURSUANT TO ¶ 2553

This Disaffiliation Agreement Pursuant to ¶ 2553 (“Disaffiliation Agreement”) is entered into this **18th** day of **September, 2023**, by and between **Seminary United Methodist Church** (“Local Church”) and **The Tennessee-Western Kentucky Conference** of the United Methodist Church (“Annual Conference”).

WHEREAS, Local Church is a United Methodist church within the boundaries of Annual Conference;

WHEREAS, Local Church has held a church conference, in compliance with ¶¶ 246.8, 248, and 2553.2-.3 of *The Book of Discipline of The United Methodist Church* (“*Discipline*”), at which at least two-thirds (2/3) of the professing members present at the church conference of Local Church voted to disaffiliate from The United Methodist Church “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.”

WHEREAS, pursuant to ¶ 2501.1 of the *Discipline*, Local Church holds its real and personal, tangible and intangible property “in trust for The United Methodist Church and subject to the provisions of its *Discipline*.”

WHEREAS, property subject to ¶ 2501.1 “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*.” (¶ 2501.2)

WHEREAS, ¶ 2553 provides a specific circumstance in which property subject to ¶ 2501.1 can be released from the trust imposed by that paragraph.

WHEREAS, ¶ 2553.4 requires the terms and conditions of Local Church’s disaffiliation from The United Methodist Church to be “memorialized in a binding Disaffiliation Agreement.”

WHEREAS, Local Church and Annual Conference wish to (1) resolve all matters between them, and Local Church wishes to acquire from Annual Conference all of Annual Conference's interest, on behalf of The United Methodist Church, in the real and personal, tangible and intangible property held by Local Church and (2) comply with the requirements of ¶ 2553 and Judicial Council *Decision* 1379.

NOW, THEREFORE, in consideration of the foregoing and all the mutual covenants herein contained, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Local Church and Annual Conference agree as follows:

1. Conditions Precedent. Local Church and Annual Conference acknowledge and agree:
 - a. *Church Conference Vote*. At least two-thirds (2/3) of the professing members present at a church conference of Local Church must vote to disaffiliate from The United Methodist Church “*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.*” Local Church must provide documentation, to the satisfaction of Annual Conference, which evidences the result of the disaffiliation vote taken at the church conference. Such documentation must be certified by an authorized officer of Local Church and shall be included as EXHIBIT A to this Disaffiliation Agreement.
 - b. *Annual Conference Vote*. This Disaffiliation Agreement must be “ratified by a simple majority of the members . . . present and voting” at a duly-called session of Annual Conference, as required by Judicial Council *Decision* 1379 and ¶ 2529.1b(3).

Should either of the above not occur, this Disaffiliation Agreement shall immediately become null and void.

2. Applicability of ¶ 2501. Local Church acknowledges and agrees that pursuant to ¶ 2501 of the *Discipline*, Local Church holds all property, real and personal, tangible and intangible, in trust for the benefit of The United Methodist Church.

3. Date of Disaffiliation. Should Local Church timely comply with all of its obligations as set forth herein, Local Church's disaffiliation from The United Methodist Church will be effective on the last day of the month in which the Annual Conference votes to approve disaffiliation ("Disaffiliation Date"). The Disaffiliation Date must be subsequent to the Annual Conference's ratification referenced in Section 1 above.

4. Local Church's Obligations. Unless a different date is specified, Local Church shall, by no later than the Disaffiliation Date, do the following:

Payments. Prior to the Disaffiliation Date, Local Church shall pay to Annual Conference, in a manner specified by Annual Conference, the following:

- i. Local Church shall have the right to retain its real and personal, tangible and intangible property without charge. Any costs relating to Local Church's retention of its property will be borne by Local Church.
- ii. Any unpaid connectional for the twelve (12) months immediately prior to the Disaffiliation Date, as calculated by Annual Conference, totaling **\$ (466.00)**
- iii. An additional twelve (12) months of connectional commitment, as calculated by Annual Conference, totaling **\$6,007.00**
- iv. Any past due Direct Bill Pension or Health Insurance payments **\$0.00**
- v. An amount equal to Local Church's pro rata share, based on a ratio of church's Connectional Commitment to the current year's budget, of Annual Conference's unfunded pension obligations, based on the Annual Conference's aggregate funding obligations as determined by the General Board of Pension and Health Benefits using market factors similar to a commercial annuity provider, totaling **\$7,939.00**
- vi. Any grant from the Annual Conference to the Local Church that was received within two (2) years prior to the Disaffiliation Date, including but not limited to grants for Equitable Compensation or small church capital improvements, shall be treated as a loan and shall be repaid in full prior to the Disaffiliation Date; **\$0.00**

vii. If the Bishop has appointed a pastor to serve a local church for the church year beginning July 1, 2023, the Church shall be responsible, prior to the Disaffiliation Date, for paying to Conference a sum equal to the cost of salary and benefits for the pastor until the end of the Conference year on June 30, 2024, notwithstanding that the Disaffiliation Date will be November 30, 2023, unless another appointment of equal or greater salary and benefits is available to the pastor at the time of the Church's disaffiliation. **\$0.00**

viii. **Total due for disaffiliation: \$13,480.00**

- b. *Other Liabilities.* Local Church shall either satisfy all of its debts, loans, and liabilities, or assign or transfer such obligations to its new entity. Such debts, loans and liabilities, and the disposition thereof, are listed in EXHIBIT B to this Agreement. Local Church must provide sufficient documentation of same to Annual Conference. Notwithstanding whether any such liability is disclosed in EXHIBIT B, all liabilities of Local Church shall remain liabilities of Local Church's new entity and shall not become liabilities of Annual Conference.
- c. *Intellectual Property.* Local Church shall cease all use of "United Methodist," the Cross & Flame insignia, and any other intellectual property of the denomination and Annual Conference, including the removal of all signage containing the same."
- d. *Group Tax Exemption Ruling.* As of the Disaffiliation Date, Local Church shall cease to use, and also shall ensure that any affiliates of Local Church which have been included in the group tax exemption ruling shall cease to use, any and all documentation stating that Local Church is included in the denomination's group tax exemption ruling administered by the General Council on Finance and Administration of The United Methodist Church. Local Church and any of its affiliates which have been included in the group tax exemption ruling will be removed as of the Disaffiliation Date.

5. **Organizational Transition.** Local Church shall take all steps necessary to close and/or dissolve any legal entities and to settle, liquidate, or transfer all assets and obligations of such entities, or to establish any new legal entities, or to modify its current organizing documents, as needed to effectuate its disaffiliation from The United Methodist Church to the satisfaction of Annual Conference. Local Church shall indemnify, defend, and hold harmless Annual Conference and its officers, directors, agents, and

employees from any liability or costs (including reasonable attorney fees) resulting from any claim, action, or cause of action for damages to persons or property resulting from Local Church's failure to take all necessary steps as required by this Section 5.

6. Property. On the Disaffiliation Date, Local Church will have full ownership of the property and assets listed in EXHIBIT B to this Agreement. For any real property to be retained by Local Church, Local Church shall cause to be prepared a quitclaim deed in the form shown in Exhibit C hereto, for signature by two Conference Trustees, which deed shall disclaim any interest of the Conference in the real property pursuant to the UMC trust clause or otherwise. Local Church shall be solely responsible for ensuring that the property description contained in the Quitclaim Deed is accurate, and Conference shall make no warranty of title as to Local Church's property. Local Church shall provide the information required by Exhibits A and B and the Quitclaim Deed referenced in Exhibit C prior to the date of the Annual Conference vote on disaffiliation. The parties shall ensure all necessary transfers or other transactions relating to the above properties are completed prior to the Disaffiliation Date. Any costs resulting from such transfers or other transactions shall be borne by Local Church. Annual Conference shall fully cooperate with Local Church, as needed and applicable, to ensure that such transfers and other transactions convey all of Annual Conference's interest – both for itself and on behalf of The United Methodist Church – in the real and personal, tangible and intangible property of Local Church.

7. Release of Claims. Upon the completion of all of their respective obligations herein, Annual Conference and Local Church, for themselves and their agents, representatives, members, trustees, employees, successors, attorneys, and assigns, hereby fully and forever covenant not to sue each other, and release and discharge each other, and their current and former trustees, officers, representatives, employees, and assigns, in both their official and individual capacities, from any liability for any and all causes of action and claims, including any statutory or common law cause of action, tort or contractual claims, any claims for attorneys' fees, expenses and all other damages, whether known or unknown, foreseen or unforeseen, which Annual Conference or Local Church ever had, now has, hereafter may have or claim to have against any of the above-named entities or persons in any way arising out of their relationship with each other. The parties further represent they have no pending lawsuit, charge, complaint, or other action against each other. Notwithstanding the foregoing releases and covenants not

to sue, the parties may take action to enforce this Disaffiliation Agreement in any court where jurisdiction and venue are proper.

8. Time Limit. Should the Local Church fail to satisfy all of its obligations set forth herein by December 31, 2023, this Disaffiliation Agreement shall be null and void.

9. Continuing as Plan Sponsor. Nothing in this Disaffiliation Agreement shall prevent Local Church, after the Disaffiliation Date, from continuing to sponsor benefit plans from the General Board of Pension and Health Benefits (Wespath) to the extent permitted by federal law, and provided that Local Church has not expressly resolved that it no longer shares common religious bonds with The United Methodist Church.

10. Non-Severability. Each of the terms of this Disaffiliation Agreement is a material and integral part hereof. Should any provision of this Disaffiliation Agreement be held unenforceable or contrary to law, the entire Disaffiliation Agreement shall be deemed null and void.

Representatives of the Local Church

Ormy J. J. J. J. Chair, Administrative Board

Date 9/18/2023

William R. J. J. Chair, Board of Trustees

Date 9/18/2023

Representatives of the Annual Conference

Nancy E. J. J. District Superintendent

Date 9-18-23

J. R. J. Authorized Member, Board of Trustees

Date 9-27-2023

EXHIBIT A TO DISAFFILIATION AGREEMENT

OFFICER'S CERTIFICATE OF THE DISAFFILIATION VOTE
OF THE **MEMBERS OF THE**
SEMINARY UNITED METHODIST CHURCH

PHYSICAL ADDRESS OF CHURCH:

1765 SEMINARY RD.

MCKENZIE, TN 38201

I, William D. Leake, as the undersigned officer or authorized designee of **Seminary United Methodist Church** ("Church") certify the vote of the Church members that was taken to disaffiliate from the United Methodist Church pursuant to Paragraph 2553 of the *Book of Discipline of the United Methodist Church*.

I can certify that the following events transpired as described:

1. The Church Council and members of the Church met on **September 18th, 2023, 7:00 p.m.** at a meeting duly called by the District Superintendent after notice as required by the *Book of Discipline*.

2. There were 1 ballots cast on the issue of whether to disaffiliate from the United Methodist Church subject to the provision of Paragraph 2553 of the *Book of Discipline*.

The number of votes needed to meet the required 2/3 majority is _____.

3. 0 voted "No;" against disaffiliation;
1 voted "Yes," to disaffiliate;
0 abstained.

OFFICER/AUTHORIZED DESIGNEE

William D. Leake
CHAIR OF TRUSTEES

George J. Vande
DISTRICT SUPERINTENDENT

EXHIBIT B TO DISAFFILIATION AGREEMENT
LIST OF ASSETS TO BE TRANSFERRED AND LIABILITIES TO BE ASSUMED

REAL PROPERTY: Physical Address, County where Located, Deed Book/Page and Use (i.e., church building, parsonage, cemetery etc.) of Real Property to be transferred (Attach copies of deeds containing property description. If multiple properties, attached a list on a separate sheet.) **All listed information must be provided.**

Church 1.) 1765 Seminary Rd. McKenzie TN 38201
located in Weakley Co.
Parsonage 2.) 130 Douglas Ave. McKenzie TN 38201
located in Carroll Co.

BANK/FINANCIAL ACCOUNTS: List bank and type of each account in which trust clause is to be released. [REDACTED]

PERSONAL PROPERTY: Trust clause is to be released in: [REDACTED]

☒ All personal property, other than property bearing "United Methodist Church" or the Cross and Flame

☐ All personal property, with the exception of the following:

(List any property that will be retained by the Annual Conference)

EXISTING LIABILITIES (FOR EACH, PROVIDE PROOF OF SATISFACTION OF LIABILITY OR TRANSFER OF LIABILITY TO SUCCESSOR ENTITY):

MORTGAGES:

None

SECURED/UNSECURED NOTES:

None

THREATENED

OR

PENDING

LITIGATION

None

SUCCESSOR ENTITY:

Seminary Methodist Church

(IF CORPORATION, PROVIDE CORPORATE NAME. IF UNINCORPORATED ENTITY, PROVIDE BOTH THE NAME OF THE NEW ENTITY AND THE NAMES OF INDIVIDUAL TRUSTEES IN WHOSE NAME TRANSFER SHOULD BE MADE)

Trustees: William D. Seabrough, David Lenellen, Buddy Knott

I CERTIFY THAT THE INFORMATION PROVIDED ABOVE IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

May Lenellen

OFFICER/AUTHORIZED DESIGNEE

Standard Form Disaffiliation Agreement-Tennessee-Western Kentucky (TWK) Conference
As mandated by ¶ 2553

DISAFFILIATION AGREEMENT PURSUANT TO ¶ 2553

This Disaffiliation Agreement Pursuant to ¶ 2553 (“Disaffiliation Agreement”) is entered into this **10th** day of **August**, 2023, by and between **Shady Grove United Methodist Church** (“Local Church”) and **The Tennessee-Western Kentucky Conference** of the United Methodist Church (“Annual Conference”).

WHEREAS, Local Church is a United Methodist church within the boundaries of Annual Conference;

WHEREAS, Local Church has held a church conference, in compliance with ¶¶ 246.8, 248, and 2553.2-.3 of *The Book of Discipline of The United Methodist Church* (“*Discipline*”), at which at least two-thirds (2/3) of the professing members present at the church conference of Local Church voted to disaffiliate from The United Methodist Church “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.”

WHEREAS, pursuant to ¶ 2501.1 of the *Discipline*, Local Church holds its real and personal, tangible and intangible property “in trust for The United Methodist Church and subject to the provisions of its *Discipline*.”

WHEREAS, property subject to ¶ 2501.1 “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*.” (¶ 2501.2)

WHEREAS, ¶ 2553 provides a specific circumstance in which property subject to ¶ 2501.1 can be released from the trust imposed by that paragraph.

WHEREAS, ¶ 2553.4 requires the terms and conditions of Local Church’s disaffiliation from The United Methodist Church to be “memorialized in a binding Disaffiliation Agreement.”

WHEREAS, Local Church and Annual Conference wish to (1) resolve all matters between them, and Local Church wishes to acquire from Annual Conference all of Annual Conference's interest, on behalf of The United Methodist Church, in the real and personal, tangible and intangible property held by Local Church and (2) comply with the requirements of ¶ 2553 and Judicial Council *Decision* 1379.

NOW, THEREFORE, in consideration of the foregoing and all the mutual covenants herein contained, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Local Church and Annual Conference agree as follows:

1. Conditions Precedent. Local Church and Annual Conference acknowledge and agree:

- a. *Church Conference Vote*. At least two-thirds (2/3) of the professing members present at a church conference of Local Church must vote to disaffiliate from The United Methodist Church “*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.*” Local Church must provide documentation, to the satisfaction of Annual Conference, which evidences the result of the disaffiliation vote taken at the church conference. Such documentation must be certified by an authorized officer of Local Church and shall be included as EXHIBIT A to this Disaffiliation Agreement.
- b. *Annual Conference Vote*. This Disaffiliation Agreement must be “ratified by a simple majority of the members . . . present and voting” at a duly-called session of Annual Conference, as required by Judicial Council *Decision* 1379 and ¶ 2529.1b(3).

Should either of the above not occur, this Disaffiliation Agreement shall immediately become null and void.

2. Applicability of ¶ 2501. Local Church acknowledges and agrees that pursuant to ¶ 2501 of the *Discipline*, Local Church holds all property, real and personal, tangible and intangible, in trust for the benefit of The United Methodist Church.

3. Date of Disaffiliation. Should Local Church timely comply with all of its obligations as set forth herein, Local Church's disaffiliation from The United Methodist Church will be effective on the last day of the month in which the Annual Conference votes to approve disaffiliation ("Disaffiliation Date"). The Disaffiliation Date must be subsequent to the Annual Conference's ratification referenced in Section 1 above.

4. Local Church's Obligations. Unless a different date is specified, Local Church shall, by no later than the Disaffiliation Date, do the following:

Payments. Prior to the Disaffiliation Date, Local Church shall pay to Annual Conference, in a manner specified by Annual Conference, the following:

- i. Local Church shall have the right to retain its real and personal, tangible and intangible property without charge. Any costs relating to Local Church's retention of its property will be borne by Local Church.
- ii. Any unpaid connectional commitment for the twelve (12) months immediately prior to the Disaffiliation Date, as calculated by Annual Conference, totaling **\$874.00**
- iii. An additional twelve (12) months of connectional commitment, as calculated by Annual Conference, totaling **\$2,633**
- iv. Any past due Direct Bill Pension or Health Insurance payments **\$0.00**
- v. An amount equal to Local Church's pro rata share, based on a ratio of church's Connectional Commitment to the current year's budget, of Annual Conference's unfunded pension obligations, based on the Annual Conference's aggregate funding obligations as determined by the General Board of Pension and Health Benefits using market factors similar to a commercial annuity provider, totaling **\$3,721.00**
- vi. Any grant from the Annual Conference to the Local Church that was received within two (2) years prior to the Disaffiliation Date, including but not limited to grants for Equitable Compensation or small church capital improvements, shall be treated as a loan and shall be repaid in full prior to the Disaffiliation Date; **\$0.00**

vii. If the Bishop has appointed a pastor to serve a local church for the church year beginning July 1, 2023, the Church shall be responsible, prior to the Disaffiliation Date, for paying to Conference a sum equal to the cost of salary and benefits for the pastor until the end of the Conference year on June 30, 2024, notwithstanding that the Disaffiliation Date will be November 30, 2023, unless another appointment of equal or greater salary and benefits is available to the pastor at the time of the Church's disaffiliation. **Salary/Housing: \$0.00 Medical/Pension: \$0.00**

viii. **Total due for disaffiliation: \$7,228.00**

- b. *Other Liabilities.* Local Church shall either satisfy all of its debts, loans, and liabilities, or assign or transfer such obligations to its new entity. Such debts, loans and liabilities, and the disposition thereof, are listed in EXHIBIT B to this Agreement. Local Church must provide sufficient documentation of same to Annual Conference. Notwithstanding whether any such liability is disclosed in EXHIBIT B, all liabilities of Local Church shall remain liabilities of Local Church's new entity and shall not become liabilities of Annual Conference.
- c. *Intellectual Property.* Local Church shall cease all use of "United Methodist," the Cross & Flame insignia, and any other intellectual property of the denomination and Annual Conference, including the removal of all signage containing the same."
- d. *Group Tax Exemption Ruling.* As of the Disaffiliation Date, Local Church shall cease to use, and also shall ensure that any affiliates of Local Church which have been included in the group tax exemption ruling shall cease to use, any and all documentation stating that Local Church is included in the denomination's group tax exemption ruling administered by the General Council on Finance and Administration of The United Methodist Church. Local Church and any of its affiliates which have been included in the group tax exemption ruling will be removed as of the Disaffiliation Date.

5. Organizational Transition. Local Church shall take all steps necessary to close and/or dissolve any legal entities and to settle, liquidate, or transfer all assets and obligations of such entities, or to establish any new legal entities, or to modify its current organizing documents, as needed to effectuate its disaffiliation from The United Methodist Church to the satisfaction of Annual Conference. Local Church shall indemnify, defend, and hold harmless Annual Conference and its officers, directors, agents, and

employees from any liability or costs (including reasonable attorney fees) resulting from any claim, action, or cause of action for damages to persons or property resulting from Local Church's failure to take all necessary steps as required by this Section 5.

6. Property. On the Disaffiliation Date, Local Church will have full ownership of the property and assets listed in EXHIBIT B to this Agreement. For any real property to be retained by Local Church, Local Church shall cause to be prepared a quitclaim deed in the form shown in Exhibit C hereto, for signature by two Conference Trustees, which deed shall disclaim any interest of the Conference in the real property pursuant to the UMC trust clause or otherwise. Local Church shall be solely responsible for ensuring that the property description contained in the Quitclaim Deed is accurate, and Conference shall make no warranty of title as to Local Church's property. Local Church shall provide the information required by Exhibits A and B and the Quitclaim Deed referenced in Exhibit C prior to the date of the Annual Conference vote on disaffiliation. The parties shall ensure all necessary transfers or other transactions relating to the above properties are completed prior to the Disaffiliation Date. Any costs resulting from such transfers or other transactions shall be borne by Local Church. Annual Conference shall fully cooperate with Local Church, as needed and applicable, to ensure that such transfers and other transactions convey all of Annual Conference's interest – both for itself and on behalf of The United Methodist Church – in the real and personal, tangible and intangible property of Local Church.

7. Release of Claims. Upon the completion of all of their respective obligations herein, Annual Conference and Local Church, for themselves and their agents, representatives, members, trustees, employees, successors, attorneys, and assigns, hereby fully and forever covenant not to sue each other, and release and discharge each other, and their current and former trustees, officers, representatives, employees, and assigns, in both their official and individual capacities, from any liability for any and all causes of action and claims, including any statutory or common law cause of action, tort or contractual claims, any claims for attorneys' fees, expenses and all other damages, whether known or unknown, foreseen or unforeseen, which Annual Conference or Local Church ever had, now has, hereafter may have or claim to have against any of the above-named entities or persons in any way arising out of their relationship with each other. The parties further represent they have no pending lawsuit, charge, complaint, or other action against each other. Notwithstanding the foregoing releases and covenants not

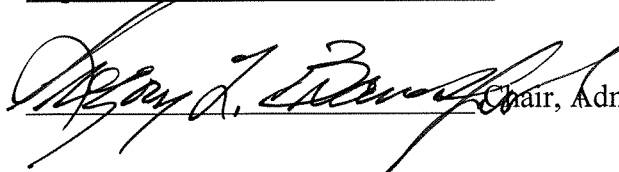
to sue, the parties may take action to enforce this Disaffiliation Agreement in any court where jurisdiction and venue are proper.

8. Time Limit. Should the Local Church fail to satisfy all of its obligations set forth herein by December 31, 2023, this Disaffiliation Agreement shall be null and void.


9. Continuing as Plan Sponsor. Nothing in this Disaffiliation Agreement shall prevent Local Church, after the Disaffiliation Date, from continuing to sponsor benefit plans from the General Board of Pension and Health Benefits (Wespath) to the extent permitted by federal law, and provided that Local Church has not expressly resolved that it no longer shares common religious bonds with The United Methodist Church.

10. Non-Severability. Each of the terms of this Disaffiliation Agreement is a material and integral part hereof. Should any provision of this Disaffiliation Agreement be held unenforceable or contrary to law, the entire Disaffiliation Agreement shall be deemed null and void.

Representatives of the Local Church

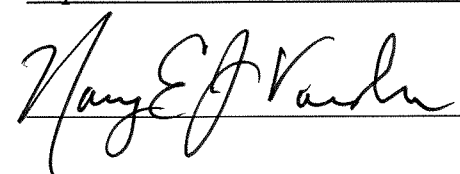
 Chair, Administrative Board

Date 8/10/23

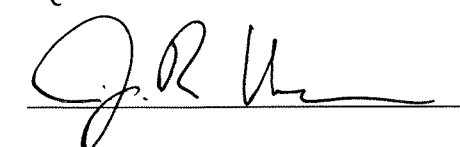
 Chair, Board of Trustees

Date 8-10-23

Representatives of the Annual Conference

 District Superintendent

Date Aug. 10, 2023

 Authorized Member, Board of Trustees

Date 8-23-23

EXHIBIT A TO DISAFFILIATION AGREEMENT

OFFICER'S CERTIFICATE OF THE DISAFFILIATION VOTE
OF THE **MEMBERS OF THE**
SHADY GROVE UNITED METHODIST CHURCH

PHYSICAL ADDRESS OF CHURCH:

5134 VIRGIN RD.

UNION CITY, TN 38261

I, Gregory Leon Bransford, as the undersigned officer or authorized designee of **Shady Grove United Methodist Church** ("Church") certify the vote of the Church members that was taken to disaffiliate from the United Methodist Church pursuant to Paragraph 2553 of the *Book of Discipline of the United Methodist Church*.

I can certify that the following events transpired as described:

1. The Church Council and members of the Church met on **August 10th, 2023 at 6:15 p.m.** at a meeting duly called by the District Superintendent after notice as required by the *Book of Discipline*.

2. There were 16 ballots cast on the issue of whether to disaffiliate from the United Methodist Church subject to the provision of Paragraph 2553 of the *Book of Discipline*.

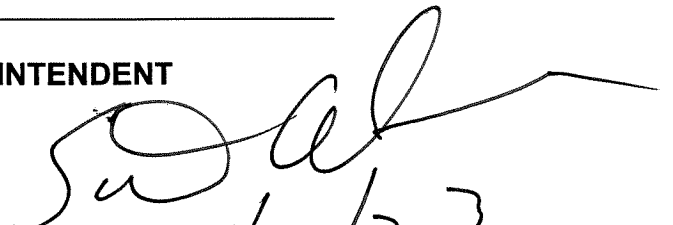
The number of votes needed to meet the required 2/3 majority is _____.

3. 0 voted "No," against disaffiliation;
16 voted "Yes," to disaffiliate;
— abstained.


OFFICER/AUTHORIZED DESIGNEE

CHAIR OF TRUSTEES

DISTRICT SUPERINTENDENT


8/10/23

Shady Grove United Methodist Church Membership

Name	Street	City	State	Zip Code
Homer Cruce	Park Terrace Assisted Living	South Fulton	TN	38257
✓ Norma Jean Evans Blackley	4591 Old Harris Road	Union City	TN	38261
✓ Shirley McClard Woodard	5040 McClard Road	Union City	TN	38261
Wayne Napier	90 Sycamore Street	Union City	TN	38261
Gerry Poole	3272 North Shady Grove Road	Union City	TN	38261
Larry Joe Williams	14 Fair Oaks Place	Jackson	TN	38301
Deborah Darlene Covey Long	5742 Section 10 th Road	Union City	TN	38261
✓ Martha Kay Mitchell Bransford	3520 North Shady Grove Road	Union City	TN	38261
✓ Marlene Faye Castleman McDaniel	4492 Country Wood	Union City	TN	38261
Tommy Poteet	379 Caldwell Avenue	Rives	TN	38253
✓ Alisa Jo Blackley	4240 Section Line Road	Union City	TN	38261
✓ Douglas Norman McDaniel	4492 Country Wood	Union City	TN	38261
✓ Gregory Leon Bransford	3520 North Shady Grove Road	Union City	TN	38261
✓ Christi Blackley	1204 South Fourth Street, PO Box 115	Union City	TN	38261
Jay Forrest Poole	7061 St. Johns Road	Elizabethtown	KY	42701
Sharon Poteet Kendall	348 Southwest Starlite Lane	Lake City	FL	32025
Brian Charles McDaniel	8487 Middle Run Drive	Springfield	VA	22153
Cheri Lynn Babb Mason	164 Mollie Road	Harmony	NC	28634
Johnny Babb	4084 Cloys Road	Union City	TN	38261
Amy Carol Blackley Finch	543 Ebenezer Road	Troy	TN	38260
Brock Woodard	5512 Fairhaven Drive	Nashville	TN	37211
Debbie Lee Ann Glisson Townsend	4095 Cloys Road	Union City	TN	38261
Jason Lee Powell	4190 Cloys Road	Union City	TN	38261
Terry Presson	2203 Belair Circle	Union City	TN	38261
Phyllis Castleman Presson	2203 Belair Circle	Union City	TN	38261
Matthew Presson	6311 SE Platt Avenue	Portland	OR	97236
Amanda Renee McDaniel Wilson	2207 Indian Mound Road	Woodlawn	TN	37191
Deryk Wayne Bellew	903 Bearer Creek Ways	Antioch	TN	37013
Kimberly Babb	4136 Cloys Road	Union City	TN	38261
Blake Babb	4084 Cloys Road	Union City	TN	38261

✓ Doris Poole	3306 North Shady Grove Road	Union City	TN	38261
Danny Hinson	1509 Julie Street	Union City	TN	38261
Gathy Massey	1913 Morningview Drive	Union City	TN	38261
✓ Tammy Poole	3272 North Shady Grove Road	Union City	TN	38261
Kelsey Woodard	1900 Sunrise Street	Union City	TN	38261
✓ Marcus Wade V	227 Church Street	Troy	TN	38260
✓ Betty Palmer	445 US Hwy 45 West	Kenton	TN	38232
James R Moore	2160 Palmyra Road	Palmyra	TN	37142
Ethan Poole	3128 New Moon Drive	Shreveport	LA	71118
Lori Elizabeth Bransford Moore	2160 Palmyra Road	Palmyra	TN	37142
✓ John Bell Whitesell	1320 North Clover Street	Union City	TN	38261
✓ Jacques Whitesell	1320 North Clover Street	Union City	TN	38261
✓ Jack Whitesell	1320 North Clover Street	Union City	TN	38261
✓ Jesse Whitesell	1320 North Clover Street	Union City	TN	38261
✓ John Atkins	919 Glendale Street	Union City	TN	38261
✓ Nancy Atkins	919 Glendale Street	Union City	TN	38261
Chris Virgin	4868 McClard Road	Union City	TN	38261
Stephanie Virgin	4868 McClard Road	Union City	TN	38261

November 2022

(1)

EXHIBIT B TO DISAFFILIATION AGREEMENT
LIST OF ASSETS TO BE TRANSFERRED AND LIABILITIES TO BE ASSUMED

REAL PROPERTY: Physical Address, County where Located, Deed Book/Page and Use (i.e., church building, parsonage, cemetery etc.) of Real Property to be transferred (Attach copies of deeds containing property description. If multiple properties, attached a list on a separate sheet.) All listed information must be provided.

5134 Virgin Road Union City, Tenn. 38261 Obion County
church building
Deed Book W-1 Page 622, 623

BANK/FINANCIAL ACCOUNTS: List bank and type of each account in which trust clause is to be released.

PERSONAL PROPERTY: Trust clause is to be released in:

☐ All personal property, other than property bearing "United Methodist Church" or the Cross/Flame.

☒ All personal property, with the exception of the following:

(List any property that will be retained by the Annual Conference)

None

EXISTING LIABILITIES (FOR EACH, PROVIDE PROOF OF SATISFACTION OF LIABILITY OR TRANSFER OF LIABILITY TO SUCCESSOR ENTITY):

MORTGAGES: none

SECURED/UNSECURED NOTES: none

THREATENED OR PENDING LITIGATION none

SUCCESSOR ENTITY: Shady Grove Methodist Church (See Name Attached)

(IF CORPORATION, PROVIDE CORPORATE NAME. IF UNINCORPORATED ENTITY, PROVIDE BOTH THE NAME OF THE NEW ENTITY AND THE NAMES OF INDIVIDUAL TRUSTEES IN WHOSE NAME TRANSFER SHOULD BE MADE)

I CERTIFY THAT THE INFORMATION PROVIDED ABOVE IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

Faye McDaniel, Treasurer
OFFICER/AUTHORIZED DESIGNEE

TWKC
Standard Form Disaffiliation Agreement-Name Conference

As mandated by ¶ 2553

DISAFFILIATION AGREEMENT PURSUANT TO ¶ 2553

This Disaffiliation Agreement Pursuant to ¶ 2553 (“Disaffiliation Agreement”) is entered into this **6th** day of **August**, 2023, by and between **Union Grove United Methodist Church** (“Local Church”) and **The Tennessee-Western Kentucky Conference** of the United Methodist Church (“Annual Conference”).

WHEREAS, Local Church is a United Methodist church within the boundaries of Annual Conference;

WHEREAS, Local Church has held a church conference, in compliance with ¶¶ 246.8, 248, and 2553.2-.3 of *The Book of Discipline of The United Methodist Church* (“*Discipline*”), at which at least two-thirds (2/3) of the professing members present at the church conference of Local Church voted to disaffiliate from The United Methodist Church “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.”

WHEREAS, pursuant to ¶ 2501.1 of the *Discipline*, Local Church holds its real and personal, tangible and intangible property “in trust for The United Methodist Church and subject to the provisions of its *Discipline*.”

WHEREAS, property subject to ¶ 2501.1 “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*.” (¶ 2501.2)

WHEREAS, ¶ 2553 provides a specific circumstance in which property subject to ¶ 2501.1 can be released from the trust imposed by that paragraph.

WHEREAS, ¶ 2553.4 requires the terms and conditions of Local Church’s disaffiliation from The United Methodist Church to be “memorialized in a binding Disaffiliation Agreement.”

WHEREAS, Local Church and Annual Conference wish to (1) resolve all matters between them, and Local Church wishes to acquire from Annual Conference all of Annual Conference's interest, on behalf of The United Methodist Church, in the real and personal, tangible and intangible property held by Local Church and (2) comply with the requirements of ¶ 2553 and Judicial Council *Decision* 1379.

NOW, THEREFORE, in consideration of the foregoing and all the mutual covenants herein contained, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Local Church and Annual Conference agree as follows:

1. Conditions Precedent. Local Church and Annual Conference acknowledge and agree:
 - a. *Church Conference Vote*. At least two-thirds (2/3) of the professing members present at a church conference of Local Church must vote to disaffiliate from The United Methodist Church "*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.*" Local Church must provide documentation, to the satisfaction of Annual Conference, which evidences the result of the disaffiliation vote taken at the church conference. Such documentation must be certified by an authorized officer of Local Church and shall be included as EXHIBIT A to this Disaffiliation Agreement.
 - b. *Annual Conference Vote*. This Disaffiliation Agreement must be "ratified by a simple majority of the members . . . present and voting" at a duly-called session of Annual Conference, as required by Judicial Council *Decision* 1379 and ¶ 2529.1b(3).

Should either of the above not occur, this Disaffiliation Agreement shall immediately become null and void.

2. Applicability of ¶ 2501. Local Church acknowledges and agrees that pursuant to ¶ 2501 of the *Discipline*, Local Church holds all property, real and personal, tangible and intangible, in trust for the benefit of The United Methodist Church.

3. Date of Disaffiliation. Should Local Church timely comply with all of its obligations as set forth herein, Local Church's disaffiliation from The United Methodist Church will be effective on the last day of the month in which the Annual Conference votes to approve disaffiliation ("Disaffiliation Date"). The Disaffiliation Date must be subsequent to the Annual Conference's ratification referenced in Section 1 above.

4. Local Church's Obligations. Unless a different date is specified, Local Church shall, by no later than the Disaffiliation Date, do the following:

Payments. Prior to the Disaffiliation Date, Local Church shall pay to Annual Conference, in a manner specified by Annual Conference, the following:

- i. Local Church shall have the right to retain its real and personal, tangible and intangible property without charge. Any costs relating to Local Church's retention of its property will be borne by Local Church.
- ii. Any unpaid connectional for the twelve (12) months immediately prior to the Disaffiliation Date, as calculated by Annual Conference, totaling **\$3,820.00**
- iii. An additional twelve (12) months of connectional commitment, as calculated by Annual Conference, totaling **\$12,020.00**
- iv. Any past due Direct Bill Pension or Health Insurance payments **\$0.00**
- v. An amount equal to Local Church's pro rata share, based on a ratio of church's Connectional Commitment to the current year's budget, of Annual Conference's unfunded pension obligations, based on the Annual Conference's aggregate funding obligations as determined by the General Board of Pension and Health Benefits using market factors similar to a commercial annuity provider, totaling **\$16,280.00**
- vi. Any grant from the Annual Conference to the Local Church that was received within two (2) years prior to the Disaffiliation Date, including but not limited to grants for Equitable Compensation or small church capital improvements, shall be treated as a loan and shall be repaid in full prior to the Disaffiliation Date; **\$0.00**

vii. If the Bishop has appointed a pastor to serve a local church for the church year beginning July 1, 2023, the Church shall be responsible, prior to the Disaffiliation Date, for paying to Conference a sum equal to the cost of salary and benefits for the pastor until the end of the Conference year on June 30, 2024, notwithstanding that the Disaffiliation Date will be November 30, 2023, unless another appointment of equal or greater salary and benefits is available to the pastor at the time of the Church's disaffiliation. **Salary/Housing: \$0.00 Medical/Pension: \$0.00**

viii. **Total due for disaffiliation: \$32,120.00**

- b. *Other Liabilities.* Local Church shall either satisfy all of its debts, loans, and liabilities, or assign or transfer such obligations to its new entity. Such debts, loans and liabilities, and the disposition thereof, are listed in EXHIBIT B to this Agreement. Local Church must provide sufficient documentation of same to Annual Conference. Notwithstanding whether any such liability is disclosed in EXHIBIT B, all liabilities of Local Church shall remain liabilities of Local Church's new entity and shall not become liabilities of Annual Conference.
- c. *Intellectual Property.* Local Church shall cease all use of "United Methodist," the Cross & Flame insignia, and any other intellectual property of the denomination and Annual Conference, including the removal of all signage containing the same."
- d. *Group Tax Exemption Ruling.* As of the Disaffiliation Date, Local Church shall cease to use, and also shall ensure that any affiliates of Local Church which have been included in the group tax exemption ruling shall cease to use, any and all documentation stating that Local Church is included in the denomination's group tax exemption ruling administered by the General Council on Finance and Administration of The United Methodist Church. Local Church and any of its affiliates which have been included in the group tax exemption ruling will be removed as of the Disaffiliation Date.

5. Organizational Transition. Local Church shall take all steps necessary to close and/or dissolve any legal entities and to settle, liquidate, or transfer all assets and obligations of such entities, or to establish any new legal entities, or to modify its current organizing documents, as needed to effectuate its disaffiliation from The United Methodist Church to the satisfaction of Annual Conference. Local Church shall indemnify, defend, and hold harmless Annual Conference and its officers, directors, agents, and

employees from any liability or costs (including reasonable attorney fees) resulting from any claim, action, or cause of action for damages to persons or property resulting from Local Church's failure to take all necessary steps as required by this Section 5.

6. Property. On the Disaffiliation Date, Local Church will have full ownership of the property and assets listed in EXHIBIT B to this Agreement. For any real property to be retained by Local Church, Local Church shall cause to be prepared a quitclaim deed in the form shown in Exhibit C hereto, for signature by two Conference Trustees, which deed shall disclaim any interest of the Conference in the real property pursuant to the UMC trust clause or otherwise. Local Church shall be solely responsible for ensuring that the property description contained in the Quitclaim Deed is accurate, and Conference shall make no warranty of title as to Local Church's property. Local Church shall provide the information required by Exhibits A and B and the Quitclaim Deed referenced in Exhibit C prior to the date of the Annual Conference vote on disaffiliation. The parties shall ensure all necessary transfers or other transactions relating to the above properties are completed prior to the Disaffiliation Date. Any costs resulting from such transfers or other transactions shall be borne by Local Church. Annual Conference shall fully cooperate with Local Church, as needed and applicable, to ensure that such transfers and other transactions convey all of Annual Conference's interest – both for itself and on behalf of The United Methodist Church – in the real and personal, tangible and intangible property of Local Church.

7. Release of Claims. Upon the completion of all of their respective obligations herein, Annual Conference and Local Church, for themselves and their agents, representatives, members, trustees, employees, successors, attorneys, and assigns, hereby fully and forever covenant not to sue each other, and release and discharge each other, and their current and former trustees, officers, representatives, employees, and assigns, in both their official and individual capacities, from any liability for any and all causes of action and claims, including any statutory or common law cause of action, tort or contractual claims, any claims for attorneys' fees, expenses and all other damages, whether known or unknown, foreseen or unforeseen, which Annual Conference or Local Church ever had, now has, hereafter may have or claim to have against any of the above-named entities or persons in any way arising out of their relationship with each other. The parties further represent they have no pending lawsuit, charge, complaint, or other action against each other. Notwithstanding the foregoing releases and covenants not

to sue, the parties may take action to enforce this Disaffiliation Agreement in any court where jurisdiction and venue are proper.

8. Time Limit. Should the Local Church fail to satisfy all of its obligations set forth herein by December 31, 2023, this Disaffiliation Agreement shall be null and void.

9. Continuing as Plan Sponsor. Nothing in this Disaffiliation Agreement shall prevent Local Church, after the Disaffiliation Date, from continuing to sponsor benefit plans from the General Board of Pension and Health Benefits (Wespath) to the extent permitted by federal law, and provided that Local Church has not expressly resolved that it no longer shares common religious bonds with The United Methodist Church.

10. Non-Severability. Each of the terms of this Disaffiliation Agreement is a material and integral part hereof. Should any provision of this Disaffiliation Agreement be held unenforceable or contrary to law, the entire Disaffiliation Agreement shall be deemed null and void.

Representatives of the Local Church

Robert Williams Chair, Administrative Board

Date 8/6/23

Paul Pl Chair, Board of Trustees

Date 8/6/23

Representatives of the Annual Conference

David V. [Signature] District Superintendent

Date 8-6-23

Raúl B. [Signature] Authorized Member, Board of Trustees

Date 10/20/2023

EXHIBIT A TO DISAFFILIATION AGREEMENT

OFFICER'S CERTIFICATE OF THE DISAFFILIATION VOTE OF THE MEMBERS OF THE UNION GROVE UNITED METHODIST CHURCH

PHYSICAL ADDRESS OF CHURCH:

**8118 U.S. HIGHWAY 70
BROWNSVILLE, TN 38012**

I, Robert Williams, as the undersigned officer or authorized designee of **Union Grove United Methodist Church** ("Church") certify the vote of the Church members that was taken to disaffiliate from the United Methodist Church pursuant to Paragraph 2553 of the *Book of Discipline of the United Methodist Church*.

I can certify that the following events transpired as described:

1. The Church Council and members of the Church met on **Sunday, August 6, 2023** at **5:00p.m.** at a meeting duly called by the District Superintendent after notice as required by the *Book of Discipline*.

2. There were 45 ballots cast on the issue of whether to disaffiliate from the United Methodist Church subject to the provision of Paragraph 2553 of the *Book of Discipline*.

The number of votes needed to meet the required 2/3 majority is 30.

3. 4 voted "No;" against disaffiliation;
41 voted "Yes," to disaffiliate;
0 abstained.

Robert Williams
OFFICER/AUTHORIZED DESIGNEE

Zoe Lee
CHAIR OF TRUSTEES

Dan A. [Signature]
DISTRICT SUPERINTENDENT

November 2022

(1)

EXHIBIT B TO DISAFFILIATION AGREEMENT
LIST OF ASSETS TO BE TRANSFERRED AND LIABILITIES TO BE ASSUMED

REAL PROPERTY: Physical Address, County where Located, Deed Book/Page and Use (i.e., church building, parsonage, cemetery etc.) of Real Property to be transferred (Attach copies of deeds containing property description. If multiple properties, attached a list on a separate sheet.) All listed information must be provided.

5134 Virgin Road Union City, Tenn. 38261 Obion County
church building
Deed Book W-1 Page 622, 623

BANK/FINANCIAL ACCOUNTS: List bank and type of each account in which trust clause is to be released.

PERSONAL PROPERTY: Trust clause is to be released in:

☐ All personal property, other than property bearing "United Methodist Church" or the Cross/Flame.

☒ All personal property, with the exception of the following:

(List any property that will be retained by the Annual Conference)

None

EXISTING LIABILITIES (FOR EACH, PROVIDE PROOF OF SATISFACTION OF LIABILITY OR TRANSFER OF LIABILITY TO SUCCESSOR ENTITY):

MORTGAGES: none

SECURED/UNSECURED NOTES: none

THREATENED OR PENDING LITIGATION none

SUCCESSOR ENTITY: Shady Grove Methodist Church (See Name Attached)

(IF CORPORATION, PROVIDE CORPORATE NAME. IF UNINCORPORATED ENTITY, PROVIDE BOTH THE NAME OF THE NEW ENTITY AND THE NAMES OF INDIVIDUAL TRUSTEES IN WHOSE NAME TRANSFER SHOULD BE MADE)

I CERTIFY THAT THE INFORMATION PROVIDED ABOVE IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

Faye McDaniel, Treasurer
OFFICER/AUTHORIZED DESIGNEE