

THE EPISCOPAL DIOCESE OF)	IN THE DISTRICT COURT OF
FORT WORTH ET AL.,)	
)	TARRANT COUNTY, TEXAS
Plaintiffs,)	
)	
v.)	
)	
FRANKLIN SALAZAR ET AL.,)	141st JUDICIAL DISTRICT
)	
Defendants.)	

AFFIDAVIT OF THE RT. REV. EDWIN F. GULICK, JR.

1. My name is Edwin F. Gulick, Jr. I am over eighteen (18) years of age, of sound mind, and fully capable and competent to make this Affidavit. I have personal knowledge of the facts stated herein, and all facts are true and correct.

2. I am the Bishop of The Episcopal Church’s Diocese of Kentucky and have my offices in Louisville, Kentucky. I have served in that capacity since 1994 when I was ordained a bishop in The Episcopal Church. Since February of this year, I have also served as the Bishop of The Episcopal Church’s Diocese of Fort Worth, exercising “all the duties and offices” of the Bishop of the Diocese as authorized under Episcopal Church Canon III.13.

3. On February 7, 2009, The Episcopal Church’s Presiding Bishop called to order a special meeting of the Convention of The Episcopal Church’s Diocese of Fort Worth, at which the Diocese, in consultation with the Presiding Bishop, elected me as Provisional Bishop of the Diocese pursuant to the Church’s Canon I.13(1). In this capacity, I also serve as the Chair of the Board of the Corporation of the Episcopal Diocese of Fort Worth (the “Diocesan Corporation”), pursuant to Article VI of the Articles of Incorporation of the Diocesan Corporation and Diocesan Canon 17.2.

4. At its February 7, 2009, special meeting, the Diocesan Convention recognized and declared that numerous leadership positions within the Diocese were vacant, including on the Standing Committee, Executive Council, Board of Trustees of the Diocesan Corporation, and Board for the Fund for the Endowment of the Episcopate. The Convention then elected members of the Standing Committee of the Diocese, as well as Deputies to the forthcoming meeting of the Church's General Convention in July 2009. Vacant seats on the Executive Council were filled either by the Convention on February 7, 2009, or immediately following the meeting of the Convention by various Diocesan entities entitled under the canons of the Diocese to fill particular seats on the Executive Council.

5. On February 7, 2009, acting pursuant to Article II.9 of the Diocesan Corporation's 2006 bylaws and Diocesan Canon 17, and with the advice of the Diocesan Convention, I appointed the following five clergy and laity of the Diocese to serve as Trustees of the Diocesan Corporation: The Rev. James Hazel, Cherie Shipp, Trace Worrell, Robert M. Bass, and The Rev. John Stanley. I also appointed the following persons as Trustees for the Fund for the Endowment of the Episcopate: Anne T. Bass, Tad Bird, The Rev. James Hazel, Robert Hicks, Floyd McKneely, Shannon Shipp, David Skelton, and Whit Smith.

6. At its February 7, 2009, special meeting, the Diocesan Convention also passed a resolution recognizing and declaring that the 2008 purported amendment to the Diocesan Constitution to eliminate the Diocese's accession to the rules and governance of The Episcopal Church, as well as certain other Constitutional and canonical amendments, were *ultra vires* and void.

7. Since February 7, 2009, The Episcopal Church has recognized me as the Bishop of The Episcopal Church's Diocese of Fort Worth and has recognized the current leadership of the Diocese as the persons authorized to govern the Diocese. For example:

a. As the person serving as the Bishop of the Diocese, I have been asked to give my canonical consent to the ordination of new bishops who have been elected by other dioceses of the Church.

b. My Standing Committee, elected by the Convention of the Diocese on February 7, 2009, has been asked to give its canonical consent to the ordination of new bishops who have been elected by other dioceses of the Church.

c. I have been recognized and accepted by the Church's House of Bishops as the person serving as the Bishop of Fort Worth.

d. I was the episcopal representative of The Episcopal Church's Diocese of Fort Worth at the Church's meeting of the General Convention in July 2009.

e. The Deputies to the General Convention elected by the Convention of the Diocese on February 7, 2009, were credentialed by The Episcopal Church and, along with me, represented the Episcopal Diocese of Fort Worth at the meeting of the General Convention in July 2009.

f. At its July, 2009, meeting, the General Convention adopted a resolution which explicitly commended Episcopalians in the Diocese of Fort Worth and three other dioceses "for their unflagging efforts to continue to live as witnesses to the mission of The Episcopal Church during recent difficult times as they reorganize their continuing dioceses," and further resolved that "the leadership in each of those four continuing dioceses be commended for their similar efforts, including in particular the Rt. Rev. Edwin F. Gulick, Provisional Bishop of

Diocese of Fort Worth . . . and especially the strong lay leadership of each diocese;" and that "the deputations from those four continuing dioceses be extended a special welcome to this 76th General Convention of The Episcopal Church."

g. The Episcopal Church's Executive Council has accepted the annual report of the Diocese that Episcopal Church Canon I.6 requires each diocese to file, which the Diocese, under my supervision, submitted earlier this year.

h. The Episcopal Church Annual for 2009, the standard directory of clergy, dioceses, parishes, and congregations of The Episcopal Church, continues to include the Episcopal Diocese of Fort Worth and identifies me as the Provisional Bishop of that Diocese.

8. Since February 7, 2009, The Episcopal Church's Diocese of Fort Worth has recognized me and the other persons serving as trustees of the Diocesan Corporation as the persons duly authorized to serve in that capacity.

9. At a meeting on April 4, 2009, the other trustees of the Diocesan Corporation and I recognized that the 2006 purported amendments to the Diocesan Corporation's Articles and Bylaws were *ultra vires* and void and approved "Amended and Restated Articles of Incorporation." The Amended and Restated Articles of Incorporation reinstate the original provisions linking the Diocesan Corporation to The Episcopal Church's Diocese of Fort Worth and stating that the property is to be administered in accordance with the Diocesan Constitution and canons, and accurately identify the current trustees of the Corporation as the current Bishop of The Episcopal Church's Diocese of Fort Worth and the other trustees now recognized and approved by The Episcopal Church's Diocese of Fort Worth. A certified copy of the April 4, 2009 Amended and Restated Articles of Incorporation are attached as part of Exhibit 1. The Amended and Restated Articles were filed with the Texas Secretary of State on April 14, 2009.

10. On April 21, 2009, defendant Iker caused to be filed with the Secretary of State a purported "correction" to the Amended and Restated Articles of Incorporation, claiming that he and the other individual defendants in this action are the current trustees of the Diocesan Corporation.

11. The Diocesan Corporation holds title to or administers certain real and personal property of the Diocese. That property includes various parcels of real property, including Camp Crucis and the Diocesan Center, and funds such as the Diocesan Fund, the Revolving Fund, the Joe & Jessie Crump Fund (on information and belief currently part of the Revolving Fund), the Memorial and Scholarship Fund, the Meek Fund (on information and belief currently part of the Memorial and Scholarship Fund), the E.D. Farmer Fund, the Anne S. and John S. Brown Trust, the Betty Ann Montgomery Farley Fund, the Reverend Efrain Huerta Fund benefiting Hispanic Ministries, Memorial Scholarship Fund out of Common Trust (Growth Fund and Income Fund), St. Paul's Memorial Fund, and the E.D. Farmer Foundation.

12. Other property, including operating accounts and other funds of the Diocese, such as the Fund for the Endowment of the Episcopate, is to be and historically has been held and controlled by The Episcopal Church's Diocese of Fort Worth and other of its officers.

13. After November 15, 2008, defendant Iker has been acting as the Bishop of defendant Southern Cone Diocese; the former members of the Diocesan Standing Committee have been acting as the Standing Committee of the Southern Cone Diocese; and the former Trustees of the Diocesan Corporation, defendants Salazar, Patton, Virden, Barber, Bates, and Iker, have been acting as trustees of and exercising control over the Diocesan Corporation and, on information and belief, the Fund for the Endowment of the Episcopate on behalf of and as an instrument of the Southern Cone Diocese.

14. I demanded that the defendants relinquish control of the real and personal property of the Diocese. A true and correct copy of the letter dated March 3, 2009, sent by my chancellor at my direction, is attached hereto as Ex. 2.

15. Since November 15, 2008, defendant Iker and the other defendants have exercised exclusive control over most of the property that belongs to The Episcopal Church's Diocese of Fort Worth, even though they no longer have any connection with The Episcopal Church or its Diocese of Fort Worth, and even though I, on behalf of The Episcopal Church's Diocese of Fort Worth and the Diocesan Corporation, have demanded that control over such property be returned to them for their use in support of the mission of The Episcopal Church and its Diocese of Fort Worth.

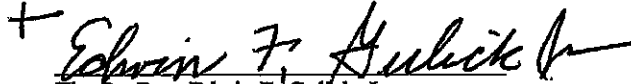
16. Since November 2008, defendant Iker and the other defendants have continued to use the distinctive seal and trade names of The Episcopal Church's Diocese of Fort Worth while acting on behalf of the Southern Cone Diocese, without authorization by, and contrary to the interests and demands of, The Episcopal Church and its Diocese of Fort Worth and causing confusion in the community and further emotional turmoil among loyal Episcopalians in the Diocese.

State of Kentucky


County of Jefferson

I, the Rt. Rev. Edwin F. Gulick, Jr., am above the age of eighteen (18 years) and am fully competent to make this affidavit. All the statements contained in this affidavit are true and correct and are within my personal knowledge.

This 28th day of July, 2009.

+ 
The Rt. Rev. Edwin F. Gulick, Jr.

SUBSCRIBED AND SWORN TO before me, the undersigned authority, on this 28th day of July, 2009.


Notary Public

My commission expires: November 8, 2012

FILED
In the Office of the
Secretary of State of Texas

APR 14 2009

AMENDED AND RESTATED ARTICLES OF INCORPORATION
OF
CORPORATION OF THE EPISCOPAL DIOCESE OF FORT WORTH
Corporations Section

CORPORATION OF THE EPISCOPAL DIOCESE OF FORT WORTH (the "Corporation") is a Texas non-profit corporation certified by the Texas Secretary of State on February 28, 1983, Charter No. 644932.

Pursuant to the provisions of Article 1396-4.06 of the Texas Non-Profit Corporations Act, the Corporation hereby adopts the following Amended and Restated Articles of Incorporation, which accurately copy the Articles of Incorporation and all amendments thereto that are in effect to date and as further corrected and amended by such restated Articles of Incorporation. These Amended and Restated Articles of Incorporation contain revisions in Articles IV, V and VI; former Article VII was deleted; and new Articles VII and VIII are added. These Amended and Restated Articles of Incorporation contain no other change in any other provision thereof.

These Amended and Restated Articles of Incorporation were approved by a unanimous vote at a meeting of a quorum of the members of the Board for the Corporation held April 4, 2009. The Corporation has no members with voting rights.

ARTICLE I

The name of the Corporation is CORPORATION OF THE EPISCOPAL DIOCESE OF FORT WORTH.

ARTICLE II

The Corporation is a non-profit corporation.

ARTICLE III

The period of its duration is perpetual.

ARTICLE IV

The purpose or purposes for which the Corporation is organized are:

- (1) To receive and maintain a fund or funds or real or personal property, or both, from any source including all real property acquired for the use of the Episcopal Diocese of Fort Worth as well as the real property of all of the Diocese's parishes, missions and diocesan institutions, subject to the limitations and restrictions hereinafter set forth, and to use and apply the whole or any part of the



income therefrom and the principal thereof exclusively for charitable, religious, scientific, literary, or educational purposes either directly or by contributions to organizations that qualify as except organizations under Section 501(c)(3) of the Internal Revenue Code and its Regulations as they now exist or as they may hereafter be amended.

(2) The Corporation and the property so held pursuant to (1) supra shall be administered in accordance with the Constitution and Canons of the Episcopal Diocese of Fort Worth and the Episcopal Church of the United States and the Bylaws of the Corporation as they now exist or as they may hereafter be amended.

(3) No part of the net earnings of the Corporation shall inure to the benefit of any trustee or officer of the Corporation, or any private individual; *provided, however,* that nothing in these Amended and Restated Article of Incorporation shall preclude the payment of reasonable compensation for services rendered or a reasonable salary to any private individual or a trustee or officer of the Corporation. No trustee or officer of the Corporation, or any private individual shall be entitled to share in the distribution of any of the corporate assets on dissolution of the Corporation. No substantial part of the activities of the Corporation shall be carrying on of propaganda, or otherwise attempting, to influence legislation, and the Corporation shall not participate in, or intervene in (including the publication or distribution of statements) any political campaign on behalf of any candidate for public office.

(4) Notwithstanding any other provision of these Amended and Restated Articles of Incorporation, the Corporation shall not conduct or carry on any activities not permitted to be conducted or carried on by an organization exempt from taxation under Section 501(c)(3) of the Internal Revenue Code and its Regulations as they now exist or as they may hereafter be amended, or by an organization, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code and Regulations as they now exist or as they may hereafter be amended.

(5) Upon dissolution of the Corporation or the winding up of its affairs, the assets of the Corporation shall be distributed exclusively to the charitable, religious, scientific, testing for public safety, literary, or educational organizations which would then qualify under the provisions of Section 501(c)(3) of the Internal Revenue Code and its Regulations as they now exist or as they may hereafter be amended.

ARTICLE V

The street address of the registered office of the Corporation is 3550 Southwest Loop 820, Fort Worth, Texas 76133, and the name of the Corporation's registered agent at that address is The Rev. James Hazel.

ARTICLE VI

AMENDED AND RESTATED ARTICLES OF INCORPORATION—
CORPORATION OF THE EPISCOPAL DIOCESE OF FORT WORTH

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The number of trustees constituting the Board is six (6). The Bishop of the Episcopal Diocese of Fort Worth shall be a Trustee and the Chairman of the Board. The manner of election and the period of time for which the remaining five (5) trustees shall hold office shall be fixed by the Constitution and Canons of the Episcopal Diocese of Fort Worth and the Bylaws as the same may be adopted and from time to time amended.

The names and addresses of the current trustees are:

The Rt. Rev. Edwin F. Gulick, Jr.
3550 Southwest Loop 820
Fort Worth, Texas 76133

The Rev. James Hazel
3550 Southwest Loop 820
Fort Worth, Texas 76133

The Rev. John Stanley
3550 Southwest Loop 820
Fort Worth, Texas 76133

Mr. Robert M. Bass
3550 Southwest Loop 820
Fort Worth, Texas 76133

Ms. Cherie Shipp
3550 Southwest Loop 820
Fort Worth, Texas 76133

Dr. Trace Worrell
3550 Southwest Loop 820
Fort Worth, Texas 76133

ARTICLE VII

No Trustee of the Corporation shall be personally liable to the Corporation for monetary damages for an act or omission in the Trustee's capacity as a Trustee, except that this paragraph does not eliminate or limit the liability of a Trustee for (1) a breach of a Trustee's duty of loyalty to the Corporation, (2) an act or omission not in good faith that constitutes a breach of duty of the Trustee to the Corporation or that involves intentional misconduct or a knowing violation of the law, (3) a transaction from which a Trustee received an improper benefit, whether or not the benefit resulted from an action taken within the scope of the Trustee's office, or (4) an act or omission for which the liability of a Trustee is expressly provided for by statute. Neither the amendment nor repeal of this Article shall eliminate or reduce the effect of this Article in respect of any matter occurring, or any cause of action, suit, or claim that, but for this paragraph, would accrue or arise, prior to such amendment or repeal. If the Texas Non-Profit Corporation Act, the Texas Miscellaneous Corporation Laws Act, or any successor statutes, are hereinafter amended to authorize corporate action further eliminating or limiting the personal liability of Trustees, then the liability of a Trustee of the Corporation shall be eliminated or limited to the fullest extent permitted by the Texas Non-Profit Corporation Act, the Texas Miscellaneous Corporation Laws Act, or any successor statutes, as so amended from time to time.

ARTICLE VIII

(A) To the fullest extent permitted by Texas law, the Corporation shall indemnify any person who is or was a Trustee or an officer of the Corporation, and may indemnify any person ("Discretionary Indemnitee") who is or was an employee or agent of the Corporation and any person who serves or served at the Corporation's request as a director, officer, trustee, agent, (including any person appointed by the Corporation to act on any of the Corporation's

committees), employee, partner, or trustee of another corporation or of a partnership, joint venture, trust, or other enterprise. Neither the future amendment nor repeal of this Article shall eliminate or reduce the effect of this Article in respect of any matter occurring, or any cause of action, suit, or claim that, but for this paragraph, would accrue or arise, prior to such amendment or repeal. *provided, however, that this paragraph (A) shall apply only to the following persons:* (1) a person who became a Trustee by virtue of an advisory election by delegates to a Special Convention of the Episcopal Diocese of Fort Worth and subsequent appointment by the Provisional Bishop as Trustee on or about February 7, 2009 and his or her successors; (2) a person who was elected as an officer of the Corporation on or about February 12, 2009 and his or her successors; and (3) a Discretionary Indemnitee who was appointed, elected, or requested to serve by a person identified in (A)(1) or (A)(2) above, on or after February 7, 2009.

(B) Unless otherwise prohibited by Texas law, the Corporation shall reimburse or pay in advance any reasonable expenses (including court costs and attorneys' fees) which may become subject to indemnification under this Article, upon request by or on behalf of the person subject to such indemnification.

(C) The Corporation shall pay or reimburse expenses incurred by a present or former Trustee or officer of the Corporation who is eligible to be indemnified pursuant to paragraph (A) of this Article in connection with his or her appearing as a witness or other participation in a proceeding at a time when he is not a named defendant or respondent in the proceeding, upon request by such person.

(D) The provisions of this Article shall be applicable to claims, actions, suits or proceedings made or commenced after the adoption of this Article, whether arising from acts or omissions to act occurring before or after adoption hereof, and shall continue as to a person who has ceased to hold a position named in paragraph (A) of this Article and will inure to such person's heirs, executors, and administrators.

(E) The indemnification provided by this Article shall not be exclusive of any other rights to which a person may be entitled by law, bylaw, agreement, vote of Trustees, or otherwise and shall not restrict the power of the Corporation to make any indemnification permitted by law.

(F) The Corporation may purchase and maintain insurance on behalf of any person who holds or has held any position named in paragraph (A) above against any liability incurred by such person in any such position, or arising out of such person's status as such, whether or not the Corporation would have power to indemnify such person against such liability under this Article.

(G) In no case, however, shall the Corporation indemnify, reimburse, or insure any person in any instance where, or to the extent that, such indemnification, reimbursement or insurance is inconsistent with section 4958 of the Internal Revenue Code and its Regulations, or any other provision of the Internal Revenue Code and its Regulations applicable to corporations described in section 501(c)(3) of the Internal Revenue Code and its Regulations, as they now exist or as they may hereafter be amended.

APR-14-2009 TUE 10:57 AM TAYLOR OLSON ADKINS

FAX NO. 817 332 4740

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(H) If any part of this Article shall be found in any action, suit, or proceeding to be invalid, illegal, unenforceable or ineffective, only that provision shall be modified in a manner designed to uphold the intent and purpose of such provision as written to the maximum extent permitted by law. The validity and the effectiveness of the remaining parts shall not be affected.

Dated: April 4, 2009

CORPORATION OF THE
EPISCOPAL DIOCESE OF FORT WORTH

By:


The Rev. James Hazel, President

AMENDED AND RESTATED ARTICLES OF INCORPORATION--
CORPORATION OF THE EPISCOPAL DIOCESE OF FORT WORTH

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KATHLEEN WELLS
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March 3, 2009

The Hon. William T. McGee, Jr.
Law Offices of William T. McGee, Jr.
1701 River Run, Ste 501
Fort Worth, TX, 76107-6548

Re: Episcopal Diocese of Fort Worth property transition

Dear Judge McGee,

I am writing this letter in my capacity as Chancellor for the continuing Episcopal Diocese of Fort Worth, a diocese of the Episcopal Church. I am writing to you because I understand that you still represent Bishop Iker and others who have recently left the Episcopal Church and the Diocese yet still maintain possession and control of property of the Diocese and/or its congregations. I am also sending a copy of this letter to Rickey Brantley, who we understand also acts as counsel for some of these same persons. I ask that you please forward a copy of this letter to any other attorneys who represent those persons.

As you are aware, Bishop Iker is no longer a bishop of the Episcopal Church nor, therefore, of the Episcopal Diocese of Fort Worth. The former members of the Diocesan Standing Committee who withdrew from the Episcopal Church to affiliate with the Anglican Province of the Southern Cone no longer hold their former positions in the Diocese. Other Diocesan leaders similarly vacated their offices by withdrawing from the Episcopal Church. Many of those offices were filled on February 7, 2009 in a Special Meeting of the Diocesan Convention. The Rt. Rev. Edwin F. Gulick, Jr. now serves as Provisional Bishop of the Diocese, and other Diocesan offices, including the Standing Committee and the Board of Trustees for Corporation for the Episcopal Diocese of Fort Worth ("Corporation"), have been filled by qualified persons who remain in the Episcopal Church.

On behalf of Bishop Gulick, the Diocese, and the Corporation, I respectfully request that Bishop Iker and those working with him or otherwise claiming authority from him take no action inconsistent with the reorganization of the continuing Diocese or with the continuing interest of the Episcopal Church in church property of the Diocese and its congregations. In addition I ask that they preserve and protect all funds, records, and other real and personal property of the Diocese and its congregations currently under their control. Finally, I ask that they cooperate with us to effect an orderly transfer of the possession and control of that church property to the proper officials in the continuing Diocese and its congregations. Please know that we will happily cooperate to provide copies of any relevant documents needed by those who have left the Episcopal Church.

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In addition I ask that those who claim to be affiliated with the Anglican Province of the Southern Cone cease using the name of and claiming authority under the "Episcopal Diocese of Fort Worth" and each of its congregations, e.g., "St. Stephen's Episcopal Church," as well using as the



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official logos and seals of the Diocese and its congregations, respectively. Their continued use of these names and emblems is not authorized, violates the existing rights of the Diocese and its congregations in those names and emblems, and unnecessarily creates confusion among third parties.

Would you please contact me upon your receipt of this letter so that we may schedule a meeting to plan the orderly transition of these Diocesan and congregation assets? I look forward to working with you and others to accomplish this transition and hope that we can offer a model to others in the manner that we effect these remaining details of this sad chapter in the life of our spiritual community.

Sincerely,



Kathleen Wells

KW/sr

Cc: Rickey Brantley
Jose, Henry, Brantley, MacLean and Alvarado, LLP
675 N. Henderson
Fort Worth, Texas 76107

The Rt. Rev. Edwin F. Gulick, Jr.

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