

[annotations in red]

Proposal Regarding Dr. James MacDonald

Prepared for: Elder Board of HBC August 2019 Version: 4.1

SUMMARY

Objective

To hold a unified position regarding Dr. James MacDonald's termination/disqualification from ministry and the rights to Walk In The Word Ministries. This position will be communicated via three letters: to James, the congregation, and the donor list of WITW.

Note, the elders were fully settled on DQ long before the DQ interviews.

[EXCERPTED]

WALK IN THE WORD SUMMARY

Outline:

- James starts walk in the word as a separate non-profit organization.
- All the intellectual property belongs to James *But you held it for 8 months at this point, how is that ok? Fired or not, why were you holding my property? To force my submission to the WITW fund seizure.*
- WITW has a board of advisors and was a separate non profit organization
- WITW merges with HBC in 2010 and becomes a ministry of HBC legally, yet James continues to govern WITW in practice, thought it was now under the HBC elder board governance and updates were provided to the elder board by WITW staff.
- WITW becomes a dba of HBC - a nonprofit organization *A decision never approved by me.*
- WITW is cross-collateralized with the ECCU loan in 2013 *This tells the whole story – also never approved by me, and regardless, would only be based upon the terms of the merger terms. ECCU had no authority to hold assets that were encumbered by contracts prior to 2013.*

- HBC sells Aurora studio to gain WITW TV time and in exchange WITW would pay HBC \$8mm back over an 8 year period. *100% false – there is a whole story on a fraudulent document created to indicate this, but when I began to press for this document, HBC went totally silent. A year later HBC did not argue in arbitration that WITW was obligated to return the TV time proceeds to HBC. Whoever made the fraudulent document from February 2019 disappear? Does Steve Huston know where it is?* This promise of payback was key to deciding to sell the campus in exchange for airtime. Of the \$8mm, only \$1.175mm was paid to HBC. *Deception.*
- A non profit cannot be owned by an individual or group of people, though it can be controlled by an individual.
- A non profit cannot be sold to an individual or group of people.
- While the documentation of the merger seeks to allow WITW to separate from HBC whenever James desires, this is not possible because WITW is cross-collateralized with HBC's debt.
- Though WITW belongs to HBC legally, it is not feasible to continue this ministry without James.
- We can consider releasing the data base of sermons to James in order for him to have a path towards restoration in ministry. While ideally, we would oversee that restoration process, we cannot do that since we have already terminated him and removed him from our authority. We must entrust this over to the Lord and to James.
- We can choose to release the rights to the vertical church logo, the trademark "WITW", and the url jamesmacdonald.com or we could choose to not contest it if James starts using these trademarks.
- We will have to absorb the liability of 400k from the WITW server recently purchased.
- None of this can be done without ECCU approval
- We will not release any cash to James or to a future Walk in the Word entity.
- We can permanently close WITW as a ministry of HBC and inform the donors of this.
- Any continuance of arbitration will reveal his desire to acquire money from the church that he has greatly damaged with his quarrelsome behavior.