

The Terms of Gracious Dismissal

This agreement, dated as of _____, 2018, memorializes the recommendation of the Administrative Commission of the Presbytery of Philadelphia (and supersedes any previous oral or written agreements or understandings) between the Narberth Presbyterian Church (hereafter “NPC”) and The Trustees of the Presbytery of Philadelphia (hereafter referred to as “the Presbytery of Philadelphia” or the “Presbytery”), a presbytery of the Presbyterian Church (USA) (hereafter “PCUSA”), that NPC be given a gracious ecclesiastical dismissal from the Presbytery of Philadelphia to Heritage Presbytery of ECO: A Covenant Order of Evangelical Presbyterians (hereafter “ECO”) upon the following terms. This agreement shall be binding on the parties when the Stated Clerk of the Presbytery of Philadelphia receives written verification that the NPC congregation has approved this agreement, and the Presbytery of Philadelphia has approved the recommendation of the Administrative Commission. The effective date of NPC’s dismissal from PCUSA shall be the later of such dates or the date of receipt by the Stated Clerk of the Presbytery of Philadelphia of notification from the Stated Clerk of Heritage Presbytery that NPC has been accepted into ECO.

From and after the effective date (except as otherwise provided), the parties hereby agree:

1. That the ordained officers of the congregation, both ruling elders and deacons, shall be transferred from the Presbytery of Philadelphia and the PCUSA to the care of Heritage Presbytery of ECO. Ministers of Word and Sacrament, the Reverend Stephen N. Weed and the Reverend Dr. Deborah E. Watson, shall be granted permission from the Presbytery of Philadelphia to labor outside the bounds, and continue to serve NPC. Their status shall not affect the dismissal of NPC.
2. That the permanent records (including but not limited to all original rolls, registers, minutes and historical records) of NPC from its inception until its dismissal to ECO currently in the possession of the congregation shall be deposited with the Presbyterian Historical Society in Philadelphia for preservation and safekeeping. These records shall be made available for copying by NPC at their expense.

3. That in recognition of its 127-year covenant relationship with the PCUSA and its predecessors and taking into account the Presbytery's financial obligation under the Constitution of the PCUSA, NPC will provide to the Presbytery of Philadelphia the amount of \$375,000 to be paid in ten annual installments beginning September 30, 2018. Each installment shall be \$37,500 less the income the Presbytery of Philadelphia has received from Presbyterian Foundation Dr. Fredrick and Helen Sutliff Fund, account number 102241201967 under donor agreement 20070749, in the preceding twelve months. There shall be no prepayment penalty.
4. That NPC will reflect this new relationship by displaying the ECO name or logo on all outside signage, social media, church website and all official correspondence. NPC will remove references to PCUSA on its literature, advertising, website, signage, social media and all official correspondence.
5. That upon written notification of NPC's acceptance into ECO to the Stated Clerk of the Presbytery of Philadelphia, the Presbytery shall execute and deliver one or more quitclaim deeds in a form agreed upon by legal counsel for NPC and the Presbytery, together with any other documents the parties and their counsel deem necessary to relinquish any interest in any and all property of NPC, both real and personal, including the property at 201-205 Grayling Avenue, Narberth Borough, Montgomery County, Pennsylvania, where the church is located, and the adjacent parcel for the parking lot (collectively identified by tax parcel numbers 120001447008 and 120001447017).
6. That said dismissal will be without any encumbrance, however, should NPC cease to be a congregation of ECO or another Reformed denomination by action of the congregation within a five-year period from the date of its acceptance by ECO, in which case all the then held real and personal properties would revert to the Presbytery of Philadelphia. (Such reversion of property shall terminate on the five-year anniversary of this agreement.)
7. Upon execution of this Agreement (at the effective date), the parties acknowledge and hereby release each other from all civil and ecclesiastical claims, whether now known or unknown, arising from the relationship of the parties up to the date of the dismissal, plus one day.

8. That NPC shall hold harmless and indemnify the Presbytery of Philadelphia and the PCUSA of all claims from past or current employees and independent contractors of NPC for any accrued wages, salary, commission, bonus, pension, benefit and other compensation, as of the date of the agreement, and that the Presbytery of Philadelphia shall hold harmless and indemnify NPC from all claims from past or current employees and independent contractors of the Presbytery of Philadelphia for any accrued wages, salary, commission, bonus, pension, benefit and other compensation, arising out of any act or omission by the respective party.
9. That NPC and the Presbytery of Philadelphia represent that to the best of their respective knowledge, all their affairs have been and are being conducted in accordance with all applicable laws and rules of the Commonwealth of Pennsylvania, the Book of Order of the PCUSA, and bylaws of the Presbytery of Philadelphia. NPC further represents to the best of its knowledge that it has complied with its own Articles of Incorporation and bylaws.
10. That NPC represents and warrants that financial reports from the years 2012 to 2016 furnished to the Administrative Commission of the Presbytery of Philadelphia present fairly in all material respects the financial condition of the church and that there have been no material changes to the financial statements dated December 31, 2016 or to the financial prospects of the church since December 31, 2017 as of the date of this agreement.
11. That NPC represents and warrants that it has filed all returns and reports required to be filed by it in connection with federal, state, and local taxes (including withholding) and assessments applicable to NPC and its activities and acknowledges sole responsibility for any amounts due which may become known.
12. That NPC represents and warrants that it has continuously maintained property and casualty insurance on all real property owned of record by it, and will do so until the effective date of its dismissal to ECO, and agrees to hold harmless and indemnify the Presbytery of Philadelphia and the PCUSA against any past, present or future claims for personal injury or injuries occurring on such real property, environmental matters in connection with such real property, structural integrity of any building or any building component or system for which

NPC bears legal liability. The Presbytery will be named as an additional insured under NPC's policy until the effective date of its acceptance into ECO.

13. That approval by the Presbytery of Philadelphia of these terms is subject to written verification by NPC to the Stated Clerk of the Presbytery of Philadelphia that the terms of this agreement have been approved by the NPC congregation.
14. That the Presbytery of Philadelphia asserts that this arrangement is intended for the unique circumstances of this congregation and is not intended to establish any precedent for any other agreements now or in the future.
15. That each of the parties will cooperate with the other and with ECO taking such actions and in executing and delivering such documents, both before and after the effective date, as may reasonably be required to effect NPC's dismissal from PCUSA on the terms stated in this agreement.
16. That each of the parties acknowledges and agrees that in the event this agreement is breached or a breach is threatened, either party may seek specific enforcement or other enforcement of this agreement in the Court of Common Pleas of Montgomery County, Pennsylvania, and the other party will not object to the jurisdiction of such court or its power to grant such remedy or any other applicable equitable or legal remedy. No suit shall be commenced until the complaining / aggrieved party has given written notice and a request to cure, and has offered Christian conciliation, mediation, and/or Presbytery to Presbytery communication to resolve the issue before seeking court intervention. No suit shall be commenced before 60 days has passed since the Notice to Cure has been issued.

