



The Episcopal Diocese of Pittsburgh in The Episcopal Church
989 Morgan St., Brackenridge, PA 15014

February 18, 2009

Dear Clergy and Lay Leaders of the Episcopal Diocese of Pittsburgh (TEC):

In the recent painful schism suffered by our Diocese, there have been many rumors and reports in news articles, as well as internet blogs, about a great many things. The media have, of course, focused much attention on the possibility of lawsuits and fights over assets and property.

In an effort to communicate clearly and directly with our own leadership, the Standing Committee wishes to make several matters plain. First, our request for custody and control of Diocesan property is based on an October 14, 2005 Stipulation and Order in the legal proceedings initiated by Calvary Church which said that Diocesan property would stay with the Diocese (defined as being part of The Episcopal Church) even if there were large-scale departures from The Episcopal Church. The Southern Cone group now says that this 2005 agreement does not mean what it appears to mean and was not intended to apply to the current circumstances, making it necessary for our chancellor to ask the court to intercede.

Second, the diocesan assets held by Morgan Stanley were frozen – they are seeking to determine who is the “real” Diocese of Pittsburgh. Our chancellor has made several efforts to mediate with the Southern Cone group to unfreeze these funds but, until very recently, had been rebuffed.

Third, despite reports emanating from the Southern Cone press office that offers for a “fair division” have been made, no proposal had been tendered until February 5, 2009. At that point, members of the Standing Committee received a two page guide to determining a division of assets of the Episcopal Diocese of Pittsburgh. Included in this guide was a demand that claims to the official name of our diocese be relinquished.

In consultation with the Board of Trustees, the Standing Committee has responded to the Southern Cone proposal with several points: 1) we invite them to be reconciled and to return so that no disputes over property would be necessary; 2) we explain that we are stewards, not owners, of the assets entrusted to the Episcopal Diocese of Pittsburgh over many generations; 3) we call attention to the stipulation signed in good faith by Bishop Duncan’s attorneys on October 14, 2005, which clearly defines how assets are to be disposed of, if any attempt to leave the Episcopal Church occurred -- they are to stay in the Episcopal Diocese of Pittsburgh of the Episcopal Church; 4) we reiterate our willingness to explore ways to “unfreeze” the Diocesan assets held by Morgan Stanley, especially as it relates to all parish distributions; and 5) we indicate a desire when the time is right to work with individual congregations of people (within the constraints of the canons which govern our stewardship of these matters) who have left the Episcopal Church to determine the use of buildings.

It seemed important to communicate this information to you directly in light of a cloud of misinformation we have observed over recent weeks produced by those wishing to leave The Episcopal Church. Please remind your parishioners that we are stewards not owners of assets entrusted to our responsibility and that, at least for assets of the Diocese, a stipulation was signed three years ago defining clearly the outcome of any dispute. We are hopeful that a determination will be reached quickly so that the mission and ministry of our Diocese may be freed from further distraction.

Yours in Christ,

A handwritten signature in black ink, appearing to read "James B. Simons" followed by a small cross or plus sign.

The Standing Committee of the Episcopal Diocese of Pittsburgh
The Rev. Dr. James Simons, President