

IN THE COURT OF COMMON PLEAS OF ALLEGHENY COUNTY, PENNSYLVANIA

CALVARY EPISCOPAL CHURCH, PITTSBURGH, PENNSYLVANIA, a Pennsylvania Non-Profit Corporation; ST. STEPHEN'S PROTESTANT EPISCOPAL CHURCH OF WILKINSBURG, PENNSYLVANIA, a Pennsylvania Non-Profit Corporation

THE EPISCOPAL DIOCESE OF PITTSBURGH, an unincorporated association, by Calvary Episcopal Church, Pittsburgh, Pennsylvania, as Trustee Ad Litem;

THE REVEREND DR. HAROLD T. LEWIS, Rector, Calvary Episcopal Church, Pittsburgh, Pennsylvania; PHILIP RICHARD ROBERTS, Senior Warden, Calvary Episcopal Church, Pittsburgh, Pennsylvania; and HERMAN S. HARVEY;

Plaintiffs,

v.

THE RIGHT REVEREND ROBERT WILLIAM DUNCAN, Bishop of The Episcopal Diocese of Pittsburgh; THE RIGHT REVEREND HENRY SCRIVEN, Assistant Bishop of The Episcopal Diocese Pittsburgh;

BABATUNDE FAPOHUNDA, ROBERT MANSON, JAMES MOORE, JOHN MORGAN, LYNN PATTERSON, DONALD PEPLER, THOMAS RAMPY, BRUCE G. SEILING, JOHN STEVENSON, RICHARD THOMAS, and DOUGLAS WICKER, all of whom are members of the Board of Trustees of The Episcopal Diocese of Pittsburgh;

THE REV. CATHERINE BRALL, KATHLEEN MARKS, THE REV. J. DOUGLAS McGLYNN, THE REV. SCOTT T. QUINN, and WILLIAM ROEMER, all of whom are members of the Standing Committee of The Episcopal Diocese of Pittsburgh; and THE EPISCOPAL DIOCESE OF PITTSBURGH, an unincorporated association;

Defendants.

CIVIL DIVISION

No. GD-03-020941

STIPULATION BY COUNSEL

Calvary Episcopal Church Pittsburgh, Pennsylvania, et al., Plaintiffs

Counsel for these Parties:

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THE RIGHT REVEREND ROBERT WILLIAM DUNCAN, Bishop of The Episcopal Diocese of Pittsburgh, et al., Defendants

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IN THE COURT OF COMMON PLEAS OF ALLEGHENY COUNTY, PENNSYLVANIA

CALVARY EPISCOPAL CHURCH,
PITTSBURGH, PENNSYLVANIA, et al.,

CIVIL DIVISION

v.

No. GD-03-020941

Judge Joseph M. James

THE RIGHT REVEREND ROBERT
WILLIAM DUNCAN, Bishop of The
Episcopal Diocese of Pittsburgh, et al.

STIPULATION BY COUNSEL

In amicable resolution of the above litigation, the undersigned counsel, respectively on behalf of the Plaintiffs, Defendants and the Intervenors, hereby stipulate as follows:

1. Property, whether real or personal (hereinafter "Property"), held or administered by the Episcopal Diocese of Pittsburgh of the Episcopal Church of the United States of America (hereinafter "Diocese") for the beneficial use of the parishes and institutions of the Diocese, shall continue to be so held or administered by the Diocese regardless of whether some or even a majority of the parishes in the Diocese might decide not to remain in the Episcopal Church of the United States of America. For purposes of this paragraph, Property as to which title is legitimately held in the name of a parish of the Diocese shall not be deemed Property held or administered by the Diocese.
2. (a) In the event a parish in the Diocese (hereinafter "Parish Church") shall elect to disaffiliate with the Diocese, the Parish Church shall give written notice of that election to the Diocese by delivering a copy of the notice, signed by the Rector and the Vestry, to the Diocesan Bishop (hereinafter "Bishop"), to the Board of Trustees of the Diocese (hereinafter "Board of Trustees"), to each member of that Parish Church and to the Rector and Vestry of each other Parish Church of the Diocese. Upon receipt of such notice, the Bishop and the Board of Trustees shall meet with representatives of that Parish Church and any other parties expressing an interest to discuss in good faith the disposition of all Property specifically held for or in the name of the Parish Church. If agreement on the disposition of such Property, including the consideration therefore, cannot be reached among such parties, the matter shall be submitted to mediation, with each party bearing its own costs thereof. Failing an agreement through mediation among all interested parties which have come forward to that point, any party having an interest may apply to or petition the Court of Common Pleas with jurisdiction of the matter for a judicial determination of the ownership rights in such Property at issue under and pursuant to the laws of the Commonwealth of Pennsylvania, giving at least 30 days notice of any hearing ordered by the Court.

(b) The terms of any disaffiliation agreed upon by the Parish Church, the Bishop and the Board of Trustees, whether by mediation or otherwise, shall not become effective earlier than forty-five (45) days after written notice of the terms of such agreement has been sent by mail, postage prepaid, by the Diocese to each member of the Parish Church which is

seeking to disaffiliate and to each parish of the Diocese, addressed to the Rector and to the Vestry.

(c) Nothing in this Stipulation shall be deemed to preclude any interested person or entity from seeking in a court of appropriate jurisdiction, at any time, a judicial determination as to any Property rights and obligations in connection with the disaffiliation of a Parish Church from the Diocese.

(d) The above provisions of this paragraph 2 do not apply to Property which is held generally by the Diocese for the beneficial use of the parishes and institutions of the Diocese. Such Property is subject to the provisions of paragraph 1.

3. In the event a Parish Church elects to disaffiliate with the Network of Anglican Dioceses and Parishes ("Network"), it may do so by delivering to the Bishop a written statement of disaffiliation signed by the Rector and Vestry with a copy to the Board of Trustees. Disaffiliation from the Network will not in any manner alter the relationship of the subject Parish Church and the Diocese.
4. Resolution Six, "Title to Property", passed by the September 27, 2003 Special Convention of the Diocese, has been withdrawn and is of no effect.
5. The Defendants have previously advised the Court and Plaintiffs that the November 2004 amendment to Article I, Section 1 of the Constitution of the Diocese merely relates to ecclesiastical matters, and not to Property rights.
6. By prior Stipulation of the parties and the Court Order dated December 23, 2003, certain funds that would have been due and payable by Plaintiff Calvary Episcopal Church ("Calvary") to the Diocese have been deposited in an interest bearing escrow account of counsel for Plaintiff Calvary (the "Escrow Account"). The Escrow Account shall be distributed as follows:

(a) Fifty Thousand Dollars shall be paid from the Escrow Account to the Episcopal Diocese of Pittsburgh;

(b) the balance of the funds in the Escrow Account on the date of disbursement shall be returned to Plaintiff Calvary Episcopal Church.

The December 23, 2003 Court Order relieving Calvary from making future payments to the Diocese is terminated effective November 1, 2005. Calvary shall not owe (nor be considered delinquent or in arrears to the Diocese regarding or deemed a Transition Parish by reason of) the payments made into the Escrow Account by Calvary (for the period prior to November 1, 2005) and distributed to Calvary and the Diocese under this paragraph.

7. It is expressly agreed that no party hereto, by entering into this Stipulation, has made any admission of wrongdoing or improper conduct in any way.

8. Without adversely affecting the validity and enforceability of the Court's Order below, the parties agree that their claims in this action have been settled and resolved, with the exception of the right of Plaintiffs to pursue herein their claim for recovery of attorneys fees, expenses, and costs.

Plaintiffs

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Defendants

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Approved and So Ordered:

Joseph M. James
President Judge Joseph M. James

Date: 10/14/05