

IN THE CIRCUIT COURT OF MOBILE COUNTY, ALABAMA

THE RT. REVEREND STACY F. SAULS,)
)
Plaintiff,)
)
vs.) **Case No. _____**
)
THE EPISCOPAL CHURCH a/k/a THE)
DOMESTIC AND FOREIGN MISSIONARY)
SOCIETY OF THE PROTESTANT EPISCOPAL)
CHURCH IN THE UNITED STATES OF AMERICA,)
A New York Religious Corporation; and)
JOHN DOES 1-30,)
)
Defendants.)

COMPLAINT

JURY TRIAL DEMANDED

The Plaintiff, the Rt. Reverend Stacy F. Sauls, files this Complaint against the Defendants as follows:

1. The Plaintiff is an adult resident citizen of the State of New York. He is a Bishop in good standing with Defendant, The Episcopal Church a/k/a The Domestic and Foreign Missionary Society of the Protestant Episcopal Church in the United States of America (hereinafter “TEC” or the “Church”), and until recently, was the Chief Operating Officer of the Church. Bishop Sauls was appointed TEC’s Chief Operating Officer in May 2011, entering that office on September 1, 2011, and remaining as such until he was terminated, on or about April 4, 2016. Prior to that Church employment, Bishop Sauls served Church parishes in Griffin, Atlanta, and Savannah, Georgia, and as the Sixth Bishop of the Diocese of Lexington, Kentucky.

2. Defendant TEC operates and transacts business as the Domestic and Foreign Missionary Society, Inc. (“DFMS”), with its principal place of business and state of

incorporation in the State of New York. The governing body of the Church is its General Convention, which convenes every three years, and consists of two elected legislative chambers: the House of Bishops, comprising all consecrated Bishops of the Church, and the House of Deputies, whose members include both clergy and laypersons. In between meetings of the General Convention, matters of Church governance are committed to its Executive Council, an elected body that also functions as the board of directors of DFMS. TEC does business by agents in Mobile County, Alabama, and does business in Mobile County as The Episcopal Church of the United States of America.

3. Defendants John Does 1-10 are individuals not employed by the DFMS who participated in the wrongful acts alleged herein. Defendants John Does 11-20 are employees of the DFMS who, acting outside the line and scope of their employment, joined and participated in the wrongful acts alleged herein. Defendants John Does 21-30 are corporations, partnerships, or other entities that joined and participated in the wrongful acts alleged herein. At present, Plaintiff is unable to identify the John Doe Defendants and expects to be able to do so in the discovery phase of this litigation.

4. Venue is proper in this jurisdiction because (a) the TEC was and is doing business by agent(s) in Mobile County, Alabama at the time of the accrual of the causes of action herein; (b) a substantial part of the events and/or omissions giving rise to some or all of the claims herein occurred in Mobile County, Alabama.

Background Facts

5. The Plaintiff is an ordained minister in the Episcopal Church, and has been since 1988. He is a graduate of Furman University, where he was elected to Phi Beta Kappa, the University of Virginia School of Law, at which he was a member of the Order of the Coif,

and the General Theological Seminary. Upon receiving his law degree in 1980, the Plaintiff accepted a position as Law Clerk to the Honorable Robert Hall, Judge of the United States District Court for the Northern District of Georgia. Following his clerkship, he was employed for approximately three years in the legal department of Delta Air Lines and then worked for an Atlanta law firm. In 1985 he decided to leave the practice of law and enroll in seminary. After completing his seminary studies, the Plaintiff was ordained by the Church as a deacon in 1988 and a priest in 1989.

6. Bishop Sauls has served in a number of leadership capacities in his career in the Episcopal Church. For more than four years, he served as the Episcopal Church's Chief Operating Officer, under two Presiding Bishops. Both of those Presiding Bishops have praised his work performance. In the annual performance evaluations of Bishop Sauls, The Most Rev. Katharine Jefferts Schori, by whom Bishop Sauls was appointed Chief Operating Officer, complimented his "creative and deeply effective leadership as COO". Bishop Jefferts Schori's successor, The Most Rev. Michael B. Curry, who took office in November 2015, has stated publicly that DFMS was never more effective than under Bishop Sauls's leadership.

7. Sauls, however, is the victim of a wrongful conspiracy via a calculated, determined, and prolonged series of acts in furtherance of the conspiracy, as carried out by individuals employed by the Church, and others outside the employment of the Church, who repeatedly have attacked the office and person of Chief Operating Officer, including by measures calculated to undermine the authority, stature, and leadership of the Plaintiff and his former office, as part of a scheme to elevate the stature and authority of the President of the Church's House of Deputies and to constitute that position as an office to

be regarded and treated, in respect to Church governance and the exercise of authority over the staff and resources of the Church, as co-equal with the office of the Presiding Bishop.

8. Defendants' wrongful acts and conspiracy started as early as January 2014 when Bishop Sauls was falsely accused of improperly dismissing a subordinate employee. According to the Rev. Gay Clark Jennings, President of the House of Deputies, and her allies, Bishop Sauls's dismissal of the employee had violated the Church's "Whistleblowing Policy." Other officers in the Church, including the Presiding Bishop, vigorously disagreed, and said they believed that the employee's dismissal had been a human resources matter wholly unrelated to the whistleblowing policy. An independent investigation, conducted for the Church at great expense by an outside law firm, found that the allegations of misconduct were wholly unfounded, thus exonerating Bishop Sauls.

9. Undeterred, President Jennings and her allies soon launched another putative whistleblowing investigation of Bishop Sauls, this time in regard to oversight and management of funds provided by the Church to the Episcopal Diocese of Haiti. Again, an outside law firm conducted an independent investigation at a cost exceeding \$500,000. Parallel and simultaneous investigations of the same alleged misconduct were carried out by the Audit Committee through the Rev. Canon Michael Barlowe, an ally of President Jennings, who serves both as Secretary of the House of Deputies and as Executive Officer of the General Convention. Canon Barlowe, under the Church's Whistleblowing Policy, also was the "Compliance Officer". All of the foregoing investigations relating to TEC funding of the Diocese of Haiti found that there was no evidence whatsoever of any misconduct on the part of Bishop Sauls.

10. Even another investigation into TEC funding of the Haiti diocese conducted by the intake officer for bishops, The Rt. Rev. F. Clayton Matthews, found Bishop Sauls completely free of any wrongdoing. Bishop Matthews's report also found that there had been an egregious misapplication of the Church's Whistleblowing Policy to Bishop Sauls.

11. Having failed to oust Bishop Sauls through these wrongful investigations, the John Doe Defendants with the blessing of the Church, turned to legislative maneuvers, which were directed toward ousting not only Bishop Sauls, but even other DFMS employees whom the Defendants John Does 1-30 viewed as obstructions to their continuing plans to impose their authority over TEC. When the General Convention of the Church met in the summer of 2015, a proposed amendment was offered to empower the Church's Executive Council to terminate the employment of the COO, at their will, without the consent of the Presiding Bishop.

12. When the proposal came before the House of Deputies, during its session in July 2015, it failed to win approval in the full House of Deputies and therefore could not be pursued further.

13. The 2015 General Convention was the last to be held during the term of office of Presiding Bishop Katharine Jefferts Schori. During her tenure as the Presiding Bishop, the Plaintiff had survived multiple, concerted efforts to oust him from COO. Following Bishop Schori's transition out of the job of President Bishop, the John Doe Defendants, with the Church's blessing, renewed their attacks on Bishop Sauls and their efforts to undermine the role and authority of the Church's Bishops.

14. In particular President Jennings attacked, as she had on numerous previous occasions, a policy instituted by Bishop Sauls requiring that every DFMS staff member

notify him, as COO, or the Deputy Chief Operating Officer, of any contact or communication received by any such person from any member of the Executive Council or from the President of the House of Deputies.

15. The John Doe Defendants' wrongful conduct persisted into late 2015 and 2016, when new false charges prompted yet another investigation of alleged misconduct by Bishop Sauls. The objective again was to attack Bishop Sauls, for the further purpose of elevating the authority of the President of the House of Deputies over the Presiding Bishop. Such an alteration in the governance of the Church, in Bishop Sauls's view, would have far-reaching and extremely harmful consequences for the Church, impairing and impeding the ability of its leadership to carry out their management functions and mission of the Church.

16. The conspiracy to smear the reputation and destroy the effectiveness of Bishop Sauls resulted in the creation and maintenance of a hostile working environment for the Plaintiff and those who reported to him. In November and early December 2015, during a meeting of the Presiding Bishop's Council of Advice, the Chancellor to the Presiding Bishop, David Booth Beers, a lawyer in the Washington, D.C. law firm of Goodwin Procter LLP, commented on upcoming disciplinary matters, stating that there were two such matters that "would be ugly."

17. On December 6, Bishop Curry, the new Presiding Bishop, became ill and was hospitalized, having surgery on December 8, 2015, to relieve a subdural hematoma. On the morning of December 9, Bishop Sauls, while attending a birthday breakfast given for him by staff members, was called away to return a telephone call from Canon Michael Hunn, a member of the Presiding Bishop's staff who was with Bishop Curry at the hospital.

Bishop Sauls spoke with the Presiding Bishop. During that call, he was informed by Bishop Curry that “serious allegations” of unspecified misconduct had been made against him and two of his subordinates who were members of DFMS senior management. The Presiding Bishop told Bishop Sauls that all three of them would be placed on administrative leave so that the allegations could be investigated. Bishop Sauls also was told that he and his colleagues were to meet at noon on December 9 with Mr. Beers and Mary Kostel, “Special Counsel” to Presiding Bishop Curry and a former colleague of Mr. Beers at the Goodwin Procter LLP law firm.

18. At the noon meeting, Mr. Beers told the Plaintiff and his colleagues that the allegations against them were grim and serious, including charges of racism, sexism, retaliation, sexual harassment, and creation of a hostile workplace. Mr. Beers and Ms. Kostel declined to provide any details. According to Ms. Kostel, the charges were “too inchoate” for the Church to be able to say anything more, but were “choate enough” to warrant placing the three on leave and under investigation. Mr. Beers warned that the Church planned to engage an independent investigator, and that the Presiding Bishop wanted the investigation concluded quickly. Mr. Beers ordered Bishop Sauls to exit his office by 5:00 p.m. on that day, and return his office access key card, barring him from TEC premises. In an attempt to further frustrate any search for the truth, Mr. Beers instructed Bishop Sauls to have no further contact with any officers, employees, or staff of DFMS. After years of loyal and dutiful service, Bishop Sauls was abruptly placed on administrative leave without any forewarning, due process, or even any attempted explanation. Bishop Sauls and his colleagues were told to expect details shortly. Even to date, despite having made repeated requests to DFMS, Bishop Sauls has not been informed

of any details as to what charges of misconduct were made against him, who made them, or what statements were made that justified his suspension and termination.

19. Mr. Beers also stated during the meeting that the Presiding Bishop had consulted with President Jennings, Canon Barlowe, and the Rev. Canon Charles Robertson. Mr. Beers said the Church planned to release a statement that would inform the Church and DFMS staff of the immediate suspension and absence of the three. One of Plaintiff's colleagues protested that the release of any such statement "would ruin" them. Mr. Beers represented that the Presiding Bishop was concerned about any such effect, and that Church officials accordingly "would bend over backwards to make the statement as neutral as possible." Mr. Beers assured the three that the statement would be released only to staff and the Executive Council, further representing that it would not be released publicly because the Presiding Bishop did not want not to cause any harm or damage to the three men, including the Plaintiff. These representations turned out to be totally false.

20. The very next day on December 10, 2015, Presiding Bishop Curry assured Bishop Sauls that he "would always have a place at 815" ("815" being a shorthand reference to the executive offices of the Church, located at 815 Second Avenue). Relying on Mr. Beers's representations and Bishop Curry's promises, Bishop Sauls cooperated fully with the investigation and avoided any public statements.

21. Being mindful of his statutory and canonical rights, Bishop Sauls contacted the Jones Walker law firm and asked that it represent him in the investigation, and the Mobile, Alabama office of the law firm did so. Mr. Beers and Ms. Kostel were requested by Jones Walker attorneys to permit the firm to review any statement that the Church proposed to release relating to the allegations, the suspensions, the investigation, and Bishop Sauls in

particular. Palmer Hamilton, of the Jones Walker law firm, informed Ms. Kostel that Bishop Sauls believed that the release of any statement was a very bad idea. Mr. Hamilton emphasized that there would be no way to “un-ring that bell,” and that Bishop Sauls fully expected that the investigation would totally exonerate him, as in fact much later it did. In the alternative, Mr. Hamilton requested the opportunity to offer any suggested revisions to any proposed statement, as might be necessary to safeguard the reputation of Bishop Sauls. Ms. Kostel agreed to let Mr. Hamilton review in advance any draft statement so that he could provide suggested edits. Ms. Kostel indicated she and the Church were open to working with Mr. Hamilton on the content of any statement. Subsequently, Ms. Kostel provided a copy of the draft statement to Mr. Hamilton. When he saw it, he immediately realized that it had been drafted in way that was worse than he had imagined, and that it would need to be substantially rewritten in order to avoid doing great damage to Bishop Sauls’s reputation, and in order not to invite gossip, speculation, and innuendo. To that end, Mr. Hamilton sent to Ms. Kostel an email that contained the following pertinent comments:

“Below is my suggested text . . . I am quite worried that the original text very much leaves the impression of wrongdoing and would seriously damage the reputation of the individuals involved. Thus, I have endeavored to “neutralize” the language to avoid this consequence. As you know, placing individuals on leave pending an investigation is completely atypical of most workplace allegations and will give rise to incorrect perceptions in and of itself. As a result, having the statement make clear that there is no pre-judgment is all the more essential. Please let me know if the revision below is acceptable.

Mr. Hamilton then suggested a form of statement designed to prevent damage to Bishop Sauls and to minimize speculation. Ms. Kostel did not reply to Mr. Hamilton's views or to his suggested statement, instead informing him, twenty-four hours later, that the Presiding Bishop would be "momentarily" releasing his own public statement. The statement that the Church released incorporated none of Mr. Hamilton's suggestions.

22. On December 11, Mr. Beers placed a telephone call and left a voice-mail message for one of Plaintiff's colleagues.. The message was: "I need you to call me back immediately. ...[N]o matter what you are about to hear, I need you to call me and listen to me because things are about to get ugly." In a conversation about the public statement that was to be released by the Presiding Bishop, Mr. Beers told one of Plaintiff's colleagues that, even if he were to resign on the spot from his position, that would not stop the planned public release, or change the content, of the statement.

23. Also on December 11, the Episcopal News Service, the official news voice and public relations arm of the Church, broadcast a news release and posted it prominently on the Church's public website, along with the text of the letter of that date from the Presiding Bishop, announcing the suspensions of Bishop Sauls and his colleagues, saying that the action was "a result of concerns that have been raised about possible misconduct in carrying out their duties as members of senior management of the Domestic and Foreign Missionary Society," and that "there will be a full and fair examination of the concerns that have been raised to be conducted expeditiously by an independent investigator." The same announcement was widely circulated, and was sent separately to the entire membership of the House of Bishops, while President Jennings sent it to the entire membership of the House of Deputies. The damaging public statement was released to the public in direct

contradiction of what Ms. Kostel had agreed to and in spite of what Mr. Beers had represented. The Defendants inflicted significant public damage on Bishop Sauls in releasing a statement that was inherently misleading and intentionally designed to foment gossip and innuendo.

24. After Bishop Sauls and his colleagues informed DFMS that each of them had engaged counsel, they were advised that Mr. Beers and Ms. Kostel had “stepped back” from DFMS’s handling of the suspensions and the independent investigation, and that Raymond L. Vandenberg, now of Michelman & Robinson LLP, a New York City law firm, had been engaged to represent and advise DFMS and the Presiding Bishop in regard to those matters.

25. As the investigation proceeded, Bishop Sauls, in full and open cooperation with the investigation, was interviewed in February 2016 by the Episcopal Church’s independent outside investigator, Michael A. Curley, of the law firm Curley, Hessinger & Johnsrud LLP. The entire investigation lasted for approximately four months, and once again Bishop Sauls was exonerated.

26. On April 4, 2016, the Presiding Bishop released a public statement disclosing the results of the Church’s investigation, in which he said: “The investigation concluded that Bishop Stacy Sauls did not violate workplace policy . . . and operated within the scope of his office.” These findings notwithstanding, the Presiding Bishop proclaimed that Bishop Sauls would “not continue as Chief Operating Officer of the DFMS.” Thus, despite having been exonerated by the Church’s own comprehensive and expensive independent investigation, Bishop Sauls was terminated in a very public manner and the termination was linked to the investigation. The Presiding Bishop offered no explanation for this

decision other than remarking to Bishop Sauls, during a private meeting between them on April 4, that “things are too broken,” and that “there were people who wanted your head.” At the outset of their meeting, one of the first things that the Presiding Bishop said to Bishop Sauls, was: “Stace, you’ve been through hell,” a characterization that the Plaintiff then considered, and continues to consider, as a gross understatement of what he had endured. Bishop Sauls later learned that his demise also had been influenced by a parallel, secret group of inquisitors led by Canon Barlowe, in collusion with President Jennings and others.

27. Since April 2016, even though he has had the benefit of the enthusiastic, unqualified, and active support of numerous other Bishops and other clergy in the Church, Bishop Sauls’s efforts to find other employment have been to no avail. He has asked to be considered for employment in numerous vacant positions in parishes of the Church—for each of which, by any reasonable measure, he is eminently qualified by virtue of his education, background, and professional experience; yet, every one of these prospective employers has uniformly and summarily denied him employment. From the inception of the Defendants’ wrongful conduct, carried out by, among other things, their baseless charges and serial unfounded investigations, their knowing dissemination and publication of false, defamatory, and malicious attacks upon the Plaintiff, and their repeated wrongful manipulation, misuse, and abuse of the internal procedures and policies of the Church, for the purpose and with the intent of injuring and defaming the Plaintiff, smearing his reputation, and causing the termination of his employment by the Church, and with the said conspiracy continuing daily, unabated, the wrongful acts of the Defendants have made it impossible for the Plaintiff to obtain employment in the Episcopal Church, anywhere.

Furthermore, at no time has the Presiding Bishop discussed with Bishop Sauls or his colleagues the specifics of the allegations that were the basis of the investigations and its consequences. Bishop Curry has refused to discuss the allegations with the three officers who were charged with misconduct.

28. The Defendants have violated their very own policies and procedures. For example, the Employee Handbook of the Episcopal Church (referred to therein as the “Society”) to which the acts and conduct of Bishop Sauls, and of all employees and officers of the Church, are subject, states in pertinent part as follows (emphasis added):

[section] 101 - . . . [A]ll employees are expected to be honest to themselves and others and to treat each other with respect and dignity, regardless of their position in the organizational hierarchy or their job title and responsibilities.

[section] 107 - Any form of harassment *is prohibited*.

[section] 107 - retaliation *is prohibited*.

[section] 110 - The Society will not tolerate any illegal, dishonest and/or fraudulent activities by any of The Society’s employees, consultants, agents, vendors, contractors, volunteers and any other outside third parties.

[section] 5 - The Society requires that all employees:

- a. Conduct themselves professionally in a way that does not undermine The Society’s tenets; [and]
- b. Refrain from behavior that embarrasses or discredits The Society and/or is disruptive to the workplace; . . .

[Failures of compliance may result in] informal counseling or formal discipline . . . to ensure the employee is aware of the performance problem and to give the employee the opportunity to work through performance misconduct or other difficulties. Formal discipline may include . . . verbal counseling, written warnings, . . . suspension, change in terms of employment, or termination.

502 - All employees are responsible for safeguarding the confidentiality of information regarding . . . [the Society']s employees . . .

Confidential information may include . . .

Information concerning The Society's employees; [and]

. . . Any other information not generally known to the public which, if misused or disclosed, could reasonably be expected to have an adverse impact on The Society or a member of The Society community . . .

[Society employees] hold confidential information in a fiduciary capacity .

. . [and] are prohibited from disclosing confidential information to any person or entity outside The Society

504 A. - All data on The Society's Information and/or Telecommunications Systems, unless otherwise available in the public domain, are classified as confidential . . .

29. The Church's Employee Handbook contains no provision stating that an investigation, independent or otherwise, is to be conducted in response to any alleged violation by an employee, or any failure of an employee to abide by The Society's rules of conduct as set forth in its Employee Handbook. Bishop Sauls was familiar with the

provisions of the Employee Handbook, and he specifically relied upon the contents of the handbook in making the determination to accept the offer extended to him by Bishop Jefferts Schori, in 2011, to become Chief Operating Officer of the Church. There is no justification in the Church's policies and procedures for the hostile working environment created by the Defendants as against the Plaintiff, or the tortious acts as alleged herein as against the Plaintiff, clearly showing that his rights to due process, contractual and otherwise, and other valuable rights of the Plaintiff, were repeatedly and intentionally violated.

Count 1

30. The Plaintiff re-alleges and incorporates by reference the foregoing allegations.

31. The Employee Handbook is a contract between the Church and its employees, including the Plaintiff, and sets forth relevant procedures and policies that create contractual procedural and other rights of the Church's employees, including Bishop Sauls.

32. Defendants, in carrying out their wrongful conduct, knowingly, intentionally, recklessly, maliciously, and/or negligently violated the policies and procedures of the Church, including those mandated by the Church's General Convention, as stated in its Employee Handbook, and the due process and other rights of Bishop Sauls. These violations include, but are not limited to, the Defendants': (a) multiple failures to treat Bishop Sauls with "respect and dignity"; (b) harassment of Bishop Sauls through the creation and administration of a hostile work environment; (c) repeated acts of retaliation perpetrated against Bishop Sauls for actions that he undertook in proper and dutiful performance of his job as Chief Operating Officer; (d) "illegal, dishonest and/or fraudulent activities" carried out against Bishop Sauls by the Church's "employees, consultants,

agents, vendors, contractors, volunteers and . . . other outside third parties” (including lawyers, law firms, and public relations firms of the Church); (e) failure to provide Bishop Sauls “the opportunity to work through performance misconduct or other difficulties”; (f) failure to safeguard confidential information concerning Bishop Sauls; (g) misuse and/or disclosure of information concerning Bishop Sauls that “could reasonably be expected to have an adverse impact on” Bishop Sauls; (h) disclosure of confidential information concerning Bishop Sauls to persons or entities outside DFMS; and (i) refusal to deliver to Bishop Sauls his personal emails and other computer documents and files. Defendants committed each and all of these violations in bad faith and in reckless disregard for the due process rights, employment rights and status, and personal reputation of Bishop Sauls. Such violations constituted multiple knowing and deliberate breaches of provisions of the Employee Handbook, and resulted in harm and damages to Bishop Sauls.

33. The Defendants’ breaches of the Employee Handbook constitute multiple breaches of contractual obligations owed to Bishop Sauls, and operated to create a hostile working environment as to the Plaintiff.

34. Defendants intentionally, recklessly, maliciously, and/or negligently breached the contractual rights of Bishop Sauls. These breaches were committed in bad faith and in reckless disregard of the rights and personal reputation of Bishop Sauls.

35. As a further result of these violations and breaches, Bishop Sauls has suffered and continues to suffer economic loss and damages, severe emotional distress, consequential damages, incidental damages, and damage to his reputation.

Count 2

36. The Plaintiff re-alleges and incorporates by reference the foregoing allegations.

37. The Defendants, via innuendo and misleading statements, have committed slander and libel in derogation of the rights of Bishop Sauls.

38. Defendants made false and misleading statements, knowing the same to be false, or in reckless disregard of whether they were false or not, for the purpose and with the intent of harming and damaging Bishop Sauls, first, via the public statement announcing Bishop Sauls's immediate suspension and the Church's commencement of the investigation; second, in the public announcement of Bishop Sauls's termination in April 2016; and, third, throughout the period in which the events alleged herein occurred, and continuing to the present, in promoting, encouraging, and spreading false innuendo and baseless suspicion, knowing the same to be false, or in reckless disregard of whether it is false or not, calculated to impugn the character and reputation of Bishop Sauls. During the period beginning on December 11, 2015, and continuing to the present, Bishop Sauls and his colleagues have been subjects of widespread rumor, accusations, and speculation in the Church, and in and on numerous internet message boards, comment boards, and chat rooms. In conversations and in published writings such as internet postings, it has been said or suggested by some, as the Defendants knew or should have known would occur, that the allegations of "possible misconduct" on the part of the Plaintiff that were publicly announced by the Presiding Bishop referred to financial misdeeds, and by others that those allegations included mistreatment and harassment of, and discrimination against, subordinate employees. Still others, as was reasonably foreseeable by the Defendants, have suggested that Bishop Sauls and the others were alleged to have engaged in pedophilia and other sexual misconduct.

39. Additionally, Defendants again and recently libeled and slandered Bishop Sauls in their publication of an Episcopal News Service article on a Human Synergistics presentation, falsely reporting that Bishop Sauls's termination was due to complaints about management practices, intentionally omitting any reference to the facts: that Bishop Sauls was exonerated; that, according to the Presiding Bishop, all of Bishop Sauls's actions were within the scope of his authority; that Bishop Sauls was found to have done nothing wrong himself; and that the investigation further determined that he had no knowledge of anything done wrong by others who were investigated.

40. Defendants intentionally, recklessly, maliciously, and/or wantonly slandered and libeled Bishop Sauls, and continue to do so in an ongoing campaign of lies, innuendo, and half-truths. The defamation, while worldwide in scope, has occurred in part in Mobile County, Alabama.

41. As a result of Defendants' slander and libel, Bishop Sauls has suffered and continues to suffer economic loss and damages, severe emotional distress, consequential damages, incidental damages, and damage to his reputation.

Count 3

42. The Plaintiff re-alleges and incorporates by reference the foregoing allegations.

43. The Plaintiff, under the New York Not-for-Profit Corporation Law and the procedures, policies, and practices of the Church, including, without limitation, the bylaws of DFMS, is due to have all attorneys' fees and costs incurred by him paid by the Church as such relate to the wrongful acts and omissions of the Defendants, including, without limitation, the Church's investigation of the Plaintiff.

44. Despite repeated written demand therefor, none of the attorneys' fees and costs incurred to date by the Plaintiff have been paid or reimbursed by the Church. Almost all of the work performed pursuant to the investigative defense of the Plaintiff occurred in Mobile County, Alabama, and was performed by the Mobile, Alabama office of the Jones Walker law firm. These fees and costs are ongoing, as this civil action is a direct result of the Defendants' wrongful conduct, including, without limitation, the Church's investigation.

45. As the entire investigation was in clear violation of the Church's policies and procedures as set forth in the Employee Handbook, and as the entire investigation was a central element in and of the Defendants' wrongful conspiracy, the Plaintiff is entitled to recover from Defendants all attorney's fees and costs incurred by him, including those incurred in connection with this civil action.

Count 4

46. The Plaintiff re-alleges and incorporates by reference the foregoing allegations.

47. Defendants, including John Does 1-30, have intentionally interfered with the Plaintiff's ability to secure employment and with his prospective contractual relationships and business opportunities.

48. The Plaintiff, to date, has suffered economic and non-economic damages and harm as a result of the Defendants' tortious interference with Plaintiff's prospective contractual relations and job opportunities, as follows:

(a) Rector, Parish A, one of the few positions in the Church that is comparable in salary to Bishop Sauls's former position as COO. The Bishop of the Diocese involved first suggested to Bishop Sauls in 2014 that he consider applying for this position, or consider whether he might be

interested in the position on an interim basis. After the Plaintiff was placed on administrative leave by the Church in December 2015, the same Bishop again urged him to seek the position, stating that Bishop Sauls “would be perfect for it.” Following the issuance by the Presiding Bishop of his statement in April 2016, announcing that the Church’s investigation had determined that Bishop Sauls had engaged in no improper conduct, the same Bishop again encouraged him to apply. The Plaintiff then compiled the required materials and submitted his application, which was strongly supported within the parish by two of its members, both of whom are nationally respected figures by reason of their conduct and accomplishments while holding senior positions in churchwide leadership. The Bishop also wrote a letter to Parish A, strongly recommending the selection of Bishop Sauls as its rector. Despite this strong support of his candidacy, during the first week of May 2016 Bishop Sauls received a summary rejection of his application.

(b) Chaplain, School B is another job that Bishop Sauls applied for, but, despite the fact that his application had the enthusiastic support of a local Bishop, it was rejected barely a week after he submitted it.

(c) Chaplain, School C is another job that Bishop Sauls applied for, but, again, where he was quickly rejected.

(d) President of Institution D another position at a salary level comparable to Bishop Sauls’s position as COO. Despite having been urged by many people to apply for the position, after he did so Bishop Sauls

learned, when he saw a public announcement that it had been filled by someone else. Even though a Bishop who is intimately involved at Institution D had recommended the Plaintiff for this position, and even though he was nominated for the position by a very prominent and widely respected layperson in TEC, Bishop Sauls never received even an acknowledgement of either his application or his nomination.

(e) Advisor on Staff E, another job for which the Plaintiff applied and for which he was rejected.

(f) Interim Rector, Parish F, a small parish with average Sunday attendance of about 30, is another job opening that Bishop Sauls interviewed for but, again, for which he was rejected.

(g) Interim Rector at Parish G --- at one point, Bishop Sauls was informed that he was the only person under consideration for this position. During a telephone interview in late August 2016, the junior warden said, "Let's talk about the elephant in the living room." During that interview and the subsequent in-person meeting, there was much conversation about how the congregation would respond when they googled Bishop Sauls' name. Bishop Sauls learned, from checking that Church's website, that the church had hired someone else.

49. Googling Bishop Sauls leads to the intentionally misleading news release, and related press, media, and published commentary involving the same. In conversations that Bishop Sauls has had with others in the Church, including Bishops, he has been told that the google search problem has been a serious obstacle

to his successful pursuit of any job openings. He also has been told by one Bishop who is trying to help Bishop Sauls find a job in his diocese that the news stories from the September meeting of the House of Bishops, including reports about the presentation given there by Human Synergistics, which purported to address management practices in the Church, have done serious harm to Bishop Sauls and his reputation.

50. Until December 11, 2015, Bishop Sauls was able to be considered as a serious candidate for the most prominent positions in the Anglican Communion. Today, Bishop Sauls finds himself unable to obtain even a temporary job at a small parish with an average attendance of 30, and the damages sustained by Bishop Sauls are ongoing and continuing into the future, due to the Defendants' tortious conduct.

51. As a result of Defendants' tortious interference with his prospective contractual relations, the Plaintiff has suffered and will continue to suffer economic harm, loss, and damages.

Count 5

52. The Plaintiff re-alleges and incorporates by reference the foregoing allegations.

53. The Defendants engaged in a conspiracy calculated to intentionally inflict emotional distress upon Bishop Sauls. The Defendants engaged in numerous material acts, collectively and severally, in furtherance of this conspiracy by, among other things, the following: knowingly creating a false context for the investigation; encouraging other employees of, and persons affiliated with, the Episcopal Church to disparage Bishop Sauls; concealing and withholding the true nature of the investigation; creating a cloud of baseless suspicion and innuendo around the subject of the investigation; disclosing to the media

false and misleading information about the investigation, knowing such information to be false, or in reckless disregard of whether it was false or not; encouraging and repeating rumors, speculation, and gossip about the investigation and about the Plaintiff; refusing to release the findings of the investigation to the public and the Church; continuing to disseminate and encourage the spreading of misleading speculation about the findings of the investigation; securing the firing and termination of Bishop Sauls in conjunction with the closing of the investigation; and continuing to engage in ongoing tortious attacks directed at and against Bishop Sauls and his reputation.

54. The Defendants' creation of a hostile working environment, and their acts, conduct, schemes, slander, libel, and intentional interference with his prospective contractual relations, constitute the tort of intentional infliction of emotional distress as against the Plaintiff.

55. As a direct result of Defendants' intentional infliction of emotional distress, the Plaintiff has suffered and continues to suffer severe emotional distress, with physical consequences, including but not limited to heart problems and economic losses.

DEMAND FOR RELIEF

Wherefore, premises considered, as to the foregoing counts, independently and collectively in part or whole, the Plaintiff demands judgment against the Defendants, jointly and severally, as follows:

- (a) trial by jury;
- (b) compensatory damages;
- (c) consequential, incidental, and special damages;
- (d) punitive damages;

(e) attorney's fees and all costs and expenses related to the 2015-2016 investigation and as required by DFMS internal policies and practices, as well as pertinent law;

(f) back wages, accumulated vacation pay, lost retirement benefits, lost health care benefits, and other employment-specific categories and losses;

(g) such other relief as the Court and/or jury deem just.

Respectfully submitted,

FRAZER LAW LLC

/s/ T. Roe Frazer II

T. Roe Frazer II
Alabama State Bar #6624-R42T
1415 University Avenue
Oxford, Mississippi 38655
Telephone: (615) 324-7831
Facsimile: (866) 314-2466
roe@frazer.law

and

LAW OFFICE OF GRANT D. AMEY

Grant D. Amey
Alabama State Bar # AME007
P.O. Box 67
Fairhope, Alabama 36533
Telephone: (251) 716-0504
grantamey@grantamey.com

Attorneys for Plaintiff

CERTIFICATE OF SERVICE

The Defendants will be served via certified mail, return receipt as follows:

The Episcopal Church
a/k/a The Domestic and Foreign Missionary
Society of the Protestant Episcopal Church
in the United States of America
815 Second Avenue
New York, NY 10017

Diocese of the Central Gulf Coast
P. O. Box 13330 (201 N. Baylen)
Pensacola, FL 32591-3330

A courtesy copy of the foregoing is being served via certified mail, return receipt upon Defendants' Counsel:

Raymond L. Vandenberg
Michelman & Robinson, LP
800 Third Avenue, 24th Floor
New York, NY 10022

Attorneys for Defendants

/s/ T. Roe Frazer II

T. Roe Frazer II