

A Memorandum of Understanding between the Ohio Ministry Network, a Parent Church, and a General Council (GC) church coming under a parent church.

The Ohio Ministry Network has tremendous appreciation for the spiritual leadership, assumed risks, and financial investments that parent churches make in the churches that they are parenting. We want to see more of it! The goal of this document is to establish communication between the OMN and the parent church regarding property transaction to preserve the health and excitement of what's happening all over Ohio. Although a General Council Church has autonomous governance, we recommend the (GC) church coming under a parent church enter this memorandum as a means of protecting their interest.

It must be fully understood that as Parent Affiliated Church (PAC) the current General Council (GC) church will become a church under the legal and organizational umbrella of the parent church.

Recommended Process

1. The existing church be closed.
2. The corporation that is General Council Church be dissolved with the Secretary of State.
3. The new Articles for this PAC include a provision as follows:

Any liquidation of church property, whether voluntary or forced, any disaffiliation with the Assemblies of God, and/or any dissolution of the church shall cause all ownership and control of church property, real or chattel, to revert to the Ohio District Council Inc. of the Assemblies of God dba Ohio Ministry Network of the Assemblies of God. Any amendment or change to this provision shall require a 3/4ths vote of the active church Board in accordance with the church bylaws.

4. The Bylaws for the PAC would require a board, for example, a seven member board called a Parent Affiliated Board of Directors (PACBOD). This board would consist of two members of the Parent church, two members of the Parent Affiliated church (PAC), two members from the area in which the PAC is located, one being the Area Presbyter and the other being the Assistant Presbyter, and either the Superintendent or Assistant Superintendent of the Ohio Ministry Network.

Assumption of Property

For the current board of the General Council church becoming a PAC,

As the board of _____, we recognize that we are currently a General Council church becoming a (PAC) Parent Affiliated Church of _____ by virtue of the verified vote of our congregation. Should the venture fail or partnership become ineffective, as a means of protecting the assets over the long term, the asset will be used at the discretion of OMN to fulfill its mission. (Please attach minutes of the business meeting regarding the change in status (CSR) from General Council to Parent Affiliated under parent church.)

For the board of the Parent Church,

As the board of _____, we recognize at this time we are not receiving rights to the church property of (PAC) _____, (formerly a (GC) church) at this time. Moreover we recognize the sacred trust and fiduciary responsibility of stewarding this ministry we are partnering with. We will not sell, leverage, or borrow against any

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aspect of the property, either real or chattel without prior consent of the Parent Affiliated Church Board of Directors (PACBOD).

Legal, Financial and Governance Considerations

- Deeds and title to real property stay in the name of the General Council Church now PAC
- The PAC shall have its own bylaws.
- The Parent Church corporation will be kept current with Ohio. The president of the corporation will be the lead pastor of the parent church.
- Membership of the PAC will remain separate during the season of evaluation when the PACBOD reviews the relationship.
- Annual business meetings will be conducted according to bylaws of the PAC.
- The Parent Church will share with the PAC both financial and administrative responsibility for the PAC including but not limited to:
 - Insurance
 - Mortgages
 - Missions Commitments
 - Staffing
 - Debts

Capital Improvement

- If the Parent church is making capital improvement expenditures (such as a new roof) on behalf of the PAC, in these situations the PACBOD will reconcile those expenditures before the dissolution of the PAC Agreement is finalized. The Parent church shall be responsible for submitting to the PACBOD any receipts or corresponding documentation in support of their request for reconciliation of their financial investment in capital improvements made to church property. Once the PACBOD has reviewed and approved the Parent church's submission of the receipts and corresponding documentation in support of their request, the PACBOD will take the matter under advisement and will work towards mutually acceptable terms to account for the Parent church's financial investment in the capital improvements.

Dissolution of the PAC Agreement

In the event of dissolution of a PAC agreement, whether initiated by the Parent Church, the PAC itself or should the Ohio Ministry Network choose to void this agreement, the following will apply:

- When a PAC Agreement is dissolved during the evaluation period, the Ohio Ministry Network will have the first right of refusal to assume all of the assets and liabilities and will likely return these assets and liabilities back to the PAC and request they become a General Council Church.
- When a PAC Agreement is dissolved sometime after the evaluation period because the PAC desires to become a multisite of the Parent, the Parent Church assumes all of the assets and liabilities.
- When a PAC Agreement is dissolved sometime after the evaluation period because the PAC desires to become a General Council Church, the PAC now General Council Church will assume all of the assets. The Parent Church and PAC should negotiate the terms for any expected or anticipated return on investment.

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- If the PAC Agreement has continued after the evaluation period and is then later terminated, even if the termination occurs because of pastoral transition, the distribution of the PAC and its assets will be in accordance with the Articles of Incorporation and the Bylaws of the PAC.

Signatures (Both Print and Sign)

Pastor/Leader of Church to be Parented Date

Pastor of Parenting Church Date

Board of Church to be Parented Date

Board of Parenting Church Date