

STATE OF MINNESOTA
COUNTY OF SHERBURNE

DISTRICT COURT
TENTH JUDICIAL DISTRICT
Court File No. C4-99-1250

Edward G. Palmer,)
)
 Plaintiff,)
)
)
 vs.)
)
)
 William N. Matthews, and)
 Solid Rock Church, Inc.,)
)
 Defendants.)

**FINDINGS OF FACT
CONCLUSIONS OF LAW
AND ORDER**

The above-entitled matter came before the Honorable Judge Alan Pendleton on February 9, 2000 at 9:00 a.m. for consideration of Summary Judgment Motions. Based upon all motions, memoranda, affidavits and arguments of counsel and the pleadings and documents on file herein, relevant contextual civil filings located within the Sherburne County Courthouse referenced herein and relevant articles of incorporation filings and amendments thereto on file with the Minnesota Secretary of State referenced herein, the Court makes the following Findings of Fact and Conclusions of Law and Order:

Findings of Fact and Conclusion of Law

1. Defendant Solid Rock Church, Inc. was previously known as the Elk River Assembly of God Church, a Minnesota Non-Profit Corporation.
2. The Elk River Assembly of God Church was formed and organized voluntarily under the Minnesota Non-Profit Corporation Act, Minnesota Chapter 317.

3. Articles of Incorporation documents for the Elk River Assembly of God Church dated September 4, 1977 ("original articles") were filed with Minnesota's Secretary of State.
4. Robert B. Danforth, currently the Honorable Judge Robert B. Danforth of the Minnesota Tenth District Court, witnessed and notarized the original articles.
5. The Elk River Assembly of God Church was issued Minnesota Corporate Charter No. P896 on October 5, 1977 by the Minnesota Secretary of State.
6. Original articles consisted of Article I to Article XI for a total of eleven (11) articles.
7. The original articles are on file with the Minnesota Secretary of State in book number H-47 and on pages 16-26 therein.
8. From the date of incorporation up to January 1, 1991, the Elk River Assembly of God Church was required to comply with the corporate governance provisions of Minnesota Law at Chapter 317.
9. Effective on January 1, 1991, the Elk River Assembly of God Church and its successor Solid Rock Church, Inc. became subject to the corporate governance provisions of Minnesota Law at Chapter 317A which superceded Chapter 317 on that date for all non-electing corporations per Minn. Stat. §317A.021 Subd. 7.
10. Minnesota Chapter 317 became obsolete law on January 1, 1991 and no longer applied to the corporate governance actions of Defendant Solid Rock Church, Inc.
11. Freedom of Religion and the Establishment Clause of the First Amendment to the U.S. Constitution cannot be tendered as a valid legal defense in the present case for the willful disregard of the statutory non-religious corporate governance requirements of Minnesota law at Chapter 317 or 317A, the Minnesota Non-Profit Corporation Act.
12. No substantive religious issues at law or otherwise are at dispute in the present case.

13. Original Article I read: "The name of the corporation shall be Elk River Assembly of God Church. Its place of location shall be the City of Elk River, County of Sherburne and State of Minnesota."
14. Defendants fully admit in their Answer to Complaint paragraph 3 that their Corporate Articles and By-Laws provided for one vote for each member.
15. To understand the nature of the fraudulent transfer of property in the present case, it is necessary to review the contextual civil and public framework in which Defendant William N. Matthews was elected President of the non-profit corporation.
16. It is a matter of public and Court records that Pastor James Hoogenboom from the Elk River Assembly of God Church was charged in felony complaint 71-K4-92-706 filed on May 28, 1992 by the State of Minnesota.
17. It is a matter of public and Court records that Pastor James Hoogenboom from the Elk River Assembly of God Church was charged in felony complaint 71-K3-92-762 filed on June 9, 1992 by the State of Minnesota.
18. It is a matter of public and Court records that Pastor James Hoogenboom and business manager Dexter Mapson from the Elk River Assembly of God Church were named in civil complaint 71-C9-92-975 filed on July 17, 1992.
19. It is a matter of public and Court records that Pastor James Hoogenboom and business manager Dexter Mapson from the Elk River Assembly of God Church were named in [a second] civil complaint 71-C4-92-1032 filed on July 31, 1992.
20. **Defendant William N. Matthews was elected to the position of Senior Pastor and President of the Elk River Assembly of God Church on September 1, 1992.**

21. It is a matter of public and Court records that [prior] Pastor James Hoogenboom from the Elk River Assembly of God Church was charged in misdemeanor disorderly conduct complaint 71-K9-92-1396 filed on October 20, 1992 by the State of Minnesota.
22. It is a matter of public and Court records that Pastor James Hoogenboom and business manager Dexter Mapson from the Elk River Assembly of God Church were named in [a third] civil complaint 71-C3-92-1474 filed on November 5, 1992.
23. It is a matter of public and Court records that the Elk River Assembly of God Church was named as one of four defendants in civil complaint 71-C4-92-1828 filed by John X. Doe on December 11, 1992. Said civil suit involved the highly public sex scandal of former Senior Pastor James L. Hoogenboom.
24. It is a matter of public and Court records that business manager Dexter Mapson from the Elk River Assembly of God Church was charged in misdemeanor theft complaint 71-KX-93-1174 filed on August 30, 1993.
25. It is a matter of public and Court records that the Defendant Solid Rock Church filed civil lawsuit 71-C4-94-239 on February 24, 1994 against the former business manager Dexter Mapson to recover funds allegedly swindled from the non-profit corporation. Said civil suit was publicly reported by the Elk River Star News as an action taken by Defendant Solid Rock Church under the Minnesota Fraudulent Conveyance Act.
26. It is within the context of the public sex and theft scandals, criminal complaints and several civil lawsuits that Defendant William N. Matthews was elected President.
27. Plaintiff attended the non-profit corporation at the time Defendant William N. Matthews was presented to the members for consideration as its new President.

28. It was clear to Plaintiff and most members, at the time Defendant William N. Matthews was elected as the new President, that the non-profit corporation Elk River Assembly of God was in a legal and public relations nightmare.
29. Defendant William N. Matthews was given the task of cleaning up the corporation's mess. At the center of the corporation's mess was dishonesty and lack of integrity.
30. William N. Matthews had been a credentialed minister with the Assembly of God since 1984 and had served as Pastor of the Chelsea Christian Fellowship Church in Chelsea, Michigan, beginning in 1990 until he started with Solid Rock Church.
31. Defendant William N. Matthews emphasized honesty and integrity in the wake of the two highly public scandals and civil lawsuits. This emphasis had a direct impact on Plaintiff's state of mind and his feeling that proper corporate actions were underway.
32. Plaintiff's state of mind was concerned with how the corporation was going to clean up its mess and Plaintiff had just cause to believe that William N. Matthews as an experienced minister with Assembly of God credentials was trustworthy.
33. The Elk River Assembly of God Church was affiliated with the Minnesota District Assemblies of God Ministries based in Minneapolis.
34. The Minnesota District Assemblies of God Ministries had contingent property rights in original Article XI.
35. Plaintiff had just cause to believe that the Minnesota District Assemblies of God Ministries exerted some oversight functions concerning both Pastor William N. Matthews and the non-profit corporation the Elk River Assembly of God Church.
36. Plaintiff began attending the Elk River Assembly of God Church in July 1992.

37. The reason Plaintiff starting attending this non-profit corporation was to assist in the rebuilding of the corporation, which was publicly soiled and in need of new help.
38. Plaintiff was planning on joining the corporation and attended corporate membership classes conducted by William N. Matthews during April to June of 1993.
39. Plaintiff's state of mind was concerned about honesty in the wake of the public scandals and Plaintiff had just cause to believe both Defendants were honest.
40. Plaintiff's state of mind was concerned about integrity in the wake of the public scandals and Plaintiff had just cause to believe both Defendants had integrity.
41. Plaintiff had just cause to believe he would be joining a congregational church where the majority ruled and each member had equal voting rights.
42. On July 1, 1993 the members of the Elk River Assembly of God Church assembled to consider a name change.
43. Plaintiff attended the July 1, 1993 meeting and spoke in favor of the new name.
44. One reason specified in the July 1, 1993 name change resolution was to distance the corporation from the "negative events that transpired in the past."
45. The fourth clause in the name change resolution of July 1, 1993 read "Whereas Our church is founded on The Solid Rock." It directly implies integrity and is consistent with other statements made by the Defendants to "condition" Plaintiff's state of mind.
46. On July 1, 1993 the members of the Elk River Assembly of God Church were only presented with a name change resolution. No other changes or discussion of other changes to the articles occurred during this business meeting.

47. On July 1, 1993 the members of the Elk River Assembly of God Church voted to change the name of the corporation specified in Article I to Solid Rock Church, Inc.
48. The July 1, 1993 meeting minutes shown in Matthews' Exhibit 1 fully document that the only article change made was a name change to the first half of original Article I.
49. Defendants' July 1, 1993 meeting minutes show that Ernest Harpster was elected as a Deacon to serve as a replacement for Tom Stoll's position until February 1994.
50. Defendant Solid Rock Church, Inc.'s board of trustees or corporate directors consisted of the corporate officers defined by original Article VII Subd 2 in combination with any additional Deacons elected per original Article VII Subd 1.
51. In the wake of the public scandals and Plaintiff's state of mind, Plaintiff had just cause to believe that he could rely upon the directors to be honest people of integrity.
52. Plaintiff had just cause to believe that he could rely upon corporate directors to also adhere to the "Director's Standard of Conduct" specified in Minn. Stat. §317A.251.
53. In the wake of the public scandals and Plaintiff's state of mind, Plaintiff had just cause to believe that he could rely upon corporate officers to be honest people of integrity.
54. Plaintiff had just cause to believe that he could also rely upon corporate officers to adhere to the "Officer's Standard of Conduct" specified in Minn. Stat. §317A.361.
55. In the wake of public scandals and Plaintiff's state of mind, Plaintiff had just cause to believe that the Defendants would adhere to the governance requirements of their own Articles, By-Laws and Minnesota law at Chapter 317A.
56. On July 14, 1993 the Plaintiff joined the corporation, which was then known as Solid Rock Church, Inc.

57. Defendants admit that Plaintiff was a full voting member of the corporation.
58. During the period of time from July 1992 through June 1993, Plaintiff was subjected to steady requests and solicitations for contributions from Defendants.
59. On July 18, 1993 Plaintiff transferred 545,000 shares of common stock in Attic Technology to Solid Rock Church, Inc.
60. On July 18, 1993 Plaintiff had just cause to believe that the stock he was gifting to Defendant Solid Rock Church, Inc. was being transferred to an organization that was honest and had integrity.
61. On July 18, 1993 Plaintiff had just cause to believe that as a voting member that he would be able to exercise his voting rights as a small measure of control over the stock that was transferred.
62. On July 18, 1993 Plaintiff's state of mind was conditioned to believe the Defendants had set the corporation's house in proper order and that they were trustworthy.
63. On July 18, 1993 Plaintiff had no reason to suspect that the Defendants were already actively engaged in a devious plan involving fraudulent filings of article changes with the Minnesota Secretary of State in violation of Minnesota's Uniform Fraudulent Conveyances Act at Chapter 513.
64. Instead of filing a name change to Solid Rock Church, Inc. as approved by the voting members on July 1, 1993 to the first sentence in original Article I, Defendants filed an entirely new set of Articles with the Minnesota Secretary of State on July 22, 1993 in violation of Minn. Stat. §317A.139.
65. At the time Plaintiff gave his stock, Defendants were lying and committing fraud.

66. On July 22, 1993 the Defendants changed the true nature of the corporation by making massive changes to the articles of incorporation without the approval of the voting members of the Elk River Assembly of God Church in violation of Minn. Stat. §317A.133, 139, 251 and 261.
67. The July 22, 1993 articles filing was sworn under oath and certified to the Minnesota Secretary of State with the following language: "We certify that we are authorized to execute these Amended Articles of Incorporation, and we further certify that we understand that by signing these Amended Articles of Incorporation, we are subject to the penalties of perjury as set forth in Sec. 609.48 as if we had signed these Amended Articles of Incorporation under oath."
68. On July 22, 1993 the Defendants illegally altered Article I by deleting the "location" of the corporation as specified in the original articles in violation of Minn. Stat. §317A.133, 139, 251 and 261.
69. On July 22, 1993 the Defendants illegally altered Article II by deleting the "location" of the place of worship as specified in the original articles in violation of Minn. Stat. §317A.133, 139, 251 and 261.
70. On July 22, 1993 the Defendants illegally altered Article V by deleting board approval of members as specified in the original articles in violation of Minn. Stat. §317A.133, 139, 251 and 261.
71. On July 22, 1993 the Defendants illegally altered Article V by changing the criteria for membership as specified in the original articles in violation of Minn. Stat. §317A.133, 139, 251 and 261.

72. On July 22, 1993 the Defendants illegally altered Article VII Subd 2 by deleting the definition of officers specified in the original articles in violation of Minn. Stat. §317A.133, 139, 251 and 261.
73. On July 22, 1993 the Defendants illegally altered Article VII Subd 2 by deleting the terms of officers specified in the original articles in violation of Minn. Stat. §317A.133, 139, 251 and 261.
74. On July 22, 1993 the Defendants illegally altered Article VII Subd 3 by deleting the annual meeting requirement specified in the original articles in violation of Minn. Stat. §317A.133, 139, 251 and 261.
75. On July 22, 1993 the Defendants illegally altered Article VII Subd 3 by deleting the annual election of officers specified in the original articles in violation of Minn. Stat. §317A.133, 139, 251 and 261.
76. On July 22, 1993 the Defendants illegally altered Article X by changing the language affecting Assembly of God affiliation in violation of Minn. Stat. §317A.133, 139, 251 and 261.
77. On July 22, 1993 the Defendants made unauthorized changes to all existing articles of incorporation in violation of Minn. Stat. §317A.133, 139, 251 and 261.
78. On July 22, 1993 the Defendants made unauthorized additions to the articles by adding new Article XII to Article XV, which changed the total number from eleven (11) to fifteen (15) in violation of Minn. Stat. §317A.133, 139, 251 and 261.
79. On July 22, 1993 the Defendants filed a new set of articles which rearranged all of the existing articles, deleting some provisions and adding other provisions in a clear attempt to remove the corporate foundation that the original articles provided.

80. The changes the Defendants made on July 22, 1993 to the original articles, excluding the name change, are unauthorized, substantive and affect major governing issues in the governance of the Minnesota non-profit corporation Solid Rock Church, Inc.
81. The Defendants' July 22, 1993 filing was clearly an effort to take advantage of the disarray and confusion caused within the corporation in the wake of the "existing" public scandals and civil lawsuits. The July 22, 1993 filing was a proverbial "sucker" punch to the unsuspecting and trusting members of this non-profit corporation.
82. The result of the July 22, 1993 articles filing with the Minnesota Secretary of State gave William N. Matthews control over the Attic Technology stock.
83. Minn. Stat. §317A.139 (3), (4) requires a truthful and accurate filing of amendments to articles of incorporation.
84. Board member Ernest Harpster has testified in his affidavit that William N. Matthews presented the filing for board signatures and told them that they were "only signing a document that reflected the name change the members voted on" which explains in part why the board members willingly signed fraudulent documents.
85. The Defendants withheld material corporate information concerning the actual filings of amendments being made with the Minnesota Secretary of State during July 1993, which had the effect of coloring and biasing all of Plaintiff's actions.
86. On July 18, 1993, the Defendants had already drafted their fraudulent documents.
87. The withheld material corporate information colored and biased Plaintiff's stock gift.
88. Had Plaintiff known all of the material corporate governing facts, Plaintiff would not have given the stock to Solid Rock Church, Inc. on July 18, 1993.

89. Plaintiff's stock transfer on July 18, 1993 is subject to Minnesota law at Chapter 513, the Uniform Fraudulent Transfer Act.
90. The statute of limitations for commencing action under Minnesota Chapter 513 is six years from the date of discovery of the fraud as stated in Minn. Stat. §541.05 Subd. 6.
91. A close look at the effects of the Defendants' July 22, 1993 articles filing with the Minnesota Secretary of State reveals a devious scheme to take control of the corporation and its property.
92. Matthews' Exhibit 3 indicates that a plan was clearly in operation to alter the control of the non-profit corporation and its property.
93. Matthews' Exhibit 3 indicates that the law firm of Lindquist & Vennum would be used to alter the control of the corporation and its property and that William N. Matthews had already begun discussions with Lindquist & Vennum to do this.
94. On July 11, 1995 the members of Solid Rock Church, Inc. were hastened to a special business meeting by Defendant William N. Matthews who would not disclose the purpose of the business meeting prior to the actual meeting.
95. The July 11, 1995 business meeting was called to consider a questionable report that Defendant William N. Matthews was concerned about.
96. Plaintiff attended the July 11, 1995 business meeting.
97. Plaintiff and others were not told the purpose of the meeting until it actually started.
98. Meeting minutes for the July 11, 1995 meeting shown as Matthews' Exhibit 5 and 6 show no discussions concerning making any actual article changes.

99. Proper meeting notice for changes to articles required notice of the changes proposed to be posted "in a conspicuous place in the place of worship for four consecutive Sundays directly preceding such meeting, and that due notice of the date, time, and place of such meeting to amend the Articles of Incorporation shall be made during the regular Sunday services for four consecutive Sundays directly preceding such meeting" pursuant to then existing Article XV concerning amendments.
100. It is clear in Matthews' Exhibit 5, the typed business meeting minutes of the July 11, 1995 business meeting, that the Defendants had purposed this meeting as a ruse to alter then existing Article VI concerning affiliation.
101. Proper meeting notice for the July 11, 1995 meeting was not provided to the voting members of Solid Rock Church, Inc. pursuant to then existing Article XV.
102. On Matthews' Exhibit 5, page 1, in paragraph 6, the meeting minutes state clearly:
"Pastor [William N. Matthews] wants our integrity to be protected."
103. On Matthews' Exhibit 6 page 24, William N. Matthews restates his focus on integrity.
104. The only resolution voted on during the July 11, 1995 business meeting is shown on pages 28-29 of Matthews' Exhibit 6, the meeting minute's transcript (partial).
105. The substance of the resolution shown on pages 28-29 of Matthews' Exhibit 6 is identical to the resolution presented as Plaintiffs' Exhibit 4.
106. The resolution shown on pages 28-29 of Matthews' Exhibit 6 was used by the Defendants as their authority to make the October 11, 1995 articles filing with the Minnesota Secretary of State.

107. The articles filing made by the Defendants on October 11, 1995 state clearly that "notice of such meeting, proposal to amend and nature of such proposal [was] mailed to each member entitled to vote thereon at least five days prior to such meeting, held at 11800 196th Avenue NW, in the city of Elk River, County of Sherburne, as designated in such notice, on the 11th day of July 1995."
108. The articles filing made by the Defendants on October 11, 1995 state clearly that a majority vote of the voting members approved the amended articles filed.
109. The articles filing made by the Defendants on October 11, 1995 was made pursuant to obsolete law under Chapter 317 at 317.27, Subd. 3, 4 and 317.22, Subd. 9 and 317.22 Subd. 2, said law obsolete on January 1, 1991 concerning Solid Rock Church, Inc.
110. The articles filing made by the Defendants on October 11, 1995 were subject to the same penalties of perjury as set forth in Sec. 609.48 as were all previous filings.
111. On October 11, 1995 the Defendants filed an unauthorized and completely new set of articles of incorporation with the Minnesota Secretary of State in violation of Minn. Stat. §317A.133, 139, 251 and 361.
112. On October 11, 1995 the Defendants disenfranchised the general voting members with new Article IV which states "the board of trustees shall be the only voting members of the corporation." The Defendants illegally took away all of Plaintiff's voting rights.
113. The effect of the October 11, 1995 filing was to complete Defendant William N. Matthews' conversion of the non-profit corporation Solid Rock Church, Inc.
114. The effect of the October 11, 1995 filing gave William N. Matthews total control over the non-profit corporation Solid Rock Church, Inc and all of its property.

115. The Defendants absolute control of the non-profit corporation was reinforced by the new set of By-Laws shown as Matthews' Exhibit 8 (unsigned).
116. On December 23, 1996 Plaintiff withdrew his membership in Solid Rock Church.
117. During the period of time from July 1992 through December 1996, Plaintiff had no reason to suspect that the Defendants had filed illegal changes to the corporation's articles of incorporation.
118. Plaintiff discovered the Defendants' fraud on April 3, 1998.
119. After several attempts at recovering Plaintiffs' stock failed, Plaintiff filed suit in the Tenth District Court on July 9, 1999 as a cause of action under Minnesota's Uniform Fraudulent Conveyances Act, Chapter 513.
120. The Defendants admit making all of the changes to the Articles of Incorporation and state that "they speak for themselves."
121. Both parties in the present case have waived trial by jury in favor of the bench.
122. The Minnesota Rules of Civil Procedure are part of Plaintiffs' (and Defendants') Due Process rights to ensure equal protection under the law.
123. Minn. R. Civ. P. 33.01 (b) states that [the party served] "shall serve written answers or objections to each interrogatory within 30 days after service of the interrogatories."
124. Minn. R. Civ. P. 33.01 (d) states that "answers to interrogatories shall be stated fully in writing and shall be signed under oath by the party served."
125. Plaintiffs' Second Set of Interrogatories was served on Defendants on July 31, 1999.

126. Defendants' Interrogatory signature page as supplied on September 10, 1999 after a one-week extension is shown as Plaintiff Exhibit 15 absent any Defendant signature.
127. The Defendants' Interrogatory signature page lists only a provision for Defendant Solid Rock Church, Inc to sign in "corporate" form "BY" its Pastor William Matthews.
128. The Interrogatory signature line supplied by Defendant Solid Rock Church cannot be deemed to personally represent Defendant William N. Matthews because of its form. It is a standard "corporate signature form" which states the corporation's name and then directly below that corporate name is a provision for a signature to be signed "BY" the corporation's representative. When this corporate form of signature is used on any contract of law or other legal document, Courts have consistently ruled that the signatory cannot be then held personally liable for that signature.
129. The signature page for Defendants' Interrogatory reply is without any "individual" signature of Defendant William N. Matthews absent his signature as presented on the "corporate form of the signature line" that is provided.
130. The date on the signed Interrogatory signature page shown as Plaintiffs' Exhibit 29 is October 5, 1999 and is a per se violation of Minn. R. Civ. P. 33.01(b), 25+ days late.
131. The use of the "corporate signature form" and lack of Defendant William Matthews' signature as a second "individual" Defendant is just cause for the Plaintiff to believe that Defendant William N. Matthews has not responded to Plaintiffs' Interrogatories.
132. The Defendants' signature page on the response to requests for admissions also use only the "corporate signature form" listing Solid Rock Church, Inc. signed "BY" [Officer] William N. Matthews.

133. The use of the "corporate signature form" and lack of Defendant William Matthews' signature as the second "individual" Defendant absent that of the "corporate form of signature" is just cause for the Plaintiff to believe that Defendant William N. Matthews as "individual" has not responded to any of Plaintiffs' Admission Requests.
134. Defendants' lied to Plaintiff and the Court in their response to Admission Request No. 24. When asked to "admit that no notice was provided for article changes on July 1, 1993 except for a name change" -- they Deny. Then in Matthews' Exhibit 1 they provide meeting minutes that shows no discussion on articles except a name change.
135. Defendants' lied to Plaintiff and the Court in their response to Admission Requests. Another example is Request No. 25. When asked to admit that the only resolution provided on July 1, 1993 for article changes was for a name change -- they Deny. Then in Matthews' Exhibit 1 they provide meeting minutes that shows no discussion on articles except a name change.
136. Defendants' lied to Plaintiff and the Court in their response to Admission Requests. Another example is Request No. 61. When asked to "admit that Plaintiff Exhibit No. 4 is an exact copy of the contents of the only resolution that Defendants presented to the members of the organization at their July 11, 1995 business meeting" -- they Deny. Then in Matthews' Exhibit 6 on pages 28-29 they provide meeting minutes that shows the same resolution.
137. Defendants' provided evasive answers to Plaintiff and the Court in their response to Admission Requests. One example is Request No. 66. When asked to "admit that Plaintiff Exhibit No. 4 passed by the vote: 60 yes, 5 no, and 1 abstention" -- they object to the term "passed by." Then in Matthews' Exhibit 5 on page 4 they state: "Motion passed to be affiliated with AFCM. 60 Yes, 5 No, 1 Abstain."

138. Plaintiffs' discovery efforts were highly focused and calculated to lead to the discovery of admissible evidence in accordance with Minn. R. Civ. P. 26.02 (a).
139. Defendants objected to Document Request #18, which asked for access to the names of meeting attendees and membership lists stating that the request is "not calculated to lead to the discovery of admissible evidence." The Defendants are simply trying to deny Plaintiff access to the eyewitnesses of key events and this discovery response is just one example of the frivolous nature of the Defendants' pleadings.
140. Defendants' Interrogatory responses were evasive and non-responsive.
141. Defendants' Requests for Admission responses were evasive and non-responsive.
142. There is basis in law for Plaintiffs' Summary Judgment Motion by virtue of the fact that Defendants used only a "corporate form of signature" representing only Solid Rock Church, Inc. "BY" (officer signature) in their responsive pleadings.
143. Plaintiff has pled fraud with sufficient particularity in accordance with Minn. R. Civ. P. 9.02, which states "the circumstances constituting fraud ... shall be stated with particularity." Minn. R. Civ. P. 9.02 does not require that the case be proven within the content of the Complaint or in pleadings without the benefit of full discovery.
144. **Further discovery in this case is not warranted because the Defendants have fully admitted their wrongdoing in their Summary Judgment Motion filing within the contents of the Exhibits to William N. Matthews' Affidavit as viewed with the admitted Secretary of State amended articles filings.**
145. **Plaintiffs' property was simply caught up in the theft by conversion of the Elk River Assembly of God Church, a Minnesota non-profit corporation.**

146. The Defendants had no business tendering a legal defense before the Court because they were fully aware of their fraud. Once the Defendants were caught in their fraud, the Defendants should have simply returned the common stock back to the Plaintiff.
147. All of Defendants' pleadings before the Court after the Complaint was filed are a frivolous use of the Court designed to cover up the fraud and harass the Plaintiff.
148. The fraud committed by the Defendants is fully documented on paper in the form of fraudulent filings of article changes with the Minnesota Secretary of State when viewed in light of the corporate meeting minutes supplied by the Defendants.
149. Minn. Stat. §317A.751 anticipates judicial intervention in non-profit corporations when there is fraud involved. Subdivision 1 states: "A court may grant equitable relief it considers just and reasonable in the circumstances or may dissolve a corporation and liquidate its assets and business as provided for in this section."
150. Minn. Stat. §317A.903 anticipates judicial referral to the Attorney General when there is a clear public interest in the proceedings.
151. The State of Minnesota has a clear interest in the proceedings of the present case.
152. On July 22, 1993 the Defendants committed perjury with the State of Minnesota by making a fraudulent filing with the Secretary of State's Office.
153. On October 11, 1995 the Defendants committed perjury with the State of Minnesota by making a fraudulent filing with the Secretary of State's Office.
154. All changes that Defendants made to articles with the sole exception of the name change to Solid Rock Church, Inc. are "ultra vires" and outside the scope of the actions of a Minnesota non-profit corporation.

155. Defendants violated the Standard of Conduct for Directors in Minn. Stat. §317A.251.
156. Defendants violated the Standard of Conduct for Officers in Minn. Stat. §317A.361.
157. Defendants violated Minn. Stat. §317A.139 regarding the filing of amended articles.
158. In an attempt to get the Court to perpetuate their fraud, the Defendants have committed perjury in their responsive pleadings before the Court in the present case.
159. The law firm of Lindquist & Vennum was responsible for certain article documents and the State of Minnesota has a clear public interest in determining the exact extent of their involvement, if any, in the theft of the Elk River Assembly of God Church.
160. It is unlikely that Defendant William N. Matthews was able to complete this theft without the assistance of other persons and the State of Minnesota has a clear public interest in determining the exact extent of who else was involved in the theft of this Minnesota non-profit corporation, the Elk River Assembly of God Church.
161. **The Defendants willfully engaged in illegal behavior that led to the fraudulent conveyance of Plaintiffs' property in the form of 545,000 shares of common stock in Attic Technology, Inc on July 18, 1993.**

IT IS HEREBY ORDERED:

1. Summary Judgment is granted in favor of the Plaintiff with prejudice; and
2. The stock transfer of 545,000 shares of stock in Attic Technology, Inc. represented by stock certificate No. 82 dated July 13, 1993 is declared nullified; and
3. Defendant Solid Rock Church, Inc. is hereby ordered to return to Plaintiff Attic Technology, Inc. stock certificate No. 82; and

4. It is ordered that notice be sent to SolarAttic, Inc. that the Court has declared this stock transfer null and void. Further, that the shares represented by certificate No. 82 be immediately returned to Edward G. Palmer in a new certificate and on record for the same in SolarAttic's stock records effective on the date of this order.
5. Defendant Solid Rock Church, Inc. is hereby ordered to pay Plaintiff reasonable damages in the amount of \$_____; and
6. Defendant Solid Rock Church, Inc. is hereby ordered to pay Plaintiff reasonable costs in the amount of \$_____; and
7. Defendant William N. Matthews is hereby ordered to pay Plaintiff reasonable damages in the amount of \$_____; and
8. Defendant William N. Matthews is hereby ordered to pay Plaintiff reasonable costs in the amount of \$_____; and
9. All changes to the Articles of Incorporation of the Minnesota Non-Profit Corporate Charter No. P896 made by these Defendants are hereby declared void.
10. The Articles of Incorporation of Minnesota Corporate Charter No. P896 are hereby restored to the original Articles of Incorporation dated October 5, 1977.
11. The By-Laws of this Minnesota Corporate Charter No. P896 are hereby restored to the By-Laws in effect on July 1, 1992; said By-Laws predating Defendant William N. Matthews' involvement in this non-profit corporation.
12. The name of this non-profit is hereby changed back to the original name of the Elk River Assembly of God Church as is contained in the original and only existing non-corrupted corporate articles on file with the Minnesota Secretary of State.

13. All property of Minnesota non-profit corporation No. P896, hereafter referred to as the Elk River Assembly of God Church, is hereby ordered to be surrendered by both Defendants immediately and returned to the Minnesota District Assembly of God Ministries in Minneapolis, Minnesota no later than _____, 2000 for disposition in accordance with the provisions of the corporation's original Article XI of the Articles of Incorporation.

14. A Writ of Mandamus is hereby ordered for the Sherburne County Attorney to conduct an immediate criminal investigation into the activities of William N. Matthews and any others who may have been involved with him to determine if criminal charges should be filed concerning the matters brought forth in this civil case. The Sherburne County Attorney shall report back to this Court by _____, 2000 or on such earlier date as deemed appropriate as to any criminal charges that are warranted.

15. This matter is hereby referred to the Minnesota Attorney General's Office to determine the extent of the State's interest in further proceedings.

16. _____

17. _____

Dated: _____, 2000

Honorable Alan Pendleton
Sherburne County District Court Judge