

## Settlement Agreement

*January 10, 2008*

The Presbytery of St. Andrew, Presbyterian Church (U.S.A.), Inc (“Presbytery”) and First Presbyterian Church of Corinth, Mississippi (“FPC Corinth”) hereby enter into the following agreement when this document is duly approved and executed by the Presbytery and the Session of FPC Corinth or its assigns.

WHEREAS, the Presbytery and FPC Corinth do not agree on the matter of whether or not the Trustees of the congregation hold the property in trust for the Presbyterian Church (U.S.A.), and

WHEREAS, the Session of FPC Corinth did on February 5, 2007 file a preemptive lawsuit against the Presbytery in the Circuit Court of Alcorn County, Mississippi, in anticipation of legal action by the Presbytery to uphold the Constitution’s property trust clause, and

WHEREAS, the Presbytery’s Administrative Commission after consultation with the FPC Congregation and Session agreed to authorize a congregational meeting in accordance with our Constitution for the purpose of requesting Presbytery’s approval for dismissal with its property, and

WHEREAS, the Congregation of FPC Corinth at a duly constituted meeting on December 23, 2007 with more than 55% of its Active Members present and voting did by a majority of 246 to 14 (94.6%) vote to request that it be dismissed to the Evangelical Presbyterian Church with its property, and

WHEREAS, the Presbytery and FPC Corinth desire to settle fully and finally the lawsuit and resolve any and all disputes or other matters of any nature, whether ecclesiastical or civil, including, without limitation, all acts or omissions by and between the Presbytery and FPC Corinth that may have occurred at any time up to and including the date of this Settlement Agreement,

NOW, THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and upon condition that the Presbytery of St. Andrew approves this Settlement Agreement and Joint Stipulation of Dismissal with Prejudice attached as exhibit “A” hereto, it is agreed between the Presbytery and FPC Corinth as follows:

1. This Settlement Agreement is entered into because the Presbytery and FPC Corinth have concluded that it is in the best interests of both parties to settle their differences on the terms set forth herein, and to avoid the further expense, delay, inconvenience, burden, and uncertainty of continued litigation (including appeals from any verdicts).
2. The Session acknowledges that it is subject to and is bound by the Constitution of the Presbyterian Church (U.S.A.), and may only depart from our communion in accordance with the provisions of the *Book of Order* which is Part II of that Constitution.

3. The Session acknowledges that the only Constitutionally sanctioned methods for departure from the Presbyterian Church (U.S.A.) are: 1) as individuals, by the transfer of membership by the proper governing body or by the renunciation of jurisdiction, and 2) as a congregation, by action of its presbytery to dismiss the congregation from its jurisdiction to the jurisdiction of a similar governing body in another Reformed Church.
4. The Presbytery agrees to dismiss FPC Corinth to the Evangelical Presbyterian Church for the total sum of \$150,000 which shall be paid as follows:
  - a. \$ 25,000 shall be paid to the Presbytery within 30 days of the congregation's dismissal to the Evangelical Presbyterian Church (the "anniversary date").
  - b. Annual payments of \$25,000 shall be paid to the Presbytery for a total of 5 additional years, which shall be due on the anniversary date of each of these 5 subsequent years.
5. Upon receipt of the first payment noted in number 4 above, the Presbytery shall quit claim to FPC Corinth all its right, title, and interest in and to any real or personal property, including financial assets and any present or future interest therein, now or hereafter claimed by Presbytery, including, without limitation, the real property that is the subject matter of the lawsuit or otherwise claimed by FPC Corinth, and all other personal or real property presently in the possession, custody, or control of FPC Corinth.
6. Within three (3) business days of the approval this Settlement Agreement and Joint Stipulation of Dismissal with Prejudice attached as exhibit "A" hereto by the Presbytery of St. Andrew, the parties and their attorneys shall execute the Joint Stipulation of Dismissal with Prejudice and submit it to the court for approval, execution, and entry.
7. The Presbytery and FPC Corinth further agree, promise, and covenant that they will not file, charge, claim, sue, cause or permit any further action against each other in any civil or ecclesiastical court, and that their relationship with each other is hereby fully and completely severed, except as regards the fulfillment of the terms of this agreement.

IN WITNESS WHEREOF, the undersigned hereby execute this Settlement Agreement on this the \_\_\_\_\_ day of \_\_\_\_\_, 2008.

\_\_\_\_\_  
CLERK OF SESSION OF THE  
FIRST PRESBYTERIAN CHURCH  
OF CORINTH, MISSISSIPPI

\_\_\_\_\_  
STATED CLERK, PRESBYTERY OF  
SAINT ANDREW, PRESBYTERIAN  
CHURCH (U.S.A.), INC.