

LIVING HOPE COMMUNITY CHURCH
AND
FIRST BAPTIST CHURCH OF DOYLESTOWN

PLAN OF MERGER

LIVING HOPE COMMUNITY CHURCH, a Pennsylvania nonprofit corporation with a principal office located at 22H, West Route 313, Perkasio, Pennsylvania 18944 ("**LHCC**"), and **FIRST BAPTIST CHURCH OF DOYLESTOWN**, a Pennsylvania nonprofit corporation, with a principal office located at 311 W. State Street, Doylestown, Pennsylvania 18901 ("**FBC**"), in consideration of their mutual covenants, and for other valuable consideration, the receipt and sufficiency of which is hereby acknowledged and agreed, and intending to be legally bound, hereby agree to the following plan of merger (the "**Plan of Merger**") which has been developed in accordance with and subject to **15 Pa.C.S.A. Section § 332**.

FBC and LHCC intend to merge (such merger is referred to herein as the "**Merger**") under and pursuant to the terms of this Plan of Merger. The Merger will occur under and subject to the terms, conditions and provisions of 15 Pa.C.S.A. Section § 331–336 (referred to herein as the "**Merger Statute**") which is a part of 15 Pa.C.S.A. Section §101 et seq. (referred to herein as the "**Associations Code**").

The Sections below correspond to the subsections of 15 Pa.C.S.A. Section § 332(a), entitled "Plan of Merger." Immediately following each Section heading is the quoted text of the relevant provision of § 332(a). Immediately following the quoted text of the Merger Statute are the responses of the parties to the information requested by Section § 332(a). Capitalized terms used below shall have the respective meanings given to such terms in this Plan of Merger, the Merger Statute, the Associations Code, or applicable law.

LHCC and FBC are both domestic entities (Pennsylvania nonprofit corporations) under the Merger Statute, and will become party to this Plan of Merger pursuant to the approval by both parties in accordance with the provisions of their respective Articles of Incorporation, Constitutions, Bylaws, and other governing instruments, and applicable law.

Section 1. Name, Jurisdiction of Formation and Type. "(1) As to each merging association, its name, jurisdiction of formation and type."

(a) The name, jurisdiction of formation and type of each merging association is as follows:

(1) **LIVING HOPE COMMUNITY CHURCH**, a Pennsylvania nonprofit corporation, incorporated in the Commonwealth of Pennsylvania on December 29, 1997, with a principal office located at 22H, West Route 313, Perkasio, Pennsylvania 18944 ("**LHCC**"); and

(2) **FIRST BAPTIST CHURCH OF DOYLESTOWN**, a Pennsylvania nonprofit corporation, originally incorporated in the Commonwealth of Pennsylvania on

December 26, 1868, with a principal office located at 311 W. State Street, Doylestown, Pennsylvania 18901 (“FBC”).

Section 2. Surviving Association. “(2) If the surviving association is to be created in the merger, a statement to that effect and the association's name, jurisdiction of formation and type.”

The following statement describes the name, jurisdiction of formation and type of the surviving association to be created in the Merger:

First Baptist Church of Doylestown will be merged **with and into** Living Hope Community Church. Living Hope Community Church, a Pennsylvania nonprofit corporation which is in existence prior to the Merger, shall be the surviving association (LHCC, as merged with FBC, is referred to herein as the “**Surviving Association**”).

Section 3. Conversion of Interests.

“(3) The manner, if any, of:

- (i) converting some or all of the interests in a merging association into interests, securities, obligations, money, other property, rights to acquire interests or securities, or any combination of the foregoing; or
- (ii) canceling some or all of the interests in a merging association.”

Other than memberships, neither of the merging associations are authorized to issue stock, securities, or other “interests” as that term is used in the Statute. Both merging associations are membership associations. As of the date hereof, FBC has approximately 85 members and LHCC has approximately 250 members. The members of FBC will be eligible to become members of LHCC, but will not automatically become members of LHCC as a result of the Merger.

The current requirements for membership at LHCC are: (a) a clear confession of faith in Jesus Christ as Lord and Savior; (b) baptism; (c) agreement to live within the structure of the constitution and doctrinal statement of LHCC; (d) attainment of 12 years of age (members under age 18 are not be accorded voting privileges, but may contribute to the church’s decision making process); (e) commitment to support the church through prayer, ministry and giving; and (f) completion of LHCC’s membership course. FBC's membership requirements are: (1) baptism by immersion upon a credible confession of faith; (2) association with the body of believers at FBC for worship, instruction, evangelism and service, (3) commitment to support the church through prayer, ministry and giving; and (4) completion of FBC's membership course. FBC members and attendees will have several opportunities in the first few months post-Merger, through a series of membership classes, to become members of LHCC.

Section 4. No Proposed Amendments to Articles of Incorporation, Constitution, Bylaws, or Other Organic Rules of LHCC.

“(4) If the surviving association exists before the merger, any proposed amendments to:

- (i) its public organic record, if any; or
- (ii) its private organic rules that are or are proposed to be in record form.”

The surviving association, LIVING HOPE COMMUNITY CHURCH, exists before the Merger and will continue to exist after the Merger. The Merger will not result in any amendments to: (1) the public organic record of LHCC (i.e., its Articles of Incorporation); or (2) the private organic rules of LHCC (i.e., its Constitution and Bylaws).

Section 5. The Merger will Not Create a New Surviving Association.

“(5) If the surviving association is to be created in the merger:

- (i) its proposed public organic record, if any; and
- (ii) the full text of its private organic rules that are proposed to be in record form.”

The surviving association will be LIVING HOPE COMMUNITY CHURCH, which exists before the Merger, and will not be created as a result of the Merger. The Merger will not result in any amendments to: (1) the public organic record of LHCC (i.e., its Articles of Incorporation); or (2) the private organic rules of LHCC (i.e., its Constitution and Bylaws).

Section 6. Provisions Providing Special Treatment of Interests.

“(6) Provisions, if any, providing special treatment of interests in a merging association held by any interest holder or group of interest holders as authorized by and subject to section 329 (relating to special treatment of interest holders).”

There will not be any special treatment of interests of either merging association. Other than the members of LHCC and FBC, there are no interest holders or group of interest holders with respect to either merging association. There will not be any reliance upon, or actions taken, pursuant to Section 329 of the Associations Code.

Section 7. Other Terms and Conditions of the Merger.

“(7) The other terms and conditions of the merger.”

(a) **Assets and Liabilities of FBC.** Pursuant to the Merger, FBC will be merged with and into LHCC. LHCC exists prior to the Merger and LHCC shall be the surviving association (the "**Surviving Association**"). FBC will not exist as a separate association after the Merger.

(1) **Assets of FBC.** Effective as of the Effective Date of the Merger:

(A) Except as otherwise provided below, all Assets of FBC in existence on the Effective Date of the Merger (the “**FBC Assets**”) will be vested entirely in, and shall be owned by, the Surviving Association. The term “**FBC Assets**” shall include all of FBC’s assets of any kind, whether real or personal, tangible or intangible, including but not limited to all real estate, deposit accounts at banks and financial institutions, investments, equipment, fixtures, furniture, furnishings, goods, choses in action, books, records, files, papers, instruments, documents and the name "First Baptist Church of Doylestown.” LHCC does not currently intend to use the name, or do business as, "First Baptist Church of Doylestown," but is not precluded from doing so. Post-Merger, the Surviving Association will use geographic locations to identify its two campuses (each a “**Campus**”). Post-Merger, First Baptist Church of Doylestown will adopt the name “Living Hope Community Church” but will be known as the “Living Hope--Doylestown Campus.” LHCC may refer to its current campus as the “Living Hope–Dublin Campus.” Currently there is no intent to sell any real estate pursuant to the Merger. LHCC intends to keep FBC’s real estate in Doylestown (the “**Doylestown Campus**”) and to maximize its use for Kingdom impact. The Doylestown Campus is strategically located in the borough of Doylestown at 311 West State Street. The vision for reaching the community of Doylestown is unwavering. Post-Merger, the Surviving Association will initiate a capital campaign for the Doylestown Campus’ renovation and relaunch.

(B) The Surviving Association will fully comply with the requirements of 15 Pa.C.S.A. Section § 314, which provides as follows:

“(c) **Charitable assets.**--Property held for a charitable purpose under the laws of this Commonwealth by a domestic or foreign association immediately before a transaction under this chapter becomes effective may not, as a result of the transaction, be diverted from the objects for which it was donated, granted, devised or otherwise transferred unless, to the extent required by or pursuant to the laws of this Commonwealth concerning cy pres or other laws dealing with nondiversion of charitable assets, the domestic or foreign association obtains an appropriate order of a court of competent jurisdiction specifying the disposition of the property.”

(i) **Restricted Funds.** Certain funds of FBC are “restricted” because the donors of such funds restricted their use and FBC agreed to receive such donations subject to such restrictions. All restrictions placed on restricted donations of FBC will be honored by the Surviving Association. The Board of FBC, or the Board of the Surviving Association, may seek the agreement of the original donor(s) to remove any restrictions on restricted accounts.

(ii) **Designated Funds.** Certain funds of FBC are “designated” for a particular purpose. Designated funds will be used for the purposes designated, and otherwise in accordance with applicable law, unless a release, change, or waiver of designation occurs through proper legal action.

(iii) **Bequests and Legacies.** Gifts, bequests, legacies and similar distributions to be paid in the future to FBC upon the occurrence of a future event or the satisfaction of a future condition (for example, the death of a person who has named FBC in his or her Will, or the termination of a trust for which FBC is a residuary beneficiary) may be designated by the donor for general ministry purposes or for specific purposes. Post-Merger, all such gifts, bequests, legacies and similar distributions shall be deemed both by FBC and by LHCC to be the property of LHCC as full successor in interest to FBC, and will be used by LHCC for the purposes designated by the donor, and otherwise in accordance with applicable law, unless a release, change, or waiver of designation occurs through proper legal action.

(C) **Good Beginnings Preschool and Kindergarten.** FBC owns and operates an unincorporated nursery school and kindergarten doing business as “Good Beginnings Preschool and Kindergarten.” Post-Merger, the Surviving Association will continue to operate Good Beginnings Preschool and Kindergarten, subject to Post-Merger evaluation and management of this ministry by the leadership of LHCC.

(2) **Liabilities and Contracts.** The Surviving Association will assume all liabilities of FBC in existence on the Effective Date of the Merger. FBC has no mortgage debt, long term debt or bank debt. FBC has credit card debt, and there will be outstanding bills as of the Effective Date of the Merger, all of which will be assumed by the Surviving Association. The Surviving Association will honor all contracts of FBC in existence on the Effective Date of the Merger. As of March 1, 2022, LHCC has a current debt of approximately \$1.5 million.

(3) **Budget and Finances.** Post-Merger, the Surviving Association (i.e., LHCC) will be one church, having one vision, one mission, one leadership team, one staff and one congregation. As one church in two locations, LHCC will operate under a single budget. Post-Merger, giving, budgets and current account balances from LHCC and FBC will be combined and managed by LHCC.

(4) **Mission, Ministries and Programs.**

(A) **Mission, Vision, Values, Strategy and Worship Style.** Currently, the visions of both LHCC and FBC churches are compatible with one another, and the vision of the Surviving Association will remain true to the visions of both churches. The vision of LHCC is “to lead others to Jesus through building relationships, cultivating community and inspiring hope.” The vision of FBC is “to lead all people to life and growth in Jesus Christ and increasingly seek to love God, love others, and share Jesus.” LHCC intentionally makes disciples in relational environments with a missional mindset--a process called “Relational Discipleship”--which drives all LHCC ministries. FBC has a strong focus on discipleship, especially in the context of Life Groups. Post-Merger, existing FBC Life Group leaders will be offered both training and coaches to align their process and methodology with that of LHCC. Both churches believe that singing, prayer, communion, and giving (tithes and offerings) are all forms of worship. Post Merger, the worship services at both campuses will reflect the values and

vision of LHCC.

(B) **The Preaching Ministry.** Currently, LHCC strives to preach the whole counsel of God (Acts 20:26-27) exegetically within a three-year period, prayerfully discerning the congregation's spiritual needs, and FBC employs an appropriate blend of both exegetical and topical teaching based upon the season and nature of FBC's congregation's spiritual needs. The preaching trends of both churches will continue post-Merger. Weekend teaching will ideally be live at both Campuses, with the capability to use a mixture of video and live programming as necessary to connect the two locations.

(C) **Other Programs.** LHCC's programming includes: NextStep conversations specific to Sunday mornings--Starting Point, Mission Point, Grace Point, Baptism and Membership; Family Ministry, including ministries for children, students and young adults; Life Groups; and focus ministry groups throughout the week. FBC's programming includes Life Groups and Ministry for Kids and Students in order to grow the love of God ("UP"), love for one another ("IN") and sharing Jesus through opening our lives in word and deed ("OUT"). After the Merger, programming at both campuses will maintain the priority of Relational Discipleship. "Intentional, Relational and Missional" are the three criteria by which ministries will be evaluated on a regular basis.

(5) **Missionaries.** LHCC and FBC currently support local, regional and global missions organizations and missionaries. The Surviving Association will honor FBC's current commitments to its missionaries for at least two years post-Merger. During this two year period, the Board and Leadership of the Surviving Association will evaluate the alignment of the mission and vision of all missionaries for continued support.

(6) **Personnel and Staff.**

(A) Eugene Miller currently holds the role of Lead Pastor of LHCC. Post-Merger, each Campus will be under the leadership and supervision of the Campus Pastors who are overseen by the Staff and Elders of LHCC.

(B) Currently, LHCC employs eight full-time, and three part-time, staff, and FBC employs three part-time staff. All employees serve "at will." Post-Merger, LHCC will retain, at current pay, all current FBC staff. FBC staff will be trained consistent with the typical onboarding, evaluating and mentoring of all employees of LHCC.

(7) **Governance, Boards, and Committees.**

(A) Currently, both LHCC and FBC have active Elder Boards (each a "Board") which assist in the governance of the respective churches. Post-Merger, the current Board of LHCC will be the sole Board of the Surviving Association. Elders must meet the biblical qualifications of 1 Timothy 3 and Titus 1. Post Merger, the Elders of FBC will serve until December 31, 2022 in an advisory/shepherding capacity.

(B) Post-Merger, local Campus leadership will be primarily led by the Campus Pastor with oversight from the staff and Elders of LHCC. LHCC has directors and leaders whose teams serve in specific areas of ministry and operations. Currently, FBC has leaders of committees for ministry. Post-Merger, LHCC will be responsible to assign teams to meet the needs of both Campuses including Life Groups and all ministry groups. All FBC committees that are not converted to teams will be phased out as soon as reasonably possible, with the timing at the discretion of LHCC.

(b) **Merger Implementing Actions and Procedures.** LHCC and FBC shall comply with all of the requirements of 15 Pa.C.S.A. Section § 322 entitled “Approval by Nonprofit Corporation.”

(1) **Approval by Boards.** This Plan of Merger shall first be approved by a vote of the Boards of LHCC and FBC prior to March 6, 2022, and such votes shall be recorded in the Minutes of the Boards of each church. After approval of the Plan of Merger by the Boards and the Members of both churches, the FBC Board shall continue to operate as a separate and independent Board until the Effective Date of the Merger, at which time the FBC Board shall dissolve. The FBC Board shall obtain the prior written approval of the LHCC Board for all substantive decisions of the FBC Board from the date of approval of this Plan of Merger until the Effective Date of the Merger, which LHCC Board approval shall not be unreasonably delayed or denied.

(2) **Approval by Members.** After the approval of this Plan of Merger by the Boards of both LHCC and FBC, this Plan of Merger shall be promptly submitted to the members of each church, and must be approved by a vote of the members of LHCC and FBC at special meetings of the congregations of each church. Currently, both LHCC and FBC plan to have congregational meetings for membership vote to approve this Plan of Merger on March 20, 2022. Both LHCC’s Bylaws and FBC’s Bylaws require a quorum of voting members to be present in order to obtain a vote of affirmation. The Plan of Merger shall be adopted upon receiving the affirmative vote of at least a majority of the members entitled to cast votes who are present at the respective March 20, 2022 LHCC and FBC church member meetings.

(3) **Notice of Meeting of Members.** On or before March 6, 2022, written notice (“**Notice**”) of the meeting of members that will act on the proposed Plan of Merger shall be given to each member of record, whether or not entitled to vote thereon, of each church. A copy of this Plan of Merger shall be enclosed with the Notice. The Notice shall state that a copy of the Bylaws of LHCC as they will be in effect immediately following the Effective Date of the Merger will be furnished without cost to any member of either church upon request. True and correct copies of LHCC’s Articles of Incorporation, Constitution and Bylaws may be found on LHCC’s website.

(4) **Tax Clearance Certificates.** The parties do not currently believe that the Merger Statute requires that the merging associations apply for or obtain “clearance certificates from the Department of Revenue and the Department of Labor and Industry,

evidencing the payment by the association of all taxes and charges due the Commonwealth required by law” (referred to herein as “**Tax Clearance Certificates**”). See 15 Pa.C.S.A. § 335 (a) and 15 Pa.C.S.A. § 139. However, if either church subsequently determines that it is necessary to apply for and file Tax Clearance Certificates, the parties will comply with any such legal requirements.

(5) **Approval by Attorney General.** The parties will provide notice of this Plan of Merger to the Charitable Trust and Organization Section of the Office of the Attorney General of the Commonwealth of Pennsylvania (the “**Attorney General’s Office**”). The notice to the Attorney General’s Office will include a copy of this Plan of Merger and such additional information and documentation as may be requested by the Attorney General’s Office, including the nature of changes being made by the Merger, the existence and treatment of restricted funds, any sale of real estate (there will not be any such sale), and similar matters. The Attorney General’s Office will be furnished copies of the authorizing Resolutions, copies of the Articles of Incorporation, Constitution and Bylaws of each church, and information regarding restricted funds. After the Attorney General’s Office has completed its review of such information and documentation, it is expected that the Attorney General’s Office will issue its “No Objection” letter, advising that the Attorney General’s Office has no objection to the proposed Merger.

(6) **Statement of Merger.** Pursuant to 15 Pa.C.S.A. § 335 entitled “Statement of Merger; Effectiveness,” after obtaining the No Objection Letter from the Attorney General’s Office, the merging associations will prepare and file a Statement of Merger with the Pennsylvania Department of State, together with any certificates or other documents which may be required by law. The Statement of Merger shall stipulate that the Merger shall be effective immediately upon filing of the Statement of Merger or, if later, May 1, 2022. 15 Pa.C.S.A. § 335(g).

(7) **Effective Date of the Merger and Effect Thereof.** The Merger will be effective on the date that the Statement of Merger is filed or, if later, May 1, 2022 (the “**Effective Date of the Merger**”). The goal and intention of the parties is that the Merger will be effective, if legally possible, on Sunday, May 1, 2022. Assuming that the Merger is effective on May 1, 2022:

(A) the separate services of the two separate churches shall continue through the end of April, 2022;

(B) the current plan is to have the Good Friday (April 15, 2022) and 2022 Easter (April 17, 2022) services be combined services of both churches to be held at the Dublin Campus.

(C) the first combined Sunday morning worship service of the merged church shall be May 1, 2022 at the Dublin Campus. Ongoing Sunday mornings services will continue to be held at the Dublin Campus until the Doylestown Campus is ready for launch.

(D) all tithes and offerings received by FBC through April 30, 2022 shall be received, deposited, and handled by FBC in accordance with FBC's standard practices and procedures, but all tithes and offerings received by the Surviving Association after the Effective Date of Merger shall be received, deposited, and handled by LHCC in accordance with LHCC's standard practices and procedures. All future bequests or gifts made payable to FBC (whether pursuant to will, trust, individual donation, or by any other means) may be accepted and utilized by LHCC, as successor in interest to FBC.

(E) If both congregations vote to approve the Plan of Merger, LHCC leadership will make all financial decisions pertaining to the assets and business of both LHCC and FBC that arise during the period March 21, 2022 through the Effective Date of the Merger.

(8) **Replacement of FBC Articles of Incorporation, Constitution, and Bylaws.** On the Effective Date of the Merger, the Articles of Incorporation, Constitution and Bylaws of FBC will be replaced and superceded by the Articles of Incorporation, Constitution and Bylaws of LHCC then in existence.

Section 8. Other Provisions Required by Law.

“(8) Any other provision **required by:**

- (i) the laws of this Commonwealth;
- (ii) the laws of the jurisdiction of formation of a foreign merging or surviving association; or
- (iii) the organic rules of a merging association.”

There are no other provisions related to the Merger required by applicable law or by the Articles of Incorporation, Constitution or Bylaws of either church.

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THE SIGNATURE PAGE IMMEDIATELY FOLLOWS THIS PAGE.]*

IN WITNESS WHEREOF, the parties hereto have caused this Plan of Merger to be validly and duly executed by their officers thereunto duly appointed on the date indicated below.

LIVING HOPE COMMUNITY CHURCH

By: _____
Name: J. Eugene Miller
Title: Chairman/President
Date: _____

**FIRST BAPTIST CHURCH
OF DOYLESTOWN**

By: _____
Name: Adam Sheaffer
Title: Chairman of the Board of Elders
Date: _____