

SUMMARY OF 2025 PROPOSED COVENANT AGREEMENT AMENDMENTS

The Covenant Agreement was approved and adopted at the 2016 Convention in Honolulu, HI. There have not been any amendments to the Covenant Agreement. Since the creation of the Covenant Church model — a new model for Foursquare — a number of things have been experienced, learned, adjusted, and addressed. It seems that now is the time to put forth proposals for amendments to the Covenant Agreement. The Covenant Agreement, like our bylaws, is a governance document and serves as an ecclesiastical document that sets forth a framework for how Foursquare churches across the country relate to each other, as a church denomination. And, like our bylaws, Foursquare's culture is to adapt and make changes as the Lord leads, as Foursquare leadership discerns, and as the convention body votes.

The following is a <u>summary</u> of the proposed amendments the bylaw committee and ICFG Board of Directors are recommending for consideration. The actual language for the proposals is contained in a "redline" version of the Covenant Agreement posted on the website of The Foursquare Church, and includes various explanatory footnotes in the draft to aid in the background and understanding of the proposed amendments. The footnotes are <u>not</u> intended to be part of the proposed text of the Covenant Agreement and are merely for context and explanation.

Proposed Covenant Agreement Amendments

- 1. The Labels "ICFG" and "Foursquare". Traditionally and commonly, the terms "ICFG" and "Foursquare" are used interchangeably in everyday vernacular within the Foursquare denomination here in the United States. For the better part of a century, those two things were essentially synonymous. However, with the creation of the Covenant Church model, and local churches having their own separate legal entities, it seems important (at least for the Covenant Agreement) to clarify that ICFG means and refers to the California corporation International Church of the Foursquare Gospel, and "Foursquare" means the broader term of all things Foursquare within the United States, which includes ICFG (and Charter Churches) and also Covenant Churches (in their separate corporations).
- 2. Part V. (Local Church Real Estate). In an effort to bring consistency throughout Foursquare, so that Charter Churches and Covenant Churches are treated the same in the event a church decides to withdraw from Foursquare, the board passed a resolution on February 9, 2023, that all church property (whether stewarded by a Charter Church or Covenant Church) would remain within the greater Foursquare family if a church decided to withdraw. This is consistent with the historical practices of Foursquare. This proposal in the Covenant Agreement does not remove or diminish the authority of a Covenant Church to make decisions about real estate or real estate transactions without ICFG board involvement. It merely means that a church cannot remove real estate from the greater Foursquare family if the church disaffiliates from Foursquare.

In the Reimagine process, the original intent of "property options" (Stake 5 of Reimagine) was to remove barriers to local church real estate transactions and allow churches the freedom to make those decisions without ICFG board involvement. The intention was not to create a pathway where churches could leave Foursquare with historical Foursquare property. However, that pathway was created and it began to be exploited. So, the board began reviewing mechanisms and procedures to maintain the *spirit* of Reimagine (i.e., creating property options, and delegating decision-making authority to the local church level) without creating inconsistent and inequitable results from churches that were using the covenant model to exit with property. Ultimately, the board has decided,

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and now seeks convention body approval, to adjust the covenant model so that (1) the spirit of allowing Covenant Churches the ability to make decisions about property remains as intended, but (2) also maintains the historical practice and one of the strengths of Foursquare (and many other denominations) that real estate stays with the denomination as a whole, to be redeployed for use by others in the denomination, should an individual church decide to withdraw.

This change would mean that Covenant Churches cannot take real estate upon withdrawal (similar to how Charter Churches may not take real estate upon withdrawal), and it would apply to all Covenant Churches and for all property, whether now owned or acquired in the future. The only exception would be for churches that became Covenant Churches prior to February 9, 2023. Those particular churches became Covenant Churches under the understanding of the prior rules and protocols, and so the board believes it is righteous to honor what is essentially a covenant/commitment with those churches (as some have made decisions in reliance on the setup being what it was).

- 3. <u>Part VII. (Disputes).</u> In light of the litigious society we live in, it seems prudent to ensure we all understand and recognize the importance of our ecclesiastical governance structure and what authority is granted to the board of directors or the convention body, as outlined in Foursquare's bylaws, and require secular courts to respect Foursquare bylaws and the Covenant Agreement (that is, if for some reason a dispute cannot be handled internally, as we would hope it would be handled).
- 4. Part VIII. (Termination of this Covenant Agreement). Some language has been added in the "church initiated termination" section to bring clarity and address situations we have experienced where churches have refused to abide by their commitment in the Covenant Agreement. Also, a provision was added to the end of the termination section to provide greater flexibility and efficiency, where appropriate, in handling Covenant Agreement terminations.
- 5. Part IX. (Covenant Agreement Updated). This new section is proposed to give some historical context in the Covenant Agreement, and to document that churches that entered into the Covenant Agreement prior to February 9, 2023 (the date of the board's decision) will not have their provisions on property changed (they will, in essence, be "grandfathered in" to the protocols that existed when they signed the Covenant Agreement).