

DOCUMENT OF UNDERSTANDING
BETWEEN
BAY LEAF BAPTIST CHURCH
AND
WAKEFIELD BAPTIST CHURCH

This Document of Understanding is made and entered into as of the 16th day of May, 2007 (Effective Date), by and between Bay Leaf Baptist Church and Wakefield Baptist Church, a ministry of Bay Leaf Baptist Church, hereinafter referred to as Wakefield Baptist Church.

WITNESSETH:

WHEREAS, Bay Leaf Baptist Church began a satellite church in 2001 in an effort to reach the neighborhoods in North Raleigh and Wake Forest for Jesus Christ; and

WHEREAS, this church is now known as Wakefield Baptist Church; and

WHEREAS, Bay Leaf Baptist Church purchased a parcel of land in 2001 located at 13029 Falls of Neuse Road as a potential location to house a permanent facility for this satellite church; and

WHEREAS, Bay Leaf Baptist Church is in process of making a significant capital investment in Wakefield Baptist Church by helping build a permanent church facility on this parcel of land for Wakefield Baptist Church; and

WHEREAS, Bay Leaf Baptist Church and Wakefield Baptist Church desire to articulate the theological, operational, and financial affiliation between the two churches.

NOW, THEREFORE, in consideration of the mutual covenants and conditions contained in this Document of Understanding, Bay Leaf Baptist Church and Wakefield Baptist Church agree as follows:

Article 1 – Statement of Faith

1.1 The members of Wakefield Baptist Church agree to:

- a. Adopt as its own the Declaration of Faith and Teachings of Bay Leaf Baptist Church;
- b. Adopt as its own the Baptist Faith and Message of the Southern Baptist Convention;
- c. Adopt as its own the Constitution and By-Laws of Bay Leaf Baptist Church;
- d. Agree that it will be a Southern Baptist Church in its beliefs and affiliations.

1.2 In consideration of the significant financial contribution made by Bay Leaf Baptist Church toward the construction of Wakefield Baptist Church, it is agreed that Wakefield Baptist Church will adhere to the theology articulated in Article 1.1.

Article 2- Founding Agreement

- 2.1 Bay Leaf Baptist Church will execute a promissory note for \$5,650,000 in connection with the construction and up-fit of Wakefield Baptist Church, and will assume legal responsibility for repayment of this promissory note in conjunction with Wakefield Baptist Church until January 2011.
- 2.2 Wakefield Baptist Church agrees to remain an unincorporated entity serving under the umbrella of the unincorporated association of Bay Leaf Baptist Church until such time as Wakefield Baptist Church assumes the legal obligation for the promissory note under Article 2.1.
- 2.3 Wakefield Baptist Church will contribute toward the retirement of the promissory note by earmarking at least 30% of the Wakefield Baptist Church operating budget for debt service. As long as Bay Leaf Baptist Church is servicing the promissory note, Wakefield Baptist Church will pay this debt service to Bay Leaf Baptist Church.
- 2.4 Wakefield Baptist Church may assume the legal obligation for the promissory note under Article 2.1 at anytime during this Agreement, but no later than January 2011. Upon assumption of the debt obligation, the Deed of Trust will be transferred in the name of "Wakefield Baptist Church."
- 2.5 Wakefield Baptist Church may determine how to allocate the balance of their operating budget after debt service. However, until Wakefield Baptist Church can fully fund the debt service, the Bay Leaf Baptist Church stewardship committee in conjunction with the stewardship committee of Wakefield Baptist Church will allocate any receipts over disbursements.
- 2.6 During the time Bay Leaf Baptist Church is legally obligated on the promissory note under Article 2.1, the Senior Pastor of Wakefield Baptist Church will report directly to the Senior Pastor of Bay Leaf Baptist Church.

Article 3 – Covenant Relationship

- 3.1 Wakefield Baptist Church and Bay Leaf Baptist Church desire to create a long-term covenant relationship whereby the churches will work together to expand their ministry. This covenant relationship will allow the members of Wakefield Baptist Church to have the autonomy to make decisions, yet utilize the experience and resources within Bay Leaf Baptist Church. Under this covenant relationship, the members of Wakefield Baptist Church and Bay Leaf Baptist Church agree to the following:
 - a. Beyond Article 2.6, the Senior Pastor of Wakefield Baptist Church will develop an accountability relationship with the Senior Pastor of Bay Leaf Baptist Church to maintain the integrity of this covenant relationship between the two churches.
 - b. The Senior Pastor of Wakefield Baptist Church will have the autonomy to provide leadership and guidance to the Wakefield Baptist Church staff, and coordinate all the ministry programs of Wakefield Baptist Church.

- c. Bay Leaf Baptist Church will provide support services for Wakefield Baptist Church (i.e. accounting, human resources, printing, etc.).
- d. It is desirable that Wakefield Baptist Church and Bay Leaf Baptist Church jointly participate in certain programs such as mission trips, educational seminars, Bible studies, youth activities, etc. to enhance efficiencies and interaction between the two churches.
- e. It is desirable that Wakefield Baptist Church and Bay Leaf Baptist Church enter into covenant relationships with future church plants with the intent of fulfilling the Great Commission both locally and globally.

Article 4 – Dissolution of Covenant Relationship

- 4.1 By an eighty percent (80%) vote, the Wakefield Baptist Church congregation may elect to terminate their covenant relationship with Bay Leaf Baptist Church. This election to terminate the covenant relationship between Bay Leaf Baptist Church and Wakefield Baptist Church must be ratified by an eighty percent (80%) vote by the Bay Leaf Baptist Church congregation. This congregational vote will be conducted during a regular Sunday morning service. If both churches vote to terminate their relationship, Wakefield Baptist Church must assume the legal obligation for the outstanding balance of the promissory note described in Article 2.1.

Article 5 – Acceptance and Amendment

- 5.1 This Document of Understanding will become effective upon the approval and recommendation of the Deacons of Wakefield Baptist Church and the Deacons of Bay Leaf Baptist Church, and upon the approval of a majority vote by the congregations of Wakefield Baptist Church and Bay Leaf Baptist Church.
- 5.2 No amendment of any provision of this Document of Understanding shall be valid unless the same shall be in writing and signed by the Chairman of Deacons of Bay Leaf Baptist Church, the Chairman of Deacons of Wakefield Baptist Church, and ratified by an eighty percent (80%) vote by the congregations of Wakefield Baptist Church and Bay Leaf Baptist Church.

ACCEPTED AND AGREED TO:

Chairman of Deacons
Wakefield Baptist Church

Date

Chairman of Deacons
Bay Leaf Baptist Church

Date

Ron Rowe, Senior Pastor
Bay Leaf Baptist Church

Date

Chairman of Trustees
Bay Leaf Baptist Church

Date

DATE APPROVED BY WAKEFIELD CONGREGATION: April 1, 2007

DATE APPROVED BY BAY LEAF CONGREGATION: April 15, 2007

ACKNOWLEDGED BY:

Newly Called Senior Pastor
Wakefield Baptist Church

Date