
NEWSFLASH !

Issue 20

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*From Urantia Foundation to IUA Officers,
Foundation Office Managers, Foundation Representatives,
Translators, and Other Supporters for the Purpose of Disseminating
This Information to Readers in Local Areas*

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Removal of Trustee Kwan Choi

**Announcement from Board of Trustees of Urantia Foundation
April 22, 2002**

On September 7, 2001, we took the first step in removing Kwan Choi as a Trustee of the Urantia Foundation by a unanimous vote of the four other Trustees. The removal was confirmed by unanimous votes at three successive quarterly meetings of the Trustees. The final, unanimous vote was taken on

April 20, 2002, and a Certificate of Removal of Trustee was executed.

Kwan Choi has filed a lawsuit to attempt to stop the removal. We are disappointed that Dr. Choi has also chosen to breach the confidentiality agreement that he signed as a

Trustee of Urantia Foundation. A hearing will be held where the judge will decide if the Certificate of Removal of Trustee may be recorded.

The Trustees will respond in court solely to the extent necessary to demonstrate that the allegations of financial impropriety made by Dr. Choi are unfounded and that Dr. Choi was properly removed as a Trustee.

This Board of Trustees has been faced with many challenges over the past four years. We have prayed together, for each other, and for guidance that we might do the Father's will. As a result, the current Trustees have come through the tests of these years as a unified board.

Our confidence in each other has been tried and tested. Each of us has the utmost trust and confidence in each of the other Trustees. Specifically, we are satisfied that each has fulfilled all of his duties as a Trustee in good faith, to the best of his ability, under extraordinarily difficult conditions.

We feel that the independence of the individual Trustees is an asset and that we

have a stronger, more unified board as a result of the experiences of the past four years. We are united in our commitment to fulfilling our duties under the *Declaration of Trust*.

Despite the many distractions of the past few years, Urantia Foundation has continued to publish, translate, and disseminate *The Urantia Book* on unprecedented levels. In the past several years, five new translations of *The Urantia Book* have been published and sixteen additional languages are in progress. Increasing numbers of books are being placed in libraries and bookstores around the globe. Worldwide offices and representatives are paving the way for introduction of *The Urantia Book* in an increasing number of countries in ways consistent with their cultural and religious heritages.

We thank those of you who have shown your unwavering support for Urantia Foundation and affirm our commitment to serving the Fifth Epochal Revelation.

Richard Keeler
Georges Michelson-Dupont
Mo Siegel
Gard Jameson

Update From Tonia Baney Re: Kwan Choi Removal Announcement May 9, 2002

Kwan Choi filed a lawsuit on February 25, 2002, to prevent his removal from the Board of Trustees of Urantia Foundation. After two hearings, the court denied his request for a Temporary Restraining Order, which meant that the Trustees could record the "Certificate of Removal of Trustee" in the official records of Cook County, Illinois.

The Trustees have three months to select a new Trustee.

I attended the most recent hearing on April 24, 2002. Dr. Choi was not at this hearing but was represented by his attorney. During the hearing, the judge commented that the next hearing would concentrate on the *Declaration of Trust* and the *By-Laws* of Urantia Foundation. These are the two documents under which Urantia Foundation operates.

Two attorneys from the Illinois Attorney General's Office appeared at the hearing. The Attorney General represents the interests of the public in non-profit charitable trusts. They

have the responsibility to investigate any allegations of wrongdoing by a charitable trust.

The Attorney General filed affidavits in the Choi case. (<http://www.urantia.org/newsinfo/agaff.pdf>) These affidavits show that Urantia Foundation meets its fiduciary reporting responsibilities and has fully responded to all inquires from the Attorney General's office, which finds "no need to take corrective action." The affidavits also show that Dr. Choi has never complained to the Attorney General about Urantia Foundation. However, when Dr. Choi began to suggest possible financial improprieties, Urantia Foundation notified the Attorney General.

The primary function of Urantia Foundation is the dissemination of the true and accurate teachings of *The Urantia Book* to the world. The Trustees of Urantia Foundation are committed to this work, and great progress has been made.

The community of *Urantia Book* readers continues to suffer from destructive disunity. Our community could accomplish much more if we would work together, in recognition of

the fatherhood of God, to extend the brotherhood of mankind.

During the last seven years, I have been present at, and participated in, many meetings of the Board of Trustees. Much of the information in Kwan Choi's affidavits and attachments are taken out of context. They reveal only parts of a larger series of events.

I believe actions speak louder than words. Four Trustees voted unanimously to remove Kwan Choi from the Board of Trustees for very good reasons. Then, on three more occasions, they again voted unanimously against his reinstatement, each time after having given Dr. Choi an opportunity to dissuade them. To me, these actions speak volumes.

Sincerely,
Tonia Baney

For further information on this case, see appendices to this newsletter which contain a summary of the allegations made by Kwan Choi with the Foundation's answers, as well as affidavits made by Richard Keeler, Mo Siegel, Gard Jameson, Tonia Baney, Marcia Lansu, and representatives from the Attorney General's Office.

Money and Higher Things

by Jeffrey Wattles, April, 2002

How easy it is for us who recognize the primacy of the spiritual to do less than our full share of material tasks! A selective reading of the life of Jesus may even seem to support this tendency. For example, Jesus did no public fund-raising, leaving that task to Matthew. Ready to rise above financial concerns, we may thrill to the Master's assurance:

"When you wholeheartedly devote yourselves to the proclamation of the gospel of the kingdom, you should not be of doubtful minds concerning the support of yourselves or the families you have forsaken. If you give your lives truly to the gospel,

you shall live by the gospel. If you are only believing disciples, you must earn your own bread and contribute to the sustenance of all who teach and preach and heal." (The Urantia Book, p.1823, par.3)

A passage like this can inflame our desire to identify with the apostles. Recall, however, that Jesus, when the twelve were first gathered, sent them forth to earn money and joined them in doing so.

Jesus now asked them how much money they had among them; he also inquired as to what provision

had been made for their families. When it developed that they had hardly sufficient funds to maintain themselves for two weeks, he said: "It is not the will of my Father that we begin our work in this way. We will remain here by the sea two weeks and fish or do whatever our hands find to do ... (p.1544, par.3)

The apostles, moreover, were obliged to provide for themselves once Jesus left them.

"You well remember when I sent you forth without purse or wallet and even advised that you take with you no extra clothes. And you will all recall that you lacked nothing. But now have you come upon troublous times. No longer can you depend upon the good will of the multitudes. Henceforth, he who has a purse, let him take it with him. When you go out into the world to proclaim this gospel, make such provision for your support as seems best. I have come to bring peace, but it will not appear for a time." (p.1944, par.2)

Urantia Foundation has fallen on times of great need, touching its ability to perform some of its main tasks. It may even be necessary to postpone existing commitments to translations. At this point, each IUA member or Urantia Foundation supporter has a great question to face: Do I really believe in the importance of the Foundation's key tasks?

What are *my* financial responsibilities? This question may strike fear in our hearts. Given many of our financial situations and family commitments, perhaps we do not like to recall some of the relevant teachings of *The Urantia Book*:

1. Melchizedek establishing a system of tithing.

Upon the consummation of the solemn covenant, the reconciliation between Abraham and Melchizedek was complete. Abraham again assumed the civil and military leadership of the Salem colony, which at its height carried over one hundred thousand regular tithe payers on the rolls of the Melchizedek brotherhood. (p.1021, par.4)

2. Jesus grew up with the practice of tithing.

Mary maintained a dovecote on top of the animal house adjoining the home, and they used the profits from the sale of doves as a special charity fund, which Jesus administered after he deducted the tithe and turned it over to the officer of the synagogue. (p.1361, par.4)

3. Jesus, with some qualification, acknowledged tithing as a duty.

"Woe upon you, scribes and Pharisees and all other hypocrites who make sure that they tithe mint, anise, and cumin and at the same time disregard the weightier matters of the law – faith, mercy, and judgment! Within reason, the one you ought to have done but not to have left the other undone. You are truly blind guides and dumb teachers; you strain out the gnat and swallow the camel." (p.1908, par.1)

One thing must be made crystal clear. I am not trying to prove that we each have a duty to tithe, let alone tithe to Urantia Foundation. With tithing in mind as a norm, we each need to see what giving is reasonable for us. Moreover, we may do well to distribute our giving in different directions. Nevertheless, we are all beneficiaries of what the Foundation has been doing for so many years. The Trustees, for example, are unpaid, and they work, some of them at times, nearly a forty-hour week. We owe a great deal to them. Moreover, it seems clear that our unseen friends have many projects that they are pursuing through the teamwork coordinated by Urantia Foundation.

A church, with a mix of upper class, middle class, and lower economic class members may have a hard time raising funds, since the very expensive cars seen in the parking lot makes it easy for many to assume that the wealthy few should carry the financial burden. The middle or lower class folks may feel that they shouldn't be expected to do much. At some point, the wealthy may come to feel that the others are benefiting without contributing, therefore abandon any responsibility when it comes time to help pay for all the advantages

the church has to offer. Love of neighbor and wholehearted service suffer as a consequence. However, congregations where faith surges dynamically have no trouble paying the bills.

I recall years ago a visit to the former Boulder School for Students of *The Urantia Book* by Professor David Fraser, a Christian scholar who spent considerable time in East Africa helping church groups to organize effectively. He sat in on a class in which the following passage came up for discussion:

Whatever else may concern the wealthy in the judgment, at least three questions must be answered by all who acquire great wealth, and these questions are:

1. *How much wealth did you accumulate?*
2. *How did you get this wealth?*
3. *How did you use this wealth?* (p.1822, par.5)

After the session I asked David Fraser for his comment; he expressed his observance of how

ready these Americans were to assume that they were not wealthy.

Every job that is well done gives strength to others yet to come. Every challenge presents us with the alternatives: shall we be fearful and defeated, or shall we respond with vigor? In every challenge we would all do well [to] *feast upon uncertainty, to fatten upon disappointment, to enthuse over apparent defeat, to invigorate in the presence of difficulties, to exhibit indomitable courage in the face of immensity, and to exercise unconquerable faith when confronted with the challenge of the inexplicable. . . . In liaison with God, nothing – absolutely nothing – is impossible!* (p.291, par.3)

“Seek the greater thing, and the lesser will be found therein; ask for the heavenly, and the earthly shall be included,” said Jesus (p.1823, par.3). Sometimes the greater thing is to descend to the humble level of material service. What do you think?

Thank You Bob Solone

Urantia Foundation wishes to acknowledge the loyalty, dedication, and commitment of Bob Solone, long time employee of the Foundation.

Bob joined Urantia Foundation in 1990 and worked in the Reader Services Department answering literally thousands of reader inquiries. Having lived in South America and being multi-lingual, Bob also worked on the Spanish Desk and attended many book fairs in South America. He attended to and coordinated the many inquiries and activities of readers and volunteers from Spanish-speaking nations. He also served as the editor for the *Urantian News*, the Foundation’s semi-annual newsletter.

Bob has remained loyal to the Foundation during some of its most trying periods and has

been a great asset in assisting new staff during the changing period of the past five to six years. He is also renowned among the readership community for his musical talents and sing-alongs at Urantia conferences and gatherings.

Bob’s presence will continue to be part of our Foundation family through his volunteer work and his presence at our weekly study group. We are sure he will continue to serve *The Urantia Book* teachings in his personal life. We wish him well for his future pursuits both with his musical career and his continued service to the revelation.

Thank you, Bob Solone.

Some Reader Events

France in August!

The IUA International Conference will be held in Dourdan, a charming medieval village 30 miles (55km) south of Paris.

The bi-annual international conference for the International Urantia Association will be held in Dourdan, France, August, 3-7, 2002. This will be the second IUA conference to be held outside of the United States.

The theme will be: *Living the Ascension Plan in Terrestrial Human Experience*. Each of the three full days will, in turn, be dedicated to the study of one plan—the Plan of the Father, the Plan of the Son, and the Plan of the Spirit.

Registration details and further information may be found at www.iua2002.com or by contacting the Association Francophone des Lecteurs du *Livre d'Urantia* (AFLLU) at:

48, rue Douy Delcupe, 93110 Montreuil sous Bois, France. Tel: +33-1-5693-3510, fax: +33-1-5693-3511, email: info@iua2002.com or aflu@urantia.fr. *Do not forget to dial 011 before the international number.*

Discounts on air travel and rental cars are available for conference participants. Information can also be acquired at Urantia Foundation, Tel: 1-800-URANTIA or email: urantia@urantia.org

Northern Lights Urantia Association of Canada

*Friday August 16 – Thursday August 22, 2002
Silver Springs Retreat Center near Collingwood, Ontario, Canada*

Camp Nebadon. In its 5th consecutive year, this year's theme is "Reaching for Mota: A More Intensive Study of the New Enlightenment of *The Urantia Book*." From the Seven Adjutant Mind-Spirits inward and upward, this year's program will challenge your abilities to discern and understand, and help you reach greater spiritual realities. Each day will highlight one of the Seven Adjutant Mind-Spirits. Daily meditation and team-oriented workshops will provide balance to this most popular yearly event, expanded to 7 days at the Silver Springs Retreat Centre. *Cost: US \$245/person*. Led by Serge Jusyp. Contact: sjusyp@ganid.org. Website: <http://www.ganid.org>.

Young Adult Readers Retreat

*Saturday July 13 – Friday July 19, 2002
Silver Springs Retreat Center near Collingwood, Ontario, Canada*

Led by Michael MacIssac. Includes a three-day program on sharing the gospel of Jesus, in thought, word and deed. Contact: mwcm@yahoo.com and check <http://www.ubyouth.org> for young reader information. Please bring a sleeping bag, towel and pillowcase. *Cost: US\$75/person*.

Summary of Kwan Choi's Allegations and the Foundation's Answers in Response

The following was taken from the court document titled "Verified Answer and Affirmative Defenses"

Allegation:

13. From September 2000 through the present the defendant trustees, in furtherance of a conspiracy among themselves to exclude Dr. Choi from exercising his duties and privileges as a trustee, director, and officer of Urantia, have repeatedly engaged in one or more of the following wrongful acts and/or omissions contrary to the Declaration of Trust, the By-Laws, and/or the Illinois Charitable Trusts Act:

- a. The defendant trustees have willfully held, and continue to hold, numerous meetings among themselves to discuss and decide the affairs of Urantia in secret, without notice to Dr. Choi and excluding him from such meetings in violation of Article VII of the Declaration of Trust which provides that the management of Urantia and the trust estate is vested in all the Trustees and their successors in trust;
- b. The defendant trustees have willfully failed to record minutes of these secret meetings in violation of paragraph 7.7 of Article VII of the Declaration of Trust and in violation of §15(b) of the Charitable Trust Act requiring that the trustees keep accurate and detailed books and records, 760 ILCS 55/1 et seq.;
- c. The defendant trustees have called and held quarterly meetings and special meetings without providing proper notice to Dr. Choi, and they have excluded Dr. Choi from meetings in violation of the By-Laws of Urantia;
- d. Despite repeated requests by Dr. Choi, the defendant trustees and the employees of Urantia at the direction of one or more of the defendant trustees have failed and refused to provide Dr. Choi with information, financial reports, information on legal matters, minutes, correspondence, and/or other documents pertaining to Urantia that are routinely shared among the defendant trustees thereby preventing Dr. Choi from carrying out his duties as a trustee and director of Urantia;
- e. By excluding Dr. Choi from participating in governing the conduct of Urantia, the defendant trustees have de facto reduced the board from the five members required by the Declaration of Trust to four members in contravention of the Declaration of Trust;
- f. The defendant trustees have conspired among themselves to effect the removal of the plaintiff as a Trustee without compliance with Paragraph 2.4 of the By-Laws which paragraph specifies the grounds upon which a trustee may be removed and the process which must be followed;
- g. On September 7, 2001, the defendant trustees ordered the executive director of Urantia, Tonia Baney, to not communicate with Dr. Choi even though he remains a trustee and director.

Answer:

Defendants deny that they have engaged in any wrongful conduct and deny that they have taken any action contrary to the Declaration of Trust, the By-Laws, and/or the Illinois Charitable Trusts Act, including the currently pending removal of Plaintiff as a trustee of the Urantia Foundation.

- a. Defendants admit that following the unanimous vote of the remaining Trustees at a meeting on September 7, 2001 deciding that Plaintiff should be removed as a Trustee pursuant to the Declaration of Trust, Plaintiff was suspended as a trustee of Urantia Foundation pending the third and final vote of removal under the Bylaws scheduled for April 20, 2002. Plaintiff has continued to receive proper notice of successive regular quarterly meetings of the Board, but because he was a suspended trustee, his participation in the meetings was limited to addressing the issue of his pending removal. Defendants deny that any meetings have been in violation of Article VII of the Declaration of Trust. Defendants deny any remaining allegations in Paragraph 13(a).
- b. Defendants deny the allegations in Paragraph 13(b).
- c. Defendants deny the allegations in Paragraph 13(c). *See also Answer to 13(a).*

- d. Defendants affirmatively state that Plaintiff was suspended as trustee on September 7, 2001, pending his removal. Since his suspension, Plaintiff has not been provided with information, financial reports, information on legal matters, minutes, correspondence, and/or other documents pertaining to Urantia that are routinely shared among the trustees. Defendants deny any remaining allegations in Paragraph 13(d).
- e. Defendants deny the allegations in Paragraph 13(e). The pending removal of Plaintiff as a trustee is in accordance with the Declaration of Trust.
- f. Defendants deny the allegation in Paragraph 13(f).
- g. Defendants affirmatively state that Plaintiff was suspended as trustee on September 7, 2001, pending his removal. Defendants admit that the Executive Director was advised of Plaintiff's suspension as trustee and directed not to communicate with Plaintiff as an active board member pending the Board's final vote of removal under the Bylaws.

Allegation:

14. Despite the provisions of the Declaration and the By-Laws, and the duties imposed upon them by the Illinois Charitable Trust Act, one or more of the defendant trustees have, since April of 1998, repeatedly engaged in one or more of the following wrongful acts and/or omissions in violation of the Declaration of Trust, the By-Laws, and/or the Illinois Charitable Trusts Act, 760 ILCS 55/1 et seq.:

- a. K. Richard Keeler has continuously exercised sole control over 100% of the financial information, books, and records of Urantia, and despite written request he has failed to permit the other trustees, including Dr. Choi, from inspecting or reviewing the same, in violation of the Declaration of Trust and in contravention of paragraph 4.8 of Article IV of the By-Laws that provides that the secretary of Urantia shall keep and preserve all records;
- b. On information and belief, at the sole expense of Urantia, one or a subset of the defendant trustees have obtained legal counsel and legal services from Urantia's outside counsel, Quin R. Frazer of the firm of Gardner, Carton & Douglas, to promote their private interest in taking control of Urantia to the exclusion of other trustees in violation of §15(a)(1, 2, 4, 5, and 6), of the Charitable Trust Act, 760 ILCS 55/1 et seq.;
- c. K. Richard Keeler has spent and continues to spend money of Urantia without prior consultation with or subsequent report to all of the remaining trustees, including Dr. Choi, in violation of paragraphs 4.9 and 5.3 of the By-Laws requiring the Treasurer to report at least annually to the Trustees concerning receipts and expenditures and the Treasurer to report quarterly to the trustees;
- d. On information and belief, one or more of the defendant trustees has, without authority, commingled restricted donations with the general funds of the foundation and has failed to apply these restrictive donations in accordance with the restrictions set forth by the respective donors, all in violation of paragraph 8.3 of Article VIII of the Declaration of Trust and in violation of §15(a)(2 and 6), of the Charitable Trust Act, 760 ILCS 55/1 et seq.;
- e. On information and belief, one or more of the defendant trustees has, without authority, spent funds from the Perpetual Printing Fund (a foundation account segregated by board authority to be used solely for the purpose of printing expenses) on general foundation expenses unrelated to the purpose of the fund, in violation of §15(a)(2 and 6), of the Charitable Trust Act, 760 ILCS 55/1 et seq.;
- f. Treasurer K. Richard Keeler has failed to provide the trustees with quarterly financial statements as required by paragraph 5.3 of the By-Laws and continues to refuse to do so;
- g. Richard Keeler, or Urantia employees at his direction, have falsified minutes of meetings pertaining to the proceedings of the trustees and directors in violation of the trusts imposed upon him under the Declaration of Trust and in violation of §15(b) of the Charitable Trust Act requiring that the trustees keep accurate and detailed books and records, 760 ILCS 55/1 et seq.;
- h. The defendant trustees unreasonably and in violation of good business judgment expended in excess of \$1 million on copyright litigation which unnecessarily resulted in the loss of the Urantia Foundations copyright to The Urantia Book violating the duty of the trustees to "retain absolute and unconditional control of all plates and other media for the printing and reproduction of The Urantia Book and any translation thereof."

Answer:

Defendants deny that they have engaged in any wrongful acts and/or omissions in violation of the Declaration of Trust, the By-Laws, and/or the Illinois Charitable Trusts Act.

- a. Defendants deny the allegations in Paragraph 14(a).
- b. Defendants deny the allegations in Paragraph 14(b).
- c. Defendants deny the allegations in Paragraph 14(c). Defendants affirmatively allege that Gard Jameson has served as Treasurer of Urantia Foundation since April 18, 1998. Defendants further affirmatively allege that all active trustees of Urantia Foundation receive quarterly and annual financial reports.
- d. Defendants deny the allegations in Paragraph 14(d).
- e. Defendants deny the allegations in Paragraph 14(e).
- f. Defendants deny the allegation in Paragraph 14(f).
- g. Defendants deny the allegation in Paragraph 14(g).
- h. Defendants admit that the Urantia Foundation expended funds in litigation in connection with the protection and preservation of the Urantia Foundation's copyright in The Urantia Book in an effort to carry out the duties of the Declaration of Trust. Defendants deny the remaining allegations in Paragraph 14(h).

Allegation:

15. Dr. Choi repeatedly complained of the improper conduct of the affairs of Urantia and insisted to the defendant trustees that Urantia be operated in a lawful manner and in accordance with the Declaration of Trust and the By-Laws and that Dr. Choi be given financial information and access to the books and records of Urantia.

Answer:

Defendants deny that they have operated the Urantia Foundation in an unlawful manner or in violation of the Declaration of Trust or the By-Laws. Prior to Plaintiff's suspension as a trustee, he was provided the same access to financial information and the same access to the books and records of Urantia as the other trustees. *See also Answer to Paragraph 13(a).*

Allegation:

16. Subsequent to Dr. Choi raising these issues, the defendant trustees conspired amongst themselves to remove Dr. Choi as a trustee and to completely exclude him from participation in board meetings and in the conduct of Urantia as set forth in paragraph 13.

Answer:

Defendants deny the allegations in Paragraph 16 and affirmatively state that the pending removal of Plaintiff as a trustee of the Urantia Foundation was and is in accordance with the Declaration of Trust and the By-Laws.

Allegation:

17. The defendant trustees have entered into this conspiracy as a result of Dr. Choi's insistence that Urantia be operated in a lawful manner and in accordance with the Declaration of Trust and the By-Laws and that Dr. Choi be given financial information and access to the books and records of Urantia.

Answer:

Defendants deny the allegations in paragraph 17.

Allegation:

34. No grounds exist to remove Dr. Choi as a trustee.

Answer:

Defendants deny the allegation in Paragraph 34 that no grounds exist to remove Plaintiff as a Trustee. Section 7.5 of the Declaration of Trust provides that “[a]ny Trustee may be removed for any reason by a unanimous vote of the remaining Trustee.” Additionally, Plaintiff was informed at the November 10, 2001 meeting by the remaining Trustees of the reasons for his removal, some of which are as follows:

- 1) without the knowledge or consent of the other Trustees, Plaintiff jeopardized Urantia Foundation’s legal position by entering into settlement negotiations with a plaintiff who had brought legal action seeking to invalidate Urantia Foundation’s copyright in *The Urantia Book*;
- 2) verbally attacked a Urantia Foundation donor during a presentation made to the Board – that donor has never returned to the Foundation and has never again contributed to the Foundation;
- 3) treated a volunteer working on Urantia Foundation’s website so aggressively that he lost all desire to continue his volunteer work on the web site, and he ceased to do so;
- 4) at a Book Fair in Seoul, South Korea that Plaintiff attended as the representative of Urantia Foundation, he angrily engaged in a public shouting match with a visitor to the Foundation booth; and,
- 5) as a result of Plaintiff’s behavior at a dinner in a restaurant with a large group of Urantia Foundation supporters, several of the persons present expressed concern about Plaintiff’s emotional stability and rational integrity and said that they thought the Board should ask for his resignation. This list is not exhaustive but instead provides some of the reasons that Plaintiff was removed from the Foundation.

Excerpts from Affidavits Submitted in the Lawsuit Filed by Kwan Choi

MARCIA LANSU, CPA

I am a Certified Public Accountant and the Finance Manager of Urantia Foundation... I began working for the Foundation in January 1999. I have attended the financial portion of every Trustee meeting since being employed. At each of these meetings, I have provided both written and verbal financial reports for management purposes to Tonia Baney, Executive Director of the Foundation, and to all of the Trustees. This information includes revenue and expense information, assets and liabilities, and budgets. In these efforts, I have worked extensively with Frank Gard Jameson, Jr., Treasurer of the Foundation, and Tonia Baney, in the development and presentation of this information to the Trustees, as well as maintaining and applying the accounting standards necessary for not-for-profit organizations.

The financial records of the Foundation are audited on a yearly basis by Altschuler, Melvin and Glasser LLP (AMG). Federal and state tax returns are also prepared by AMG. I prepare necessary client worksheets for the annual audit. Prior to 1999, the Foundation contracted with Arthur Anderson to perform its annual audit and prepare tax returns.

TONIA BANEY

I am the Executive Director of Urantia Foundation ("Foundation") and have held that position since July 15, 1996... The Foundation has an endowment called the Perpetual Printing Fund. To my knowledge, the Perpetual Printing Fund has existed since the 1980's. This fund was set up to reprint the English Urantia Book. The Foundation's auditors cited above audit the Perpetual Printing Fund endowment, and other restricted funds, on an annual basis. The Foundation has always received a clean audit report.

Although the Foundation is over fifty years old, it has never created a Capital or Comprehensive Fundraising Program. It has survived by asking for donations by letter twice a year. Since 1996, the Foundation has encouraged a group of long time readers to concentrate on raising funds for specific programs. These programs are on our donation card. When people donate to the Foundation, they receive a "thank you" letter, which contains a receipt and confirms which program fund they have given to. The funds are then marked with a specific chart number and are used to pay for activities in that allocated fund. Restricted funds are released through the passing of time and the purpose for which the funds are being fulfilled. Every year we send out a letter to our donors, which tells how our money has been spent.

Additionally, the Foundation's Internal Revenue Service tax returns and other financial information are posted on GuideStar (A National Database of Non-Profit Organizations). Copies of our audits and tax returns are sent upon request.

MO SIEGEL

I am the founder and CEO of Celestial Seasonings and the Vice Chairman of Hain-Celestial Group, Inc... I was voted as Secretary of the Board of Trustees ("Board") of the Foundation on June 29, 2001. On August 29, 2001, I directed Sherry Dickerson, my personal assistant, to prepare an agenda document to be sent to all the other Foundation Trustees in preparation for the telephone conference to be held on September 7, 2001. At this meeting the two agenda items were: "(1) To request that E. Kwan Choi resign his position as a Trustee of the Urantia Foundation"; and (2) "To initiate the removal procedure if E. Kwan Choi chose not to resign." ... The agenda for the September 7, 2001 meeting was sent ... by regular mail on August 31, 2001 to all Trustees, including E. Kwan Choi.

Based on my Audit Committee experience, and the financial procedures described in the Affidavits of Frank Gard Jameson, Jr., Tonia Baney, and Marcia Lansu, the Defendant Controlling Trustees have been responsible fiduciaries with the funds that were entrusted to the Foundation.

RICHARD KEELER

I live in Evanston, Wyoming. I am an investment advisor specializing in commodity futures... While serving on the Board of Trustees ("Board"), I participated in the removal of Trustee Martin W. Myers. Therefore, I am familiar with the removal process described in the *Declaration of Trust Creating Urantia Foundation*, which provides that "[a]ny Trustee may be removed for any reason by a unanimous vote of the remaining Trustees." See Declaration of Trust, Article 7.5. The process followed by the current Board of Trustees in removing E. Kwan Choi as a Trustee and thereby suspending him as an active Trustee is identical to the process followed by the prior Board of Trustees (of which I was a member) in removing Martin W. Myers as a Trustee.

In order to inform E. Kwan Choi of the Board's decision to begin the removal process, the Foundation's Secretary, Mo Siegel, in conformance with the By-Laws, mailed to all the Trustees the agenda of the September 7, 2001 telephone conference. There were two agenda items: (1) "To request that E. Kwan Choi resign his position as a Trustee of the Urantia Foundation", and (2) "To initiate the removal procedure if E. Kwan Choi chose not to resign." (A copy of the Agenda sent to me, and the envelope it was sent in, are attached hereto as Exhibit A).

On September 1, 2001, I received the notification from Secretary Mo Siegel's office regarding the September 7, 2001 meeting and agenda. (See Exhibit A). On September 2, 2002, I sent an e-mail to all of the other Trustees reminding them of the September 7, 2002 meeting. ...

I received an e-mail back from E. Kwan Choi on September 4, 2002, stating that the September 7, 2001 telephone conference was not legal, and that he would not consent to it. ... Based on the fact that notice was mailed as provided in the By-Laws, the meeting was held as scheduled in the notice on September 7, 2001. E. Kwan Choi joined us at the beginning of the call and informed us that he did not believe this was a legal meeting and hung up the telephone. A unanimous vote was then taken to begin the removal process of E. Kwan Choi by the remaining members of the Board of Trustees of the Foundation by voting to remove him as a Trustee, thereby suspending him as an active Trustee.

Taking the Bylaws into consideration, specifically Section 2.4, the current Board of Trustee has taken three unanimous votes, the first vote at the quarterly meeting on November 10, 2001, the second vote at the quarterly meeting on January 19, 2002, and the third vote at the quarterly meeting on April 20, 2002.

The Certificate of Removal of Trustee For E. Kwan Choi was executed by the four remaining Trustees on April 20, 2002.

The Controlling Trustees authorized the General Counsel of the Foundation, Quin Frazer, to meet with and advise the Illinois Attorney General's Office Charitable Trust Bureau Chief Floyd Perkins regarding E. Kwan Choi's complaints regarding the financial management of the Foundation and the removal process of the Foundation. It is my understanding that Mr. Frazer has done so.

GARD JAMESON

I am a Trustee of the Urantia Foundation ("Foundation") and have been a Trustee since April of 1998. I have been the Treasurer of the Foundation since April 18, 1998... I am also a Certified Public Accountant, Certified Financial Planner and a Principal with the firm of Piercy, Bowler, Taylor & Kern in Las Vegas, Nevada. I have been a Certified Public Accountant since 1982... I have attended every quarterly meeting of the Foundation since becoming a trustee in April of 1998. I have assisted our Financial Officer, Marcia Lansu, and our Executive Director, Tonia Baney, in the development of financial information for presentation to the Board of Trustees ("Board"). Financial reports for the Foundation have been presented at every quarterly meeting of the Foundation that I have attended and have been distributed to all Trustees, including Mr. Choi. Those financial reports have included revenue and expense information, assets and liabilities, and budgetary information. The Board has used this financial information in making decisions regarding allocation of resources. Finally, financial reports are also submitted to the Illinois Attorney General's Office in accordance with the Illinois Charitable Trust Act, 760 ILCS § 55/7.

I have also assisted the Foundation in its dealings with its auditors, formerly Arthur Anderson, currently Altschuler, Melvin and Glasser LLP (AMG). The Board is audited on a yearly basis. In addition, the Board files on a yearly basis a tax return with the Internal Revenue Service.

Additionally, I have maintained active involvement with the Foundation's investment manager, The Northern Trust, meeting with its financial consultants on a regular basis to ensure that the Foundation's endowment and investment funds are properly managed.

In sum, the Foundation has always been a responsible fiduciary with the funds that have been entrusted to it. The audited financial statements and the tax returns submitted to the Internal Revenue Service on a yearly basis attest to Urantia Foundation's responsible stewardship.

ATTORNEY GENERAL'S OFFICE

Frank Schimmel

I am a certified public accountant and the compliance officer for the Illinois Attorney General's Charitable Trust Bureau. ... In my role as Compliance officer I am the supervisor of the non-legal clerical staff receiving, recording and maintaining the charitable organizations filings under the Charitable Trust Act 760 ILCS 55/1 et. Al. and the Solicitations for charity Act 225 ILCS 460/1 et. Al.. It is my job responsibility to determine whether Charitable organizations are in compliance with the filing requirements under state law. . . .

The Urantia Foundation is currently registered with the Illinois Attorney General and has filed all reports due to date, except that its year 2000 report is only partially filed. The Urantia Foundation has filed for year 2000 its State report and a copy of the federal 990 report, but has obtained an extension to file its audit for year 2000, contending it is waiting for its auditors to complete the audit for the year 2000. Its year 2001 report is not yet due.

Floyd Perkins

I, Floyd Perkins, at the request of the Urantia Foundation and to share with the court certain facts concerning the Illinois Attorney Generals's office status with the Urantia Foundation, provide this statement. . . .

I am the Charitable Trust Bureau Chief and an assistant attorney general The Charitable Trust Bureau has a common law responsibility to protect the public interest in each charitable trust and organization within the State to protect the public interest as ultimate beneficiaries of charitable trusts. In my role as Bureau Chief, I am the supervisor of the legal and non-legal staff, including the compliance officers maintaining the charitable organizations filings and in determining whether Charitable organizations are in compliance with the filing requirements under state law.

The Attorney General's office is reviewing, not investigating, certain allegations made by others, not Mr. Choi, regarding Urantia Foundation. In the recent several years the Urantia Foundation through, its attorney, has shared or given the Attorney General's Office responses to any and all requested for information relative to allegations received by the Illinois Attorney General.

To date, the Illinois Attorney General's office has not seen a need to take corrective action as to the Urantia Foundation. Said review continues but to date has been fully met by response from the Urantia Foundation.

No complaint about any alleged or perceived wrongdoing has been made by Mr. Choi to the Illinois Attorney General, and Mr. Choi has not provided information to this office.

If Mr. Choi or any other person asserts any allegation of wrongdoing by Urantia Foundation and/or its fiduciaries, the Attorney General has jurisdiction and authority to investigate such allegations and will do so as he believes serves the public interest.

NEWSFLASH !
URANTIA Foundation
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