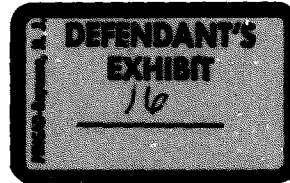


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IN THE SUPERIOR COURT OF WASHINGTON FOR KING COUNTY

DONALD L. BARNETT )  
 )  
Plaintiff, )  
 )  
v. )  
 )  
JACK A. HICKS, JACK H. DuBOIS and )  
E. SCOTT HARTLEY, individually )  
and as the Board of Directors )  
of COMMUNITY CHAPEL AND BIBLE )  
TRAINING CENTER )  
 )  
Defendants. )

NO. 88-2-04148-2

DECLARATION OF  
DONALD L. BARNETT

I am the Pastor of Community Chapel and Bible Training Center (hereinafter "Community Chapel") and I am making this declaration in opposition to the Defendants DuBois and Hartley's First Motion for Partial Summary Judgment.

I have personal knowledge of the matters stated herein and I am competent to be a witness herein.

1. I commenced my ministry a number of years prior to the formation of Community Chapel. In November, 1967, I formed Community Chapel as an independent church. The elders were

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206-467-1700

appointed by me pursuant to the terms of the original Articles of Incorporation.

1           2. I have reviewed the documents from the Secretary of  
2 State which are attached to the Declaration of Rodney G. Pierce  
3 These include the original documents of Community Chapel and the  
4 documents on file with the Secretary of State's office.

5           3. The Articles and Bylaws of Community Chapel do not  
6 provide me with unilateral control of the corporation. The  
7 index to the Bylaws provides a three-page summary of majorities  
8 in voting in the corporation. The first page of the index to  
9 majorities needed in voting indicates votes necessary for  
10 decisions by the Board of Senior Elders. There is no indication  
11 of any presidential or pastoral control. Likewise, on page 2  
12 and page 3 of the index to the Bylaws, additional majorities are  
13 needed for voting in the Board of Senior Elders, the  
14 congregation, the eldership and the deacon board.

15           4. The Articles of Incorporation provide that the Pastor's  
16 concurrence will be necessary for purposes of amendments to the  
17 Articles of Incorporation and amendments to the Bylaws. This  
18 does not indicate that the Pastor will control the corporation.  
19 In fact, the Senior Elders have always taken the position that  
20 the Board of Senior Elders controls the business of Community  
21 Chapel.

22           5. The elders take the position that the salary which is  
23 paid to me is extremely high; however, it should be pointed out  
24

25           DECLARATION OF  
DONALD L. BARNETT - 2

1 that I did not have a vote in determining the salary that was  
2 going to be given to me (See Exhibit "A", Bylaws, Pg. 7, Section  
3 III, Articles Six and Seven). In fact, the salary that is  
4 provided is not unreasonable based upon the amount of time and  
5 energy extended in forming the church, teaching, and in the  
6 ministry of Community Chapel.

7 6. The Senior Elders of Community Chapel have determined  
8 what the salary is and I think it is unreasonable for them now  
9 to say that I should have a conflict of interest because of the  
10 salary that they determined that I should get. If they decided  
11 that I should have \$500,000 a year, would that mean that I would  
12 have a greater conflict of interest because they determined and  
13 set my salary. The salary that is provided is not unreasonable  
14 and is in line with other pastors who have been in charge of  
15 their ministries for similar periods.

16 7. The Senior Elders take the position that I should not  
17 have a right to concur in the vote for amendments to the  
18 Articles and Bylaws. This is the way the corporation was  
19 initially set up. In fact, each of these defendants, when they  
20 modified the Articles of Incorporation in 1981, signed Articles  
21 of Amendment which again reincorporated the same provision  
22 giving the Pastor the right to concur in any amendments to  
23 Articles of Incorporation and Bylaws.

24 8. The Pastor of Community Chapel has the final decision  
25 in the church on spiritual matters and the Board of Senior

DECLARATION OF  
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Elders is not to direct the activity of the church or to interfere with the pastoral rights. The obvious purpose of this is to allow for the freedom of dissemination of the religious views that have been nurtured and evolved over a lengthy period of time. I have attached hereto as Exhibit "A" a copy of the most recent Bylaws of Community Chapel dated April 6, 1988, which each of the Senior Elders has executed (See page 6, Article Eleven; page 14, Article One).

9. A review of the Bylaws will describe the direct control of the Board of Senior Elders. Review Bylaws page 5, Division One, Article Six.

10. During the time period that I have been the Pastor and President of Community Chapel, there has not been an exercise of authority which could not be overridden by the Board of Senior Elders. The only area that was directly under my control and which the Senior Elders could not take any action in is with regards to pastoral authority. I believe the overriding reason for the actions taken by the Senior Elders is a difference in religious doctrines. The activity of the Senior Elders is designed to gain control of the church in areas where they have not had the ability to control pastoral decisions.

11. Throughout the history of Community Chapel, the Senior Elders have never appealed to me or requested that I change my mind or reverse any action that I have made in any position for the church or for the corporation.

DECLARATION OF  
DONALD L. BARNETT - 4

12. On March 4, 1988, there was no meeting of the Board of Senior Elders. I had made arrangements for each of the three Senior Elders to meet me at separate hours at my residence to discuss the Community Chapel problems and see if there could be a resolution to religious and philosophical differences which existed between each of them and myself. The Elders decided not to meet individually but came to my residence in a group. I told them I wanted to discuss my support and authority in the church, nothing else. There was no vote taken in favor of any amendment. In fact, the word "amendments" never even came up at the time that the Elders came. The word "articles" never came up. The word "bylaws" never came up. There was no discussion of Bylaws. No meeting had been called by the Board for amendment of the Articles or Bylaws. It was never indicated to me that anyone wanted amendments to the Bylaws.

13. After the elders left, they apparently executed the Articles of Amendment which they filed with Olympia. At no time did they indicate in any manner that there would be further meetings of the Board of Senior Elders or that any additional action was going to be taken. No notice was provided to me, nor do I think that any of the Elders will say that they told me that they had planned for a meeting later that day.

14. I think it was unfair and improper for the Board of Senior Elders to hold meetings without any notice to me and

DECLARATION OF  
DONALD L. BARNETT - 5

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without any opportunity to appear and argue for or against whatever matters were to be brought up.

1           15. The Senior Elders have a conflict of interest in  
2 holding meetings, without notice and without my presence, to  
3 approve matters in which they would obtain a personal advantage.  
4 The purpose was eventually to be able to remove me from my  
5 pastoral position so they would be able to espouse religious  
6 principles which were different from the Pastor and members of  
7 the congregation.

8           16. The steps taken by the Senior Elders follows a pattern  
9 as follows: First, they amended the Articles of Incorporation  
10 which had been existence since the formation of Community Chapel  
11 and which gave me a right to concur in any changes to the rules.  
12 Second, once they had the Articles changed so that they could  
13 amend the Bylaws, they held a secretive meeting, without my  
14 presence or without notice to me, to amend the Bylaws. A review  
15 of the March 4, 1988 claimed Resolution to Amend Bylaws will  
16 indicate that the Senior Elders had basically removed areas  
17 relating to activity by the Pastor. The predominant indication  
18 is that the provisions being changed are those relating to  
19 pastoral authority. Third, later on March 4, 1988, they again  
20 had another meeting between themselves without any notice to me.  
21 Finally, on March 10, 1988, they took action which was claimed  
22 to be a Resolution to Amend Bylaws (See Exhibit "D" to the  
23 Certification of Jack DuBois). This resolution states in the  
24

25           DECLARATION OF  
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1 first paragraph that it was "to provide that final authority for  
2 disfellowshipping rests with the Board". This final step of  
3 arriving at disfellowshipping was to grant to them the authority  
4 to make decisions with regards to whether or not an individual  
5 member of the congregation would be put out of the church. This  
6 right to disfellowship has always been under the authority of  
7 the Pastor.

8 17. It was understood when Community Chapel started that  
9 I would be giving up benefits from prior work and I would be  
10 leading my family into an area where there were no guarantees  
11 for my family or that we would be able to build the church in  
12 the future. It was understood that I would be the director of  
13 Community Chapel and that I would not be able to be removed  
14 during my lifetime. In the event of any disagreement, it was  
15 understood that my interpretation of the Bible and doctrines and  
16 wisdom would prevail over all others.

17 18. While I am an ex-officio member of the Board of  
18 Elders, there is no provision for removing me from my position  
19 with Community Chapel. The Articles of Amendment adopted,  
20 ratified and approved by the Board of Senior Elders in 1981 were  
21 prepared after Bylaws were adopted which specifically declared  
22 that the Pastor could not be removed.

23 19. Although the Senior Elders claim that there are  
24 extraordinary powers which have been provided to me in the  
25 Bylaws, there is no indication that any abuse of these

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extraordinary powers has ever occurred. The Senior Elders do not indicate that they unanimously granted these powers to the Pastor when they last prepared Articles of Amendment in 1981. (See Declaration of Rodney G. Pierce.)

20. Whenever any decision had to be made with regards to the Board of Senior Elders, and if it involved myself, full disclosure was always made. Areas like voting on the salary for the Pastor was made by the Board of Directors and was exclusively in their jurisdiction.

21. The powers of the Pastor have again been re-adopted by the April 6, 1988 revised Bylaws of Community Chapel (Exhibit "A"). The provisions granting the power to the Pastor have been reinserted. The Bylaws were prepared under the direction of the Senior Elders and executed by them. No coercion or pressure was used to force them to execute the Bylaws. The Bylaws, as they were executed, were in the Senior Elders' possession both before they were executed and after I executed the document.

22. It was the desire of the congregation, prior to the acts of the Senior Elders, that the Pastor would hold the positions granted to him in the Bylaws. The congregation wanted this authority in their Pastor. It is based on a religious conviction of a hierarchial church government. The scriptures have never set a democratic government for the church, but rather have set the Pastor over the Elders and the Elders over the congregation.

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23. It has been our position to form a church government that abides by the scriptures as we see it without interference by the state. This has clearly been the religious basis for the separation of church and state doctrine. The Elders attempt now to change the doctrinal direction of the church, which has been in existence for 20 years, is contrary to the theology that we have always held. The Pastor is in charge of the theology of Community Chapel. It is not subject to a Board decision. It is our position that they have not been called by God to pastor the church, but to work as Elders under the Pastor. Their purpose as Elders in the church are not to decide the various action of the church but rather to allow the Pastor to receive revelations and to decide the direction that the church will be lead into in the future.

24. The main purpose of Community Chapel, as we organized it, is to propagate the Christian faith and spread the gospel of Jesus Christ as revealed through the Holy Scriptures. (See Exhibit "A", Bylaws, page 1). Our church government is designed on the basis of allowing the Pastor to control the services and the direction of the church. This is a standard procedure for thousands of non-denominational churches.

25. The Elders are desirous of pursuing a position that would allow the state to take away the power of the church to follow its understanding of the scriptures and such action would violate the Constitution. It would set a precedent that would

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be far reaching, affecting many thousands of churches throughout the United States.

1           26. Contrary to the current position of the Elders, all  
2 the parties considered myself, with the various amendments of  
3 the Articles and revisions of the Bylaws, to have the right and  
4 benefit to preach and to remain as the Pastor of Community  
5 Chapel during my lifetime. This is part of the benefit that  
6 members of the congregation looked for when they came to  
7 Community Chapel. This formed a basis for the religious  
8 principles of Community Chapel.

9           27. According to the scripture, the Elders are under the  
10 Pastor, not over him, and if there is a doctrinal dispute  
11 between the Pastor and the Elders, that question must defer to  
12 the Pastor whom God has set over the church.

13           28. It is our scriptural position that the Elders cannot  
14 remove a Pastor because they are under him and a person can only  
15 remove those who are under his authority.

16           29. I think, that upon review of all the facts, it will be  
17 shown that the two Senior Elders, Jack DuBois and E. Scott  
18 Hartley, have violated their fiduciary relationship with  
19 Community Chapel. This includes various acts which they have  
20 taken such as the filing of the action to dissolve Community  
21 Chapel. With the intent to benefit, as expressed by E. Scott  
22 Hartley that he would want to direct the receiver as to where  
23 the assets should be transferred, I think this and various other  
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25           DECLARATION OF  
DONALD L. BARNETT - 10

actions of DuBois and Hartley have violated their fiduciary duties. Their actions include, but are not limited to: usurping the authority of the Pastor and President; violating the rights set out in Bylaws and Articles of Incorporation and direct orders; approving and ratifying the directions to employees and letter to the President that employees were not going to follow the President; other actions to undermine the President; breaking confidentiality guaranteed in meetings; taking control of meetings and exercising authority to control without support, notice or consent; misrepresenting attempts to amend Bylaws and Articles when they knew or should have known that they were not legal; taking steps to take over Community Chapel; and misrepresenting the President/Pastor to members of the congregation.

30. When the corporation was suffering and the Senior Elders knew of the problems (and specifically indicated in depositions that offerings were down 50%), they refused to take steps to see that sufficient income was brought in to maintain Community Chapel. The Senior Elders advised members following them not to give their regular offerings and tithes and then directed reduced offerings.

31. Eventually, the Senior Elders got involved in and supported the creation of the elder's BLM fund as a separate account for the receipt of various offerings and tithes, which were not turned over to Community Chapel.

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DONALD L. BARNETT - 11

32. While the Senior Elders were holding their services and limited offerings were being made by the Elders' employees, the accumulated cash reserves at Community Chapel were being used by the Senior Elders and members of their congregation in payment of their own salaries. A fund of approximately \$600,000 had been specifically reserved, by a unanimous vote of the Board of Senior Elders, to pay on the balloon payment for the real property lien. The Elders proceeded to use these funds to pay the very same members of the Elders' congregation who were not making their tithes and offerings. Further, the funds were being used by the Elders, who controlled the disbursement of the funds, for the payment of many non-essential expenses such as seminars for the Senior Elders and their wives.

33. During the more than 20 years since the formation of Community Chapel, both the past and the present Senior Elders, have consented to, acknowledged and protected the rights of the Pastor and President under the Articles of Incorporation and the Bylaws of Community Chapel. They have voted, through the ratification of various amendments to the Articles of Incorporation, to maintain the right of concurrence with the Pastor. The members of the congregation, including myself, have acted in reliance upon the Senior Elders continuing to confer the authority and concurrence right on the Pastor.

34. I have acted as the President, Chairman and Pastor of Community Chapel for over 20 years. Based in part upon my

DECLARATION OF  
DONALD L. BARNETT - 12

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reliance on the actions of the defendants, I and numerous members of Community Chapel have volunteered our time and energy and have tithed and given our resources to and for the church. The members of the congregation have relied on the belief that I was and would remain the Pastor and President of Community Chapel.

I declare that at the undersigned place on the undersigned date under penalty of perjury of the laws of the State of Washington that the foregoing is true and correct.

DATED: 11/8/88  
PLACE: Palm Springs

Donald L. Barnett  
Donald L. Barnett

DECLARATION OF  
DONALD L. BARNETT - 13

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