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IN THE CIRCUIT COURT OF COOK COUNTY, ILLINOIS  
COUNTY DEPARTMENT, CHANCERY DIVISION

E. Kwan Choi,	)	
	)	No. 02 CH 4053
Plaintiff,	)	
v.	)	Judge Sophia Hall
	)	
K. Richard Keeler, et al.,	)	
	)	
Defendants.	)	

NOTICE OF FILING

TO: Assistant Attorney General	Michael D. Poulos
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Charitable Trusts Bureau	Evanston, Illinois 60201
Office of the Illinois Attorney General	
100 W. Randolph Street, Third Floor	
Chicago, Illinois 60601	

PLEASE TAKE NOTICE that on Wednesday, July 10, 2002, we filed with the Clerk of the Circuit Court of Cook County, Illinois, County Department, Law Division, the attached **Defendants' Response to Plaintiff's Statement of Facts in Support of Partial Motion for Summary Judgment**, copies of which are hereby served upon you.

**DEFENDANTS K. RICHARD KEELER,  
GEORGES MICHELSON-DUPONT,  
MO SIEGEL, AND GARD JAMESON**

By: Wallace C. Solberg  
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**IN THE CIRCUIT COURT OF COOK COUNTY, ILLINOIS  
COUNTY DEPARTMENT, CHANCERY DIVISION**

E. KWAN CHOI,	)	
	)	
Plaintiff,	)	Case No. 02 CH 4053
	)	
v.	)	Judge Sofia Hall
	)	
K. RICHARD KEELER, et al.,	)	
	)	
	)	
Defendants.	)	

**DEFENDANTS’ RESPONSE TO PLAINTIFF’S STATEMENT OF FACTS  
IN SUPPORT OF PARTIAL MOTION FOR SUMMARY JUDGMENT**

NOW COME Defendants K. RICHARD KEELER, GEORGES MICHELSON-DUPONT, MO SIEGEL, and GARD JAMESON (collectively, the “Controlling Trustees” or “Defendants”), by their attorneys, Gardner, Carton & Douglas, and hereby submit their response to Plaintiff’s Statement of Facts.<sup>1</sup>

8. On or about January 11, 1950, the Urantia Foundation was established by a Declaration of Trust recorded on January 26, 1950 in the office of the Cook County Recorder of Deeds. (Exhibit C.) The declarants of the trust were the Initial Trustees.

**RESPONSE:** Admitted.

9. On February 11, 1950, thirty-one days later, the Initial Trustees adopted By-Laws pursuant to 7.6 of the Declaration of Trust, the Trustees. These By-Laws further specify how the Urantia Foundation is to operate. (Exhibit D.)

**RESPONSE:** Defendants admit that the Initial Trustees adopted the By-Laws on February 11, 1950, pursuant to Section 7.6 of the Declaration of Trust (“Declaration”) for the “government of the Foundation,” and that the By-laws were not to be “inconsistent” with the Declaration. (See Defendants’ SOF at ¶¶6, 7; Defendants’ Exhibit 1 at 10-11).

10. The primary purpose of the foundation is to disseminate and promote the concepts and teachings set forth in The Urantia Book, a lengthy and comprehensive religious work

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<sup>1</sup> Plaintiff’s Partial Motion for Summary Judgment is a numbered Motion that purports to provide a “Statement of Facts” from paragraphs 8-25. Defendants have therefore maintained Plaintiff’s numbered paragraphs and have responded to each of same.

containing revelatory information about the relationship between God and creation and the organization and history of the universe.

**RESPONSE:** Defendants admit that The Urantia Book is a lengthy and comprehensive work, containing religious, scientific, philosophical, geological, psychological, sociological, historical, and many other subject matters.

11. Dr. Choi is a professor of economics at Iowa State University. He is additionally the editor of the Review of International Economics, contributors to which include Nobel laureates. Subscribers to this journal include the International Monetary Fund, the World Bank, the World Trade Organization, the Federal Reserve Banks of the United States, and important central banks of many industrial countries in Europe and Asia.

**RESPONSE:** Defendants object to Paragraph 11 as irrelevant. It contains unsupported conclusory statements and amounts to immaterial hearsay.

12. In March 1997 the plaintiff, Dr. E. Kwan Choi, was elected a trustee of the Urantia Foundation and has served as a trustee since that date.

**RESPONSE:** Defendants deny that Plaintiff is currently a serving Trustee of the Foundation. Plaintiff was removed as a Trustee on September 7, 2001. (SOF ¶21). That removal was affirmed on November 10, 2001, January 19, 2002 and April 20, 2002. (SOF ¶¶ 24, 26, 27). On May 6, 2002, the Certificate of Removal of Trustee regarding Plaintiff was recorded with the Cook County Recorder of Deeds. (See Defendants' Statement of Uncontested Facts at ¶¶21, 24, 26, 27, 28). (SOF ¶28). Defendants admit that Plaintiff was elected as a Trustee to the Foundation in March of 1997.

13. The defendant trustees are all of the remaining trustees of the foundation.

**RESPONSE:** Admitted.

14. Paragraph 2.4 of the By-Laws governs how removal of a trustee is to be effectuated, requiring voting on four separate occasions. The first vote required is whether to commence removal proceedings. The next three votes required are whether the trustee should in fact be removed. The By-Laws specify that these votes must take place at the next three, consecutive, regular quarterly meetings following the initial ballot. Paragraph 2.4 states:

2.4. Removal of Trustees: When, in the opinion of a majority of the Trustees, any trustee has failed or refused to assume and perform his

duties and responsibilities, or has done or permitted any act or thing which is inconsistent with or in degradation of the teaching of THE URANTIA BOOK, or by his acts or omissions has brought disrepute upon himself or URANTIA FOUNDATION, then, the Trustees shall cast a ballot on the question of whether or not such Trustee should be removed. Such ballot shall be cast at the first regular quarterly meeting of the Board of Trustees next succeeding the meeting at which the determination aforesaid shall have been made. A ballot on the question of whether or not such Trustee shall be removed shall be cast again at each of the next two regular quarterly meetings at which all of the other Trustees shall be present. If all of the Trustees other than the Trustee whose removal is being considered shall cast a ballot at each successive meeting as aforesaid for the removal of such Trustee, then said other trustees shall execute a Certificate of Removal certifying to the removal of such Trustee, which certificate shall be in the following form:

[FORM OMITTED, see pp. 5-6 of Exhibit D.1

The certificate of Removal of Trustee shall be recorded [with the Cook County Recorder of Deeds] in the manner prescribed under section 9.1 of the Declaration of Trust and an executed copy thereof inserted in the Record of Proceedings of URANTIA FOUNDATION. No part of the deliberation of the Trustees respecting this question shall be included or recorded in the minutes of the meetings of the Board of Trustees but the ballot cast at each meeting on the question of whether or not such Trustee is to be removed shall be recorded.

**RESPONSE:** Defendants deny Plaintiff's legal conclusion that Paragraph 2.4 of the By-Laws governs how removal of a trustee is to be effectuated. Section 7.5 of the Declaration is controlling regarding removal of Trustees from the Foundation and requires only one unanimous vote for removal of a Trustee. Pursuant to Section 7.5 of the Declaration, the initial vote, if unanimous, results in the removal of the Trustee from the Foundation. By Section 2.4 of the By-Laws, the remaining Trustees vote at the next three quarterly meetings following the removal as to whether the removal shall be confirmed. (See Defendants' SOF ¶¶4, 6, 8; see also *Myers v. Burns*, No. 94 C 927, 1995 WL 296938, at \*5 (N.D. Ill. May 12, 1995), *aff'd*, 82 F.3d 420 (7<sup>th</sup> Cir. 1995).

15. On Friday, September 7, 2001, the defendant trustees held a special meeting amongst themselves by telephone and voted that removal proceedings should be commenced against Dr. Choi. Dr. Choi had previously objected to: (a) improper notice of this meeting; and

(b) that special meetings had to take place in person and not by telephone. (Exhibit E, par. 10-14.) For these reasons Dr. Choi refused to participate when called to join the teleconference. (Exhibit E, par. 15.)

**RESPONSE:** Defendants admit that on September 7, 2001, a Special Meeting was held wherein the Defendant Trustees unanimously voted to remove Plaintiff as a Trustee of the Foundation. Defendants deny that the September 7, 2001 removal vote merely began the removal proceedings. Pursuant to Section 7.5 of the Declaration, the initial vote, if unanimous, results in the removal of the Trustee from the Foundation. By Section 2.4 of the By-Laws, the remaining Trustees vote at the next three quarterly meetings following the removal as to whether the removal shall be confirmed. (See Defendants' SOF ¶¶4, 6, 8; see also *Myers v. Burns*, No. 94 C 927, 1995 WL 296938, at \*5 (N.D. Ill. May 12, 1995), *aff'd*, 82 F.3d 420 (7<sup>th</sup> Cir. 1995). Defendants admit that Plaintiff objected to the September 7, 2001 Special Meeting as early as July 25, 2001. (See Plaintiff's Motion for Partial Summary Judgment at Exhibit E-2). Defendants deny that the notice and agenda for the September 7, 2001 meeting were improper or that Special Meetings are required to take place in person. (See Defendants' SOF ¶¶10, 12, 14-20, 23). Furthermore, Plaintiff has admitted that he received notice of the September 7, 2001 Special Meeting and the Agenda for that meeting. (Plaintiff's June 17, 2002 Affidavit at ¶17). Defendants admit that Plaintiff voluntarily disconnected himself from the September 7, 2001 teleconference meeting.

16. Under ¶3.1 of the By-Laws, the first regular quarterly meeting after September 7, 2001 was scheduled to occur on Saturday, October 20, 2001. (See, Amendment to By-Laws, Exhibit D, at page 13.) This meeting was never convened. Thus no vote for Dr. Choi's removal was taken. (Exhibit E, par. 19-22.)

**RESPONSE:** Defendants deny that the third quarterly meeting for 2001, scheduled for October 20, 2001, did not take place or that it was never convened. The meeting was rescheduled for November 10, 2001 by unanimous agreement of the Trustees. The meeting did take place, with Plaintiff and his attorney having notice and in attendance. (Defendants' SOF

¶23). The Trustees voted unanimously to confirm Plaintiff's removal as a Trustee of the Foundation. (Defendants' SOF ¶24).

17. Twice during the summer of 2001 Dr. Choi had objected in writing to an attempt to change the date of the October 20th regular quarterly meeting. (Exhibit E, par. 20.)

**RESPONSE:** Defendants deny that Plaintiff twice objected to the fact that the October 20, 2001 Regular Quarterly meeting was to be re-scheduled. Plaintiff merely objected to October 26, 2001 as the date for the rescheduled October 20, 2001 meeting because Plaintiff had accepted an invitation to a conference in Rochester, New York, on that date and was unavailable for the meeting. (Plaintiff's June 13, 2002 Affidavit at Exhibit 10). To accommodate the Plaintiff, the meeting was rescheduled to November 10, 2001 and, in fact, Plaintiff did attend the meeting with his attorney.

18. Despite the provisions of ¶3.1 of the By-Laws setting October 20, 2001 as the date for the regular quarterly meeting, the defendant trustees purported to hold a regular quarterly meeting on November 10, 2001. At that meeting they purported to cast the first of the three required successive votes to remove Dr. Choi as a trustee. (Exhibit E, par. 21.)

**RESPONSE:** Defendants admit that the October 20, 2001 regular quarterly meeting was rescheduled to November 10, 2001, and that Plaintiff with notice attended the November 10, 2001 meeting with one of his attorneys. Defendants deny that they "purported to cast the first of three required successive votes to remove Dr. Choi as a trustee" because Plaintiff was already removed as Trustee as a result of the unanimous vote for removal on September 7, 2001. (SOF ¶21; Declaration, Section 7.5). The November 10, 2001 vote was the first of three votes wherein the Defendant Trustees unanimously confirmed the September 7, 2001 removal of Plaintiff as a Trustee of the Foundation. See Response to Fact 14, above, incorporated herein.

19. Dr. Choi never agreed to the change of the time or place of the regular quarterly meeting. In fact, he specifically objected to the meeting in writing and dissented from the actions taken at the meeting. (Exhibit E, par. 22.)

**RESPONSE:** Defendants deny that Plaintiff objected to the fact that the October 20, 2001 Regular Quarterly meeting was to be re-scheduled. Plaintiff merely objected to October 26, 2001 as the date for the rescheduled October 20, 2001 meeting because Plaintiff had accepted an invitation to a conference in Rochester, New York on that date and was unavailable for the meeting. (Plaintiff's June 13, 2002 Affidavit at Exhibit 10). Defendants state again that the meeting was rescheduled to November 10, 2001 and Plaintiff and his attorney had notice and attended.

20. On January 19, 2002, the defendant trustees held the first quarterly meeting for 2002, and they purported to cast the second of the three required successive votes to remove Dr. Choi as trustee. (Exhibit E, par. 23.)

**RESPONSE:** Defendants deny that they "purported to cast the second of three required successive votes to remove Dr. Choi as trustee" because Plaintiff was already removed as Trustee as a result of the unanimous vote for removal on September 7, 2001. The January 19, 2002 vote was the second of three votes wherein the Defendant Trustees unanimously confirmed the September 7, 2001 removal of Plaintiff as a Trustee of the Foundation. *See* Response to Paragraph 18, incorporated by reference herein.

21. On April 20, 2002, the defendant trustees held the second quarterly meeting for 2002, which pursuant to paragraph 3.1 of the By-Laws was also the date set for the trustees' annual meeting. The defendant trustees purported to cast the third of the three required successive votes to remove Dr. Choi as trustee. (Exhibit E, par. 24.)

**RESPONSE:** Defendants admit that the second quarterly meeting of 2002 was held on April 20, 2002 and that this meeting coincided with the Trustees annual meeting. Defendants deny that they "purported to cast the third of three required successive votes to remove Dr. Choi as trustee" because Plaintiff was already removed as Trustee as a result of the unanimous vote for removal on September 7, 2001. The April 20, 2002 vote was the third of three votes wherein the Defendant Trustees unanimously confirmed the September 7, 2001 removal of Plaintiff as a Trustee of the Foundation. *See* Response to Paragraph 18, incorporated by reference herein