

1 John R. Shiner (Cal. Bar Number 43698)
2 **BRYAN CAVE LEIGHTON PAISNER LLP**
3 120 Broadway, Suite 300
4 Santa Monica, CA 90401-2386
5 Telephone: (310) 576-2100
6 Facsimile: (310) 576-2200
7 E-Mail: john.shiner@bclplaw.com

8 Brent E. Rychener (*Pro Hac Vice To Be Filed*)
9 **BRYAN CAVE LEIGHTON PAISNER LLP**
10 90 S. Cascade Ave., Suite 1300
11 Colorado Springs, CO 80903-1615
12 Telephone: (719) 473-3800
13 Facsimile: (719) 381-9058
14 E-Mail: brent.rychener@bclplaw.com

15 Attorneys for Plaintiffs
16 The California-Nevada Annual Conference of The
17 United Methodist Church and Bishop Minerva G.
18 Carcaño

19
20 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
21 **FOR THE COUNTY OF SAN FRANCISCO**

22 THE CALIFORNIA-NEVADA ANNUAL
23 CONFERENCE OF THE UNITED
24 METHODIST CHURCH, a California
25 nonprofit corporation; and

26 BISHOP MINERVA G. CARCAÑO, an
27 individual,

28 Plaintiffs,

v.

BOARD OF TRUSTEES OF THE GLIDE
FOUNDATION, a California nonprofit
corporation; and DOES 1 through 100,

Defendants.

ENDORSED
FILED
San Francisco County Superior Court

DEC 11 2018

CLERK OF THE COURT
BY: KALENE APOLONIO
Deputy Clerk

Case No. **CGC-18-571994**

**COMPLAINT FOR DECLARATORY AND
INJUNCTIVE RELIEF**

1 Plaintiffs the California-Nevada Annual Conference of The United Methodist Church and
2 Bishop Minerva G. Carcaño (collectively, “Plaintiffs”) allege for their Complaint as follows:

3 **INTRODUCTION**

4 1. In 1929, Lizzie H. Glide (“Lizzie Glide”), a devout member of a Methodist Church
5 congregation in San Francisco, California, wished to honor her late husband by donating real
6 property and other assets to further the religious and educational work of the Methodist Church.

7 2. With help and advice from the regional Methodist Church entity with oversight
8 responsibility for the San Francisco area (known in the Methodist Church as the “Annual
9 Conference”), Ms. Glide established a written Trust to ensure her generous gift would be forever
10 dedicated for the mission of the Methodist Church in memory of her deceased husband.

11 3. In conjunction with Ms. Glide, the Annual Conference appointed an initial Board
12 of Trustees in 1929 to create a corporation to serve as Trustee for the Glide Trust. This corporate
13 Trustee, the Board of Trustees of the Glide Foundation (“Glide Foundation”), was specifically
14 established to receive the property and other assets donated by Ms. Glide and manage them in a
15 manner consistent with her expressed wishes subject to the authority of the Annual Conference.

16 4. When the Annual Conference appointed the initial Trustees to the Glide Foundation
17 Board in September 1929, it provided explicit direction that the Glide Foundation, as Trustee for
18 Lizzie Glide’s Trust, would always serve under the authority of the Methodist Church and remain
19 subject to its rules and regulations.

20 5. At the time she created her Trust, Lizzie Glide also knew the existing rules of the
21 Methodist Church, set forth in the denomination’s Book of Discipline, reinforced her wishes for
22 the Trust by providing that *all property* held by any local Methodist church or institution would
23 forever be held in trust for the entire Methodist Church (“Methodist Church Trust Clause”).

24 6. The Annual Conference directed the initial Trustees of the Glide Foundation to
25 incorporate the Methodist Church Trust Clause in the Glide Foundation’s governing instruments
26 so the property and work of the Glide Foundation would always remain under the jurisdiction and
27 control of the Annual Conference.

28 7. The Glide Foundation, as corporate Trustee for Lizzie Glide’s Trust, was formed as

1 a California nonprofit corporation in November 1929, and remains so today. To further safeguard
2 Ms. Glide’s intent that her Trust property would always be used exclusively for the mission of the
3 Methodist Church, and in accordance with the Annual Conference’s directives, the Glide
4 Foundation’s Articles of Incorporation irrevocably adopted the Methodist Church Trust Clause
5 and further stated the rules and regulations of the Methodist Church *would forever* be part of the
6 Glide Foundation’s Bylaws.

7 8. After the Glide Foundation had been created to safeguard her Trust property, Lizzie
8 Glide executed a Deed and Declaration of Trust (“Declaration of Trust”) in which she deeded real
9 property to the Glide Foundation, as Trustee, to carry out her intent to further “the religious and
10 educational work of the [Methodist Church].” She specifically provided in the Declaration of
11 Trust that Board members of the Glide Foundation “*shall always be elected* [by the Annual
12 Conference of the Methodist Church]” (emphasis added).

13 9. Ms. Glide’s vision of promoting the mission of the Methodist Church came to
14 fruition over the next several years when the property she donated was used to construct an
15 evangelistic center, known initially as Glide Memorial Methodist Church and later as Glide
16 Memorial United Methodist Church, on the corner of Ellis and Taylor Streets in San Francisco,
17 California.

18 10. At the Annual Conference’s yearly meeting in 1930, it was determined the property
19 and congregation of the existing Methodist Church, Fitzgerald Methodist Church, would become
20 part of Glide Memorial United Methodist Church.

21 11. For more than 80 years, until recent unauthorized and unlawful acts perpetrated by
22 the Glide Foundation’s Board, the Lizzie Glide Trust and local Methodist church built by her
23 Trust have remained an integral part of the Annual Conference of the Methodist Church. Several
24 generations of Methodist Bishops have appointed pastoral leaders for Glide Memorial United
25 Methodist Church, the Annual Conference has elected Board members for the Glide Foundation,
26 and the Glide Foundation and Glide Memorial United Methodist Church have provided annual
27 reports and paid yearly apportionments to the Annual Conference.

28 12. In 2018, however, the Glide Foundation chose to pursue illegal and unauthorized

1 action in an effort to sever Lizzie Glide's Trust and Glide Memorial United Methodist Church
2 from the Methodist Church.

3 13. In May 2018, the Glide Foundation rejected the authority of the Annual
4 Conference's ecclesiastical leader, Bishop Carcaño, by refusing to accept the Bishop's
5 appointment of a new lead pastor for Glide Memorial United Methodist Church and then
6 prohibiting her from attending the Church to make an announcement concerning the appointment.

7 14. The Glide Foundation's scheme to usurp the Methodist Church's rightful authority
8 over Lizzie Glide's Trust and Glide Memorial United Methodist Church culminated in June 2018.
9 The Glide Foundation scheduled a Board meeting for June 21, 2018, with the knowledge that
10 neither Bishop Carcaño (who sat on the Glide Foundation Board) nor her proxy could be in
11 attendance because of their presence at the Annual Conference's yearly meeting the same day.

12 15. At the June 21, 2018 meeting, the Glide Foundation Board surreptitiously
13 purported to amend its Articles and Bylaws to delete *all* references to the Methodist Church.
14 Then, more than a week later, knowing Bishop Carcaño was on an extended trip out of the country
15 and unavailable, the Glide Foundation belatedly informed her of its illegal effort to amend its
16 Articles.

17 16. On July 9, 2018, the Glide Foundation, covertly and once again without prior
18 notice to Bishop Carcaño or the Annual Conference, purported to form a new corporation called
19 Glide Community Church together with Articles of Incorporation that omitted any reference to the
20 Annual Conference or Methodist Church.

21 17. Prior to learning about the Glide Foundation's unauthorized action taken in July
22 2018, Bishop Carcaño scheduled a meeting with Glide in an effort to discuss the repercussions of
23 its earlier unlawful action taken on June 21, 2018. This meeting occurred on August 14, 2018.
24 Bishop Carcaño would not have scheduled such a meeting had she known the Glide Foundation
25 had also purported to form a new church corporation. The Glide Foundation did not inform
26 Bishop Carcaño, either before or during the August meeting, of its clandestine efforts in this
27 regard. This continued deceitful conduct convinced Bishop Carcaño and the Annual Conference
28 that it would be fruitless to engage in further discussions with the Glide Foundation.

1 18. By seeking to separate entirely from the Annual Conference and assert control over
2 the property without regard for the authority and doctrines of the Methodist Church, the Glide
3 Foundation's conduct is in direct violation both of Lizzie Glide's express intent, as explicitly
4 stated in her Declaration of Trust, and the Methodist Church Trust Clause. Moreover, in its
5 shameful attempt to disaffiliate from the Methodist Church, the Glide Foundation breached its
6 solemn, irrevocable promises to honor Ms. Glide's wishes and forever be bound by the rules and
7 regulations of the Methodist Church.

8 19. In response to the Glide Foundation's actions, Plaintiffs were compelled to bring
9 this action to preserve Lizzie Glide's intent that her Trust property would always be used for the
10 mission of the Methodist Church and to enforce the Methodist Church Trust Clause establishing
11 that all real and personal property of a local Methodist church or institution is held in trust for the
12 entire Methodist denomination.

13 20. The Glide Foundation's attempt, in direct violation of Lizzie Glide's expressed
14 written intent and the Methodist Church Trust Clause, to wrest control of property held forever in
15 trust for the Methodist Church simply cannot be countenanced.

16 21. Plaintiffs have the legal right to enforce both the Declaration of Trust and
17 Methodist Church Trust Clause, and preserve all real and personal property of the Glide
18 Foundation and Glide Memorial United Methodist Church held in trust for The United Methodist
19 Church, under the clear terms of California Corporations Code Section 9142 as interpreted and
20 applied by the California Supreme Court in *Episcopal Church Cases*, 45 Cal.4th 467, 493 (2009).

21 22. The California Supreme Court, addressing nearly identical circumstances, rejected
22 a local church's attempt to assume control over property held in trust for the entire denomination.
23 The Court recognized that individuals are free to disassociate from a hierarchical religious
24 denomination at their choosing, but "[t]he problem lies in defendants' efforts to take the church
25 property with them. This they may not do." *Episcopal Church Cases*, 45 Cal.4th at 493 (2009).

26 **THE PARTIES**

27 23. Plaintiff the California-Nevada Annual Conference of The United Methodist
28 Church ("CNAC") is a religious organization incorporated as a California nonprofit corporation

1 with its principal place of business in West Sacramento, California. CNAC is one of several
2 “Annual Conferences” (regional bodies) which comprise the religious denomination known as The
3 United Methodist Church (“UMC”).

4 24. In the 1930s, the Methodist Episcopal Church, South merged with the Methodist
5 Episcopal Church and Methodist Protestant Church to form the Methodist Church. In 1968, the
6 Methodist Church merged with the Evangelical United Brethren Church to form the present day
7 UMC. The relevant history for purposes of this action is that CNAC is the successor to the Pacific
8 Annual Conference of the Methodist Episcopal Church, South.

9 25. Under *The Book of Discipline of The United Methodist Church* (the “*Discipline*”),
10 CNAC is empowered to protect and enforce denominational interests in matters involving local
11 church property, governance, and operations. CNAC has jurisdiction over approximately 370
12 local UMC churches throughout Northern California and Nevada.

13 26. Plaintiff Bishop Minerva G. Carcaño (“Bishop Carcaño”) is, and at all times
14 relevant herein was, a resident of West Sacramento, California. Ordained in the UMC in 1976,
15 Bishop Carcaño was elected to the episcopacy in 2004, as the first Hispanic female Bishop, by the
16 UMC’s Western Jurisdictional Conference. She later was assigned as Bishop of CNAC in 2016,
17 and currently serves as Presiding Bishop. As Presiding Bishop, Bishop Carcaño also served as a
18 Board member of the Glide Foundation beginning in 2016.

19 27. Defendant the Glide Foundation is a California nonprofit corporation existing
20 under the laws of the State of California with its principal place of business in San Francisco,
21 California.

22 28. The true names and capacities, whether individual, corporate, associate, or
23 otherwise, of DOES 1 through 100, inclusive, are unknown to Plaintiffs, who therefore sue these
24 Defendants by such fictitious names. Plaintiffs will amend this Complaint to allege the true names
25 and capacities of the Doe Defendants when they have been determined. Plaintiffs are informed
26 and believe, and on that basis allege, that each fictitiously named Defendant is responsible in some
27 manner for the conduct alleged in this Complaint as well as the harm suffered by Plaintiffs.

28 29. Plaintiffs are informed and believe, and on that basis allege, that at all times herein

1 mentioned, each Defendant was and is the agent, servant, employee, representative and/or alter
2 ego of the remaining Defendants and, in doing the things hereinafter alleged, was acting within the
3 scope of his, her or its authority as the agent, servant, employee, representative and/or alter ego of
4 the remaining Defendants, and with the knowledge, consent, permission and ratification of all
5 remaining Defendants, and jointly and severally responsible for the wrongful conduct alleged
6 herein or otherwise liable for any judgment entered in this action.

7 **JURISDICTION AND VENUE**

8 30. The property in dispute is located in San Francisco, California and a substantial
9 part of the events giving rise to these claims also occurred in San Francisco, California. Code Civ.
10 Proc. §§ 392, 395.

11 **FACTUAL BACKGROUND**

12 **All Property of a Local UMC Church or Institution**

13 **Is Held in Trust for the UMC**

14 31. The UMC is a hierarchical religious denomination. All UMC Conferences, local
15 churches, and other UMC bodies are subject to the higher authority of the UMC, its laws and
16 regulations as embodied in the *Discipline*.

17 32. Since at least 1797 and by the express terms of the *Discipline*, all property of a
18 local church is held in trust for the benefit of the entire denomination. The trust interest arises by
19 virtue of the Methodist Church Trust Clause:

20 ¶ **2501. Requirement of the Trust Clause for All Property-1.** All
21 properties of United Methodist local churches and other United Methodist
22 agencies and institutions are *held, in trust, for the benefit of the entire*
23 *denomination*, and ownership and usage of church property is *subject to*
the Discipline. This trust requirement is an essential element of the historic
24 polity of The United Methodist Church or its predecessor denominations
25 or communions and has been a part of the Discipline since 1797.

26 [...]

27 The United Methodist Church is organized as a connectional structure, and
28 titles to all real and personal, tangible and intangible property held at
jurisdictional, annual, or district conference levels, or by a local church or
charge, or by an agency or institution of the Church, shall be *held in trust*
for The United Methodist Church and subject to the provisions of its
Discipline.

1 (Discipline, ¶ 2501.1, emphasis added.)

2 33. The trust interest created by the Methodist Church Trust Clause extends to “all real,
3 personal, tangible and intangible property owned or held by” a local church or institution. (*Id.*, ¶
4 2501.1.)

5 34. This trust interest created in favor of the entire UMC denomination is and always
6 has been irrevocable, except as provided in the *Discipline*. (*Id.*, ¶ 2501.2.)

7 **Fitzgerald Methodist Church and the Glide Foundation**

8 35. The Fitzgerald Memorial Methodist Episcopal Church, South (“Fitzgerald
9 Methodist”) in San Francisco was a local Methodist church dating back to at least the early 1900s.
10 Fitzgerald Methodist was under the jurisdiction of the Pacific Annual Conference of the Methodist
11 Episcopal Church, South (which later became CNAC).

12 36. Lizzie Glide was an active member of Fitzgerald Methodist.

13 37. As noted above, she wished to donate certain property as part of a charitable trust
14 in memory of her deceased husband for purposes of expanding ministries at Fitzgerald Methodist,
15 while promoting and advancing the religious and educational work of the Pacific Annual
16 Conference of the Methodist Episcopal Church, South, or its successor.

17 38. In coordination with Lizzie Glide, in September 1929, the Pacific Annual
18 Conference of the Methodist Episcopal Church, South passed a Resolution creating a nine-
19 member Board of Trustees (which included Lizzie Glide) for the specific purpose of holding and
20 managing local church property in San Francisco while enlarging Methodist ministries at
21 Fitzgerald Methodist Church.

22 39. The Resolution stated, in relevant part:

23 That the aforesaid trustees be and they are hereby authorized, empowered and
24 directed to prepare and cause to be duly executed and filed articles of incorporation
25 under the laws of the State of California, and after organization, and the adoption of
26 suitable By-laws, *may cause to be vested in said Corporation all property that may
27 be acquired for the enlarged program of said Fitzgerald Memorial Methodist
28 Episcopal Church, South* (emphasis added).

27 40. The Pacific Annual Conference further resolved, “the interest of the [Methodist
28 Episcopal Church, South] shall be safeguarded by insertion of the Disciplinary Trust Clause in the

1 deeds of conveyance and such requirements in the By-Laws *as will forever subject the property*
2 *and the work to the jurisdiction of the Pacific Annual Conference* (emphasis added).”

3 41. The Trustees appointed by the Pacific Annual Conference subsequently
4 incorporated the Glide Foundation as a California nonprofit corporation.

5 42. The original Articles of Incorporation of the Glide Foundation were signed on
6 November 5, 1929 and registered with the State of California on November 20, 1929.

7 43. The Glide Foundation’s Articles acknowledged the hierarchical relationship with
8 the UMC and the primacy of the *Discipline* in all matters concerning the Glide Foundation’s
9 property, governance and operations:

10 a. The Glide Foundation’s primary purpose is to “*manage the property and*
11 *estate of the said Methodist Episcopal Church, South...* in accordance with
12 the constitution, rules, regulations, and discipline of the said Methodist
13 Episcopal Church, South, and *under the jurisdiction of the Pacific Annual*
Conference of said Methodist Episcopal Church, South, and its successors
(emphasis added).”

14 b. “Providing always, that *all property whether real or personal, acquired in any*
15 *manner by this corporation* for its own use, shall be taken and held by said
16 corporation *in trust for the said Methodist Episcopal Church, South ...* and
17 shall be used, kept, maintained and disposed of in accordance with the
18 constitution, rules, regulations and discipline of the said Methodist Episcopal
19 Church, South, and the said Pacific Annual Conference thereof, and its
20 successors (emphasis added).”

21 c. “[A]ll interest, rentals, dividends, and other income that may accrue to said
22 corporation from and out of any property held by said corporation for its own
23 use, shall be used only to endow and support the institutions of said Methodist
24 Episcopal Church, South...” The *Discipline*, laws, rules . . . and customs of
25 the Methodist Episcopal Church, South, and Pacific Annual Conference “*shall*
26 *always form a part of the by-laws of this corporation, and no by-laws of this*
corporation shall ever conflict therewith (emphasis added).”

27 44. Thus, the Glide Foundation’s original Articles (which remained in place for the
28 next 89 years) were consistent with the Pacific Annual Conference’s authority and directives
confirming the Glide Foundation’s role as a local Methodist church or institution under the
exclusive jurisdiction of the Pacific Annual Conference.

Lizzie Glide’s Declaration of Trust

45. On December 2, 1929, after the Glide Foundation’s Articles had been adopted and

1 registered with the State of California, Lizzie Glide and the Glide Foundation executed a Deed and
2 Declaration of Trust (“Declaration of Trust”).

3 46. Under the Declaration of Trust, Lizzie Glide granted certain real property and all
4 appurtenances thereto (“Property”) to the Glide Foundation “as TRUSTEE for the purpose of
5 carrying into effect the trusts hereinafter set out” and “upon the trusts and conditions hereinafter
6 set out....”

7 47. The Declaration of Trust requires the Glide Foundation to hold all real and personal
8 property conveyed by Lizzie Glide “for the purpose of building, establishing, equipping and
9 maintaining, as hereinafter directed, an evangelistic center and place of worship” in conformity
10 with the teachings of the Methodist Episcopal Church, South, or its successor:

11 *“[T]he activities provided for by this Declaration of Trust shall be and*
12 *become a part of the religious and educational work of the Methodist*
13 *Episcopal Church, South, or its successor.... (emphasis added).”*

14 48. The Declaration of Trust also makes clear the Glide Foundation is subject to
15 the jurisdiction, control, and direction of the UMC, and the Annual Conference shall elect the
16 members of the Glide Foundation Board:

17 a. “[T]he members of [the Glide Foundation] *shall always be elected* to said
18 Board of Trustees by the Pacific Annual Conference of the Methodist
19 Episcopal Church, South, or the successor of said Pacific Annual
20 Conference....(emphasis added).”

21 b. Lizzie Glide, for as long as she lives, “shall have the right to nominate and
22 approve” members of the Board of Trustees, “it being understood that after
23 her demise the said Pacific Annual Conference of the Methodist Episcopal
24 Church, South, or its successors... *shall have the sole right of appointment of*
25 *the said members of said Board of Trustees (emphasis added).”*

26 49. Prior to receiving Lizzie Glide’s generous donation for the expansion of Fitzgerald
27 Methodist, the Glide Foundation promised to accept and hold the property “upon the trusts and for
28 the uses and purposes” expressed in the Declaration of Trust and to “serve as said Trustee in
accordance with the terms and provisions of said Deed and Declaration of Trust.”

50. The President and Secretary of the Glide Foundation both signed the Declaration of
Trust.

1 51. The real property identified in the Declaration of Trust is described by its legal
2 description, but commonly known as 330 Ellis Street, San Francisco, California.

3 52. The next year, in 1930, the Glide Foundation produced its first annual report to the
4 Pacific Annual Conference. It noted the Trustees appointed by the Annual Conference had
5 incorporated the Glide Foundation as directed by the Pacific Annual Conference, and construction
6 of the new church, Glide Memorial Methodist Church, was underway.

7 53. The official report from the Annual Conference's annual meeting in 1930 also
8 documented, "The Fitzgerald [Methodist Church] property together with congregation will go into
9 the Glide Foundation and the Christian Center." Thus, the property of an existing local Methodist
10 Church, already subject to the Methodist Church Trust Clause, was merged into the Glide
11 Foundation and Glide Memorial Methodist Church, subsequently known as Glide Memorial
12 United Methodist Church.

13 54. Over the ensuing years, the Glide Foundation acquired additional real property and
14 other assets that also are held in trust for the UMC pursuant to the Methodist Church Trust Clause.

15 55. From the date of its incorporation in 1929 until 2018, the Glide Foundation and
16 Glide Memorial United Methodist Church held themselves out as an institution and local church
17 within the UMC. They consistently accepted UMC pastoral appointments; adopted the name of
18 the UMC to identify themselves to the public as an integral part of the Methodist denomination;
19 paid apportionments to the CNAC and UMC; sent delegates to participate in the Annual
20 Conference and other UMC regional and international conferences; submitted yearly reports to the
21 Annual Conference; and confirmed in writing they held property in trust for the UMC. These
22 actions, individually and when taken together, confirm unequivocally that all real and personal
23 property held by Glide Memorial United Methodist Church and the Glide Foundation, as a local
24 church and institution of the UMC, are held in trust for the UMC. (*Discipline*, ¶ 2503.6.)

25 **Defendants' Improper and *Ultra Vires* Attempts**

26 **to Sever Affiliation with the UMC**

27 56. In or around April 2018, Rev. Jay Williams, appointed by Bishop Carcaño in 2017,
28 left his position as lead pastor at Glide Memorial United Methodist Church after serving less than

1 a year.

2 57. In or around May 2018, Bishop Carcaño, as was her right, selected a senior pastor
3 for Glide Memorial United Methodist Church to replace Rev. Williams. In response, however, the
4 Glide Foundation disregarded the Bishop's rightful authority under the *Discipline* by banning her
5 from appearing at the Church to announce the new clergy assignment and ultimately rejected the
6 appointment without the authority to do so under the *Discipline*.

7 58. Soon thereafter, on or around June 21, 2018, the Glide Foundation's Board, without
8 providing advance notice to CNAC and with the knowledge that neither Bishop Carcaño nor her
9 proxy would be able to attend the meeting, surreptitiously met in private and voted to amend and
10 restate the Glide Foundation's Articles and Bylaws. These new Articles and Bylaws improperly
11 endeavored to eliminate any reference to a relationship with the UMC or CNAC, removed the
12 Bishop as a Board member and changed the selection of Directors to be elected internally, rather
13 than by the CNAC.

14 59. Bishop Carcaño did not learn of these acts by Defendants until she received a June
15 29, 2018 letter in which they attempted to justify their deceitful behavior by claiming the
16 *Discipline* and California Corporations Code somehow allowed such amendments. Nothing could
17 be further from the truth. The Glide Foundation's actions are in direct contravention and defiance
18 of the *Discipline*, original Articles of Incorporation, and Declaration of Trust, and therefore were
19 *ultra vires*, null, and void. Perhaps most appalling is the Glide Foundation's actions ignore and
20 despoil Lizzie Glide's heartfelt wish to further the mission of the UMC at the time she made her
21 generous gift.

22 60. On July 9, 2018, again without any prior notice to Bishop Carcaño or CNAC,
23 persons affiliated with the Glide Foundation purported to form a new corporation called Glide
24 Community Church, for reasons presently unknown, but upon information and belief in further
25 violation of the *Discipline*, Glide Foundation's original Articles, the Declaration of Trust, and
26 Lizzie Glide's express wishes and intent.

27 61. Bishop Carcaño and other representatives of CNAC met with Glide Foundation
28 representatives in August 2018. At the time of this meeting, neither Bishop Carcaño nor CNAC

1 had been made aware the Glide Foundation had secretly purported to create a new church
2 corporation, which the Glide Foundation failed to disclose either prior to or even during the
3 August 2018 meeting.

4 62. When they learned after the meeting about the Glide Foundation's undisclosed
5 actions, Bishop Carcaño and CNAC were understandably dismayed and, given the nature and
6 severity of Defendants' conduct, determined that further meetings would not be productive.

7 63. The Defendants' acts described above were intentional and part of a scheme to
8 misappropriate valuable and storied property held in trust for CNAC and the UMC for more than
9 80 years. Further, in taking part in these unprecedented acts and omissions, Defendants breached
10 their fiduciary duties both to CNAC and the UMC.

11 64. Defendants' conduct violated the *Discipline*, Glide Foundation's original Articles,
12 the Declaration of Trust, and Lizzie Glide's unequivocal wishes and intentions. Defendants have
13 made clear that, absent a Court order, the Glide Foundation has no interest in honoring the
14 Declaration of Trust or Methodist Church Trust Clause which established a trust for CNAC and
15 UMC, leaving Plaintiffs no choice but to file this lawsuit.

16 65. These facts are governed directly by the California Supreme Court's dictates in
17 *Episcopal Church Cases*, 45 Cal.4th 467, 493 (2009). In the same way the Episcopal Church rules
18 were dispositive in that case, the Declaration of Trust and Methodist Church Trust Clause are
19 dispositive here – “those documents show that the [Glide Foundation and Glide Memorial United
20 Methodist Church] agreed and intended to be part of a larger entity and to be bound by the rules
21 and governing documents of that greater entity.” *Id.* Therefore, “the general church, not the local
22 church, owns the property in question,” and when the Glide Foundation purported to disaffiliate
23 from the CNAC and UMC, “[it] did not have the right to take the property with it.” *Id.* at 473.

24 **FIRST CAUSE OF ACTION**

25 **Declaratory Relief – Against All Defendants**

26 66. Plaintiffs repeat and reallege the preceding Paragraphs as though fully set forth
27 herein.

28 67. An actual controversy has arisen and presently exists between Plaintiffs and

1 Defendants concerning their respective rights and duties with regard to the property held by the
2 Glide Foundation, as well as the invalidity of the Glide Foundation's purported June 21, 2018
3 amendments to its Articles and Bylaws.

4 68. Plaintiffs contend all real, personal, tangible and intangible property of the Glide
5 Foundation is held in trust for CNAC and the UMC, and further contend the Glide Foundation's
6 purported June 21, 2018 amendments to the Articles and Bylaws of the Glide Foundation are null
7 and void.

8 69. Upon information and belief, Defendants contend to the contrary.

9 70. Plaintiffs further contend CNAC has the sole right to appoint all Board members
10 for the Glide Foundation pursuant to the Declaration of Trust and replace current Board members
11 of the Glide Foundation as a result of the *ultra vires* actions taken by Defendants.

12 71. Upon information and belief, Defendants contend to the contrary.

13 72. Plaintiffs further contend they are entitled to a full accounting of the books and
14 records of the Glide Foundation based on the Declaration of Trust and Methodist Church Trust
15 Clause.

16 73. Upon information and belief, Defendants contend to the contrary.

17 74. A judicial declaration is therefore necessary and appropriate at this time under the
18 circumstances set forth herein in order that Plaintiffs and Defendants may ascertain their
19 respective rights and duties.

20 ///

21 ///

22 ///

23 ///

24 ///

25 ///

26 ///

27 ///

28 ///

PRAYER FOR RELIEF

WHEREFORE, Plaintiffs pray for judgment against Defendants, and each of them, as follows:

- A. For a judicial determination that the purported June 21, 2018 amendments to the Articles and Bylaws of the Glide Foundation are null and void and in violation of the Declaration of Trust and Methodist Church Trust Clause;
- B. For a judicial determination that all real, personal, tangible and intangible property of the Glide Foundation are and always have been held in trust for Plaintiff the California-Nevada Annual Conference of The United Methodist Church and The United Methodist Church;
- C. For an order enjoining the Glide Foundation, its Directors, Officers and agents, from taking any action inconsistent with such judicial determinations and requiring them to take all measures necessary to carry out such judicial determinations;
- D. For an order directing Defendants, and each of them, to execute such instruments and take such actions as may be necessary to reconfirm the trust for Plaintiff the California-Nevada Annual Conference of The United Methodist Church and The United Methodist Church as required by the Declaration of Trust and Methodist Church Trust Clause;
- E. For a judicial determination that all actions taken by the Glide Foundation Board in violation of the Declaration of Trust or Methodist Church Trust Clause are *ultra vires*, null and void;
- F. For a judicial determination that Plaintiff the California-Nevada Annual Conference of The United Methodist Church has the sole and exclusive right to appoint all Board members to the Glide Foundation pursuant to the Declaration of Trust, and new Board members elected by the California-Nevada Annual Conference of The United Methodist Church shall immediately replace current Board members based on the *ultra vires* actions taken by Defendants;
- G. For an order that Plaintiffs are entitled to an examination and full accounting of the books and records of the Glide Foundation, including without limitation an accounting

BRYAN CAVE LEIGHTON PAISNER LLP
120 BROADWAY, SUITE 300
SANTA MONICA, CA 90401-2386

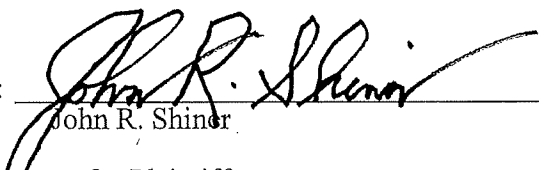
1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

of all funds or other property used, spent, transferred, dispersed or otherwise disposed
of by the Glide Foundation and its agents and affiliates;

- H. For an order that Defendants are required to return all monies and other assets
wrongfully diverted to the trust for Plaintiff the California-Nevada Annual Conference
of The United Methodist Church and The United Methodist Church;
- I. For attorneys' fees to the extent permitted by law;
- J. For costs of suit herein incurred; and
- K. Such other and further relief as the Court may deem proper.

Dated: December 11, 2018

BRYAN CAVE LEIGHTON PAISNER LLP

By: 
John R. Shiner

Attorneys for Plaintiffs
THE CALIFORNIA-NEVADA ANNUAL
CONFERENCE OF THE UNITED METHODIST
CHURCH and BISHOP MINERVA G. CARCAÑO