

## Beracha Foundation responds to recent EBM Developments

August 27, 2011

It is with great sadness that we at the Beracha Foundation have learned of Evangelical Baptist Mission's decision to file bankruptcy. Our prayers go out to all the missionaries, their families, supporters and churches who are impacted by this decision.

As the situation continues to unfold, we would like to clarify some statements which have been made regarding the relationship between the Beracha Foundation and EBM, particularly concerning lawsuits filed against Beracha by EBM leadership.

To understand the recent news, one must understand that the current issues leading to the bankruptcy of EBM started long before its relationship with Beracha. Unfortunately the lawsuit brought by EBM leadership against Beracha—and the demand of Federal Law that Beracha defend itself through a countersuit—has clouded the real issues.

After many months of compelling testimony and evidence showing that EBM leadership was wrong to have damaged Beracha's reputation by filing suit, EBM leadership put down their arms and asked to open a discourse toward mediation. The EBM Board even issued a signed apology addressing this matter. In later meetings it was admitted by board members that EBM's problems started as early as 2001. Remorse was expressed by the Chairman of the Board for having purchased a large facility without the financial means to adequately provide for EBM's future. Statements of regret for not holding its President and Treasurer accountable for their actions were also expressed.

There's more to the story about the Beracha-EBM relationship through this matter. Beracha is a non-profit organization. Our ministry is to provide Internet Technology (IT), IT Infrastructure, Communications and Marketing for ministries around the world. Beracha's goal in its relationship with EBM has always been to support the missionary family directly and indirectly by supporting the EBM Home Office operations through a comprehensive and strategic approach based upon our ministry partnership. Our passion has always been to serve those who serve.

From the moment EBM leadership filed suit against Beracha, Beracha made certain the all missionaries were unhindered and had reliable IT and professional services. All systems were maintained, up and running as normal even though EBM refused to pay for them. Unfortunately, EBM leadership made accusations about this matter which were totally without merit.

Here's the timeline: From 2005-2008, Beracha was contracted by EBM to bring their archaic systems up to current technology. As with any service provider, Beracha was under the supervision of administrative personnel within the EBM organization at all times.

Beracha was EBM's largest donor. This was possible because our subsidies to them exceeded \$4.32 for every \$1.00 they paid for IT services. Additionally, we brought them many tens of thousands of dollars of donations from corporate sponsors we sought on their behalf. Any accusations that Beracha is the cause of EBM's financial problems and current state could not be further from the truth.

In 2008, EBM leadership released 4 administrative people, including 2 department heads, for financial reasons. As a result, the EBM leadership and the EBM Board persuaded Beracha to help fill gaps in professional services, including financial and IT/Data security roles. While these roles were carried out by Beracha personnel, they were always under the direct supervision and accountability of EBM leadership. In the last couple years, leadership changes within EBM led to an inadequate understanding of the institutional history and agreements within the EBM/Beracha relationship. In January EBM leadership broke its contracts and sued Beracha.

We agree that brothers should not bring suit against brothers ... we begged and pleaded with EBM not do what they were doing. When EBM board members discovered the extent of the lawsuit their organization had filed, they stopped it and wrote a letter of apology to Beracha. Unfortunately, large amounts of financial and reputational damage have been done to Beracha; and sadly, more damages are forthcoming.

Where are we now? Like you, we are watching and waiting to see how this scenario plays out. We can only ask that fervent prayer be lifted up for the missionaries who are affected by this and that their vital ministries throughout the world will be able to continue unimpeded. We hope and pray for an outcome that brings honor and glory to our Savior's name.

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