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February 27, 2007

VIA FACSIMILE AND COURIER

Hugh Kelly
Miller Thomson LLP
Barristers and Solicitors
Scotia Plaza
Suite 5800
40 King Street West
Toronto, Ontario
M5H 3S1

Dear Mr. Kelly:

Re: Church of Torontonians

Thank you for your letter of February 23, 2007.

We take a different view of the interpretation of the by-laws. In our view, it is clear that the Membership Affairs Committee is required to review the applications of new members, and approve same by a two-thirds vote of that Committee.

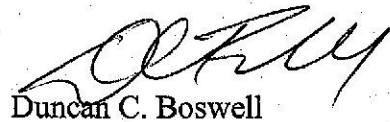
As a result, we have received instructions to bring an injunction to prevent the acceptance of any new voting members of the Church until they have been vetted and approved by the Membership Affairs Committee.

As I mentioned in my previous letter, the concern of our clients is that this is an attempt to stack the vote and push through the new by-law. We do not understand why your clients are insisting on proceeding in such a manner. Surely, if they truly believe the by-law is in the best interest of the Church, then they will put it to a vote of the existing membership.

We have commenced a Notice of Application and have prepared a Motion Record in this regard, copies of which I enclose. I shall be attending at Triage Court tomorrow morning to seek a motion date on Thursday or Friday morning for the hearing of the injunction. I would be pleased to speak to the matter on your behalf as to your preferred date, if you wish to avoid attendance.

Yours very truly,

GOWLING LAFLEUR HENDERSON LLP



Duncan C. Boswell

DB/dm
Enc.

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Court File No.: 07-CV-328478PD2

**ONTARIO
SUPERIOR COURT OF JUSTICE**

BETWEEN:

**DAVID WANG, RON MacVICAR,
DAVID CHAO, ANNE CHAO and PAT AUCLAIR**

Applicants

- and -

**STEPHEN PRITCHARD, JONATHAN P'NG and
THE CHURCH OF TORONTONIANS**

Respondents

NOTICE OF MOTION

THE APPLICANTS will bring a motion to a judge at a date to be fixed at Triage Court
at 361 University Avenue, Toronto, Ontario.

PROPOSED METHOD OF HEARING:☐

in writing under subrule 37.12.1 because it is (*insert one of* on consent, unopposed
or made without notice);

☐

in writing as an opposed motion under subrule 37.12.1(4);

x

orally;

THE MOTION IS FOR:

1. Leave to abridge the time for service of this motion.
2. An interim and interlocutory injunction prohibiting the Respondents from directly or indirectly presenting a motion or holding a vote to recommend or accept new voting members of The Church of Torontonians (the "Church") unless the individual has been approved by a two-thirds majority of the Membership Affairs Committee.
3. Costs on a substantial indemnity basis.

THE GROUNDS FOR THE MOTION ARE:

- (a) The Respondents, Stephen Pritchard and Jonathan P'ng, are two of three directors of the Church. The Applicant, David Wang, is the third director;
- (b) Pritchard and P'ng have drafted a new by-law which would entrench their powers as directors over the Church. They are seeking to have the new by-law passed at an emergency annual general meeting which they have called on March 4, 2007;
- (c) the existing by-laws of the corporation require a two-third majority vote to amend the by-laws of the Church. There are currently 187 voting members of the Church, of whom 15 have recently moved away;
- (d) in order to pass the by-law, Pritchard and P'ng have nominated 106 new members to be elected voting members of the Church;
- (e) Pritchard and P'ng have requested that the new members be elected before the vote on the new by-law. In this manner, Pritchard and P'ng are intending to stack the vote in their favour to ensure passage of the new by-law;

- (f) the existing by-laws of the Church require that any new member must first be approved by a two-thirds majority vote of the Membership Affairs Committee of the Church. None of the 106 proposed new members have been reviewed or approved by the Membership Affairs Committee;
- (g) the actions of Pritchard and P'ng are designed to quell a growing dissent with respect to their actions in the Church;
- (h) the Applicants and other members of the Church will suffer irreparable harm if the new by-law is passed through the illegal acceptance of 106 new members;
- (i) the balance of convenience favours the Applicants, as there is no urgency for the election of new members for the passing of the new by-law. On the contrary, the annual general meeting normally occurs in June, after audited financial statements have been received (which they have not to date);
- (j) Rule 3.02, 37 and 40 of the *Rules of Civil Procedure*; and
- (k) Section 101 of the *Courts of Justice Act*.

THE FOLLOWING DOCUMENTARY EVIDENCE will be used at the hearing of the motion:

1. The Affidavit and exhibits of David Wang sworn on February 27, 2007.

Date: February 27, 2007

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TO:
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AND TO:
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AND TO:
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**ONTARIO
SUPERIOR COURT OF JUSTICE**

BETWEEN:

**DAVID WANG, RON MacVICAR,
DAVID CHAO, ANNE CHAO and PAT AUCLAIR**

Applicants

– and –

**STEPHEN PRITCHARD, JONATHAN P'NG and
THE CHURCH OF TORONTONIANS**

Respondents

AFFIDAVIT OF DAVID WANG

**I, DAVID WANG, of the City of Richmond Hill, in the Province of Ontario,
MAKE OATH AND SAY:**

1. I am a director of the respondent corporation, The Church of the Torontonians. I was the President and a director of the corporation from January 25, 1993 until February 24, 2007. I am also an elder of the church, as that term is defined below. Attached as **Exhibit "A"** hereto is a true copy of Schedule A to Form 1 of the Corporate Information Filings for The Church of the Torontonians.

2. The individual respondents, Jonathan P'ng and Steve Pritchard (the "Controlling Directors"), are the other current directors of the Corporation. I have personal knowledge of the facts stated herein, except where I have been informed of such facts, in which case I have stated the source of such facts and that I believe such facts.

A. THE CHURCH OF THE TORONTONIANS – A BRIEF HISTORY

3. The Church of the Torontonians (the "Church") believes that the Christian church is one body that exists undivided throughout the world but administers and gathers locally on the basis of geography or proximity. This understanding that administration is local and fellowship is universal is a primary tenant of our faith. The Church was strongly influence by the writings and leadership of Watchman Nee and Witness Lee. In fact, Witness Lee attended in Toronto and "fellowshipped" with Christians here on a yearly basis from 1967 to 1972 and from 1977 to 1978, which helped strengthen and establish the Church.

4. It is also important for the court to understand that our Church is one that is concensual in nature, according each believer the same respect and authority. Our Church is by nature, non-hierarchical. We do not accord any person more authority than any other due to their position. For example, we do not have a minister or pastor, but every member can equally participate in our services (called "meetings"). Of course, respect is offered to those who have demonstrated wisdom and spiritual discernment, but that respect may only be offered, not demanded.

5. While our Coporation is required to have directors, the Church's by-laws make it clear that this legal institution is not of the Church but exists solely to deal with temporal affairs and Church property. A check and balance system is also built into the by-laws to counter the directors' legal powers.

6. Currently the Church has three meeting halls where its members meet: (a) Hall 1, located at 671 Sheppard East in North York; (b) Hall 2, located at 24 Cecil Street in Toronto; and, (c) Hall 3, located at 7 Gretna Avenue in North York. We give these locations numbers to de-emphasize their importance and individuality because our understanding is that there is only one worldwide Christian church of believers.

7. The Church was incorporated (the "Corporation") on December 10, 1974 as a not for profit corporation under the *Corporations Act* of Ontario. The Corporation is intended to serve only as a necessary interface between the Church as a spiritual entity and the government and society as a whole. Attached hereto as Exhibits "B" and "C" are true copies of the Letters Patent and the Corporate Profile Report.

B. CHURCH BY-LAWS

8. There are certain by-laws that regulate the Corporation (the "By-laws"). The By-laws were created to explain and regulate the purpose and workings of the Church and ensure that its purpose is carried out. Among other things, the By-laws provide for membership

admission criteria and the powers of the board of directors (the "Board"), the "elders", and the membership affairs committee of the Corporation (all described in further detail below).

9. Attached hereto as **Exhibit "D"** is a true copy of the consolidated By-laws dated March 27, 1994 as amended by amending by-law 2 ("By-law 2") dated June 16, 2002. Although the attached copy of By-law 2 is not signed, to best of my knowledge, information and belief, it was passed by the Board, was ratified by the voting members of the Church and is in full force and effect.

C. MEMBERSHIP ADMISSION CRITERIA

10. Pursuant to Article IV of the By-laws, the Church has two classes of members: (i) voting members ("Voting Members") and (ii) non-voting members. Voting Members and non-voting members have different privileges, rights and duties.

11. The By-laws specify that those individuals who wish to become Voting Members of the Church must meet certain criteria, including the following:

- (a) he or she shall have read the governing documents of the Corporation and shall have agreed to comply with them;

- (b) he or she shall have submitted documentation to the membership affairs committee of the Church (the "MAC") attesting to compliance with each item of the membership criteria; and
- (c) he or she shall have had such documentation approved by two-thirds of the MAC.

12. The By-laws further stipulate that a person meeting all the stated criteria for becoming a Voting Member "may be admitted as a voting member by resolution of the Board of Directors, but such resolution shall not be effective until it has been confirmed by a majority of the voting members in a business meeting".

13. As at February 23, 2007, the Church had 187 Voting Members, although 15 members have moved away and the Board has proposed that they be removed from the voting list. A list of all members of the Church as at February 17, 2007 is attached as **Exhibit "E"** hereto. A list of the 15 members proposed to be removed is attached as **Exhibit "F"**.

D. BOARD OF DIRECTORS

14. The By-laws provide that the Board shall consist of three directors who are Voting Members of the Corporation. Two directors constitute a quorum at Board meetings. Article VI of the By-laws deals specifically with the constitution of the Board and the powers of the Board.

15. Section 2 of Article VI provides as follows:

“The Board of Directors shall conduct, manage and control the business affairs of the corporation including the interactions between the spiritual Body of Christ and the governing civil authorities, and make such rules and regulations as may not be inconsistent with law or with the by-laws of the corporation”. [emphasis added]

16. Directors also sit on the MAC. Article VI provides that: “Each director shall fulfil all duties within the [MAC]”.

17. As stated above, the three current directors of the Corporation are myself and the two individual respondents, Jonathan P’ng and Steve Pritchard. Recently, and as described below, Jonathan P’ng and Steve Pritchard (the Controlling Directors) have been holding meetings in my absence, making decisions without consulting me, and acting contrary to the clear provisions of the By-laws.

E. THE ELDERS OF THE CHURCH

18. The elders are the spiritual leaders of the Church (the “Elders”). There are currently nine Elders of the Church. The Elders are appointed by the Holy Spirit and the apostles. The apostles are those individuals who the worldwide church recognizes as sent by it and by God to the worldwide church to (a) equip it for ministry, and (b) build up the body of

Christ (the worldwide church), until it attains the "oneness of the faith". Practically, apostles are those church workers who travel from local church to other local churches throughout the world.

19. As set out in Section 3 of Article VIII of the By-laws, the Elders have certain responsibilities in the Church which include:

- (a) leading spiritual matters;
- (b) assisting in the resolution of problems and conflicts; and
- (c) fulfilling duties within the MAC.

20. Like the Directors, all Elders also sit as members of the MAC.

F. THE MAC

21. The MAC's primary purpose is to ensure that God's purpose, will or authority is carried out by the humans who administer the local church in Toronto's temporal affairs. This is, in part, carried out by the MAC's role in reviewing and approving new Voting Members, in its role as the final decision making body in disputes between members, and its role in the disciplinary process.

22. The MAC, prior to the 2002 amendment to the By-laws also had a supervisory role in "ensuring that procedures for admission, discipline and removal are carried out properly

and fairly" [emphasis added]. That provision was deleted but the MAC is still clearly involved in the admission process itself.

23. Section 3 of Article IX of the By-laws place a strong reliance upon the MAC to counterbalance the influence of the directors and Elders, and to ensure that God's will and authority are presented and carried out. This section of the By-laws specifically deals with the constitution of the MAC. All directors and Elders are members of the MAC. The MAC is also required to contain elected membership affairs representatives ("MAC Representatives"), who may not be a director or an elder. The number of MAC Representatives must be equal to the number of Elders. Accordingly, since all the directors are Elders, exactly half of the MAC is composed of others members of the Church.

24. The By-laws are specific: "At each annual meeting, after electing directors, voting members *shall* vote for elected membership affairs representatives".

G. EVENTS LEADING UP TO THE ACTION AND THIS MOTION

25. The difficulty in which the Church now finds itself arises in part from the teaching of an apostle named Titus Chu. It is therefore useful to provide a brief description of Titus Chu. Titus Chu, a co-worker and also considered an apostle, worked with Witness Lee since the 1960s. He was particularly involved in churches around the Great Lakes on both sides of the Canadian/US border. Over time, Titus Chu's teachings have emphasized that local churches should limit their fellowship with the worldwide church and, in particular, should limit

the amount of fellowship that those churches ought to have with apostles other than himself or those he has specifically identified.

26. In 2006, a controversy arose within the worldwide church over the teachings of Titus Chu. Many of the international apostles believed that the teachings, publications, practices and views of Titus Chu were divisive. In October of 2006, a "Letter of Quarantine" warning the reader about these teachings, with accompanying materials, was posted on the internet. This letter, in my view, and in that of many others, is merely a warning and an exhortation to individuals. Every individual is of course invited to respond to the letter as their conscience dictates. The letter however did not require any official or unified response from a local church, including the Church in Toronto.

27. On October 22, 2006, a statement was announced to the Church by certain Elders and the Controlling Directors, entitled *Church of the Torontonians Statement Regarding Our Oneness and the Resolution of Discord* (the "October Statement"). The October Statement pushes for the Church to formally respond and to adopt a unified position to the Letter of Quarantine and the teachings of Titus Chu. Although it purports to be published by the Elders and the Board, no formal meetings were in fact held to consider this statement nor where any notices of these meetings given. I certainly did not attend such meetings nor was I given any notice of or invited to any such meetings. The October Statement is attached hereto as **Exhibit "G"**.

28. Together with one of the other Elders, Ron MacVicar, who at the time was the Secretary of the Corporation and who informs me and I believe also did not receive notice of any Elders meetings, I objected to the Church proceeding as contemplated by the October Statement. Mr. MacVicar and I co-authored a objection letter dated November 1, 2006, which is attached hereto as **Exhibit "H"**. Basically, the submission is that this polarizing decision of the Controlling Directors and certain Elders was not necessary and could not formally have been made since the provisions of the By-laws were not followed.

29. In response to the letter, Mr. MacVicar was subsequently removed from his position by the Controlling Directors. The Controlling Directors replaced him with Bob Duncan.

30. The October Statement and the process the Controlling Directors established required the Church to respond formally to the Letter of Quarantine. This required response caused significant discord and disunity amongst the members of the Church and was contrary to the provisions of the By-laws. Further to the process set out in the October Statement, the Controlling Directors established a "review committee" to determine what to do in response to the Letter of Quarantine. Sitting on the review committee were the two Controlling Directors themselves and two other Elders, David Lio and Robin Lao, all of whom I believe to have strong personal relationships with Titus Chu.

31. The By-laws do not confer power on the directors or the Elders to establish such a process to determine discord and disputes between members of the Church. There is a specific procedure set out under Article X of the By-laws for resolving disputes among members.

Accordingly, I do not believe that this review committee was properly constituted under the By-laws. The creation of this review committee is also improper in light of the principles of the Church.

32. Despite our objections, the "review committee" published a ruling on November 5, 2006 entitled *Determination and Recommendation of the Review Committee of the Church of the Torontonians*, which is attached as **Exhibit "I"** hereto (the "Determination"). The Determination recommends (a) that the Church not accept the Letter of Quarantine, and (b) that Titus Chu be welcome to attend and, at the invitation of the Elders, minister to the Church at its gatherings. The Controlling Directors, on short notice, called a meeting of the Board on the same day the review committee's recommendation was published. Despite my objections and protests, the Controlling Directors on behalf of the Board, approved and adopted the Determination.

33. The Determination contained the following threat against dissenting opinions: "The continuation or the promotion of incitement of church members to isolate Brother Chu or take any steps to discredit him and those who would listen to him will not be tolerated in our church and will also lead to disciplinary action" [emphasis added]. I considered this to be a blatant attempt to threaten and intimidate the Voting Members.

34. On November 22, 2006, seventy seven saints sent a letter of appeal to the Elders regarding the October Statement and the Determination. The letter sets out the concerns with the actions of the Controlling Directors and suggests that the process, the October Statement and the

Determination should be reconsidered on the basis that they were neither properly sanctioned or implemented nor necessary. A true copy of the November 22nd letter is attached hereto as **Exhibit "J"**.

35. The Controlling Directors responded by sending a letter dated December 2, 2006 to the seventy seven saints who signed the November 22nd letter. My wife and I received a copy, which is attached hereto as **Exhibit "K"**. In that letter, the Controlling Directors say:

"If you are prepared to abide by the decision of the elders, then we would continue to welcome your support and participation in the church here. Accordingly, we take this opportunity to reiterate the caution given by the Board and the elders. While we do not take your November 22 letter to warrant sanction, we would caution that any continuation of this debate will be taken as promoting dissent and undermining of the elders and the Board."

H. OTHER INSTANCES OF INTIMIDATION TACTICS AND ABUSE OF POWER BY THE CONTROLLING DIRECTORS

36. The following are a few other examples of what the Controlling Directors, along with a group of certain Elders, have done in an attempt to intimidate and exercise power and control over the members of the Church:

- (a) they have set up surveillance cameras prominently in meeting Hall 1, to record the meetings (services). No meetings in Toronto have ever been recorded in such a fashion previously and I believe that the Controlling Directors and their

supporting Elders targeted Hall 1 because several members of that hall do not agree with the rulings and decisions of the Controlling Directors. Further, on several occasions during the recording of these meetings, the Controlling Directors and certain Elders stood up and accused specific church members of being divisive;

- (b) they have forbidden out of town visitors from meeting with local church members in Toronto without prior permission of the Elders. For example, I am informed by Rick Persad from Vancouver and believe that he was called to have lunch with a local church member who had been a friend for over 20 years. When he arrived, he found that Bob Duncan was present in order to confront Rick. Elder Bob Duncan demanded that Rick Persad tell him whether he had "permission" to meet with the local brother for lunch. When Rick questioned Bob Duncan further, specifically as to whether Rick could meet with his own relatives, who also attend the Church, without "permission", Bob Duncan said he could not;
- (c) they have threatened at a meeting of the Church to "discipline" saints for engaging in activities such as attending meetings at our sister church in Brampton;
- (d) I am advised by Ria Spee and believe that Steve Pritchard emailed her asking her to reject views about Titus Chu's teachings found on a DVD she had watched and stating that promoting those views or circulating the DVD "could lead to the imposition of discipline and potential expulsion";

- (e) they have forbidden customary video training (viewing speakers and teachings on video) in the meeting halls, unless these videos have been "censored" by them;
- (f) Steve Pritchard recently established a new website (www.thechurchintoronto.ca) purporting to be the Church's new website, which contains essays against many apostles and Church members. The website was established claiming to be the Church's "new" website without either the President's or the Board's consideration or approval. The original Church website (www.churchintoronto.org), which has been in existence for many years, remains in existence today and is operational. True copies of the homepages for the "new" and the original websites are attached hereto as Exhibits "L" and "M" respectively.

I. PROPOSED NEW CHURCH BY-LAWS – AND THE BOARD'S ATTEMPT TO STACK THE VOTE

37. On February 10, 2007, a meeting of the Board was convened to consider opening nominations for new Voting Members. I attended the meeting via telephone, since notice of that meeting was only given on February 7, 2007. A re-drafted application form for new Voting Members prepared by Steve Pritchard was tabled at the meeting. The new Voting Member application form was compiled without my consultation or input. I had never even seen it prior to the meeting. I was subsequently emailed a copy of this new form, which is attach as Exhibit "N" hereto. The new application form states that the Board "as authorized by the membership

has set all of the following criteria as the qualifications to be a voting member". At no time was the enumerated criteria or the new form considered and approved by the Church members.

38. A true copy of the original 2006 form, which is substantially the same form that has been used over the past several years, except for very minor changes that were made from time to time, is attached hereto as **Exhibit "O"**.

39. The new application form imposes several new requirements on membership which deviate from By-laws and differ from the original form. In particular, it sets out the following voting membership criteria, which do not come from the By-laws:

- (a) individuals who have attained the age of 18 years old on or before the day of submitting the application will be considered for membership;
- (b) there is a requirement for applicants to have participated in the meetings of the church for the past 3 years;
- (c) there is a requirement that applicants have attended the Lord's day meeting in "properties owned or rented by the Church" an average of once per month for the past year and a requirement that the applicant promise to continue doing so;
- (d) there is a requirement that the applicant has participated in one or more specifically identified practical services;

- (e) there is a requirement that the applicants have financially supported the Church through regular "receiptable" donations OR is a full-time student living with a financially dependant or parent(s) or other blood relative who financially supports the Church with receiptable donations (anonymous donations are not permitted);
- (f) there is a requirement that applicants support and encourage the "leadership and core values" of the Church (whatever that means) and that they will not directly or indirectly participate in any group, organization or body or take any action that seeks in any way to interfere with, frustrate or harm the Church or its interests (however that is to be defined).

40. The new application form also requires the applicant to agree and acknowledge that the Board has certain rights which run contrary to the terms of the By-laws. Applicants must acknowledge:

- (a) *admission* - that they understand that they may not be approved for membership if they "fail to qualify as determined solely by the Board"; and
- (b) *termination* - that if they no longer meet all the criteria listed "or any amended criteria...then the elected Board has the right to terminate" their membership.

41. The By-laws do not provide or permit any of this. The By-laws provide for a specific process for the admission, removal and termination of membership as follows:

(a) *admission* –

- (i) the applicant must submit documentation to the MAC attesting to compliance with the criteria listed in the By-laws (see By-laws, Article IV, Section 2, x);
- (ii) two-thirds of the MAC must approve the applicant's documentation (see By-laws, Article IV, Section 2, y);
- (iii) an applicant who meets all the stated criteria in the By-laws for becoming a Voting Member may be admitted as a voting member by resolution of the Board but only where confirmed by a majority of the voting members in a business meeting (see By-laws, Article IV).

(b) *termination* –

- (i) the MAC must recommend to the Board that a member be terminated. The Board does not have the power to unilaterally remove members (see By-law 2, Section 8);
- (ii) membership shall cease "if the member no longer qualifies for membership in accordance with the by-laws" [emphasis added] (see By-law 2, Section 1).

42. The Controlling Directors acted outside of their authority in drafting the new application form which lists voting membership criteria that does not conform with the By-laws. I questioned the Controlling Directors as to whether the MAC had been involved in drafting and approving this new form. Curiously, Steve Pritchard responded that the MAC had been removed by resolution of the members in or around 2003. That is not the case as I explain further below. A true copy of an email I sent about the meeting shortly after it concluded is attached hereto as **Exhibit "P"**.

43. I told the other directors that I required some time to read and consider the new form. I objected to any announcement for new membership nominations. Suspecting that there was something more significant underlying this new form, I asked the Controlling Directors what they were planning. Jonathan P'ng responded evasively, saying that the form was the only item on the day's meeting. I probed further stating that I could not believe that the Controlling Directors did not have something more planned, having put a lot of thought and time into coming up with this new form. I asked the Controlling Directors if they planned to call an early annual meeting of the members. Jonathan P'ng was again evasive, stating that they would be calling the meeting prior to June 2007. He would not give me any specifics.

44. The next day, and despite my objections, the Controlling Directors posted an announcement that they decided to open the voting membership for nominations of new members from February 11 until February 21. They also posted the new application form. Attached hereto as **Exhibit "Q"** is a true copy of the announcement.

45. I was later informed by the Controlling Directors that they intended to hold another directors meeting and enact new by-laws of the Corporation and were calling an early annual meeting of the Voting Members for March 4, 2007 to consider and approve the proposed new set of by-laws. I was surprised and confused. I did not understand (a) the need for new by-laws; or (b) why our annual general meeting, which is usually held in June of every year after audited financial statements of the Corporation are prepared, had to be held so soon.

46. When I asked the Controlling Directors why they thought there was a need for new by-laws, they told me that the new by-laws they had drafted, among other things, would do the following:

- (a) extend the directors' term in office from one year to three years;
- (b) provide for a new class of voting members called "honorary members" and allow the directors to add such members to the Church;
- (c) add new membership criteria; and
- (d) redefine "apostles" as only those who have directly been involved in and have directly built up the Church in Toronto (essentially barring the worldwide nature of the apostles).

47. These changes were all news to me. The Board had never discussed any need for new by-laws of the Corporation; and had never approved hiring counsel for this purpose. As the President of the Corporation, I also was not consulted about proposed new by-laws, and I did not approve nor was I informed that counsel had been hired for the purposes of drafting these by-laws.

48. The Controlling Directors further informed me that they planned to add an extensive discipline system that empowers the Elders to remove, after providing two warnings, any saints who they deem to be "forming a party" or being "divisive" or "not acting in the best interest of the corporation".

49. It was not until February 14, 2007 that I received an email from Steve Pritchard attaching the minutes (drafted by him) from the February 10, 2007 meeting and, later that evening, a copy of the proposed new by-law which he delivered to me. Attached hereto as **Exhibits "R" and "S"** are true copies of the email with the attached minutes and the draft new by-laws that I was given. (With respect to the minutes, after reviewing them I requested that Steve Pritchard change the words "reluctantly agreed to go ahead with" the nomination announcement to "objected to", so that the minutes accurately reflected what had occurred – see Exhibit "BB" below.)

50. I reviewed these proposed new by-laws. If approved, they will have the effect of entrenching the Board with the ability to make critical decisions relating to Church membership, discipline and termination. The new by-laws remove the role of the MAC, and provide the

directors with discretion to make decisions relating to membership, including admission and removal of members. The new by-laws, if passed, will have the effect of redefining the Church as a self-perpetuating organization, which is contrary to its intent and purpose and the beliefs of its members.

51. It is obvious to me, and I believe, that the reason that the Controlling Directors put together a new application form and wish to add new members prior to the March 4th meeting is so that they will obtain sufficient support (through these new members) to pass the proposed new by-law. I am concerned with how the Controlling Directors are attempting to improperly add their nominees as Voting Members of the Church in for this purpose.

I. OBJECTIONS

52. I wrote a letter to formally register my objections to the application process that the Controlling Directors were implementing without my input as a director or President of the Corporation. Among other things, I requested a suspension of the membership process until such time as a business meeting could be called to properly elect and constitute the MAC. The MAC must be involved to properly evaluate and decide on who should be Voting Members pursuant to the terms of the By-laws. A true copy of my letter dated February 16, 2007, which I delivered to the Controlling Directors personally that day, is attached as **Exhibit "T"** hereto.

53. On February 17, 2007 I met with the Controlling Directors to reiterate and discuss my objections to the application process. My objections were all overruled. Jonathan P'ng stated that since he and Steve Pritchard were the majority they could do as they pleased. After

the meeting I spoke to James Kuan, a brother who understands some of the legalities and our current situation, and told him what had transpired. Attached hereto as **Exhibit "U"** is a true copy of an email subsequently sent by James Kuan to myself and others, which accurately describes my conversation with the Controlling Directors on February 17, 2007.

54. The next day, on February 18, 2007, the Controlling Directors posted notice on the "new" website of the early annual meeting of the Voting Members for March 4, 2007, proclaiming that the Church was "under attack". Attached hereto as **Exhibits "V"** and **Exhibit "W"** are true copies of the Annual Business Meeting Announcement and Agenda and the document entitled *Why Have an Early Business Meeting in Toronto*, which was circulated to members sometime after the meeting was called. I also had no input into, nor was I consulted about these matters.

55. Around the same time, the proposed new by-laws for the Church were posted on the "new" website, a copy of which I printed and have attached hereto as **Exhibit "X"** and the Controlling Directors also posted a document entitled *Answers to questions concerning the new Bylaws*, a copy of which is attached hereto as **Exhibits "Y"**. Curiously, the cover page to the proposed new by-laws, on the bottom right hand corner, contains the following inaccurate and misleading statement:

Enacted by the Directors on 4 th Mar 2007 Confirmed by the Members on 4 th Mar 2007
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J. PROPER COURSE OF ACTION – RECONSTITUTE THE MAC

56. The present state of the Church is that there is no consensus amongst the directors, elders or members. In a critical time such as this, it is crucial that all elections, meetings and membership decisions be made in accordance with the By-laws.

57. The By-laws clearly require that the MAC receive the documentation from each potential new Voting Member attesting to his or her compliance with the membership criteria. The By-laws further clearly require such documentation to be approved by two thirds of the MAC.

58. Contrary to the suggestion by the Controlling Directors, the MAC continues to have a crucial and important role in vetting new members. The MAC, and their role in this regard, was not eliminated by the amendments contained in By-law 2. To the contrary, members of the MAC have been elected since the amendments as discussed above.

59. The MAC must fulfill its role in admitting new Voting Members, which has not occurred in this case. In order to properly consider new Voting Members, it is necessary for the Corporation to hold an annual general meeting for the purposes of electing representatives of MAC. In light of the Board's current intentions to enact new by-laws of the Church, which will provide them with authority over Church membership, it is of particular importance that the MAC be reconstituted prior to the March 4th meeting, in order to consider and admit new Voting Members to the Church.

60. I have suggested that the vote on the proposed new by-laws should proceed on the basis of the current membership of the Church, which would enable the true will of the majority to be tested. In that way, if the by-law is passed, then the issue of new membership would be governed by the new by-law. If the by-law does not pass, then the membership could select the required MAC Representatives, and new voting members may be considered in accordance with the current by-law. The respondents rejected the suggestion.

61. Attached hereto as **Exhibit "Z"** is a copy of a letter dated February 22, 2007 from Duncan Boswell of Gowling Lafleur Henderson LLP, the solicitors retained by the applicants in the action, to Mark Fredericks of Miller Thomson LLP, solicitors for the respondents. Mr. Boswell's letter sets out my concerns with the intended acts of the Board and proposes a resolution to the issues short of having to bring this motion. A copy of the response to the letter, from Hugh Kelly of Miller Thomson, is attached hereto as **Exhibit "AA"**. The respondents reiterated their position that By-law 2 removed the authority of the MAC with respect to admission, discipline and removal of members.

K. FEBRUARY 24, 2007 MEETING OF THE DIRECTORS

62. On February 24, 2007, the Controlling Directors called a further Board meeting at which the qualifications of a great number of new Voting Members were considered. I attended the meeting and took notes, which I summarized in a memo attached hereto as **Exhibit "BB"**.

63. Membership consideration at the meeting ran in blatant contravention to the membership admission process that is clearly stipulated in the By-laws. I stated my objection to the process and cited the following requirements of the By-laws:

- (a) new Voting Members applicants must submit their documents for approval by MAC, which had not been done by the individuals being considered;
- (b) new Voting Members applicants must receive the approval of two-thirds of the MAC prior to being received as a member, which had not and was not going to occur with respect to the individuals being considered.

64. Steve Pritchard's response was that the amendments to the By-laws dated June 16, 2002 had the effect of removing the MAC's authority to admit or remove members and that the intention of the change was to move the approval of membership process over to the Board. That interpretation, however, is incorrect and not supported by any records or the facts. The MAC was elected on June 16, 2002 and again on June 22, 2003, after By-law 2 came into force. Attached hereto as Exhibits "CC" and "DD" are true copies of the minutes of the annual general meeting of members dated June 16, 2002 and the minutes of the annual general meeting of members dated June 22, 2003, which were approved on June 20, 2004. (I could only find a copy of the unsigned May 2002 minutes but do believe that these were in fact signed).

65. Although members were admitted to the Church in 2005 and 2006 without the MAC having been constituted, that was an oversight. The MAC was never dissolved. The By-

laws were never amended to remove the MAC, which would be required. Instead, the By-laws still continue to provide for the existence and functions of the MAC.

66. In any case, it is significant that in the years 2005 and 2006, only 9¹ and 19 new Voting Members respectively were admitted to the Church. At the February 24, 2007 meeting, the Controlling Directors considered 197 new applications for voting membership and only rejected 90 applications. The meeting resulted in an unprecedented admission of an astoundingly large number of new Voting Members in one year. In the past, the Church has restricted the number of new voting members to be admitted in any one year to no more than 10% of the existing membership. There was a verbal agreement between the Elders and the directors to that effect. The purpose of the 10% rule is to ensure that the composition of the Church membership does not change unduly and suddenly. The 2006 application form notifies applicants that a certain threshold limits the number of Voting Members that can be accepted (see Exhibit "M"). Given that there are currently 172 voting members, the addition of 106 new Voting Members is extremely significant in terms of the dynamics of any vote to be carried out.

67. The Controlling Directors were the only persons who considered the applicants' qualifications and approved their membership. Attached as Exhibits "EE" and "FF" hereto are true copies of the list of persons approved and rejected by the Controlling Directors as Voting Members on February 24th, 2007. (Rejected applicants have until Friday, March 2, 2007 to supply additional information to the Board for reconsideration.) The individuals approved for voting membership by the Controlling Directors were approved on the basis of the new criteria set out in the new application form, which does not follow the By-laws.

68. At the meeting I again requested more time to review the proposed new by-laws, since I was not privy to the Controlling Directors' plans to implement these new rules, nor was I involved in drafting them. I also stated various objections to the new by-laws as set out in my attached memo. I have specific objections but generally object to the new by-laws because they give the Controlling Directors discretion to remove members of the Church and were written with the intent to ensure that the Church be composed only of members who are fiercely loyal to the Controlling Directors and followers of Titus Chu.

69. At the conclusion of the meeting I indicated that I would chair the March 4th general meeting to ensure that it proceeded properly and fairly. In response, the Controlling Directors immediately resolved to remove me as President of the Corporation, an office which I have held for fourteen years.

70. Following the meeting I received a letter from the Controlling Directors, which was a further response to my letter of February 20, 2007. The letter dated February 24, 2007 is attached hereto as **Exhibit "GG"**. My letter of February 20 is attached hereto as **Exhibit "HH"**. In this letter the Controlling Directors changed their view and acknowledged that the MAC was not eliminated but maintain that it plays no role in the admission or removal of members.

71. It is clear, however, from Section 2 of Article IV of the By-laws that the MAC does vet membership admission. It is also clear from Schedule A to the By-laws that the MAC oversees the discipline of Church members. There was never any amendment to the By-laws

that gave the "role of deciding on the acceptance of new voting members to the Board" as the letter claims.

L. IRREPARABLE HARM

72. I have been the President of the Corporation and a member of the Church for over 14 years. Throughout that time, the members of the Church have been governed by a certain set of well known and long established rules (the By-laws). If those rules are suddenly to change, and in this case, significantly redrafted, the Board and the members of the Church must be given a sufficient opportunity to review, consider and discuss the changes. It is even more critical that any changes be made in accordance with the structures and existing By-laws which govern the Corporation.

73. It is also important to have certainty in the true will of the Church when it comes to such fundamental changes, especially in times such as these, where there is a lack of consensus amongst the directors, elders and members. Critical decisions should not be made in haste and under pressure.

74. Any such changes must be made and voted upon in accordance with the By-laws of the Corporation. The current voting members will be irreparably harmed if individuals who have not been properly vetted and accepted by the MAC, which represents the views of the membership as a whole and not just the Board, are allowed to impact the vote.

75. If the injunction sought by the applicants is not granted, the vote on the proposed new by-laws on March 4 will be stacked in favour of the respondents and the new by-laws will be approved. Once those new by-laws are in effect, the Controlling Directors will be entrenched with complete power over the constitution and regulation of the Church. The constitution of the Church will fundamentally change and the damage that will be done to organization will be irreversible as the concerned members will have no further recourse once the Controlling Directors are in power.

M. BALANCE OF CONVENIENCE

76. The Controlling Directors have exceeded their powers in this case, by acting in violation of the Corporation's internal constitution and process. As stated above, the applicants are not opposed to convening the March 4th meeting to vote on the new by-law on the basis of the currently constituted membership of the Church. What the applicants do oppose is the attempt by the Controlling Directors to abuse their power and to use intimidation tactics to stack the vote on the new by-laws in their favour.

77. The respondents will suffer no harm if the injunction is granted. The respondents will suffer no harm if the meeting does not go ahead on March 4. In an email dated February 21, 2007, attached hereto as **Exhibit "II"**, Steve Pritchard denies that there is any "crisis situation". Accordingly, there is no urgency requiring that a meeting to vote on the proposed new by-laws occur right now. The Corporation has until June of 2007 to hold the annual meeting. In fact, it will have to convene another annual meeting after March 4, 2007. An annual meeting of the

members is required to approve the audited financial statements of the Corporation, and the audited financial statements have not yet been prepared.

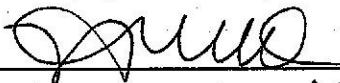
78. By contrast, if the meeting does go ahead on March 4th on the basis proposed by the Controlling directors, then Voting Membership will be augmented by 50%, the constitution of the Church will change fundamentally, and the concerned members will have no recourse to undo the damage.

79. As this is a matter that concerns a number of members of the Church, I have received several letters of support by members who request that the voting on the new by-laws be conducted fairly. I believe that even more letters of support would have been provided to me if there was more time. These letters of support are attached hereto as Exhibit "JJ".

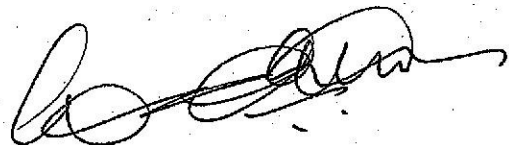
N. UNDERTAKING AS TO DAMAGES

80. On behalf of myself and the other applicants, I hereby undertake to abide by any order concerning damages that this court may make if it ultimately appears that the granting of the interlocutory injunction sought herein has caused damage to the respondent for which the applicant ought to compensate the respondent.

SWORN before me at the City of Toronto, in
the Province of Ontario, on February 27, 2007



Name of Commissioner *Natalie Mullins*
Commissioner for Taking Affidavits



DAVID WANG