

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF NORTH CAROLINA
RALEIGH DIVISION**

IN RE:

CHAPTER 11

**Faith Baptist Church of
Knightdale, N.C., Inc.,**

CASE NO. 24-01592-5-DMW

Debtor.

**RESPONSE IN OPPOSITION TO MOTION DISMISS CHAPTER 11
BANKRUPTCY CASE**

NOW COMES Debtor Faith Baptist Church of Knightdale, N.C., Inc., by and through undersigned counsel, and hereby submits this Response in Opposition to the Motion to Dismiss Chapter 11 Bankruptcy Case (the “Motion”) filed by Brian Hopper, Sr., and William Iffland (together, “Movants”), because Movants had authority to file the bankruptcy case, it was filed in good faith, and Movants have not established cause for dismissal. In support of this response, Debtors respectfully show the following:

INTRODUCTION

This case is a Chapter 11 bankruptcy for the nonprofit entity Faith Baptist Church of Knightdale, N.C., Inc. (“Faith Baptist”), the Debtor. Faith Baptist is a Baptist church serving the Knightdale community. It filed for bankruptcy protection due to financial distress which had been ongoing for some time before the bankruptcy. Faith Baptist ceased holding Sunday services and closed its preschool after the end of the school year, but has continued to receive donations and support its missionaries.

Courts have recognized that church entities are dual in nature—one part religious, but also part secular in some respects such as property ownership. *See Reid v. Johnston*, 241 N.C. 201, 204, 85 S.E.2d 114, 117 (1954) (“[R]eligious societies have double aspects, the one spiritual, with

which legal courts have no concern, and the other temporal, which is subject to judicial control.”); *see also Dixon v. Edwards*, 290 F.3d 699, 715 (4th Cir. 2002) (quoting *Serbian E. Orthodox Diocese for the United States & Canada v. Milivojevic*, 426 U.S. 696, 709-10 (1976)) (“‘[T]he First Amendment therefore commands civil courts to decide church property disputes without resolving underlying controversies over religious doctrine.’ This principle applies with equal force to church disputes over church polity and church administration.”).

The subject of this bankruptcy is the property and debts of Faith Baptist. This case is not about the spiritual community that makes up the church body or the religious tenets of the church. Faith Baptist has proposed a plan in good faith to sell its property and pay off its debts in full. The Movants, two individual members of Faith Baptist, have not demonstrated cause for this Court to dismiss this bankruptcy case.

STATEMENT OF FACTS

As in their motion for relief from stay, Movants here purport to represent the “will of the church.” Despite the Movants’ many references to the “remaining members” of Faith Baptist, this motion was brought by two individuals: Brian Hopper, Sr., and William Iffland. Mr. Hopper is a member on the active member list of Faith Baptist. He is also the leader of a group that named themselves the “Defenders of the Faith,” and which opposed the pre-petition proposed merger with The Summit Church. *See* Motion, Exhibit D. Mr. Iffland is a member of Faith Baptist on the inactive member list. *See* Exhibit A. Although Mr. Iffland disagrees with his being placed on the inactive list, he was moved to that list in December 2023 after he spoke with a deacon of Faith Baptist and informed the deacon that he was looking at other churches and did not know where he wanted to worship. Exhibit A. Inactive members are not eligible to vote. *See* Exhibit B at p. 10. Both Mr. Hopper and Mr. Iffland are listed on the Debtor’s Schedule E/F due to their position as

plaintiffs in a state-court lawsuit demanding injunctive relief, but neither has a claim as that term is defined in the Bankruptcy Code, because neither has a right to payment. 11 U.S.C. § 101(5). There is no indication that these individuals represent all remaining members of Faith Baptist, particularly those who are supportive of the sale of the property.

Movants have presented many purported facts and assertions in their motion which are false or misleading and bear correction. Faith Baptist will attempt to keep the factual clarifications and additions in this response limited to those which bear on the motion to dismiss.

Contrary to Movants' assertions, Faith Baptist's financial problems were not a surprise to its active members and the plan for merger was not radical, but the result of attempts to address continuing financial decline. Faith Baptist's membership and donations had been declining prior to the bankruptcy filing. In the seven months before the filing, across all bank accounts, Faith Baptist's income and expenditures shown on its bank statements were as follows:

Summary-All Accounts			
	<u>Income</u>	<u>Disbursements</u>	<u>Balance</u>
9/29/2023			\$330,575.78
Oct-23	\$102,347.26	-\$150,112.42	\$282,810.62
Nov-23	\$76,768.38	-\$73,471.33	\$286,107.67
Dec-23	\$84,990.46	-\$134,464.67	\$236,633.46
Jan-24	\$84,284.04	-\$109,718.70	\$211,198.80
Feb-24	\$74,857.63	-\$115,997.59	\$170,058.84
Mar-24	\$41,945.55	-\$96,336.45	\$115,667.94
Apr-24	\$62,057.54	-\$102,255.11	\$75,470.37

On October 22, 2023, Faith Baptist held a budget meeting for anyone who wanted to attend after its Sunday service. See FaithKnightdale, *Faith Knightdale (10/22/23): The Church According to . . . Paul (Part 3) // 2 Corinthians 8-9*, YouTube (Oct. 22, 2023), <https://www.youtube.com/watch?v=pw0qlXHs88s> at 1:30:35. Notice of the meeting was emailed to active members. See Exhibit C. At the October 22, 2023, meeting, Jon Wallace spoke on behalf

of the leadership team and explained that COVID had a negative impact on the church. He further explained that Faith Baptist had employed consultants in 2021 to assess the financial health of the church, and the consultants found that Faith Baptist was spending most of its resources to survive rather than having the ability to invest in ministry. The leadership then engaged in trying to make changes over the next two years to help the church, but some changes negatively affected the membership and the giving. Pastor Little then spoke and shared that the costs devoted to facilities and operations were at an unhealthy level. He further shared that Faith Baptist was not receiving enough in donations to cover its ongoing operational and facilities costs, and that the church had enough money in savings to cover only five to six months of operations. Mr. Wallace then asked the attendees for input, including what their planned giving for 2024 would be. An audio recording of this meeting and the slides from the meeting were emailed to active members. *See Exhibit D.*

On November 6, 2023, the leadership team sent another email to active members stating that it was necessary to lower expenses, and that some staff positions would be eliminated. *See Exhibit E.* In December 2023, Faith Baptist held its annual meeting. At that meeting, Michael Norris and John Wallace were elected as Trustees, along with Kevin Hutchinson. On January 8, 2024, Kevin Hutchinson resigned his role as trustee. *See Exhibit F.*

On January 21, 2024, Pastor Little sent an update to active members stating that the accountant's annual review of the church finances showed that the church was not bringing in enough money to cover its monthly operating costs. *See Exhibit G.* Further, Pastor Little stated that the leadership team had also considered a lease option, which fell through, and that sale of the building to someone who would not use it for God's work was not desired. As a result, the leadership team believed that the best option was a merger with The Summit Church - Knightdale Campus.

On February 25, 2024, the leadership team approved Lynn Gay, the treasurer elected at the December 2023 meeting, to serve in the vacant trustee role in Mr. Hutchinson's absence.

On March 3, 2024, Faith Baptist held a vote on its proposed merger with The Summit Church. The validity of this vote is contested. However, 97 votes were received in favor of the merger, and 55 against.

Movants misrepresent the timing of the state-court lawsuit, the temporary restraining order, and the preliminary injunction. Movants initially filed a civil lawsuit against the church in Wake County, North Carolina Superior Court, case no. 24CVS007245-910 (the "Vote Litigation")¹ on March 1, 2024, two days before the vote on the merger with The Summit Church. A hearing was held on March 4, 2024, and on March 13, 2024, the judge in the Vote Litigation issued a temporary restraining order barring Faith Baptist from proceeding with the plan approved at the March 3 meeting. *See* Exhibit H. That temporary restraining order stayed in effect by agreement of counsel through the hearing on the preliminary injunction on April 12, 2024. At the end of that hearing, Faith Baptist's counsel offered to do an arbitration within 30 days, but noted that the church could not afford depositions and discovery. *See* Exhibit I. Faith Baptist's counsel then noted that the church was looking at bankruptcy options due to their financial distress. He agreed for the temporary restraining order to remain in effect through Wednesday of the next week (April 17, 2024). On April 17, 2024, Movants' counsel rejected the offer from Faith Baptist's counsel to arbitrate and insisted on full discovery. *See* Exhibit J. Both parties informed the court of the lack of agreement. On April 19, 2024, the court emailed counsel with the judge's ruling was that she was going to grant the motion for a preliminary injunction barring Faith Baptist from proceeding with the plan for merger which was approved at the March 3 vote. *See* Exhibit K. No order was

¹ The bringing of the Vote Litigation in and of itself was inconsistent with the bylaws of Faith Baptist. *See* Exhibit B, at p. 3.

entered until May 14, 2024, four days after this bankruptcy case was filed, and one day after a suggestion of bankruptcy was filed in the Vote Litigation. *See* Exhibits L and M.²

Movants also fail to mention that, during this same time period, Charles and Sandra Driver filed a foreclosure action against Faith Baptist on March 6, 2024, Wake County, North Carolina Superior Court case no. 24SP000518-910. Faith Baptist was able to obtain a continuance of the foreclosure hearing from May 1, 2024, to June 3, 2024, but faced the possibility of losing the church building. *See* Exhibit N.

None of the church leadership which signed the resolution for Faith Baptist to file bankruptcy has resigned their leadership role or transferred their membership to another church. Nothing in the bylaws makes attendance of services at another church a resignation of one's membership.

ARGUMENT

This case should not be dismissed, because the trustees of the church had authorization to file the bankruptcy, the case was filed in good faith, and Movants have not established cause for dismissal.

I. The trustees had authority to file this Chapter 11 case.

Faith Baptist has three acting trustees at present, who all signed the resolution to file this Chapter 11. That filing was authorized under North Carolina law and not contrary to the articles of organization or the bylaws of the Debtor.

A nonprofit corporation must have a board of directors. N.C. Gen. Stat. § 55A-8-01(a). A corporation's board of directors may fill a vacancy on the board unless the bylaws or articles of

² An order entered in violation of the automatic stay is void. *In re Brown*, no. 99-06393-8-JRL, 2000 Bankr. LEXIS 247, at *18 (Bankr. E.D.N.C. Feb. 24, 2000); *see also Valenti v. JP Morgan Chase Bank, N.A. (In re Valenti)*, Ch. 13 no. 13-01350-8-DMW, adv. proc. no. 14-00018-8-DMW, 2014 Bankr. LEXIS 4277, at *8 (Bankr. E.D.N.C. Oct. 6, 2014).

organization say otherwise. § 55A-8-11. The articles of organization may vest the authority of the board of directors in another group of individuals. § 55A-08-01(d). “All corporate powers shall be exercised by or under the authority of, and the affairs of the corporation managed under the direction of, its board of directors, except as otherwise provided in the articles of incorporation.” § 55A-08-01(b). The bylaws of a nonprofit may contain any provision “for managing the affairs of the corporation that is not inconsistent with the law or the articles of incorporation.” § 55A-2-06. The filing of a bankruptcy petition by a corporation’s directors must be consistent with the articles of organization and the bylaws. *In re Southern Elegant Homes, Inc.*, no. 09-02756-8-JRL, 2009 Bankr. LEXIS 1478, at *2 (Bankr. E.D.N.C. June 9, 2009). There is no North Carolina case law directly on point, but generally, the authority to file bankruptcy is recognized as resting with the board of directors. *See, e.g., Id.*; *In re Audubon Quartet, Inc.*, 275 B.R. 783, 786 (Bankr. W.D. Va. 2002). North Carolina law specifically allows for the sale of property or dissolution of a nonprofit without board or member approval pursuant to a confirmed plan in a bankruptcy proceeding. § 55A-14A-01.

Faith Baptist’s articles of organization indicate that the trustees shall act as the directors. *See* Exhibit O. According to the articles and the bylaws, there should be three trustees. *See* Exhibit B, at p. 9. When Kevin Hutchinson resigned, the leadership team at Faith Baptist (the lead pastor, deacons, and trustees) agreed to have Lynn Gay fill his role as trustee, consistent with the North Carolina statutory provision allowing the board to fill a vacancy. Thus, the three trustees currently serving are Michale Norris and Jon Wallace (both elected in December 2023), and Lynn Gay. All three signed the resolution to file Chapter 11 [Dkt. 3], as well as the lead pastor.

The bylaws of Faith Baptist say that the trustees are wholly subject to the will of the church “in regard to matters such as the purchase and sale of real estate and the procuring of loans and

mortgages.” Exhibit B, at p. 9. Neither the bylaws nor North Carolina law limit the trustees’ authority to file a petition for bankruptcy protection. The North Carolina General Assembly did pass a statute relating to reorganization, but it does not limit the directors’ authority to file, and instead validates the actions necessary to carry out any order that may be issued by this Court connected to confirming a Chapter 11 plan. The case cited by Movants, *In re S&R Grandview, LLC*, is not applicable to the facts of this case, because the case centered on one of two managers of a limited liability corporation who tried to exercise his authority without the other manager *or* member approval. Here, the trustees, acting as the board of directors, exercised their authority to manage the affairs of Faith Baptist consistent with North Carolina law.

II. Movants have not shown cause for dismissal.

Movant’s have not shown cause for dismissal, because there is no continuing diminution to the estate justifying dismissal, the Debtor has not grossly mismanaged the estate, and confirmation of the Debtor’s plan is in the best interest of creditors.

A Chapter 11 case may dismissed for cause, including “substantial or continuing loss to or diminution of the estate and the absence of a reasonable likelihood of rehabilitation” or “gross mismanagement of the estate.” 11 U.S.C. § 1112(b)(4)(A)-(B). Cause under § 1112(b)(4)(A) is a two-pronged test, and the movant must show : “(1) whether the debtor has suffered or continues to experience a negative cash flow or declining asset values; and (2) whether the debtor lacks a reasonable likelihood of reestablishing itself on a firm, sound basis.” *In re Creech*, 538 B.R. 245, 248 (Bankr. E.D.N.C. 2015). “The mere fact that Debtor's plan is a liquidating plan is insufficient to find diminution of the estate.” *In re M.A.R. Designs & Constr., Inc.*, 653 B.R. 843, 856 (Bankr. S.D. Tex. 2023).

Gross mismanagement of the estate has been found “where debtors fail to seek court approval before taking certain actions outside the ordinary course of business, such as paying

prepetition debts or incurring debt, where debtors file monthly reports without closely monitoring them, and where the business lacks effective management.” *Creech*, 538 B.R. at 251.

Debtor has proposed a liquidating plan [Dkt. 62], but Movants cannot show continuing diminution of the estate. Faith Baptist has been in bankruptcy for two months. During that time, Faith Baptist has curtailed its operations, and greatly reduced its expenses. It has also, however, brought in a \$170,000 grant to cover costs, and continues to collect small amounts of donations. The one monthly report which has come due and has been filed [Dkt. 108] does not show a diminution of assets. In addition, Debtor has maintained insurance on its real and tangible property, and the property is not losing value.

Nor has Faith Baptist grossly mismanaged the estate. Movants’ main assertion on this point appears to be that Faith Baptist entered into an agreement to sell its property to The Summit Church without a church vote and for less than market value. The Asset Purchase Agreement between Debtor and The Summit Church is subject to this Court’s “entry of a Confirmation Order by the Court approving” the agreement. [Dkt. 62], at p. 21. This contingency comports not only with the Bankruptcy Code, but with § 55A-14-01 of the North Carolina statutes, which allows the sale of property without member approval if it is in connection with a confirmed Chapter 11 plan. Moreover, the sale was negotiated to pay all of Debtor’s creditors and additional grants consistent with Faith Baptist’s mission. Faith Baptist is not a for-profit corporation, but rather a religious nonprofit. There is no equity to return to members. This sale was negotiated with the good faith intent of paying all of the Debtor’s creditors and putting the rest of its assets to use in alignment with Faith Baptist’s mission. Movants have not shown diminution of the estate or gross mismanagement warranting dismissal.

III. Debtors did not act in bad faith.

This bankruptcy case was filed in good faith due to the continuing financial decline of the Debtor, mounting legal fees, and a pending foreclosure. The case should not be dismissed, because Faith Baptist did not act with either objective or subjective bad faith..

Good faith is not a requirement set forth in the Bankruptcy Code, but is an implicit prerequisite to filing a Chapter 11 petition. *Carolin Corp. v. Miller*, 886 F.2d 693, 698 (4th Cir. 1898). A lack of good faith is cause for dismissal. *Id.* at 699. In order to warrant dismissal, a movant must show both objective and subjective bad faith. *Id.* at 700-01. Both should be evaluated by a totality of the circumstances. *Id.* at 701. The inquiry in to objective bad faith focuses on whether there is “no hope of rehabilitation.” *Id.* at 701-02 (quoting *In re Little Creek Development Co.*, 779 F.2d 1068, 1072 (5th Cir. 1986)). The inquiry into subjective bad faith focuses on “whether the petitioner’s real motivation is ‘to abuse the reorganization process’ and ‘to cause hardship or to delay creditors by resort to the Chapter 11 device merely for the purpose of invoking the automatic stay.’” *Id.* at 702 (quoting *In re Thirtieth Place, Inc.*, 30 B.R. 503, 505 (9th Cir.Bankr.App. 1983)). The burden to establish bad faith is high. *In re Bestwall LLC*, 605 B.R. 43, 48 (Bankr. W.D.N.C. 2019).

Movants cannot show either objective or subjective bad faith. While Faith Baptist does not believe the tax value of its real property is an accurate measure of market value, the property undoubtedly has substantial equity. If the property is sold, funds would be available to assist in a rehabilitation. Moreover, while the Debtor has curtailed its operations during the bankruptcy, it brought in a \$170,000 grant to cover costs, continues to collect donations, and also continues to support its missionaries. Debtor acknowledges the oddity of this test at this juncture in the case, because a plan has already been proposed and filed [Dkt. 62]. The plan calls for dissolution of the

Debtor and donation of funds to various groups, including one or more groups to be designated by the members of Faith Baptist who do not want to join The Summit Church. If Movants and other members of Faith Baptist form their own new nonprofit corporation, the Plan essentially outlines a downsizing where they may continue to worship as a church and fund initial operations with assets donated from the Debtor. Nevertheless, this plan has not been confirmed, and the assets and operations of Faith Baptist still support a likelihood of rehabilitation.

Faith Baptist's motivations for filing bankruptcy are shown in its declining financial position over an extended time, increasing legal fees, and a pending foreclosure action. Movants' (and the other plaintiffs') actions in refusing an expedited arbitration and insisting on expensive litigation discovery in the Vote Litigation did not help Faith Baptist's already untenable financial situation. Bankruptcy was the Debtor's last best option to come up with a plan to preserve its assets to pay its debts. There is no substantial delay to the creditors, and Faith Baptist has proposed to pay them in full. Movants cannot meet the high burden necessary to show bad faith warranting a dismissal of this case.

CONCLUSION

This Court should deny Movant's motion for dismiss, because Faith Baptist had proper legal authority to file its Chapter 11 petition. In addition, there is not continuing diminution or gross mismanagement of the estate, and Faith Baptist has not acted in bad faith.

This is the 12th day of July, 2024.

STEVENS MARTIN VAUGHN & TADYCH, PLLC

s/ Kathleen O'Malley

Kathleen O'Malley

State Bar No. 51654

2225 W. Millbrook Road

Raleigh, NC 27612

Tel.: (919) 582-2300

Email: komalley@smvt.com

1 A. Correct. And I can -- yeah. I was put on the
2 inactive list. I have something to share about that.

3 Q. Please.

4 A. So -- and it goes back to 2023. Goes back to the
5 December 10th business meeting. So at that present time, I
6 was considered active.

7 Q. And sorry to interrupt you. The time frame here
8 is December of '23?

9 A. December 10, 2023, the annual business meeting.

10 Q. Okay.

11 A. So 2024 budget was proposed. The 2023 numbers
12 were shown. There was a time for question and answers. I
13 was the second person to stand up and basically challenge
14 the pie charts that were presented to us, saying they were
15 very misleading, because all they showed was the 100
16 percent, never really showed how information or data,
17 whatever you would call line items, were moved from pie
18 chart to pie chart. Because a pie chart always has to have
19 100 percent, but it still, you know, helped, I guess you
20 would say, present a narrative of heavily expenses.

21 So all we did was shuffle, you know, deck chairs
22 on the Titanic, so to speak. You know, we're putting
23 expenses -- or from salaries to expenses, or vice versa,
24 right? There was shuffling over the three years that they
25 were presented.

1 Anyhow, getting to the other part. After that
2 meeting, I had a phone call from a deacon who was not my
3 designated deacon. He asked me how it was going. You know,
4 how are things going with the our time using our musical
5 talents for a Christmas program in a sister church -- or
6 neighboring church. I wouldn't call it a sister, just a
7 neighboring church. And, you know, said things were going
8 well. And then he asked, you know, how was -- what were my
9 plans after that, after -- they knew that we had our
10 commitment to that musical program there, since we didn't
11 have one of our very own choirs or orchestras. Anyhow,
12 getting to that point, then he asked me, you know, "What are
13 your plans afterward?" And I said, "Well, we're still --
14 we're still looking, but, you know, have not made any
15 definitive decisions about where we want to worship." And I
16 left it at that. Thinking that that was my -- you know, a
17 colleague, a friend, but not my deacon that would have, you
18 know, said, "Hey, you know, you might be -- you might be
19 eligible for the inactive list." None of that ever came up.
20 Never discussed. "If you do this, Bill, we're gonna have to
21 report you to be inactive." And the surprising thing was --
22 and I learned this in retrospect -- on January 29th, when
23 Ruth inquired about our active status --

24 Q. And is Ruth your wife?

25 A. Ruth Iffland is my wife. Talked to the church

1 clerk, Susan Curtis, and she said that, indeed, we were
2 moved to the inactive list, but we were done so by
3 Stanton Terrell, the former worship director. So from the
4 database logs.

5 So to my surprise, in January -- we were never
6 notified December 11th that I had been made inactive. I was
7 not warned by a deacon or my designated deacon or the pastor
8 that, "Hey, you are in jeopardy of being an inactive
9 member." So, so be it.

10 But after learning of, you know, the potential
11 merger -- which I still don't think it's a merger. I
12 believe it's an acquisition, because the church bodies,
13 Faith Baptist Church church body, would be no longer
14 anything. They'd be orphaned. There is no merger of that
15 bodiship [sic], if you will, with The Summit, because they
16 have to re-up. They have to go through the membership. So
17 if you use the words unite, merge -- that to me means one
18 body with another body making a whole body. Well, with a
19 dissolution, something disappears. There is still a body
20 over here left, so there is no merger.

21 So I know I'm kind of veered around, but at least
22 those are my, you know, feelings about the merger. So yes,
23 I would have been maybe not antagonistic but I definitely
24 opposed to the merger.

25 Q. So I want to touch a couple things in that

EXHIBIT B

FAITH BAPTIST CHURCH
Constitution and Bylaws

PREAMBLE

Since we believe that the local church is a democratic body as led by the Holy Spirit, and that it is to do all things decently and in order, and we think it best to state in writing the order of the government of the body so that its members may better understand their duties, rights and responsibilities, and believing that it will promote harmony and good will; we have therefore adopted these bylaws.

ARTICLE I

NAME AND PURPOSE

NAME

This congregation of believers shall be known as Faith Baptist Church of Knightdale, North Carolina, Inc. and referred to as Faith Baptist Church. The church is incorporated as a non-profit corporation under the laws of the state of North Carolina.

PURPOSE

This congregation is organized as a church exclusively for charitable, religious, and educational purposes within the meaning of section 501(C)(3) of the Internal Revenue Code (IRC) of 1986, for such purposes including, but not limited to, proclaiming the Gospel of the Lord Jesus Christ; establishing and maintaining Christian worship; educating believers in a manner consistent with the requirements of Holy Scripture, and maintain missionary activities in the United States and around the World.

1. Statement of purpose:

The purpose of this local church shall be:

- A. To actively engage in carrying out the Great Commission as given by our Lord in Matthew 28:19,20.
- B. To meet together for worship, prayer, fellowship, teaching, and a united testimony.
- C. To practice the New Testament ordinances of baptism and the Lord's Supper.

2. Means of promoting the purpose:

In order to promote and fulfill the above purpose, this church shall engage in activities and conduct ministries which may include, but are not limited to: worship services, evangelistic services, prayer meetings, youth activities, camp and retreat ministries, radio and television programs, and elementary and secondary day school, a Sunday School, a day-care center, a bus ministry, missionary activities, visitation ministries, the printing and distribution of literature, music ministries, a nursing home ministry,

a Bible institute, a college and/or seminary. These ministries shall not be considered as separate entities, but as integral parts of the church's overall ministry.

ARTICLE II

STATEMENT OF FAITH

1. Authority of Statement of Faith

The statement of faith does not exhaust the extent of our faith. The Bible itself is the sole and final source of all that we believe. We do believe, however, that the statement of faith accurately represents the teachings of the Bible and, therefore, is binding upon all members, staff, and volunteers. All literature, whether print or electronic, used in the church shall be in complete agreement with the statement of faith. All activities permitted or performed in any facilities owned, rented or leased by this church, or engaged in by any member of the church staff (volunteer or paid), and all decisions of the administration of this church shall not conflict with the statement of faith. In all conflicts regarding interpretation of the statement of faith, the pastor and board, on behalf of the church, have the final authority.

2. Statement of Faith

A. Beliefs on Doctrine and Additional Religious Beliefs

1. Marriage and Sexuality

- a. We believe that the term "marriage" has only one, legitimate meaning, and that is marriage sanctioned by God, which joins one man and one woman in a single, covenantal union, as delineated by Scripture. Marriage ceremonies performed in any facility owned, leased or rented by this church will be only those ceremonies sanctioned by God, joining one man with one woman as their genders were determined at birth. Whenever there is a conflict between the church's position and any new legal standard for marriage, the church's statement of faith, doctrines and biblical position will govern. (Gen. 2:24; Eph. 5:22-23; Mark 10:6-9; I Cor. 7:1-9)
- b. We believe that God has commanded that no intimate sexual activity be engaged in outside of marriage as defined in (a) above. We believe that any other type of sexual activity, identity or expression that lies outside of this definition of marriage, including those that are more accepted in the culture and the courts, are contradictory to God's natural design and purpose for sexual activity. (Gen. 2:24; Gen. 19:5; Lev. 19:1-30; Rom. 1:26-29; 1 Cor. 5:1; 6-9-10; 1Thess. 4:1-8; Heb. 13:4)
- c. We believe that God creates each person as male or female. These two distinct, unchangeable genders together reflect the image and nature of God, and the rejection of one's biological gender is a rejection of the image of God within that person. (Genesis 1:26-27)

2. Family Relationships

- a. We believe that men and women are spiritually equal in position before God but that God has ordained distinct and separate spiritual functions for men and women in the home and the church. The husband is to be the leader of the home and men are to be

the leaders (pastors and elders) of the church. (Gal. 3:28; Col. 3:18; 1 Tim. 2:8-15; 3:4-5, 12)

3. Sanctity of Life

- a. We believe that human life begins at conception and that the unborn child is a living human being. Abortion is murder and constitutes the unjustified, unexcused taking of the unborn human life. (Job 3:16; Ps. 51:5; 139:13-16; Isa 44:24; 49:1, 5; Jer. 1:5; 20-15-18; Luke 1:36, 44)
- b. We believe that an act or omission which, of itself or by intention, facilitates premature death, is assuming a decision that is to be reserved for God. We do not believe that discontinuing medical procedures that are extraordinary or disproportionate to the expected outcome is euthanasia. (Ex. 20:13; 23:7; Matt. 5:21; Acts 17:28)

4. **Love.** We believe that we should demonstrate love for others, not only toward fellow believers, but also toward those who are not believers, those who oppose us, and those who engage in sinful actions. We are to deal graciously, humbly, gently, and patiently with those who oppose us. God forbids the stirring up of strife, the taking of revenge, or the threat or use of violence as a means of resolving personal conflict or obtaining personal justice. Although God commands us to abhor sinful actions, we are to love and pray for any person who engages in such actions. (Lev. 19:18; Matt. 5:44-48; Luke 6:31; John 13:34-35; Rom. 12:9-10, 17:21, 13:8-10; Phil. 2:2-4; Tim 2:24 -26; Titus 3:2; I Peter 3:8-9; I John 3:17-18).
5. **Lawsuits within the Church.** We believe that Christians are prohibited from bringing civil lawsuits within the Church. We do believe, however, that a Christian may seek compensation for injuries from another Christian's insurance company as long as the claim is pursued without malice or slander. (I Cor. 6:1-8; Eph. 4:31-32)
6. **Protection of Children.** We believe that children are from the Lord and must be absolutely protected within the church from any form of abuse or molestation. The church has zero tolerance for any person, whether paid staff, volunteer, member, or visitor, who abuses or molests a child. (Ps 127:3-5; Matt. 19:14; Mark 10:14)
7. **We believe in THE HOLY SCRIPTURE:** accepting fully the writing of the Old and New Testaments as the inerrant Word of God in its original autographs, verbally inspired in all parts and therefore altogether sufficient as our only infallible and authoritative rule of faith and practice. Psalm 119:160; Proverbs 30:5a; II Timothy 3:16, 17; II Peter 1:19-21.
8. **We believe in THE ONE TRUE GOD:** who is an intelligent, sovereign, spiritual and personal being; perfect, infinite, and eternal in His being, holiness, and love, wisdom and power; absolutely separate from and above the world as its Creator, yet everywhere present in the world as the Upholder of all things. He is revealed to us as Father, Son, and Holy Spirit, three distinct persons but without division of nature, essence or being, and each having a distinct ministry in God's relation to His creation and People. Genesis 1:1; Exodus 15:11; Psalm 83:18; 139:7-9; Matthew 28:19; John 10:30; 15:26.
9. **We believe in THE LORD JESUS CHRIST:** who is the second Person of the Triune God, the eternal Word and Only Begotten Son; that without any change in His divine Person, He became man by miracle of the Virgin Birth, thus to continue forever as both true God and true Man, one person with two natures; that as Man He was tempted in all points as we are, yet without sin; that as the perfect Lamb of God He gave Himself in death by the shedding of His blood upon the cross, bearing there the sin of the world, and suffering its full penalty of

divine wrath in our stead; that He arose from the grave in a glorified body; that as our great High Priest He ascended into Heaven, there to appear before the face of God as our Advocate and Intercessor. John 1:1, 14, 3:16; Matthew 1:18-25; Galatians 4:4-5; Philippians 2:6-10; I Corinthians 15:3-7; Hebrews 4:14-16; I John 2:1-2.

10. **We believe in THE HOLY SPIRIT:** who is the Third Person of the Trinity, and the divine Agent in nature, revelation and redemption; that He convicts the world concerning sin, righteousness and judgment; that he regenerates, indwells, baptizes, seals and anoints all who become children of God through Christ; that he further empowers, guides, teaches, sanctifies and fills believers who daily surrender to Him. John 3:5; 14:16, 17, 26; 16:7-14; Romans 8:9; I Corinthians 12:13; II Corinthians 3:18; Ephesians 1:13; 5:18.
11. **We believe ALL MEN ARE BY NATURE AND CHOICE SINFUL AND LOST:** that man was the direct creation of God, made in His image and likeness; that by personal disobedience to the revealed will of God, man became a sinful creature, the father of a fallen race which is universally sinful in both nature and practice, thus alienated from the life and family of God, under the righteous judgment and wrath of God, and has within himself no possible means of salvation. Genesis 1:27; 3:6; Psalm 51:5; Romans 3:23; 5:12; Galatians 3:11.
12. **We believe in SALVATION BY GRACE THROUGH FAITH:** that salvation is the free gift of God, neither merited nor secured in part or in whole by any virtue or work of man, but received only by personal faith in the Lord Jesus Christ, in whom all true believers have as a present possession the gift of eternal life, a perfect righteousness, sonship in the family of God, deliverance and security from all condemnation, every spiritual resource needed for life and godliness, and the divine guarantee that they shall never perish; that because this salvation is working of God's grace and apart from man's works, the believer is rendered eternally secure; that this salvation affects the whole man; that apart from Christ there is no possible salvation. Ephesians 2:8-9; Titus 3:5; John 1:12; 3:14; 10:27-29; Romans 8:1; Philippians 1:6.
13. **We believe in THE EXISTENCE OF SATAN:** who originally was created a holy and perfect being, but through pride and wicked ambition rebelled against God, thus becoming utterly depraved in character, the great adversary of God and His people, leader of all other evil angels and wicked spirits, the deceiver and god of this present world: that his powers are vast, but strictly limited by the permissive will of God who overrules all his wicked devices for good; that he was defeated and judged at the cross, and therefore his final doom is certain; that we are able to resist and overcome him only in the armor of God, by the blood of the Lamb and through the power of the Holy Spirit. Isaiah 14:12-15; Ephesians 6:12; I Peter 5:8; I John 3:8; Revelation 12:9-12, 20:10.
14. **We believe in THE SECOND COMING OF CHRIST:** that his coming in the air to rapture His Church, which is our blessed Hope, is always imminent; that when He was first by resurrection of the dead and translation of the living removed from the earth His waiting church, He will then pour out the righteous judgments of God upon the unbelieving world and afterwards descent with His Church and establish His glorious and literal kingdom over all the nations for a thousand years. I Thessalonians 4:13-18; James 5:8; Hebrews 10:37; Jude 14-15; Revelation 19:11-16, 20:4-7.
15. **We believe in FUTURE LIFE, BODILY RESURRECTION AND ETERNAL JUDGMENT:** that the spirits of the saved at death go immediately to be with Christ in Heaven, that their works shall be brought before the Judgment Seat of Christ for the determination of rewards which

will take place at the time when Christ comes for His own; that the spirits of the unsaved at death descent immediately into Hades where they are kept under punishment until the final day of judgment, at which time their bodies shall be raised from the grave, that they shall be judged and cast into Hell, the place of final and everlasting punishment. I Corinthians 15; II Corinthians 5:8-10; Luke 16:19-23; Revelation 20:11-15.

16. **We believe in THE SEPARATION OF CHURCH AND STATE:** with each having definite and distinct spheres of responsibility. Matthew 22:21; Romans 13:1-7.
17. **We believe in THE PRIESTHOOD OF ALL BELIEVERS:** that Christ is our great High Priest and through Him every born-again person has direct access into God's presence without the need of a human priest; that the believer has the right and responsibility to personally study and interpret the scriptures guided by the Holy Spirit. John 14:6; Hebrews 4:16; II Timothy 2:15; I Peter 2:1,5,9
18. **We believe in THE INSTITUTION OF THE HOME** as defined by Scripture; that it was divinely established in the beginning as the union by marriage of a male and female and is the basic unit of society; that each family member, husband, wife, or child, has distinct duties and responsibilities; that it is the responsibility of parents to train up children in the nurture and admonition of the lord and to provide them Godly instruction through Christian example and formal education. Genesis 2:18-25, 3:16, 18:19; Deuteronomy 6:4-9, 32:46; Psalm 78:5-6, 127; Proverbs 3:12, 12:24, 22:6; Isaiah 28:9-10; Matthew 19:3-9; Ephesians 5:21-33, 6:1-4; Colossians 3:18-21.
19. **We believe in THE IMPORTANCE OF THE LOCAL CHURCH:** that all believers should assemble and identify themselves in local churches; that a New Testament church is a local assembly of born-again baptized believers united in organization to practice New Testament ordinances, to meet together for worship, prayer, fellowship, teaching and a united testimony, and to actively engage in carrying out the Great Commission. Acts 2:41-42; I Corinthians 11:2; Matthew 28:19-20
20. **We believe in THE INDEPENDENCE AND AUTONOMY OF THE LOCAL CHURCH:** that each New Testament church is free to govern itself without ecclesiastical interference, and should cooperate with other New Testament churches as the Holy Spirit leads; that it is responsible to follow the pattern of the New Testament church and is directly accountable to God. Matthew 18:7; Acts 6:1-5; 13:1-3; 14:22-23.
21. **We believe THE ORDINANCES GIVEN TO THE LOCAL CHURCH ARE TWO, BAPTISM AND THE LORD'S SUPPER:** that Baptism is by immersion of believers, thus portraying the death, burial, and the resurrection of Jesus Christ; that the Lord's Supper is the partaking of the bread and cup by the believer as a continuing memorial of the broken body and shed blood of Christ. Matthew 28:10-20; Acts 2:41; 8:38-39; Mathew 26:26-30; I Corinthians 11:23-24
22. **We believe in RIGHTEOUS LIVING AND GODLY WORKS:** not as a means of salvation in any sense, but as its proper evidence and fruit; and therefore as Christians we should obey the Word of our Lord, seek the things which are above, walk as he walked, accept as our solemn responsibility the duty and privileges of bearing the gospel to a lost world; remembering that a victorious and fruitful Christ life is possible only for those who in gratitude for the infinite and undeserved mercies of God have presented themselves wholly to Christ. Ephesians 2:10; Romans 12:1-2; Philippians 2:16.

ARTICLE III

MEMBERSHIP

Membership in this church shall be limited to individuals who have accepted the Lord Jesus Christ as their personal Savior and have been scripturally baptized (by immersion in water one time backward in the name of the Father, the Son and the Holy Spirit (Matthew 28:19).

1. **Reception of Members:** Upon completion of the required membership class and signing of the membership covenant, new members may be received into the fellowship of the church by:
 - A. **Baptism.** An individual having professed Jesus Christ as Savior and Lord, and being in agreement with the FBC Statement of Faith, may upon scriptural baptism be received into the membership.
 - B. **Letter.** Members may be received on the basis of a letter of recommendation from a church of like faith and practice.
 - C. **Statement.** An individual giving verbal evidence of having professed Jesus Christ as Savior and of having been scripturally baptized by a church of like faith and practice may be received into the membership.
 - D. **Restoration.** An excluded member may be restored to membership upon confession of error and evidence of repentance.
2. **Dismissal of Members:** Members may be dismissed from the fellowship of this church by reason of:
 - A. **Death.**
 - B. **Transfer.** A member leaving this church for good and proper reasons as determined by the pastor and deacons may be granted a letter of transfer to unite with another church, of like faith and practice.
 - C. **Discipline.**
 1. Charges may be brought against any member of this church when evidence exists suggesting that this member is guilty of propagating doctrine in violation of the Statement of Faith of this church or of conduct contrary to the principles and policies of this, or of any action or belief not in accord with the teachings of the Holy Bible. Such charges must be made to the pastor and deacons in loving concern. The pastor and deacons shall then make a thorough investigation of the charges. If substantiated, every effort shall be made in accordance with the scriptures to reconcile the matter and to restore the offender to full fellowship (Math. 18:15-17, Rom. 16:17; I Cor. 5:1-13; II Cor. 2:6-11; 6:14,15; Gal. 6:1; I Thess. 5:14; II Thess. 3:6-15; I Tim. 5:19, 20; 6:3-5; Titus 3:10; etc.)
 2. The church may terminate a person's membership only after an effort by the pastor and deacons to bring about restoration to Christ has failed, and after a notice of and opportunity for a hearing before the pastor and deacons has been given. If, on the basis of this hearing, the pastor and deacons agree by majority vote to recommend exclusion of the member to the congregation, the offender shall be notified of this action and shall be given two (2) weeks from the date of notification to request in writing an additional hearing before the congregation. If requested, a hearing before the congregation shall

be scheduled. Exclusion shall be by a majority vote of qualified members voting in a duly called business meeting.

3. A member formally accused by the pastor and deacons is automatically released from any office or position. He cannot speak at business meetings, except at the hearing, and is deprived of his right to vote.
4. Any excluded member can be received back into membership only after repentance and public confession of the sin(s) and by following the procedure for admission by restoration.

D. Inactivity.

1. Any member of the church who has been absent from the regular services of the church for a period of three (3) months or more without being considered as providentially hindered shall be placed on an inactive roll.
2. A member who is guilty of habitual, long-continued, unjustifiable absence from the services of the church for a period of nine (9) months or more automatically by such action dismisses himself from the church membership.
3. Removal from the active or inactive church roll and/or reinstatement to the active roll if and when an individual again becomes active shall be the responsibility of the pastor and deacons.

ARTICLE IV

OFFICERS OF THE CHURCH

1. Pastors.

A. Qualifications and Duties

1. The qualifications of the pastor are those stated in I Timothy 3:1-7 and Titus 1:5-9.
2. The pastor is responsible for the spiritual leadership of the church. He is to fulfill his Biblical obligations as pastor, bishop and elder (I Peter 5:1-4). He shall plan all worship, teaching, evangelistic and prayer services of the church. The pastor shall oversee the entire work of the church and all related activities and organizations (Acts 20:28). No programs, policies or activities of the church shall function without the approval of the pastor (Hebrews 12:7, 17). He shall be an ex-officio member of all committees and related church related organizations.
3. The pastor shall act as moderator of all meetings of the church, and no business meetings shall be conducted in his absence unless providentially hindered. If the church is without a pastor, the Executive Ministry Team (The Executive Ministry Team is defined in Article IV, Section 2) shall elect a chairman who will preside until the interim pastor is elected.
4. The pastor shall appoint all non-elected church officers and create and fill organizational positions as he deems necessary. It shall be the pastor's responsibility to hire and dismiss paid staff members for positions created by the church. The pastor shall be responsible for defining the duties of individual staff members.
5. The pastor shall oversee the preparation of an annual budget which he shall present to the congregation for authorization.

B. Term of Office.

1. The Pastor shall be called to an indefinite term and shall continue in office until (1) death (2) he resigns, (3) the congregation votes at a special business meeting to remove him from office, or (4) upon an announcement to retire or pursue other opportunities, he will be succeeded by an approved incoming pastoral candidate. (see section C below). In the case of resignation or congregational vote due to a moral failure or other similar offense, there will be no notice given and he will be removed immediately. In the case of resignation due to seeking other opportunities, a notice of (60) days is requested.
2. Any and all severance packages and other compensation for the outgoing pastor, will be discussed and agreed upon by all members of the Succession Team. The terms, amounts and the method of payments for this package will be based on tenure as well as the financial position of the church at the time of this discussion.

C. Succession and Call of a Pastor.

1. In the event the church is without a Lead Pastor for any reason, the Executive Ministry Team will establish a Succession Team. The process of finding a new pastor will be handled by the Succession Team in cooperation with the Executive Ministry Team.
2. When a candidate is contacted, he shall be given the Bylaws of this church with which he must be in full agreement, and so state to the Succession Team prior to being considered as a candidate for the pastorate of the church. No one shall be invited to preach to the church as a candidate until the Succession Team has heard and evaluated him.
3. It shall be announced in at least one regular public service prior to the visiting candidate's speaking that he is a candidate for pastor.
4. It shall be announced in the regular service in which the candidate speaks that a vote by ballot shall be taken the following Sunday as to whether to call the candidate as pastor. Only one candidate shall be considered at a time.
5. The candidate shall be called to the pastorate by an eighty percent (80%) vote of the qualified members voting.

D. Absence of a Pastor

In the absence of a Senior Pastor, due to one of the stated reasons in Article IV, section 1-B, the Succession Team will nominate a candidate to be voted on by the church to function as "Interim Senior Pastor." The meeting for this election will be called to order on the next Sunday following the absence of the Senior Pastor. Approval will be final when a majority of votes are cast in favor of this pastor. If by some chance, this individual does not receive a majority of votes from those voting in the congregation, a new Interim Pastor candidate will be nominated by the Succession Team to be voted on until one is approved.

2. **Executive Ministry Team.** The Executive Ministry Team consists of all paid pastoral staff, deacons and trustees of the church. This team assists the Lead Pastor in all church related business. The team meets twice each year for the consideration of the annual budget, and to discuss and make recommendations concerning the budget prior to the presentation to the church at the annual business meeting. They assist the pastor in the selection process of any incoming deacons and trustees based on the nominations by the church congregation.

3. Deacon

A. Qualifications and Duties

1. The qualifications of the deacon are those found in Acts 6:1-7 and I Timothy 3:8-13. The life of the deacon and his family shall be one of Godliness and spirituality. No one shall be considered for nor serve as deacon who is not in accord with the statement of faith of this church.
2. The duty of the deacon is to be a servant to the pastor and the church. The deacon shall assist the pastor in building up the church numerically, materially, and spiritually; to visit the sick, the sorrowing, and the needy; and to personally strive to win the lost to Christ. His duties toward the pastor shall be to pray for him earnestly and continually and to strive in every way to help the pastor in the performance of Scriptural duties. The deacon shall assist in making proper provisions for the observance of the ordinances of the church. The deacon shall perform any other duties to which he is appointed by the pastor.

- B. Election and Term of Office.** The church shall elect deacons annually as needed. If there are no qualified candidates, no deacons shall be elected. Deacons shall be elected in a two (2) year term. Deacons may not serve terms consecutively, unless there are no other qualified candidates, but may serve again after setting out one (1) year.

4. Organizational Officers

- A. Trustees.** There shall be three (3) trustees, each serving a two (2) year term. Trustees may succeed themselves if desired by the church. The duty of the trustee is to sign legal papers for the church. The trustees are wholly subject to the will of the church in regard to such matters as the purchase and sale of real estate and the procuring of loans and mortgages.
- B. Treasurer.** The Treasurer and Assistant Treasurer shall be nominated by the Executive Ministry Team and elected by the church to serve two-year terms and may serve consecutive terms. The Treasurer works with the Financial Manager to coordinate the receiving, depositing and dispersion of all church funds in accordance with the approved church budget. The Assistant Treasurer will fulfill the duties of the Treasurer should the need arise. Trustees may also serve as Treasurer and Assistant Treasurer.
- C. Finance Committee.** The finance committee shall be the Executive Ministry Team. The treasurer may draw from this committee to aid him in the collection, counting and depositing of church funds. Church checks shall be signed by two (2) individuals from a list of signers authorized by the finance committee. This committee shall assist the pastor in the preparation of the church budget to be presented annually for consideration by the congregation.
- D.** The Offices of trustee, treasurer and clerk may be held by deacons or paid staff members if deemed desirable by the church.
- 5. Nominating Committee.** Shall be the Executive Ministry Team of the church and shall serve annually as a nominating committee. Additional nominations may be offered from the floor at the annual business meeting. In the event of a nomination from the floor, the congregation shall wait at least one week before voting on the nominee to allow the nominating committee to investigate the nominee's willingness and qualifications to serve.

ARTICLE V

BUSINESS MEETINGS AND ELECTIONS

1. An annual business meeting shall be scheduled for the first (1st) Sunday night of December. If circumstances warrant, and alternative date may be designated by the pastor. In such case, proper notice shall be given. This meeting shall include the election of officers and the adoption of the church budget.
2. Special business meetings may be called by the Executive Ministry Team or by the interim pastor when the church is without a pastor. Notice of a special business meeting must be given from the pulpit for at least two (2) consecutive services before the scheduled date of the meeting. Special meetings shall be necessary for buying or selling real estate, for mortgaging of real estate, and for the call or dismissal of a pastor.
3. **Motions and Procedures**
 - A. **Motions.**
 1. All business shall be presented by a motion made by a member and seconded by another member.
 2. A motion having been discussed, must be put to vote, unless withdrawn, tabled, referred or postponed.
 - B. **Speaking.** Any voting member desiring to speak on a motion, shall rise in his place and address the moderator for recognition. Having been recognized, the speaker shall confine his remarks to the motion.
 - C. **Voting.**
 1. An individual must be 16 years of age or older and on the active roll to be eligible to vote.
 2. Members eligible to vote are those who have not missed the three (3) consecutive Sundays prior to the business meeting unless due to illness.
 3. A motion is put to vote by the moderator having first distinctly restated it, that all may vote intelligently. Votes are registered by secret ballot. with the exception of candidates for membership, which is by acclamation or hand vote. The majority of qualified members voting rules, except where otherwise specified in this Bylaws. Votes are counted and results are announced prior to close of the business meeting.
 - D. **Appeal.** The moderator announces all votes and decides all questions as to rules of proceeding and order of debate.
 - E. **Adjournment.** A simple motion to adjourn is always in order, except while a member is speaking or when taking a vote.

ARTICLE VI

AUXILIARY ORGANIZATIONS

No auxiliary groups shall organize in the name of the church or as a related church activity without receiving authority from the church through the pastor.

ARTICLE VII

AFFILIATIONS

This church shall be strictly independent, self-governing in all matters, and it shall not be under the direction, control, or a member of any denomination, federation, or association, but shall be under the direct leadership of the Holy Spirit through its pastor and members. The church may voluntarily fellowship and cooperate with other churches for the furtherance of the gospel.

ARTICLE VIII

AMENDMENTS

These bylaws may be revised or amended by a two-thirds majority vote of the eligible members present and voting at any regular church business meeting, provided that said revision or amendment has been conspicuously posted in the church at least two weeks prior to the meeting, and announced from the pulpit for at least two consecutive Sundays, and at least fourteen (14) days before the vote is taken. Amendments become effective immediately upon adoption.

ARTICLE IX

DISSOLUTION

In the event of the dissolution of this congregation, none of its assets shall go to or for the benefit of any individual or individuals. All assets shall go to a non-profit Christian organization that is in alignment with the doctrinal position of this church. The organization shall be selected by the congregation at the time of dissolution.

These bylaws were adopted by a majority vote of the members present and voting at a duly called meeting of the church in which a quorum was present.

These by laws supersede any other bylaws of Faith Baptist Church.

2/1/2023
Date

Susan L. Curtis
Church Clerk

Updated December 4, 2022



Jason Little <jason@faith-baptist.com>

Budget Informational Meeting

1 message

Jason Little <no-reply@churchcenteronline.com>
Reply-To: jason@faith-baptist.com
To: jason@faith-baptist.com

Fri, Oct 13, 2023 at 12:10 PM



Dear Jason,

On Sunday, October 22, we will host an open informational meeting immediately following the 10:30 AM worship service to share our current financial status and receive input as we prepare our 2024 Church Budget. For clarity, this is not our annual business meeting which will be held in December.

We anticipate the meeting to last approximately 20 minutes, and we hope you will be able to attend. We also hope to see you this Sunday for our regular worship service. Have a great weekend!

Faith Baptist Church Leadership Team

Faith Baptist Church • 9192660455 • info@faith-baptist.com • 2728 Marks Creek Road
Knightdale, NC 27545

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Kathleen O'Malley <komalley@smvt.com>

Fwd: FBC Financial Meeting and Feedback

1 message

Jason Little <jason@faith-baptist.com>
To: Kathleen O'Malley <komalley@smvt.com>

Fri, Jul 12, 2024 at 3:00 PM

This was sent out the day following the meeting.

----- Forwarded message -----

From: **Jason Little** <no-reply@churchcenteronline.com>
Date: Mon, Oct 23, 2023 at 5:05 PM
Subject: FBC Financial Meeting and Feedback
To: <jason@faith-baptist.com>



Dear Jason,

Thank you in advance for contributing to the financial discussion and budget process of Faith Baptist Church this year. This season requires an intentional spirit of unity, a renewed focus on effective stewardship, and the Spirit-led help of the body of Christ.

Our goals are to be the best stewards we can be with what God has given us and to be as healthy and effective as possible as we advance the Kingdom of God in our community. Your responses are completely anonymous and will be used to make decisions and create our budget for 2024.

Please share your feedback here: [Financial Meeting Response and Question Form](#)

Additional Resources:

- [Message from Sunday, October 22 - "The Church is Generous"](#)
- [Audio recording of the Financial Information Meeting](#)
- [Slides from the Financial Information Meeting](#)

If you choose to fill out the physical copy of the feedback form handed out on Sunday, please return it to the designated box in the Welcome Area this Sunday, October 29. Additional copies will also be available this Sunday.

Again, we thank you for your interest, diligence and commitment to this process as we look forward to what God has in store for our church.

For His Glory,

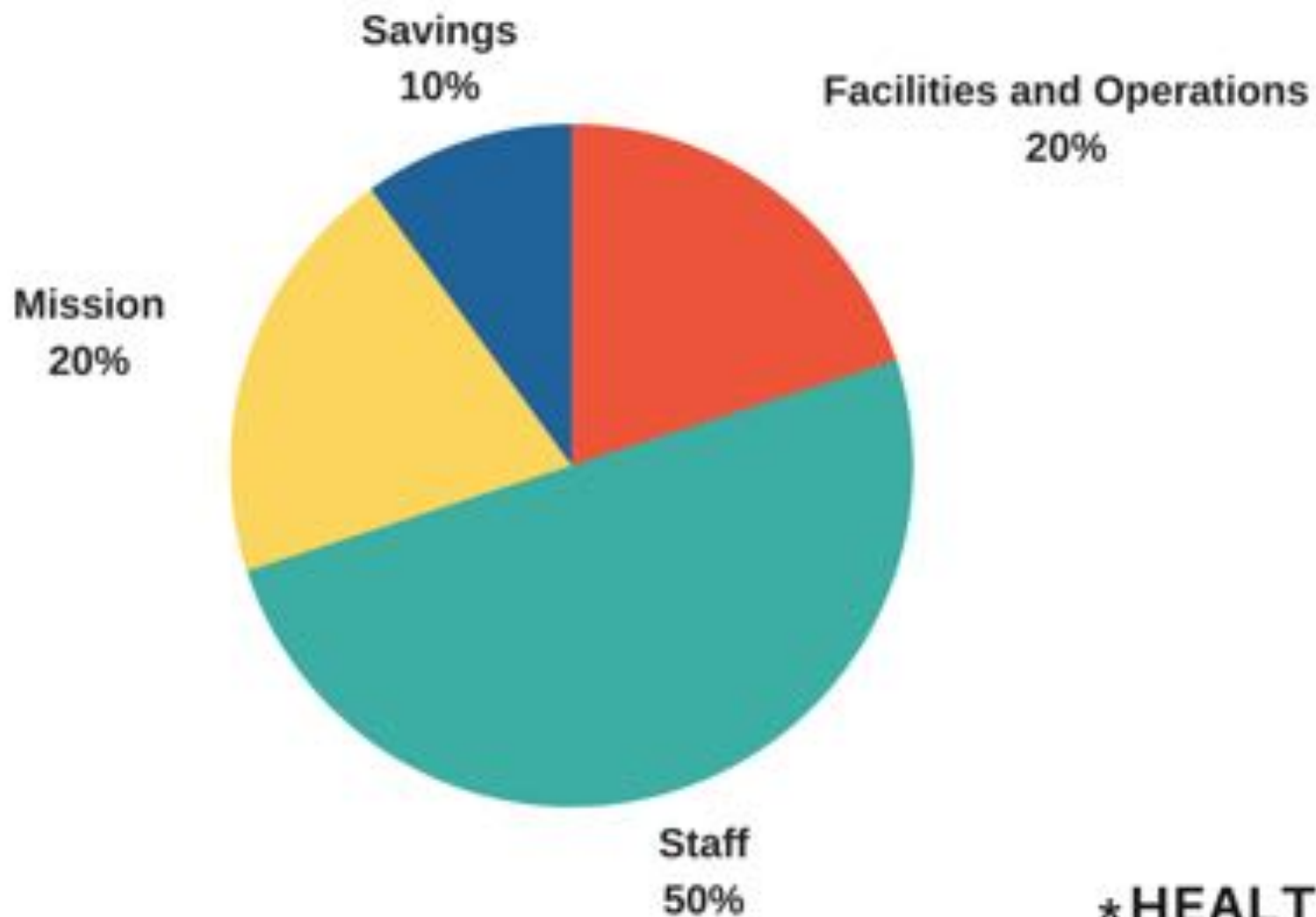
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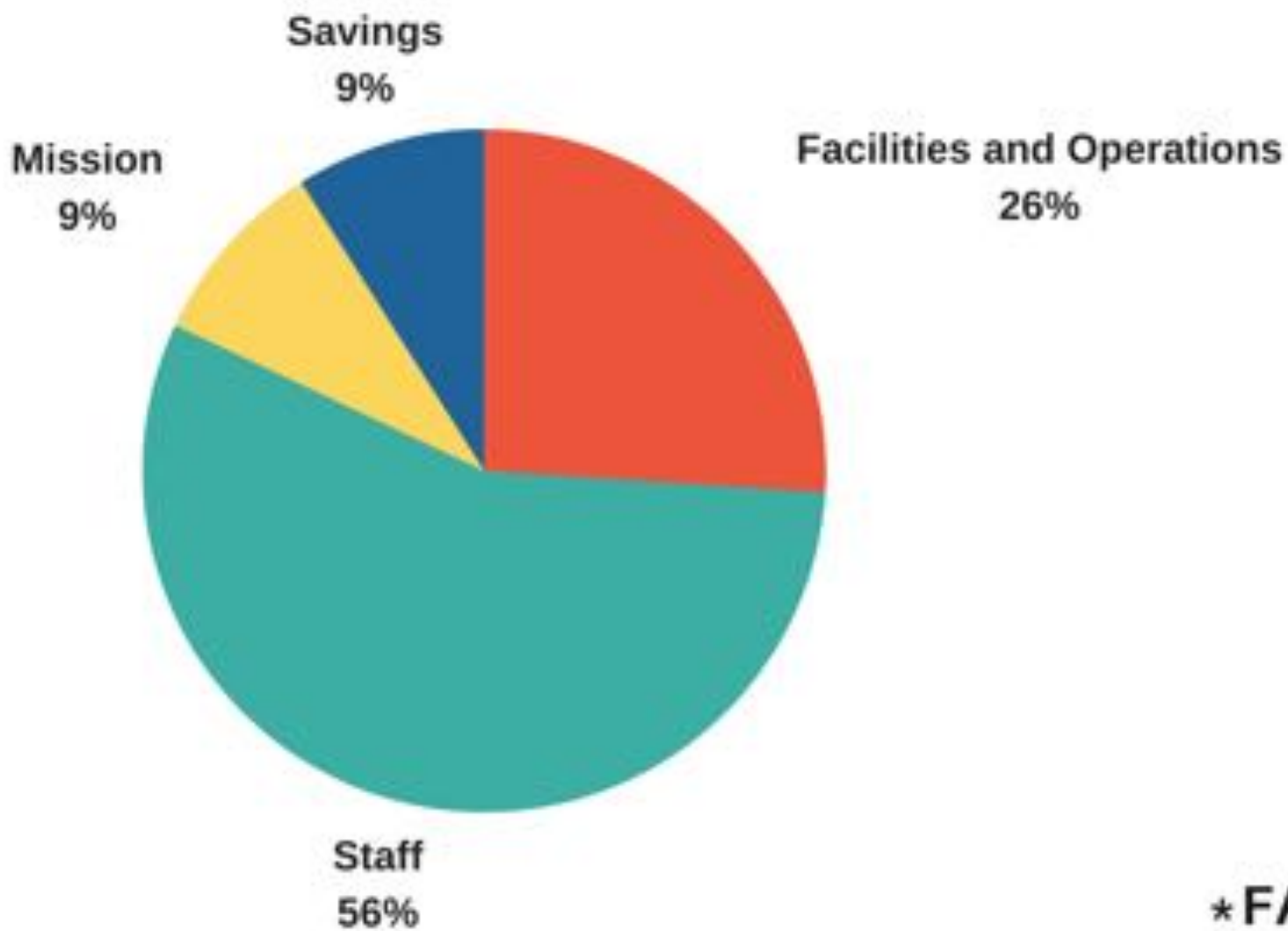
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Financial Information Meeting

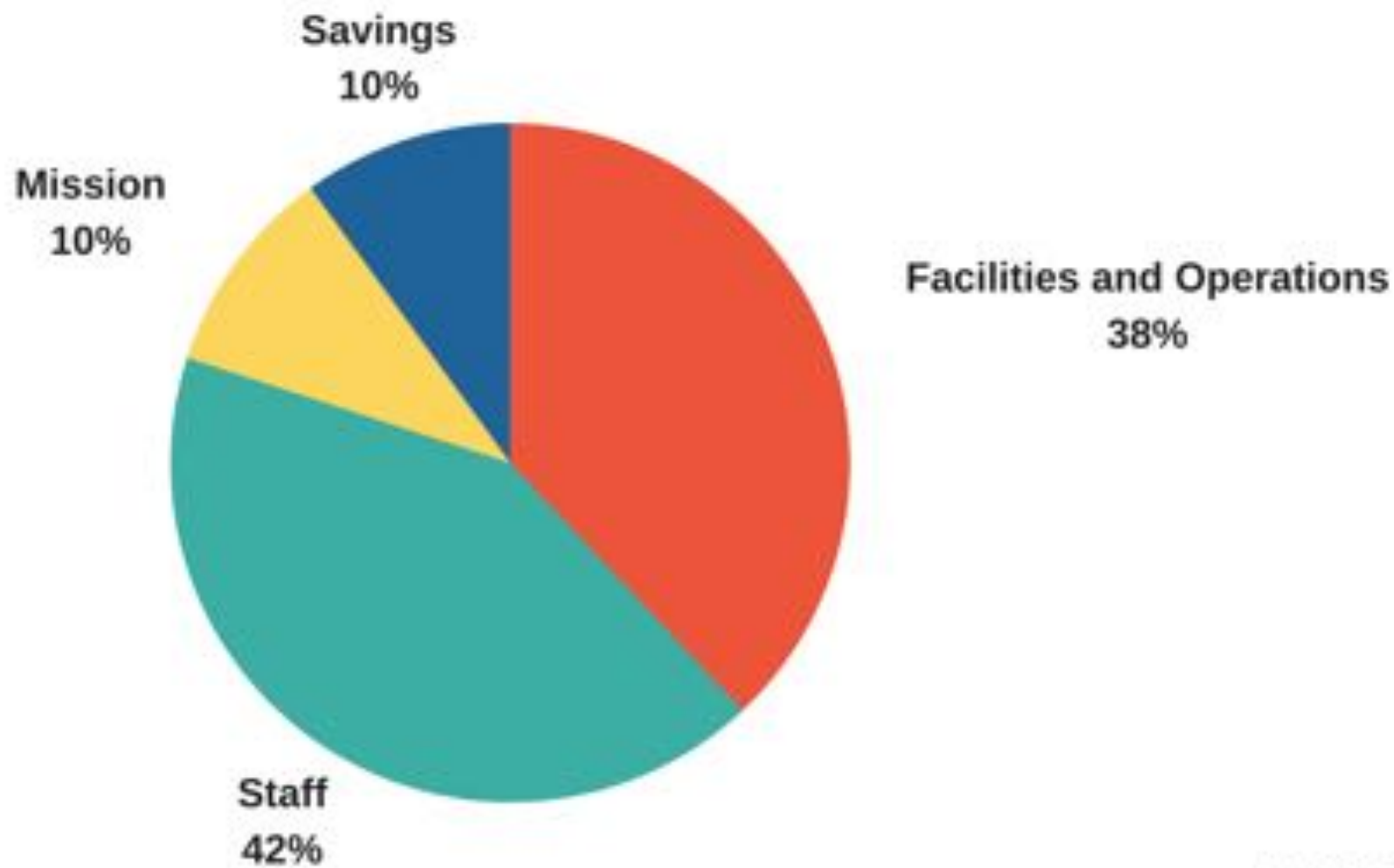
Faith Baptist Church
October 22, 2023



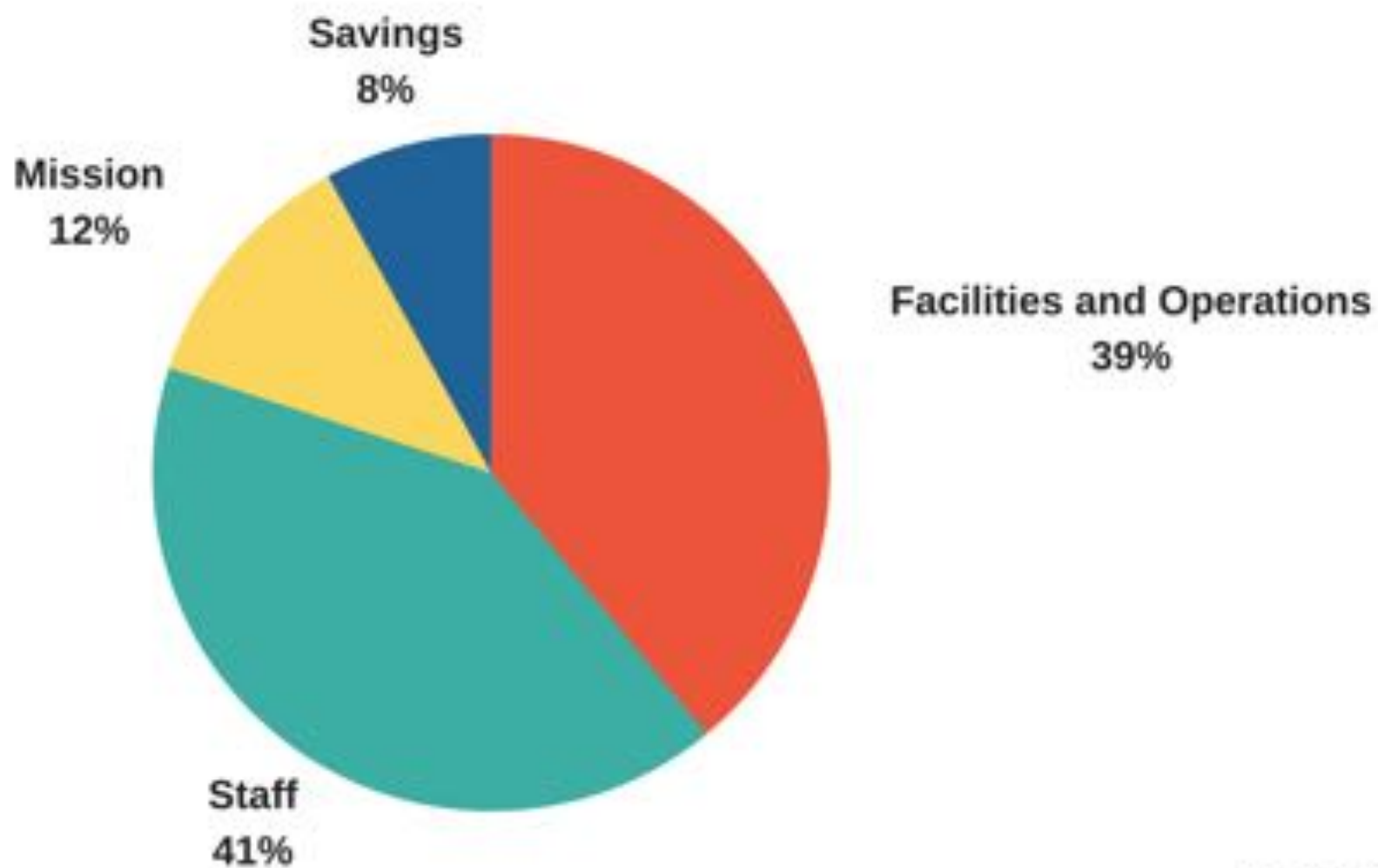
*** HEALTHY CHURCH**



***FAITH 2021**



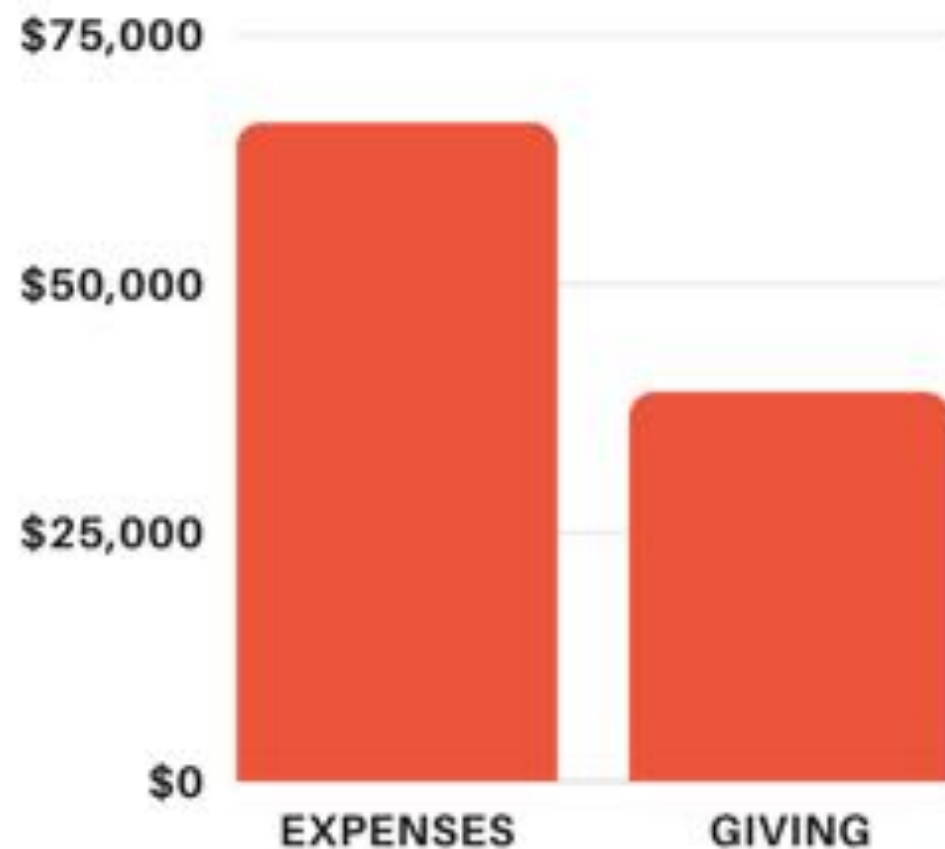
***FAITH 2022**



***FAITH 2023**

Year-To-Date Giving vs. Expenses

- ACTUAL MONTHLY OPERATING EXPENSES: \$67,923
- AVERAGE MONTHLY GIVING (JULY-SEPT): \$39,106
- MONTHLY DEFICIT: **\$28,817**





Kathleen O'Malley <komalley@smvt.com>

Fwd: Financial and Staff Update

1 message

Jason Little <jason@faith-baptist.com>
To: Kathleen O'Malley <komalley@smvt.com>

Fri, Jul 12, 2024 at 4:06 PM

----- Forwarded message -----

From: **Faith Baptist** <no-reply@churchcenteronline.com>
Date: Mon, Nov 6, 2023 at 4:15 PM
Subject: Financial and Staff Update
To: <jason@faith-baptist.com>



FAITH
Baptist Church

Dear FBC member,

Following our financial meeting on October 22, the leadership team has been reviewing the information you shared with us through the feedback forms. We are currently working on the proposed budget for 2024, organizing financial-related questions and answers in an FAQ document to be distributed within the next 2 weeks.

Part of the 2024 budget process is a full evaluation of all current staff positions and salaries. We also find it necessary to immediately lower expenses by reducing some staff salaries and distributing some staff responsibilities to volunteers or lower-cost outside entities.

As a result, Mary Hopper will end her tenure as Financial Manager beginning today and will assist in the transfer of financial-related responsibilities directly to other staff and a new outside accountant by November 30, 2023. We are grateful for Mary's service for 11 years and appreciate her willingness to accept new responsibilities along the way.

We will continue to share information and updates over the next couple of weeks leading up to our Vision Day on November 19 and our annual business meeting on December 10. This notice is being given in accordance with our bylaws to change the date from the first Sunday in December.

Please feel free to send any questions to info@faith-baptist.com and a pastor or deacon will reply in a timely manner.

FBC Pastor and Leadership Team

Faith Baptist Church • 9192660455 • info@faith-baptist.com • 2728 Marks Creek Road
Knightdale, NC 27545

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Stepping Down

krhutchinson [REDACTED]
To: Jason Little <jason@faith-baptist.com>

Mon, Jan 8, 2024 at 7:53 AM

Jason,

Please share this with the other members of the leadership team as you see fit.

It is with a heavy heart that I must step aside from my role as trustee. [REDACTED]
[REDACTED]
[REDACTED]

I am continuing to pray fervently for the church leadership and the church body while you navigate through an extremely difficult time for you all, personally and professionally. I will continue to hold in confidence the matters that were discussed in your office as I want nothing more than the kingdom of Christ to be glorified through Faith now and until He comes again.

In Grace and Peace,

Kevin



Kathleen O'Malley <komalley@smvt.com>

Fwd: Important Info. Regarding the Future Vision of Faith

1 message

Jason Little <jason@faith-baptist.com>

Fri, Jul 12, 2024 at 3:50 PM

To: Kathleen O'Malley <komalley@smvt.com>, [REDACTED]

Laura Petruska <lpetruska@smvt.com>



Announcement to FBC // Jan. 21, 2024

----- Forwarded message -----

From: Faith Baptist <no-reply@churchcenteronline.com>

Date: Sun, Jan 21, 2024 at 12:40 PM

Subject: Important Info. Regarding the Future Vision of Faith

To: <jason@faith-baptist.com>



FAITH
Baptist Church

Dear FBC active member,

Today, I share with you some hard news along with a hopeful vision for the future of our church. The hard news is the financial update following our business meeting in December. We finished out the year with a deficit of \$219,000, using cash reserves to survive, and with a growing list of repairs and maintenance that we cannot afford.

In December, we shared three primary options for consideration in response to our financial reality and feedback received from our members: survive, sell, or seek a partnership with another local church. Where we have seen God directing is toward a partnership with another local church.

The mission and vision for our church are as strong as they have ever been. And we know God often fulfills his vision in ways that are not our ways. God, in His perfect wisdom and

timing, also ordains the paths of people and local churches. This year marks the 35-year anniversary of Faith Baptist Church, which interestingly was started in 1989 by a merger between two churches meeting in a local school.

Based on the practical and financial realities of where we are as a local church, and based on the overarching desire to advance the Kingdom of God in our community, the FBC leadership team strongly believes that God is leading our church to further our mission and vision by joining together with The Summit Church - Knightdale Campus.

We know that this announcement will bring a variety of responses and emotions. We also know that this announcement creates dozens of questions which require full consideration and clear answers. Therefore, we have prepared this informational webpage: www.faith-baptist.com/faq

We also wanted to offer an extended opportunity for questions and discussion. So we have scheduled a town hall meeting for this Wednesday, January 24, at 7 PM for members to receive further information and to ask questions of leaders from both Faith and Summit.

Our leadership team is ready to walk with each and every one of you as we prayerfully seek God's will in this opportunity together. We ask you to commit to serious prayer over the coming days and weeks for the Lord to confirm this partnership if this is His will. We pray according to the instruction of Jesus: "Your Kingdom come, your will be done, on earth as it is in heaven."

FBC Leadership Team

Faith Baptist Church • 9192660455 • info@faith-baptist.com • 2728 Marks Creek Road
Knightdale, NC 27545

Don't want these kinds of emails? [Unsubscribe.](#)

EXHIBIT H

FILED
DATE: March 13, 2024
TIME: 03/13/2024 3:13:25 PM

WAKE COUNTY
SUPERIOR COURT JUDGES OFFICE

STATE OF NORTH CAROLINA
COUNTY OF WAKE

GENERAL COURT OF JUSTICE
SUPERIOR COURT DIVISION
24 CVS 007245-910

Brain J. Hopper, Sr., and William Iffland,

Plaintiffs,

v.

**Faith Baptist Church of Knightdale, N.C.,
Inc.**

Defendant.

**ORDER GRANTING TEMPORARY
RESTRAINING ORDER**

THIS MATTER came before the undersigned Honorable Gale M. Adams, North Carolina Superior Court Judge, upon Plaintiffs' *Motion for Temporary Restraining Order and Preliminary Injunction* ("Motion"). Plaintiffs' Motion was scheduled and heard in open court on March 4, 2024. Based upon the verified pleadings, evidence presented in open court, the Court finds and orders as follows:

1. Plaintiffs commenced the underlying action by filing their *Complaint* and *Summons* in Wake County Superior Court on March 1, 2024. Plaintiffs' Motion seeking a temporary restraining order and preliminary injunctive relief was filed on the same day.
2. Plaintiff Hopper and Plaintiff Iffland filed verifications of the *Complaint* on March 4, 2024. Both verifications were also filed and introduced in open court.
3. Counsel for Defendant Faith Baptist Church of Knightdale, N.C., Inc. did in fact receive notice of the hearing on Plaintiffs' motion for a temporary restraining order. Defendant was represented at the hearing by Mr. Gavin B. Parsons, Esq. of Coats & Bennett, PLLC and Mr. David Gibbs III, Esq. of the Gibbs Firm. (Mr. Gibbs' application to appear *pro hac vice* was granted at the beginning of the hearing.)

4. Plaintiffs presented evidence that on March 3, 2024, when Defendant held a special business meeting to vote on whether to adopt a corporate Plan of Dissolution, the majority of the members who were allowed to vote adopted the corporate Plan of Dissolution. Such Plan of Dissolution included reference to dissolving the corporate church entity and disposing of the church's assets—which the evidence showing includes substantial real property located—by conveying the assets to a third party.

5. Plaintiffs are members of Defendant Faith Baptist Church of Knightdale N.C., Inc. Plaintiff Hopper is on the church's active members list, meaning he is allowed to vote in church business meetings. Plaintiff Iffland is on the church's inactive members list and contends he and other members on the incorrect inactive list, including Gerald Hayes, were not allowed to vote at the March 3 special meeting in violation of their bylaws.

6. The Court finds that Plaintiffs will suffer immediate and irreparable loss absent injunctive relief. Under Defendant's corporate Plan of Dissolution, Defendant will be dissolved as a corporate entity and the church's assets—to include the church building—will be transferred to a third party and otherwise disposed of prior to such time as Plaintiffs' claims for declaratory and injunctive relief may be adjudicated. This harm is irreparable in that upon dissolution of Defendant and disposition of the church's assets, Plaintiffs will have no redress.

7. The Court has subject matter jurisdiction over this matter pursuant to Rule 65 of the North Carolina Rules of Civil Procedure and because Plaintiff first commenced the underlying action. *Revelle v. Chamblee*, 168 N.C. App. 227, 230-31, 606 S.E.2d 712, 714 (2005).

8. The Court has personal jurisdiction over Defendant, which is based in Knightdale, and venue is proper.

9. Defendant did in fact receive notice of the hearing on Plaintiffs' motion for a temporary restraining order and was represented by counsel at the hearing. Defendant's counsel presented oral argument at the hearing and cross-examined Plaintiffs' witnesses.

10. The Court sets a hearing on March 18, 2024 at 10:00 a.m. on the Motion for a preliminary injunction. Plaintiffs and Defendant agree and consent to this hearing date.


NOW THEREFORE, upon the foregoing findings, **IT IS HEREBY ORDERED**:

11. Plaintiffs' *Motion for Temporary Restraining Order* is **GRANTED** and Defendant Faith Baptist Church of Knightdale N.C., Inc. and each and all of their directors, trustees, officers, agents, representatives, employees, attorneys, successors, and assigns, and any all persons or entities in active concert or participation with them are hereby **ENJOINED** from taking any action to execute and/or perform the above-referenced Plan of Dissolution.

12. Pursuant to Rule 65(b) of the North Carolina Rules of Civil Procedure, the injunction set forth in the preceding paragraph 12 shall remain in effect for a period of ten (10) days from the date of this **ORDER**. However, Defendant consents to the extension of the effective deadline for this injunction up through March 18, 2024, at 5:00 p.m. for scheduling purposes only.¹

13. Plaintiffs shall tender as security a cash bond of \$ 500 to the Wake County Clerk of Superior Court within three (3) days of entry of this order.

SO ORDERED, this the 13th day of March, 2024 at 1:10 ~~AM~~/PM.
3/13/2024 1:10:41 PM


The Honorable Gale M. Adams
Superior Court Judge Presiding

×

¹ Defendant opposes the substance and relief granted by this order, but consents to the extension of the imposition of this relief beyond the 10-day period allowed by Rule 65(d) so that this matter may be heard on March 18, 2024.

1 they have the burden to show you that these people were
2 there all the time and entitled to vote, which none of them
3 are here to testify. You heard from Iffland, okay.

4 So, Your Honor, you know, remember, the burden
5 sits on them to actually prove their conspiracy and not just
6 say them. And, Your Honor, I want to just put on the
7 record, on behalf of the church, we would agree to
8 court-ordered binding arbitration --

9 THE COURT: That was gonna be my next.

10 MR. GIBBS: And I want to just say a few things to
11 that. In 30 days, with each side selecting three pastors
12 who agree with the church's statement of faith and are
13 disinterested, with each side being able to strike two of
14 them, the remaining two pastors would select a third, and
15 they can request whatever discovery or information they
16 need. The arbitrators would each be paid \$1,000 by each
17 side, so \$2,000 each. They would schedule a six-hour
18 hearing on a Saturday with each side being given three hours
19 to present. They would issue a written ruling within
20 48 hours after the hearing, and it would be non-appealable
21 and binding on both sides. This Court will retain
22 jurisdiction and make sure the arbitration occurs.

23 Arbitration of this -- may I approach -- would be
24 consistent with the Faith Baptist Church bylaws and the
25 pattern and practice of the Baptist faith. I don't know if

1 this is an offer. I'm just telling you, if you order that,
2 we will fully comply as a church. We have offered that
3 previously. It's been rejected. But, Your Honor, if they
4 would agree to it today, this matter could be ordered by you
5 in arbitration.

6 MR. BANKS: With all due respect to my colleague,
7 I don't believe every aspect of the proposal that he just
8 submitted to you, Your Honor, was presented previously. We
9 would --

10 THE COURT: Now that you've heard it, what do you
11 have to say?

12 MR. BANKS: I would say what some of the
13 conversations I was having with Mr. -- Mr. Gibbs earlier, if
14 we can -- if we can agree on a discovery plan and schedule
15 to get access to the documents that our clients need to
16 understand how the list was developed, the attendance issues
17 that we've already discussed here -- I can tell you, our
18 clients don't want to be here in front of Your Honor. I
19 don't personally want to be in front of Your Honor on these
20 issues. Again, that's why Mr. Banks and I asked, pleaded
21 with Mr. Gibbs, prior to this dispute and prior to this
22 lawsuit being filed, to go to peacemakers arbitration.

23 So what I would say to Your Honor is I don't have
24 authority to commit my clients right now to arbitration, but
25 we would -- we would consider the proposal with the ability

1 and reserving the right to -- to obtain discovery to inform
2 the conversation in a confidential, private arbitration.

3 THE COURT: So this is what -- this is what --
4 this is what I am detecting from what I am hearing. If I
5 grant the preliminary injunction -- no. If I don't grant
6 the preliminary injunction, then there is no church. There
7 is no Faith Baptist Church. But what I also understand,
8 based upon the arguments that have been made, is if I do
9 grant the preliminary injunction, there is no Faith Baptist
10 Church, because employees are having to be terminated,
11 released, because there aren't enough funds to pay. And so
12 there is gradually this -- this dissipation of employees.
13 And so if -- either way you go, there's an issue whether or
14 not this church continues to survive, if I do and if I
15 don't.

16 And so there's a saying called you win the battle
17 but you lose the war. And is that what we have here? You
18 may win the battle, but you lose the war, because at the end
19 of it all, as long as this case may take to resolve, there
20 is no church, and that's what I am dealing with.

21 And so to the extent that you-all can come to some
22 agreement that satisfies both sides and protects both sides'
23 interest -- I understand being very passionate about your
24 church. I get it. I am an active church goer. I get it.
25 I'm actively involved. I get the passion that comes with

1 being a church member and wanting to protect the church that
2 you've grown up in and, you know, your children have been
3 raised. I mean, I get all of that. That's why I spent so
4 much time with this, because this is very serious. This is
5 very serious. But by the same token, I understand that
6 there has to be, hopefully, some kind of agreement that can
7 be reached that satisfies, to some degree, both sides to
8 protect Faith Baptist Church in whatever form it may evolve
9 into. And so I hope that you-all can at least discuss
10 trying to resolve this by way of arbitration.

11 MR. GIBBS: And, Your Honor, I will represent --
12 and again, I know a lot of seems -- what I put into the
13 record was sent to them in email. It's been rejected
14 because they want depositions and discovery. They want to
15 run the church out of gas. And I've said to them, we've got
16 to do this thing. It's got to be 30 days. Let's move.
17 Let's get these preachers -- I mean, we're talking a hearing
18 in May. And so, Your Honor, I will represent, on behalf of
19 the church, that if ordered to this arbitration, we'll do
20 it, and we will not appeal it, we won't complain, we won't
21 go to the Court of Appeals, we will move.

22 And so you have within your equity under the
23 bylaws, we are not to be in court. The arbitration, they
24 said they're willing to do it. Adam said they're wanting to
25 do it. Now they're kind of hesitating, wanting to talk to

1 their clients. If they want to go get their clients in the
2 hallway and find out, I'm for it, but, Your Honor, if you
3 ordered it, we will fully comply.

4 MR. BANKS: Again, Your Honor, I don't have
5 authority to commit my clients, all 19 of them, to
6 arbitration at this point. I don't want to be here, I can
7 tell you that. I don't. Personally, as a lawyer, this is a
8 tragic situation. It's unsettling. It's sad.

9 THE COURT: It is sad.

10 MR. BANKS: And I don't take any joy in standing
11 up here before you. Again, as I said, if we can work
12 through, as you pointed out, a path toward resolving this
13 privately in Christian arbitration with protections and
14 procedural safeguards in place that allow the parties to put
15 on their cases, make them, we can take that back to our
16 clients and -- and -- and pursue that path. As I said, I
17 can't, sitting here right now --

18 THE COURT: I understand.

19 MR. BANKS: -- commit all 19 to that right now.

20 THE COURT: I understand that.

21 MR. BANKS: Thank you.

22 MR. GIBBS: And, Your Honor --

23 THE COURT: All right. Well, needless to say,
24 this matter will be taken under advisement, and hopefully
25 there won't be a need to rule. You-all can reach some

1 agreement. How much time do you think that you need in
2 order to discuss the path forward with your clients?

3 MR. BANKS: Your Honor, I mean, I can -- it's 5:20
4 on a Friday.

5 THE COURT: Oh, yes.

6 MR. BANKS: I'm looking -- I'm looking forward to
7 going home with my five kids, but I can -- I can definitely
8 commit that we will -- we will update our clients, some of
9 whom are here in the galley, immediately following this, and
10 communicate over the weekend into early next week to try to
11 move down a pathway of potentially channelling this into an
12 alternative dispute, than you, with the procedural
13 protections that I forecast would be necessary.

14 MR. GIBBS: And, Your Honor, I appreciate that. I
15 do hope that it's quick. And I just want to represent to
16 the Court, at some point there could be a bankruptcy
17 trustee. Summit walks away, we quit holding the services,
18 and the property is gonna be sold, and the deacons will
19 figure out what charities to give it to. So we are -- I
20 don't want to say we're, like, ready to croak, but we're on
21 life support. We're laying off staff.

22 I mean, the delay -- and these guys have money,
23 and I get it, and the thing can go on forever, but this
24 church -- I mean, I'm gonna have to meet with the board
25 tonight, and they're gonna have to look at bankruptcy

1 options next week. So I do want you aware, like, in good
2 faith, full transparency, I don't want you ambushed. They
3 don't have any financial gas to keep going week in, week
4 out.

5 Ninety-five people voted to do this. They're not
6 sending any more money to the church. They're waiting for
7 the church to do what they voted to do. And, candidly,
8 although I'm a lawyer and these guys are lawyers, people
9 don't get excited to give money to a church and think it's
10 all going to lawyers. So we have really financially crashed
11 this organization.

12 THE COURT: All right. Well, let me suggest that
13 you-all reach out to Ms. Tucker, who will pass a message on
14 to me, as to what you-all decide, and hopefully that will be
15 done sooner than later.

16 MR. BANKS: May I ask a question, Your Honor?

17 THE COURT: Yes.

18 MR. BANKS: While we decide, will the TRO remain
19 in effect so that the dissolution process isn't starting
20 while we work through these questions?

21 THE COURT: I'm anticipating that there will be an
22 answer no later than the middle of next week, at the very
23 latest, I would hope.

24 MR. BANKS: Understood. One way or the other.

25 THE COURT: One way or the other.

EXHIBIT J

komalley@smvt.com

From: James Lawrence <jlawrence@envisage.law>
Sent: Wednesday, April 17, 2024 11:37 AM
To: Gavin B. Parsons; Adam Banks
Cc: Sarah McGrath; Chris Caudill; dgibbs@gibbsfirm.com; Katya Y. Fox
Subject: RE: FRE/NCRE 408 - Arbitration Discussion

Gavin,

Your e-mail below represents a rejection of our clients' proposal for arbitration, which we will inform the court of accordingly.

Thanks,

James Lawrence
Partner

ENVISAGE LAW
Phone: 919.755.1317 Fax: 919.782.0452
E-mail: jlawrence@envisage.law
2601 Oberlin Rd, Ste 100, Raleigh, NC 27608

From: Gavin B. Parsons <gparsons@coatsandbennett.com>
Sent: Wednesday, April 17, 2024 11:34 AM
To: Adam Banks <abanks@envisage.law>
Cc: Sarah McGrath <smcgrath@envisage.law>; Chris Caudill <ccaudill@envisage.law>; James Lawrence <jlawrence@envisage.law>; dgibbs@gibbsfirm.com; Katya Y. Fox <kfox@coatsandbennett.com>
Subject: RE: FRE/NCRE 408 - Arbitration Discussion

Adam,

Your clients' response is a rejection of our proposal. To that end, we will inform the Court and ask for a ruling on your clients' motion for preliminary injunction.

Gavin B. Parsons
COATS+BENNETT, PLLC
direct (919) 719-4868 | mobile (919) 274-4185
www.coatsandbennett.com

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From: Adam Banks <abanks@envisage.law>
Sent: Tuesday, April 16, 2024 5:11 PM
To: dgibbs@gibbsfirm.com; Gavin B. Parsons <gparsons@coatsandbennett.com>
Cc: Sarah McGrath <smcgrath@envisage.law>; Chris Caudill <ccaudill@envisage.law>; James Lawrence <jlawrence@envisage.law>
Subject: FRE/NCRE 408 - Arbitration Discussion

FRE/NCRE 408 Communication

David and Gavin,

We have reviewed the arbitration proposal contained in the binder you provided. Arbitration was certainly our clients' preference prior to their hands being forced. Ideally, we could have sat down and arbitrated this dispute prior to the vote being taken. However, FBC ignored our repeated requests. The now self-professed financial pressure FBC presents as justification for a hasty, curtailed form of adjudication, is a crisis of FBC's own making. I don't think it comes as a surprise, that when the Pastor signals to the church a desire to shutter the church, congregants on both sides of the matter become reluctant to tithe. I do believe that it is important to state that at least from our clients' perspective, as well as others who want to see FBC survive, there have been robust commitments of financial support should church remain. Meaning, that if efforts to dissolve/merge are curtailed, I anticipate a near immediate outpouring of support. I do not have concerns about the church's financial well-being in the future—assuming of course, FBC remains a church. Additionally, I understand that should dissolution efforts cease, Mr. Driver, one of the church's noteholders has forecasted a willingness to work with the church to ensure its mortgage obligations do not prevent it from being successful moving forward. In sum, I mention all this simply to state that it appears FBC could have a bright future if the efforts to terminate FBC stop.

As to your arbitration framework, I appreciate you taking the time to clarify what you're thinking. There's perhaps overlap, but we require the modifications outlined below to mitigate prejudice to our clients. Using your proposal as a starting point, we have crafted an arbitration framework that would be acceptable to our clients.

Arbitrated Issues: We believe the arbitration should focus more on a review of the proposed plan of dissolution and the formation of a proper body of eligible voters than on the propriety of the March 3 vote. In my client's opinion, the March 3 vote was facially flawed leaving little need to "start from scratch" relitigating that same issue. Accordingly, we anticipate that the first phase of arbitration would include a review of the proposed Plan of Dissolution to determine whether it comports with FBC's bylaws. If the arbitrator determines it does, the next phase of arbitration would focus on the formation of the eligible voting group. Following the conclusion of arbitration (assuming the arbitrator concludes the plan is appropriate) a new, "clean" vote would be taken three weeks after the close of arbitration.

Discovery: Our clients were not agreeable to your proposal of forfeiting discovery over to the three pastor panel. A condition precedent to our clients' willingness to conduct arbitration is fulsome discovery. We would require the superior court retain jurisdiction for discovery purposes. That could perhaps mean the superior court adjudicates a potential discovery dispute between the parties or allows for the availability of third-party discovery. We

anticipate conducting third-party discovery, so having the ability to subpoena information is a necessity.

Additionally, our clients require the ability to share discovery and documents amongst themselves and other church members. Accordingly, consenting to arbitration would also require a commitment from Defendants to not move for any sort of protective order.

Timeline: We do not believe 30 days to conduct arbitration is feasible. At this point, we haven't even exchanged documents or scheduled a deposition. Furthermore, James has an out of state trial in May. While we understand your motivation to move quickly, a 90-day timeline seems more fitting.

Arbitrator: Like our initial proposals, we believe a Christian Arbitrator would be more fitting than a three-pastor panel. It appears that the Institute for Christian Conciliation/Peacemakers have some available options for Christian Arbitrators that may be appropriate. As we have argued, this case requires a somewhat precise interpretation of the bylaws. The trained eye of a Christian arbitrator would be better suited to resolving the outstanding issues than a panel of three pastors.

In conclusion, if your folks are agreeable to arbitrating the plan of dissolution and the formation of voting pool in anticipation of a new vote, conducting discovery, and utilizing the services of an arbitrator, I believe we may be able to make progress towards arbitration within the next 90 days

Adam Banks

Partner

abanks@envisage.law | 919.755.1317

2601 Oberlin Rd, Ste 100, Raleigh, NC 27608

www.envisage.law

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EXHIBIT K

komalley@smvt.com

From: Tucker, Lisa R. <lisa.r.tucker@nccourts.org>
Sent: Friday, April 19, 2024 10:07 AM
To: Adam Banks; James Lawrence; Gavin B. Parsons
Subject: 24CV007245-910 Brian J. Hopper, Sr. VS Faith Baptist Church of Knightdale, N.C., Inc.
Judge Adams Ruling

Good morning,

Please see Judge Adams ruling below. Please email the order to our orders email along with an orders cover sheet.

I am granting the preliminary injunction and setting a \$25,000 bond. Please have Plaintiffs prepare the order.

Thank you,



Lisa R. Tucker
Court Manager
10th Judicial District
North Carolina Judicial Branch
O 919-792-4775

Justice for all
www.NCcourts.gov/waketca

CONFIRM HEARING DATES by searching for the case in [eCourts Portal](#).

CIVIL SUPERIOR WEBEX HEARING LINKS are available from www.nccourts.gov/WakeTCA.

WAKE COUNTY eCOURTS INFORMATION & COURT OPERATIONS: Visit [Wake County eCourts Information | North Carolina Judicial Branch \(nccourts.gov\)](#) and [Trial Court Administrator's Office | North Carolina Judicial Branch \(nccourts.gov\)](#).

ATTENTION ATTORNEYS: Effective 3/16/2023, your email and mailing address on file with the NC State Bar is your **service address** for Wake County cases. See [Attorney Service Contact Cover Memo and Attachment](#) and [Administrative Order 23R001278-910](#).

E-mail correspondence to and from this address may be subject to the North Carolina public records laws and if so, may be disclosed.

NORTH CAROLINA

IN THE GENERAL COURT OF JUSTICE
SUPERIOR COURT DIVISION
24 CVS 007245-910

WAKE COUNTY

BRIAN J. HOPPER, SR.,)
WILLIAM IFFLAND, *et al.*)

Plaintiffs,)

v.)

FAITH BAPTIST CHURCH)
OF KNIGHTDALE, N.C. INC.)

Defendant.)

SUGGESTION OF BANKRUPTCY

COMES NOW Defendant, Faith Baptist Church of Knightdale, N.C., Inc. (“Defendant”), through its undersigned counsel, and hereby gives notice and suggests that Defendant has filed a voluntary petition seeking the protection of the United States Bankruptcy Code in the United States Bankruptcy Court for the Eastern District of North Carolina, Case Number 24-01592-5-DMW. The automatic stay set forth in 11 U.S.C. § 362 prevents the further prosecution of this proceeding against Defendant. A copy of the Notice of Chapter 11 Bankruptcy Case is attached hereto as Exhibit A and is incorporated herein by reference.

This the 13th day of May, 2024.

COATS + BENNETT, PLLC

By: /s/ Gavin B. Parsons

Gavin B. Parsons

N.C. State Bar No. 28013

Attorneys for Defendant

Faith Baptist Church of Knightdale, N.C. Inc.

1400 Crescent Green, Suite 300

Cary, North Carolina 27518

Telephone: (919) 719-4868

Facsimile: (919) 854-2084

Email: gparsons@coatsandbennett.com

EXHIBIT A

United States Bankruptcy Court
Eastern District of North Carolina

Notice of Bankruptcy Case Filing

A bankruptcy case concerning the debtor(s) listed below was filed under Chapter 11 of the United States Bankruptcy Code, entered on 05/10/2024 at 3:14 PM and filed on 05/10/2024.

Faith Baptist Church of Knightdale, N.C., Inc.

2728 Marks Creek Rd.
Knightdale, NC 27545
Tax ID / EIN: 56-1649469



The case was filed by the debtor's attorney: The bankruptcy trustee is:

Kathleen O'Malley

Stevens Martin Vaughn & Tadych PLLC
2225 W. Millbrook Road
Raleigh, NC 27612
919-582-2300

George M. Oliver

The Law Offices of Oliver & Cheek, PLLC
PO Box 1548
New Bern, NC 28563
252-633-1930

The case was assigned case number 24-01592-5-DMW to Judge David M. Warren.

In most instances, the filing of the bankruptcy case automatically stays certain collection and other actions against the debtor and the debtor's property. Under certain circumstances, the stay may be limited to 30 days or not exist at all, although the debtor can request the court to extend or impose a stay. If you attempt to collect a debt or take other action in violation of the Bankruptcy Code, you may be penalized. Consult a lawyer to determine your rights in this case.

If you would like to view the bankruptcy petition and other documents filed by the debtor, they are available at our *Internet* home page <http://www.nceb.uscourts.gov> or at the Clerk's Office, 300 Fayetteville Street, 4th Floor, P.O. Box 791, Raleigh, NC 27602.

You may be a creditor of the debtor. If so, you will receive an additional notice from the court setting forth important deadlines.

Stephanie J. Butler
Clerk, U.S. Bankruptcy Court

PACER Service Center			
Transaction Receipt			
05/13/2024 09:30:48			
PACER Login:	lpetruska	Client Code:	
Description:	Notice of Filing	Search Criteria:	24-01592-5-DMW
Billable Pages:	1	Cost:	0.10

CERTIFICATE OF SERVICE

The undersigned attorney for Defendant certifies that on this day the foregoing SUGGESTION OF BANKRUPTCY was served upon the attorneys for Plaintiffs by email and addressed as follows:

Adam P. Banks
James R. Lawrence, III
ENVISAGE LAW
2601 Oberlin Road, Suite 100
Raleigh, North Carolina 27608
abanks@envisage.law
jlawrence@envisage.law
Counsel for Plaintiff

This the 13th day of May, 2024.

COATS + BENNETT, PLLC

By: /s/ Gavin B. Parsons
Gavin B. Parsons
N.C. State Bar No. 28013
Attorneys for Defendant
Faith Baptist Church of Knightdale, N.C. Inc.
1400 Crescent Green, Suite 300
Cary, North Carolina 27518
Telephone: (919) 719-4868
Facsimile: (919) 854-2084
Email: gparsons@coatsandbennett.com

NATIONAL CENTER FOR LIFE AND LIBERTY

By: /s/ David C. Gibbs III

David C. Gibbs III

Florida State Bar No. 992062

National Center for Life and Liberty (NCLL)

Attorneys for Defendant

Faith Baptist Church of Knightdale, N.C. Inc

13790 Roosevelt Blvd., Suite A

Clearwater, Florida 33762

Telephone: (888) 233-6255

Email: dgibbs@gibbslawfirm.com

(Admitted Pro Hac Vice)

EXHIBIT M

FILED
DATE: May 14, 2024
TIME: 05/14/2024 12:44:01 PM
WAKE COUNTY
SUPERIOR COURT JUDGES OFFICE

STATE OF NORTH CAROLINA
COUNTY OF WAKE

IN THE GENERAL COURT OF
SUPERIOR COURT DIVISION
FILE NO.: 24 CVS 007245-910

Brian J. Hopper, Sr.; William Iffland;
Ruth Iffland; Gerald Hayes; Emily Hayes;
Mack Holder; Quida Holder; Matthew
Holder; Elizabeth Holder; Lloyed
Murphy; DiAnn Murphy; Jason Oliver;
Jennifer Oliver; Virginia Perry; Roney C.
Perry; Roger Taylor; Donna Wheeler;
Bonita E. Whitman; and Russell Wrenn,

Plaintiffs,

v.

Faith Baptist Church of Knightdale, N.C.,
Inc.,

Defendant.

ORDER GRANTING MOTION FOR
PRELIMINARY INJUNCTION
(NCRCP 65)

THIS MATTER came on for hearing before the Honorable Gale Adams, during the April 8, 2024 Civil Session of Superior Court in Wake County, upon Plaintiffs' *Motion for Temporary Restraining Order and Preliminary Injunction*. The Court, having previously entered an order granting Plaintiffs' *Motion for Temporary Restraining Order* on March 13, 2024, heard Plaintiffs' *Motion for Preliminary Injunction* on April 12, 2024.¹ Having considered the parties' pleadings, testimony, affidavits, and arguments, the Court GRANTS Plaintiffs' *Motion* and enters a preliminary injunction.

PROCEDURAL POSTURE

1. This matter was initially filed on March 1, 2024, asserting claims for declaratory relief pursuant to N.C. Gen. Stat. §§ 1-253 to 1-267, and claims for injunctive relief pursuant to

¹ The TRO was extending multiple times with the consent of the parties due to scheduling conflicts and availability of the Court.

Rule 65 of the North Carolina Rules of Civil Procedure. Plaintiffs' claims arise from a March 3, 2024 special business meeting for Defendant Faith Baptist Church of Knightdale, N.C. Inc., ("FBC") a North Carolina nonprofit corporation. At the special business meeting, FBC members voted on whether to adopt a plan of corporate dissolution. Plaintiffs assert that the meeting was improperly noticed, that members ineligible to vote under FBC's Bylaws voted, and that the otherwise eligible members were wrongfully excluded from voting.

2. On March 4, 2024, the Court heard the Plaintiffs' *Motion for a Temporary Restraining Order* (TRO), ultimately granting it, and scheduling a return hearing on the TRO and Motion for Preliminary Injunction for March 18, 2024, which was continued until April 12, 2024 due to motions practice and scheduling conflicts.

3. On March 8, 2024, Defendant filed a *Motion to Dismiss* pursuant to Rules 12(b)(1) and 12(b)(6) of the North Carolina Rules of Civil Procedure.

4. On March 14, 2024, Plaintiff filed their First Amended Complaint, increasing the number of Plaintiffs from two to nineteen and asserting additional claims. Plaintiffs' First Amended Complaint alleges that (1) the March 3, 2024 special business meeting was improperly noticed; (2) members that should have been eligible to vote were wrongfully excluded from voting; (3) Defendant allowed ineligible members to vote; (4) the proposed *Plan Of Dissolution*, prominently and repeatedly branded a merger, violated Defendant's Bylaws in that it made the church a member of a denomination; and (5) the proposed *Plan Of Dissolution* violated Defendant's Bylaws in that the dissolution creates a personal benefit for individual members of the church in the form of gratuitous severances.

5. On March 15, 2024, Defendant filed a Motion to Dismiss Plaintiffs' Amended Complaint pursuant to Rules 12(b)(1) and 12(b)(6) of the North Carolina Rules of Civil Procedure.

6. On March 18, 2024, the Honorable Paul Ridgeway, after hearing FBC's *Motion to Dismiss*, denied the *Motion* on Rule 12(b)(1) grounds and withheld any ruling on Rule 12(b)(6) grounds. In particular, regarding Rule 12(b)(1), Judge Ridgeway found that this case presents a property dispute that can be resolved by using "neutral principles of law, developed for use in all property disputes" and that the matter may be "resolved on the basis of principles of law equally applicable to the use of properties of an unincorporated athletic or social club." *Atkins v. Walker*, 284 N.C. 306, 318 (1973).

7. The present Motion was heard April 12, 2024. Both parties were represented by counsel and witnesses were called and subject to cross-examination. Plaintiffs called William Iffland and Defendant's clerk, Susan Curtis. Defendant called Board of Trustees member Lynn Gay and Senior Pastor Jason Little.

FINDINGS OF FACT

8. The Court finds that on March 3, 2024, FBC scheduled a special business meeting to vote on whether to adopt a *Plan Of Dissolution* (see *Compl.* Exhibit E), which would terminate Plaintiffs' membership interest in the church which they have attended for many years. FBC circulated formal notice of the meeting to "active members" sometime after February 22, 2024. That February 22, 2024 notice included a copy of the proposed *Plan Of Dissolution*.

9. However, under the terms of FBC's Bylaws, "[n]otice of a special business meeting must be given from the pulpit for at least two (2) consecutive services before the scheduled date of the meeting." *Compl.* Exhibit A, Art. V, ¶ 2. The Court finds that pursuant to

FBC's Bylaws, notice of the March 3 special business meeting should have been provided no later than February 18, 2024.

10. Pursuant to N.C. Gen. Stat. § 55A-14-02(d), whenever dissolution is proposed, “the corporation shall give notice of the membership meeting to those members in accordance with G.S. 55A-7-05. The notice shall state that “the purpose, or one of the purposes, of the meeting is to consider dissolving the corporation *and contain or be accompanied by a copy or summary of the plan of dissolution.*” (emphasis added).

11. Prior to February 22, 2024, the only notice of the March 3 special business meeting provided by Defendant was a series of announcements made from the church pulpit on February 18 and February 25, which discussed “uniting” or “merging” with the Summit Church Knightdale. FCB’s extract of the announcement is attached to the *Complaint* in this matter as Exhibit D.

12. The Court finds that theses “announcements” did not include a summary or copy of the *Plan Of Dissolution* as required by N.C. Gen. Stat. § 55A-14-02(d) and were therefore defective as notice of the special business meeting because they did not include a “summary of copy of a plan of dissolution.” Further, Plaintiffs presented competent evidence that FBC members who should have been allowed to vote, did not receive the February 22 mailing. Accordingly, the Court finds that not all eligible members received the required notice of the March 3 special business meeting. Plaintiffs have demonstrated a likelihood of success on the merits that the March 3 meeting was improperly noticed.

13. The Verified First Amended Complaint and the testimony of Plaintiff Iffland and Susan Curtis, the church clerk, leads the Court to find that the “active” and “inactive” membership rolls maintained by the church (*Compl.* Exhibit G), contained errors which

precluded otherwise eligible FBC members from voting. In order to be “inactive” under FBC’s Bylaws, a member must have “been absent from regular services of the church for a period of three (3) months or more without being considered as providentially hindered.” (*Compl. Exhibit A, Art. III.2.D.1.*) Plaintiff Iffland testified that, except for a brief period of time in December 2023, he consistently attended FBC’s services. Earlier in this case, at the March 4 temporary restraining order hearing, Gerald Hayes, who later joined as one of the nineteen Plaintiffs, along with his wife Emily Hayes, testified that he regularly attended services with his wife and that they gave to the church. Like Mr. Iffland and his wife Ruth, also a Plaintiff in this case, Mr. and Mrs. Hayes were not allowed to vote at or attend the March 3 meeting because they had been placed on the inactive list. The Court finds that at least these Plaintiffs have demonstrated a likelihood of success that they were wrongfully denied their right to vote at the March 3 meeting.

14. Further, the testimony of Ms. Curtis causes the Court to conclude that ineligible votes were cast and tallied at the March 3 special business meeting. The Court finds that “members eligible to vote are those who have not missed the three (3) consecutive Sundays prior to the business meeting, unless due to illness,” (*Compl. Exhibit A, Art. V.3.C.2*), and that some votes were cast and tallied by individuals that had missed one of the three Sundays prior to March 3. In this regard, Ms. Curtis testified that she cast a proxy vote on behalf of her husband, which was counted even though he had not recently attended FBC services.

15. The Court finds that FBC’s Bylaws require it to be “strictly independent, self-governing in all matters, and it shall not be under the direction, control, or a member of any denomination.” *Compl. Exhibit A, Art. VII*. The Court finds that the Summit Church Knightdale is a member of the Southern Baptist Convention, and that the Southern Baptist Convention is a

denomination. The Court finds that Plaintiffs' have demonstrated a likelihood of success on this claim.

16. The Court finds that FBC's Bylaws require that in the case of dissolution, "none of [FBC's] assets shall go to or for the benefit of any individual or individuals." *Compl.* Exhibit A, Art. IX. The Court finds that the proposed *Plan Of Dissolution* contemplates roughly \$500,000.00 to be paid out to FBC staff, some of which are members of the church, upon dissolution. The Court concludes that Plaintiffs' have demonstrated a likelihood of success on this claim.

17. The Court also finds that Plaintiffs will suffer irreparable harm if FBC proceeds with executing the *Plan Of Dissolution* and commences wrapping up the church's corporate affairs and disposing of its assets. Namely, the *Plan Of Dissolution* presented by FBC (*Compl.* Exhibit D) involves disposing of, and conveying, the physical church building to The Summit Church Knightdale.

18. Because Plaintiffs have demonstrated a likelihood of success and irreparable harm, this Court finds good cause to issue an injunction preserving the status quo between the parties.

CONCLUSIONS OF LAW

19. Issuance of a preliminary injunction requires a showing that: (1) there is a "likelihood of success on the merits of his case;" and (2) the movant will likely suffer "irreparable loss unless the injunction is issued[.]" *Ridge Cmty. Investors, Inc. v. Berry*, 293 N.C. 688, 701 (1977); *A.E.P. Indus., Inc.*, 308 N.C. 398, 401 (1983). Preliminary injunctions are similarly proper when issuance is "necessary for the protection of the Plaintiff's rights during the course of the litigation." *Setzer v. Annas*, 286 N.C. 534, 537 (1975).

20. As to the showing a likelihood of success on the merits, Plaintiffs must, and did, make a “reasonable” showing of likelihood of success. *A.E.P. Indus., Inc. v. McClure*, 308 N.C. 393 (1983).

21. The Court finds Plaintiffs have demonstrated a likelihood of success on the merits. The Court’s findings include discrepancies as to the formation and population of the eligible voter pool, notice of the special business meetings, and that the proposed *Plan Of Dissolution* conflicts with the “affiliations” and “dissolution” articles of FBC’s Bylaws.

22. There is ample evidence of irreparable harm and the need for protecting the Parties’ rights during the pendency of litigation. Plaintiffs will suffer immediate and irreparable harm absent an injunction in that the church will be dissolved and the church’s assets disposed of prior to such time as Plaintiffs’ claims may be adjudicated. This harm is irreparable in that upon dissolution of Defendant, Plaintiffs cannot achieve redress.

NOW THEREFORE, based upon the foregoing findings, it is hereby **ORDERED**:

23. Plaintiffs’ *Motion for Preliminary Injunction* is **GRANTED** and Defendant Faith Baptist Church of Knightdale N.C., Inc. and each and all of their directors, trustees, officers, agents, representatives, employees, attorneys, successor, and assigns, and any and all persons or entities acting in concert or participation with Defendant are hereby **ENJOINED** from taking any action in furtherance of corporate dissolution or any action to execute and/or perform the above-referenced *Plan Of Dissolution*.

24. The injunction set forth in the preceding paragraph shall remain in effect until Plaintiffs’ claims are adjudicated on the merits, entry of a dispositive order disposing of all of Plaintiffs’ claims, or further orders of the Court.

25. Plaintiffs shall tender a cash security bond of \$25,000.00 to the Wake County Clerk of Superior Court within five (5) days of entry of this order.

SO ORDERED, this the 14th day of May, 2024



The Honorable Gale M. Adams
Superior Court Judge Presiding

EXHIBIT N

FILED
DATE: May 1, 2024
TIME: 3:41:03 PM
WAKE COUNTY
CLERK OF SUPERIOR COURT
BY: D. Webster

NORTH CAROLINA

WAKE COUNTY

IN THE GENERAL COURT OF JUSTICE
SUPERIOR COURT DIVISION
24SP000518-910

IN THE MATTER OF:)
THE FORECLOSURE OF A LIEN BY)
CHARLES R. DRIVER AND SANDRA R.) MOTION AND ORDER
DRIVER AGAINST FAITH BAPTIST) FOR CONTINUANCE
CHURCH OF KNIGHTDALE, N.C. INC.)

Faith Baptist Church of Knightdale, N.C. Inc. requests a continuance of the Notice of Hearing Prior to Foreclosure sale scheduled for May 1, 2024 at 11:30 a.m. and states that I have consulted with counsel for the Lien holders, and they consent to the continuance.

The Parties agree to a Continuance date of June 3, 2024 at 10:00 a.m.

This the 1st day of May, 2024

COATS + BENNETT, PLLC

By: /s/ Gavin B. Parsons
Gavin B. Parsons
N.C. State Bar No. 28013
Attorneys for Faith Baptist
Church of Knightdale, N.C. Inc.
1400 Crescent Green, Suite 300
Cary, North Carolina 27518
Telephone: (919) 719-4868
gparsons@coatsandbennett.com

The Motion is granted and a new court date is set for June 3, 2024 at 10:00 a.m


Asst. Clerk of Special Proceedings

EXHIBIT O

ARTICLES OF INCORPORATION

OF

EASTSIDE BAPTIST CHURCH OF KNIGHTDALE, N.C.
(Name of Corporation)

A NON-PROFIT CORPORATION

We, the undersigned natural persons of the age of twenty-one years or more, acting as incorporators for the purpose of creating a non-profit corporation under the laws of the State of North Carolina, as contained in Chapter 55A of the General Statutes of North Carolina, entitled "Non-Profit Corporation Act", and the several amendments thereto, do hereby set forth:

1. The name of the corporation is EASTSIDE BAPTIST CHURCH of Knightdale, N.C.

2. The period of duration of the corporation shall be PERPETUAL

(May be perpetual or for a limited period)

3. The purposes for which the corporation is organized are:

- A. To actively engage in carrying out the Great Commission as given by our Lord in Matthew 28:19,20.
- B. To meet together for worship, prayer, fellowship, teaching, and a united testimony.
- C. To practice the New Testament ordinances of baptism and the Lord's Supper.

4. The corporation is to have the following class or classes of members: (If there are to be no members, so state.)

Membership in this church shall be limited to individuals who have accepted the Lord Jesus Christ as their personal Savior and have been scripturally baptized (by immersion in water one time backward in the name of the Father, the Son and the Holy Spirit--Matthew 28:19).

5. Directors of the corporation shall be elected in the following manner:

Directors (trustees) shall be elected to three year terms by the majority of qualified members present during election of officers.

6. The address of the initial registered office of the corporation is as follows:

Street address, (if none, so state) 113 Sallinger St. (PO Box 158)

City or town Knightdale, N.C. 27545

County Wake County

The name of the initial registered agent of the corporation at the above address is _____

Orval Gary Williams

7. The number of directors constituting the initial board of directors shall be 3, and the names and addresses (including street and number, if any) of the persons who are to serve as directors until the first meeting of the corporation or until their successors are elected and qualified are:

NAME	STREET ADDRESS (If none, so state)	CITY OR TOWN
<u>James L. Jones</u> (James L. Jones)	<u>5500 Meadow Run</u> 5500 Meadow Run	<u>Knightdale, NC 27545</u> Knightdale, N.C. 27545
<u>Joseph F. Brown</u> (Joseph F. Brown)	<u>103 Brookfield Dr.</u> 103 Brookfield Dr.	<u>Knightdale, NC 27545</u> Knightdale, N.C. 27545
<u>Kenneth R. Bailey</u> (Kenneth R. Bailey)	<u>Rt. 1 Box 129 A</u> Rt. 1 Box 129 A	<u>Wendell, N.C. 27591</u> Wendell, N.C. 27591

8. The names and addresses (including street and number, if any) of all the incorporators are:

NAME	STREET ADDRESS (If none, so state)	CITY OR TOWN
<u>Orval Gary Williams</u>	<u>113 Sallinger St. (PO 158)</u>	<u>Knightdale, N.C. 27545</u>

9. In addition to the powers granted corporations under the laws of the State of North Carolina, the corporation shall have full power and authority to engage in activities and conduct ministries which may include, but are not limited to: worship services, evangelistic services, prayer meetings, youth activities, camp and retreat ministries, radio and television programs, and elementary and secondary day school, a Sunday School, a day-care center, a bus ministry, missionary activities, visitation ministries, the printing and distribution of literature, music ministries, a nursing home ministry, a Bible institute, a college and or/seminary. These ministries shall not be considered as separate entities, but as integral parts of the church's overall ministry.

10. *

Said corporation is organized exclusively for charitable, religious, educational, and scientific purposes, including, for such purposes, the making of distributions to organizations that qualify as exempt organizations under section 501(c)(3) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue Law).

No part of the net earnings of the corporation shall inure to the benefit of, or be distributable to its members, trustees, officers, or other private persons, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in Article Third hereof. No substantial part of the activities of the corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the corporation shall not participate in or intervene in (including the publishing or distribution of statements) any political campaign on behalf of any candidate for public office. Notwithstanding any other provision of these articles, the corporation shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue Law) or (b) by a corporation, contributions to which are deductible under section 170(c)(2) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue Law).

Upon the dissolution of the corporation, the Board of Trustees shall, after paying or making provision for the payment of all of the liabilities of the corporation, dispose of all of the assets of the corporation exclusively for the purposes of the corporation in such manner, or to such organization or organizations organized and operated exclusively for charitable, educational, religious, or scientific purposes as shall at the time qualify as an exempt organization or organizations under section 501(c)(3) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue Law), as the Board of Trustees shall determine. Any such assets not so disposed of shall be disposed of by the Court of Common Pleas of the county in which the principal office of the corporation is then located, exclusively for such purposes or to such organization or organizations, as said Court shall determine, which are organized and operated exclusively for such purposes.

IN TESTIMONY WHEREOF, we have hereunto set our hands, this the 18th day
of February, A.D. 1988.

Orval Gary Williams
Orval Gary Williams

STATE OF North Carolina
COUNTY OF Wake

This is to certify that on the 18th day of February, A.D. 1988, before
me, a notary public - Mary E. Gibbs personally appeared

Orval Gary Williams

who, I am satisfied, are the persons named in and who executed the foregoing Article of Incorporation, and I having first made known to them the contents thereof, they did each acknowledge that they signed and delivered the same as their voluntary act and deed for the uses and purposes therein expressed.

In Testimony Whereof, I have hereunto set my hand and official seal, this the 18th day
of February, A.D. 1988.

(L. S.)

Mary E. Gibbs
EXPIRES 4/26/88

*Insert any provisions desired to be included in the Articles of Incorporation such as: regulation of internal affairs of the corporation, any matters required to be set forth in the by-laws, etc. See Chapter 55A of the General Statutes.

CERTIFICATE OF SERVICE

I, Kathleen O'Malley, do hereby certify that a true copy of the foregoing **RESPONSE IN OPPOSITION TO MOTION DISMISS CHAPTER 11 BANKRUPTCY CASE** was electronically filed through CM/ECF and served on the parties listed below by depositing a copy of the same in the United States mail bearing sufficient postage or electronically as indicated.

Kylie Beresford (Via CM/ECF)
Bankruptcy Administrator, EDNC
434 Fayetteville Street Suite 620
Raleigh, NC 27601

George Oliver (via CM/ECF)
Subchapter V Trustee
The Law Offices of Oliver & Cheek, PLLC
PO Box 1548
New Bern, NC 28563

Benjamin E.F.B. Waller (via CM/ECF)
Jason L. Hendren (via CM/ECF)
Rebecca F. Redwine (via CM/ECF)
Hendren, Redwine & Malone, PLLC
4600 Marriott Drive, Suite 150
Raleigh, NC 27612

Matthew Buckmiller (via CM/ECF)
Joseph Zachary Frost (via CM/ECF)
Buckmiller, Boyette & Frost, PLLC
4700 Six Forks Road, Suite 150
Raleigh, NC 27609

All other parties registered to receive electronic service through the CM/ECF system.

This is the 12th day of July, 2024.

STEVENS MARTIN VAUGHN & TADYCH, PLLC

s/ Kathleen O'Malley
Kathleen O'Malley
State Bar No. 51654
2225 W. Millbrook Road
Raleigh, NC 27612
Tel.: (919) 582-2300
Email: komalley@smvt.com