

DISAFFILIATION AGREEMENT PURSUANT TO ¶ 2553

This Disaffiliation Agreement Pursuant to ¶ 2553 of the Book of Discipline of the United Methodist Church (“Disaffiliation Agreement”) is entered into effective this 12th day of November, 2022, the Disaffiliation Date, , by and between Heiberger United Methodist Church (GCFA 241962) (“Local Church”) and the Alabama-West Florida Conference (“Annual Conference”).

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

WHEREAS, Local Church has held a church conference, in compliance with ¶¶ 246.8, 248, and 2553.2-.3 of *The Book of Discipline of The United Methodist Church* (“*Discipline*”), at which at least two-thirds (2/3) of the professing members present at the church conference of Local Church voted to disaffiliate from The United Methodist Church “for reasons of conscience regarding a change in the requirements and provisions of the *Book of Discipline* related to the practice of homosexuality or the ordination or marriage of self-avowed practicing homosexuals as resolved and adopted by the 2019 General Conference, or the actions or inactions of its annual conference related to these issues which follow.”

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

WHEREAS, property subject to ¶ 2501.1 “can be released from the trust, transferred free of trust or subordinated to the interests of creditors and other third parties only to the extent authority is given by the *Discipline*.” (¶ 2501.2)

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

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

WHEREAS, Local Church and Annual Conference wish to (1) resolve all matters between them, and Local Church wishes to acquire from Annual Conference all of Annual Conference’s interest, on behalf of The United Methodist Church, in the real and personal, tangible and intangible

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

3. Date of Disaffiliation. Should Local Church timely comply with all of its obligations as set forth herein, Local Church's disaffiliation from The United Methodist Church will be effective on the date shown above which shall be the date of ratification of this Disaffiliation Agreement ("Disaffiliation Date"). The delegates of Local Church shall not be entitled to vote upon any matters coming before the Annual Conference after ratification of the Disaffiliation Agreement.

4. Local Church's Obligations. Within sixty days of the Disaffiliation Date, or such shorter time necessary for Local church to satisfy all its obligations hereunder (the "Closing Date"), Local Church shall do the following:

a. *Payments.* Local Church shall pay to Annual Conference, in a manner specified by Annual Conference, \$22,091 for:

- i. Local church shall pay zero dollars in exchange for the right to retain its real and personal, tangible and intangible property, subject to the terms herein, and the execution of the Bill of Sale and Quit Claim Deeds, required on behalf of the Annual Conference or Local church shall have the right to retain its in its real and personal tangible and intangible property without charge (in which case a zero will be shown in the blank provided above.
- ii. Any unpaid apportionments for the twelve (12) months immediately prior to the Disaffiliation Date, as calculated by Annual Conference, totaling \$0.
- iii. An additional twelve (12) months of apportionments, as calculated by Annual Conference in the amount of \$2,637.
- iv. An amount equal to Local Church's pro rata share, as determined by Annual Conference, of Annual Conference's unfunded pension obligations, based on the Annual Conference's aggregate funding obligations as determined by the General Board of Pension and Health Benefits using market factors similar to a commercial annuity provider, in the amount of \$8,970.

9. Time Limit. Should the Local Church fail to satisfy all of its obligations set forth herein by the times prescribed in this agreement, this Disaffiliation Agreement shall be null and void and the Disaffiliation contemplated herein shall be set aside.

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

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

12. Entire Agreement. This Disaffiliation Agreement and the deeds, bills of sale and other documents executed in connection herewith shall represent the entire agreement and full understanding of the parties hereto.

13. Counterpart Execution. This Disaffiliation Agreement and all other documents referenced herein may be executed in counterparts and a signature provided by email, fax or other electronic means shall be as binding as an original signature.

HEIBERGER UNITED METHODIST CHURCH

BY: Thomas F. Bamberg
Thomas F. Bamberg, Officer

BY: Stephen Crawford
Stephen Crawford, Officer

ALABAMA-WEST FLORIDA CONFERENCE

BY:

SUZANNE JONES
TREASURER

APPROVED BY:

CHANCELLOR OR ASSOCIATE CHANCELLOR FOR
ALABAMA-WEST FLORIDA CONFERENCE:

BOB NORTHCUTT
CHANCELLOR