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LEGAL PROCESS #6

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5 Attorneys for Plaintiff

6 THE NATIONAL GRANGE OF THE ORDER OF PATRONS OF HUSBANDRY

7  
8 **IN THE SUPERIOR COURT OF THE STATE OF CALIFORNIA**  
9 **IN THE COUNTY OF SACRAMENTO**

10  
11 THE NATIONAL GRANGE OF THE ORDER  
OF PATRONS OF HUSBANDRY, a  
12 Washington, D.C. nonprofit corporation,

13 Plaintiff,

14 vs.

15 THE CALIFORNIA STATE GRANGE, a  
California nonprofit corporation, and ROBERT  
16 McFARLAND, JOHN LUVAAS, GERALD  
CHERNOFF and DAMIAN PARR,

17 Defendants.  
18

Case No. 34-2012-00130439

**DECLARATION OF EDWARD LUTTRELL  
IN SUPPORT OF THE NATIONAL  
GRANGE'S OPPOSITION TO DEFENDANT  
MCFARLAND'S MOTION FOR  
PRELIMINARY INJUNCTION**

**Date: March 29, 2013  
Time: 2:00 p.m.  
Dept: 53**

Complaint Filed: October 1, 2012  
Trial Date: None Set

19 I, Edward L Luttrell, declare:

20 1. I currently serve, and at all relevant times did serve, as Master of The National Grange of  
21 the Order of Patrons of Husbandry (hereafter "The National Grange"). As such, I have personal  
22 knowledge of the facts alleged herein and, if called, could testify competently as to them. Master is  
23 the highest ranking office in The National Grange.

24 2. In August 2011, a complaint was filed against Robert McFarland by members of the  
25 California State Grange who believed the bylaws of the Order had been violated by McFarland's  
26 handling of the approval process for sale of a property upon a proposed consolidation of two  
27 community Granges. (Exhibit A, attached hereto)

28  
**DECLARATION OF EDWARD LUTTRELL IN SUPPORT OF THE NATIONAL GRANGE'S  
OPPOSITION TO DEFENDANT MCFARLAND'S MOTION FOR PRELIMINARY INJUNCTION**  
01115482.WPD

3. After a Grange trial found McFarland in violation of the bylaws and recommended that he be removed from office as Master, he appealed the decision as permitted in the National Grange bylaws and his punishment was reduced in May 2012 to a reprimand and a two-month suspension as Master. McFarland agreed to accept that punishment. (Exhibit B, attached hereto)

4. Overseer of the California State Grange, Martha Stefenoni, served as Acting Master for June and July 2012, pursuant to the bylaws of the Order, during McFarland's suspension.

5. In July 2012, I became aware of McFarland's actions regarding the 2009 settlement agreement between the California State Grange and the Vista Grange.

6. Following receipt of the 2009 settlement agreement with Vista Grange and further examination of the surrounding circumstances, I referred McFarland's conduct for internal Grange adjudication and on August 6, 2012, suspended McFarland from his position as Master of the California State Grange, as authorized by section 4.10.7. of the bylaws of the National Grange. (Exhibit C, attached hereto)

7. McFarland retained counsel and advised me that he would not obey the bylaws and would continue to serve as Master, suggesting that because the California State Grange was incorporated as a nonprofit in California, and his employment contract with the California State Grange might be affected, he need not heed the rules of the Order.

8. Over the years as Master of the California Grange, McFarland has himself employed the internal Grange trial procedures set forth in chapter 12 of the National Grange bylaws. (Exhibit D, attached hereto) Recently, McFarland has utilized, and permitted to be utilized by others, the same basic process (while failing to follow the proper steps) to remove from office dissidents who have refused to acknowledge his right to defy the Order.

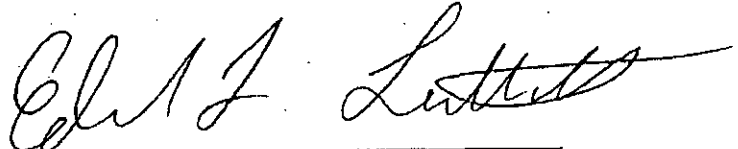
9. Because I was the Complainant in the most recent Grange trial involving McFarland as the Respondent, I designated National Grange Overseer Jimmy Gentry the task of assembling the three-person trial panel without my approval or suggestions as to the members chosen.

10. The Order is likely to suffer significant disintegration if this preliminary injunction is granted. The discipline of the Order will be seriously harmed if McFarland is permitted to disregard

1 the bylaws of the Order with impunity. Masters of other Granges throughout California, and even  
2 other areas of the country, will have every incentive to disregard decisions of the Order they disagree  
3 with, knowing that judicial courts can simply step in to protect them from facing any internal  
4 discipline whatsoever, at least until the entire dispute proceeds through the civil judicial system. An  
5 example of the destructive trend in my home state involved a member of the Oregon State Grange  
6 posting on its facebook page in December 2012 an interpretation of the instant California dispute as  
7 merely a contract dispute between Granges whose members are no longer bound by the bylaws of the  
8 Order. (Exhibit E, attached hereto)

9 11. True and correct copies of the original documents mentioned above are attached hereto  
10 as exhibits.

11 I declare under the penalty of perjury under the laws of the State of California that the  
12 foregoing is true and correct and that this declaration was executed on March 20, 2013, in Sandy,  
13 Oregon.

14   
15 \_\_\_\_\_  
16 Edward L. Luttrell

3 **DECLARATION OF SERVICE**

4 I am a citizen of the United States and employed in Sacramento County, California. I am over  
5 the age of eighteen years and not a party to the within above-entitled action. My business address is  
6 350 University Avenue, Suite 200, Sacramento, California. I am familiar with this Company's practice  
7 whereby the mail, after being placed in a designated area, is given the appropriate postage and is  
8 deposited in a U. S. mailbox in the City of Sacramento, California, after the close of the day's  
9 business.

10 On the date below, I served a copy of the following document(s):

11 **DECLARATION OF EDWARD LUTTRLL IN SUPPORT OF THE NATIONAL**  
12 **GRANGE'S OPPOSITION TO DEFENDANT MCFARLAND'S MOTION FOR**  
13 **PRELIMINARY INJUNCTION**

- 14 ☒ **By Mail.** I caused such envelope with postage thereon fully prepaid to be placed in the United  
15 States mail at Sacramento, California.  
16 ☐ **By Personal Service.** I caused such document to be delivered by hand to person(s) listed  
17 below.  
18 ☐ **By Overnight Delivery.** I caused such document to be delivered by overnight delivery to the  
19 office of the person(s) listed below.  
20 ☐ **By Facsimile.** I caused such document to be transmitted by facsimile machine to the office  
21 of the person(s) listed below.  
22 ☒ **By E-Mail.** I caused such document to be transmitted by electronic format to the office of  
23 the person(s) listed below.

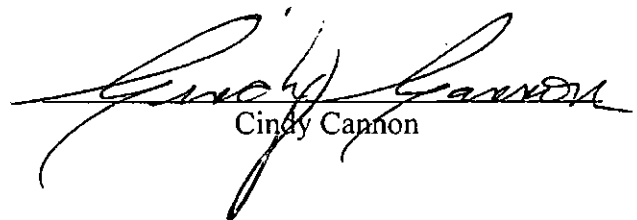
24 **Attorneys for Robert McFarland**

25 Mark Ellis  
26 Ellis Law Group  
27 740 University Ave., Suite 100  
28 Sacramento, CA 95814  
[MEllis@EllisLawGrp.com](mailto:MEllis@EllisLawGrp.com)

**Attorneys for Defendants The California State**  
**Grange, John Luvaas, Gerald Chernoff, and**  
**Damian Parr**

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Sacramento, CA 95814  
[rswanson@boutinjones.com](mailto:rswanson@boutinjones.com)  
[dstouder@boutinjones.com](mailto:dstouder@boutinjones.com)

I declare under penalty of perjury that the foregoing is true and correct. Executed at  
Sacramento, California on March 21, 2013.

  
Cindy Cannon

## **EXHIBIT A**

From: Ingermarie Bevans  
12250 Alp Circle  
Salinas, CA 93906  
831-449-4021

August 13, 2011

To: Ed Luttrell, Master  
National Grange Patrons of Husbandry  
1616 H Street, NW  
Washington, DC 20006

Re: COMPLAINT AGAINST THE MASTER OF THE CALIFORNIA STATE GRANGE

COMPLAINANTS: Ingermarie Bevans, Secretary, Prunedale Grange #388  
Leland Geiger and Barbara Geiger  
David Smith, Master, Prunedale Grange #388

VS

RESPONDENT: Bob McFarland, Master  
California State Grange

STATEMENT: The complainants allege that the Master of the California State Grange violated the National Grange Digest of Laws, relative to the procedures for a consolidation of two Granges and the proposed requirement for "distribution of assets". (See Exhibit 1)

CHARGE ONE - Violation of Article XI, Section 4.11.1 (H) which states "All earned income derived from such Trust shall be the property of the selling Subordinate Grange ..."

After approving the consolidation of the Springfield Grange with the Prunedale Grange, the condition for the sale was made on April 9, 2011 at the meeting of the State Executive Committee:

"A motion was made by Bob McFarland to approve the sale of the Springfield Grange Hall, providing the surviving Grange agrees that all interest goes back into the Asset Management account and a detailed plan for the distribution of the funds, including a provision to perpetuate the Grange be given to the Executive Committee." The motion was approved by the following members of the committee: Bob McFarland, Jon Luvaas and Leo Bergeron. There were two nays and two abstentions.

25 Subsequently, the combined proposal from the two Granges was presented proposing  
26 that all funds would be used for grants to other Granges for repairs or upgrades. (See Exhibit 2)  
27 This was presented on May 26<sup>th</sup> and a new motion was made as follows: "A motion was made  
28 by Jon Luvaas that the proposal for the distribution of assets from the consolidation of the  
29 Springfield/Prunedale Granges, per the letter of May 15<sup>th</sup> is approved, contingent that a written  
30 understanding is provided by the surviving Grange that the interest earned by the Asset  
31 management account is retained in that account. " The motion was approved by Bob  
32 McFarland, Jon Luvaas, Leo Bergeron and Shirley Baker.

33  
34 On July 16, 2011 at a meeting of the Executive Committee, a new letter from the combined  
35 Granges was presented (see exhibit 3) stating that the Subordinate Grange would allow the  
36 interest to remain in the account, but "reserves the right to withdraw that interest when  
37 necessary for their own needs or that of another Grange." At that time the Master stated that  
38 because there is no agreement by the Granges regarding the "interest" there is no approval for  
39 the consolidation . This backtracks all previous motions.

40  
41 CHARGE TWO: Violation of Section 13.23.1 (Parliamentary Law) "The motion to rescind may be  
42 applied to the vote on all motions except that: votes cannot be rescinded after something has  
43 been done as a result of that vote that the Grange cannot undo." There were two previous  
44 approvals sent to the Masters of the two Granges regarding the consolidation, and they  
45 therefore combined their membership during the second quarter of 2011. On July 16<sup>th</sup> the  
46 Master stated that the consolidation approval is withdrawn as there was no agreement on the  
47 interest. (See Exhibit 4)

48  
49 CHARGE THREE: The term "Proposal for distribution of assets" is only found in Article IV,  
50 Section 4.4.3 of the National Grange By-Laws. The proposal was submitted more than once by  
51 the Springfield Grange in several letters to the California State Grange Executive Committee.  
52 Section 4.4.3.(B) (2) states that "If the consolidating Granges fail to submit a proposal which  
53 includes the sale of real property owned by the dissolving Granges, then, in that event the said  
54 real property shall revert to the State Grange having jurisdiction and the Master with the advice

55 and consent of the Executive Committee of said Grange shall determine the disposition of said  
56 real property for uses in accordance with the general purposes of the Order." When the  
57 combined Granges failed to agree to the illegal request of the State Master to have no right to  
58 the interest on the trust fund resulting from the sale of the hall, Master Bob McFarland sent a  
59 letter to the Master of Prunedale and Lee Geiger stating "Regarding the consolidation of  
60 Prunedale and Springfield Granges, the two Granges and the Executive Committee are unable  
61 to reach agreement. Therefore, there is no consolidation." He has subsequently taken over  
62 the Springfield Grange hall without the advice and consent of the Executive Committee. Exhibit  
63 4 is the Draft minutes of the July 16, 2011 (unapproved by the Executive Committee). It does  
64 not comply with the wording of his notice. Therefore we claim that Bob McFarland is in  
65 violation of Article 4.4.3 of the Digest of Laws.

66  
67 STATEMENT: We desire for the National Grange to find Bob McFarland out of order in his  
68 demand for the interest on any trust fund from the sale proceeds of Springfield Grange hall and  
69 to reverse his statement disapproving the whole consolidation.

70  
71 Exhibits attached include: Proposal letters, e-mails, minutes and statements.

72  
73  
74 Signed this 13<sup>th</sup> day of August, 2011. Complainants:

75  
76  
77 Ingermarie Bevans

Ingermarie Bevans

78  
79 Leland Geiger

80  
81 Barbara Geiger

82  
83 David Smith

SEE  
ATTACHED  
PAGE



71 Exhibits attached include: Proposal letters, e-mails, minutes and statements.

72

73

74 Signed this 13<sup>th</sup> day of August, 2011. Complainants:

75

76

77 Ingermarie Bevans Ingermarie Bevans

78

79 Leland Geiger Leland Geiger

80

81 Barbara Geiger Barbara Geiger

82

83 David Smith David Smith

## **EXHIBIT B**

**From:** Bob McFarland [<mailto:bobupthecreek@yahoo.com>]  
**Sent:** Thursday, May 31, 2012 2:42 PM  
**To:** [betsy@pagrango.org](mailto:betsy@pagrango.org); [hhuher@zoominternet.net](mailto:hhuher@zoominternet.net)  
**Subject:** Bevans, Geigers, Smith vs. McFarland Appeal Decision

May 31, 2012

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Betsy and members of the National Grange Review Board:

Per your letter dated May 17, 2012, I accept the modified punishment.

Per your instructions, I will follow-up by mail to 362 University Road, Lincoln University, PA 19352.

Please respond via reply email that you have received this.

Faithfully,

- Bob McFarland

Bob McFarland, President  
**California State Grange**  
[bobupthecreek@yahoo.com](mailto:bobupthecreek@yahoo.com)  
(916) 454-5805 / (916) 768-9800

***It feels good to be a Granger!***

May 17, 2012

---

Mr. Robert McFarland  
California State Grange  
3830 U Street  
Sacramento, CA 95817-1345

Dear Brother McFarland:

The National Review Board met yesterday, May 16, 2012, to consider your appeal to charges 1 and 3 of the decision of the Trial Court which met March 31, 2012 in the case of Ingermarie Bevans, Leland Geiger, Barbara Geiger, and David Smith, Complainants, vs. Bob McFarland, Respondent.

After much deliberation, the National Review Board determined that the decision of the Trial Court should stand. However, the Board feels that the punishment is not equitable in its relation to the charges.

Therefore the Board issues the attached Reprimand which, according to the National Grange Digest of Laws, Chapter 12, Section 12.2.23 (A) (1), shall be read in the Grange in which the Complaint originated and in the Grange of the Respondent (California State Grange) at its next regular meeting and made a part of the minutes of that meeting.

The Board suspends you from the office of Master of the California State Grange for the period June 1 through July 31, 2012.

The Board upholds the Trial Court's determination of payment of costs for the Trial.

You must inform me before June 1, 2012, if you choose to accept this modified punishment (12.2.24). If you choose not to accept the modified punishment, the verdict and original punishment determined by the Trial Court will stand, effective immediately, and you will be removed from office for the remainder of your term.

The National Review Board feels compliance with the Digest of Laws of the National Grange is of utmost importance for all members of the Grange, and a State Master must not only set the example but also see that the Digest is followed by all members in his state.

B. McFarland  
May 17, 2012  
Page 2

I look forward to your response at your earliest convenience, by close of business May 31, 2012.

~~You can reach me by email at [betsy@pagrange.org](mailto:betsy@pagrange.org), phone 484-459-1957, with a follow-up by~~  
mail at 362 University Road, Lincoln University, PA 19352.

Faternally.

Betsy E. Huber  
Chair, National Review Board

Cc: National Master Edward Luttrell  
National Overseer Jimmy Gentry  
National Review Board: Philip Prelli, Joseph Fryman, Duane Scott

May 17, 2012

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### **REPRIMAND**

The National Review Board directs that this reprimand be read during the next meeting of the Prunedale Grange #388 and the California State Grange and placed in the minutes of each.

The Trial Court of the National Grange, meeting on March 31, 2012, found Bob McFarland, Master of the California State Grange, guilty of two charges of violation of the Digest of Laws of the National Grange.

Charge One- Violation of Article XI, Section 4.11.1 (H), which states "All earned income derived from such Trust shall be the property of the selling Subordinate Grange...."

Charge Two- Violation of Article IV, Section 4.4.3, "If the consolidating Granges fail to submit a proposal which includes the sale of real property owned by the dissolving Granges, then, in that event the said real property shall revert to the State Grange having jurisdiction and the Master with the advice and consent of the Executive Committee of said Grange shall determine the disposition of said real property for uses in accordance with the general purposes of the Order."

Bob McFarland clearly did not intend to follow the digest as the motion approved by the Executive Committee clearly stated that to gain approval of the consolidation it was incumbent on both the principal and interest being held by the State Grange and thus prohibiting the interest from the invested fund from going to the local Grange. The proposals offered by the Granges wishing to consolidate were thus not acceptable due to the illegal motion. Though the suggested concept for the use of the money was good it was clearly in violation of the Digest. Compliance with the Digest of Laws of the National Grange is of utmost importance for all members of the Grange. A State Master not only should set the example but also is responsible for seeing that the Digest is followed by members in his state.

## **EXHIBIT C**

**DIGEST OF LAWS**

**ORDER OF**

**PATRONS OF HUSBANDRY**

Adopted and Proclaimed by  
The National Grange  
2012 Edition

1616 H Street, N.W.  
Washington, D.C. 20006



## Chapter 4: By-Laws

**Secretary:** It shall be the duty of the Secretary to keep a record of all proceedings of the National Grange; to conduct the correspondence of the National Grange pertaining to this office; including issuing Golden Sheaf Certificates, the Membership Recognition Seals and 6th Degree Certificates; and to perform such other duties relating to the office as may be required by the Master and the Executive Committee.

The Secretary shall report all funds received and transferred to the National Grange at its Annual Meeting.

### 4.10.6 Duties of Executive Committees -

(A) All Granges - The duties of the members of the Executive Committee of the National Grange shall be as provided in these By-Laws and Laws of the National Grange. The duties of the members of the Executive Committees of the other Granges of the divisions of the Order shall be as provided for in these By-Laws and Laws of the National Grange, and the By-Laws and Laws of the various Granges of the divisions of the Order in which they are members. It shall be the responsibility of the Executive Committees to act for each Grange between meetings of said Granges. Actions by an Executive Committee must have the approval of the Master of each Grange, provided, however, disapproval by a Master may be overridden by a vote of two-thirds of the members of an Executive Committee.

(B) National Grange - It shall be the duty of the Executive Committee of the National Grange to exercise general supervision of the affairs of the Order during the recess of the National Grange which shall include those acts pertaining to the execution of the laws, rules, regulations, and policy established by the delegates of the National Grange. It shall have the authority to act on matters of interest to the Order when the National Grange is not in meeting but any such action taken shall be in accord with the established laws, rules, regulations, and policy established by the delegates of the National Grange, unless a policy does not exist.

The Executive Committee shall present a recommended budget to the Audit and Budget Commit-

tee, which will recommend a budget to the Delegate body for action. The Executive Committee will then have oversight of the disbursement of the funds of the National Grange in accordance with the budget guidelines adopted by the Delegates at the previous annual meeting and shall have authority to allocate funds necessary to maintain a viable program within the income of the National Grange.

The Executive Committee shall report its acts in detail to the National Grange on the first day of its annual meeting or as soon thereafter as practicable.

### 4.10.7 Suspension of Officers -

(A) Suspension Criteria - The Master and officers of a Grange may be suspended for any of the following reasons:

- (1) Failure or refusal to perform the duties of office.
- (2) Failure or refusal to obey the By-Laws or Laws of any Grange of the divisions of the Order having jurisdiction over said Master or officer.

### (B) Suspension Procedure -

- (1) Officers, except Masters, of the various Granges of the divisions of the Order may be suspended by the Master and Executive Committee of their membership Grange, Masters of Subordinate and Pomona Granges by the Master of the State Grange having jurisdiction; the Master of a State Grange by the Master of the National Grange, and the Master of the National Grange by the Assembly of Demeter.
- (2) A complaint identifying the reason(s) for suspension shall be filed in accordance with the Rules and Regulations For Trials and the suspended Master or officer shall be tried pursuant thereto.
- (3) If the Master of a Grange is suspended, the office does not become vacant to be filled by an election, for in such case the Overseer, by virtue of the office acts as master.

## Chapter 4: By-Laws

(4) If a State Grange or National Grange trial court sustains the allegations for suspensions, and is not reversed on appeal, then the suspended officer or Master shall be removed from office.

(5) If the suspension is sustained and a Master or officer of Grange is removed from office, such vacancy shall be filled as provided for below in Section 10.8 of these By-Laws.

**4.10.8 Vacancies in Office** - Any vacancies that may occur in the offices of a Grange by reason of death, resignation, termination of membership, removal from office or otherwise, may be filled by election at the next regular meeting of the various Granges of the divisions of the Order except that Junior and Subordinate Granges shall fill such vacancies by election not later than the second regular meeting following the event of the vacancy.

(A) In case of a vacancy in the office of Master of any Grange, the Overseer of the said Grange shall act as Master until the vacancy is filled.

(B) In the Junior or Subordinate Granges, such acting Master is not installed and is not entitled to be called a Past Master.

(C) When the office of Master becomes vacant in a Pomona Grange, State Grange or National Grange, the Overseer (Acting Master) shall become Master upon being duly installed. When the Overseer is thus installed as Master, the Office of Overseer becomes vacant. An Overseer thus installed is entitled to be called a Past Master.

(D) In case of vacancy of both the offices of Master and Overseer of Pomona, State Grange or National Grange, the Executive Committee of such Grange shall, by appointment, fill the vacancy in the office of Master until the next regular meeting of that Grange.

(E) In like manner, the Executive Committee of each Pomona, State Grange or National Grange shall fill vacancies in any other office in the Grange in cases where the Committee determines that the office should be filled before the next regular meeting of that Grange.

**4.10.9 Bonding** - The Secretary and Treasurer of each Subordinate, Pomona, State and National Grange shall furnish, at the expense of their respective Granges, a fidelity bond or other approved surety (insurance or employee dishonesty coverage), in such amount as the Executive Committee of their respective Granges shall determine. At the direction of the Executive Committees of the various Granges of the divisions of the Order, any other officer or employee of the said Granges shall furnish, at the expense of said Grange, a fidelity bond or other approved surety, in such an amount as the Executive Committee shall determine.

Notwithstanding, the bonding requirement set forth, the Executive Committee of a State Grange may permit any Pomona, Subordinate, or Junior Grange to become self-insured. Each State Grange shall be authorized to create its own criteria before permitting self-insured status.

**4.10.10 Indemnification - Section 1. Indemnification of Officers and Directors:**

(A) The National Grange shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative (other than an action by or in the right of the National Grange) by reason of the fact that such person is or was a Director, an Elected Officer, or an Appointed Officer of the National Grange or is or was serving at the request of the National Grange as a Director or officer of another association, corporation, partnership, joint venture, trust, or other enterprise, against expenses (including attorneys' fees), judgments, fines, and amounts paid in settlement, actually and reasonably incurred by such person in connection with such action, suit, or proceeding, if such person acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interest of the National Grange and with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, con-

## **EXHIBIT D**

**DIGEST OF LAWS**

**ORDER OF**

**PATRONS OF HUSBANDRY**

Adopted and Proclaimed by  
The National Grange  
2012 Edition

1616 H Street, N.W.  
Washington, D.C. 20006

*Chapter 12*  
**CODE OF JUDICIAL LAW**

**RULINGS ON GRANGE LAW**

**12.1.1** The right to make rulings as to Grange Law and Usage is vested solely in the Masters of the various Granges of the divisions of the Order. All questions of Grange Law and Usage, or pertaining to the Unwritten Work of the Order, shall be the subject of such rulings.

**12.1.2** Questions of Grange Law or Usage arising in a Subordinate or Pomona Grange, or referred to a Master of such Grange by a member thereof, shall be decided by the Master of such Subordinate or Pomona Grange, subject to an appeal to the Master of the State Grange having jurisdiction. No member of a Subordinate or Pomona Grange, except the Master thereof, may request rulings as to Grange Law or Usage by the Master of a State Grange or the Master of the National Grange, except in rulings on appeal.

**12.1.3** Questions of Grange Law or Usage arising in a State Grange or referred to the Master of a State Grange by any member thereof or the Master of a Subordinate or Pomona Grange; or brought on appeal from a ruling by a Master of Subordinate or Pomona Grange shall be decided by the Master of the State Grange having jurisdiction, subject, however, to an appeal therefrom to the Master of the National Grange. The decisions by the Master of the National Grange on appeals from rulings on Grange Law or Usage made by Masters of State Granges shall be final.

**12.1.4** Questions of Grange Law or Usage arising in the National Grange, or referred to the Master thereof by any officer or Delegate of the National Grange shall be decided by the Master of the National Grange subject, however, to appeal therefrom to the Assembly of Demeter whose decision thereto shall be final.

**12.1.5** A ruling of a Master may be appealed by filing a notice with the Secretary of the Grange in which the ruling was made, within forty-five (45) days of when the ruling was issued. This notice must be accompanied by two copies of all Grange docu-

ments, regarding the ruling on appeal, including the ruling of the Master. One copy of this record shall be transmitted to the Master who made the ruling and one copy to the Master of the appellate Grange. The Master who made the ruling shall within five (5) days transmit a report as to the ruling under appeal to the Master of the appellate Grange.

**12.1.6** The Master of the National Grange shall report to each Annual Meeting of the National Grange all rulings as to Grange Law or Usage or decisions on appeal made since the previous such report.

**12.1.7** When any question of Grange Laws or Usage is not provided for in the By-Laws of any Junior, Subordinate, Pomona Grange or State Grange but is provided for in the By-Laws or laws of a Grange of a higher Degree, the law of the higher Degree shall be applicable to the Grange of the lower Degree. The Master of the Grange concerned shall determine whether the law is applicable, subject to appeal as provided for in this Code.

**RULES AND REGULATIONS  
FOR GRANGE TRIALS**

**12.2.0** Preamble- Recognizing that members of the Grange are subject to human feelings and that disputes do arise, it is earnestly hoped that the spirit of fraternity will cause each member contemplating filing a complaint to use every effort to resolve differences before exercising the rights set forth in this Trial Code. The good works that the Grange traditionally does should not be impeded by frivolous complaints to settle a personal affront. Let each member be large enough in spirit and integrity to obviate the use of this Trial Code.

**12.2.1** Any member of the various Granges of the divisions of the Order may file a Complaint against any other member of any Grange for violation(s) of the Manuals of the Degrees of the Order, the By-Laws and laws of the National Grange and the By-Laws of the other Granges of the divisions of the Order.

## ***Chapter 12: Code of Judicial Law***

A complaint must be filed no later than three years after the date of the alleged violation.

**12.2.2** The Complaint shall be stated in concise language, identifying by specific reference to the corresponding number or letter designation of the Chapter, Section, and or Paragraph allegedly violated. The Complaint shall also contain a statement of facts relating to each charge made. In administering the Complaint, the member bringing the charge shall be called Complainant and the member against whom the charge is brought shall be called Respondent.

**12.2.3** The Master of the level where the complaint is filed shall have the authority to offer mediation to the complainant and respondent or make a ruling on the laws of the Order to remedy the complaint. If either the complainant or respondents finds that mediation or ruling by the Master fails to solve the issue, the provisions as set forth in sections 12.2.16 through 12.2.33 will be placed into effect.

### **STATE PROCEDURES**

**12.2.4** Upon receipt of a Complaint, the State Master shall appoint a three (3) person Arbitration Panel within 30 days of receipt of the Complaint, naming one member as Chairperson. A copy of the complaint shall be forwarded to the respondent by the chair of the Arbitration Panel at least 15 days prior to a meeting of the Panel.

**12.2.5** The Arbitration Panel shall review the Complaint within 30 days of appointment, and may allow comment from Respondent and from Complainant. Thereafter, the Arbitration Panel shall take reasonable steps to resolve the issues between the parties. If the issues are resolved, then Complainant shall withdraw the Complaint and the State Master shall be so advised. If the issues cannot be resolved and the Arbitration Panel by majority vote determines that a charge does not merit trial, then the State Master shall be so advised, and the State Master shall dismiss the Complaint as to that charge. If the issues cannot be resolved and the Arbitration Panel by majority vote determines that a charge should be heard by a Trial Court, then the

State Master shall be so advised and the State Master shall appoint a Trial Court. The decision of the Arbitration Panel shall be final as to whether any charge is, or is not dismissed or referred for trial.

**12.2.6** The members of the Arbitration Panel and the Trial Court should, if possible, be comprised of members not belonging to the Subordinate or Pomona Granges where either Complainant or Respondent are members. No member of the Arbitration Panel may be a member of the Trial Court.

**12.2.7** If a Complaint is referred by an Arbitration Panel to the State Master for delivery to a Trial Court, the State Master shall appoint a Trial Court composed of three (3) members within 30 days of referral, naming one member as Chairperson.

**12.2.8** As part of the process of appointing a Trial Court each Master shall, with the advice and consent of the Executive Committee of said State Grange, make a determination as to the costs of a trial which may be assessed to the parties in controversy. These costs may include, but are not limited to: courtroom rental, expenses of members of the Trial Court, witnesses and public stenographers. The Trial Court, in its sole discretion shall assess the costs of trial to the parties in controversy. Further, the Trial Court in its sole discretion, may require the parties in controversy to deposit with the State Master, funds in an estimated amount sufficient to pay the determined costs. If Complainant shall fail to make the deposit as required, the Trial Court shall dismiss the Complaint. If Respondent shall fail to make the deposit required, the Trial Court may deny Respondent the privilege of presenting evidence at the trial.

**12.2.9** Once the Complaint has been referred to the Trial Court, the Trial Court shall transmit to Respondent a complete copy of the Complaint and its attachments, the names of the members of the Trial Court, and a copy of this section of the DIGEST. Respondent shall have twenty (20) days in which to answer the Complaint in writing; a copy of the Answer shall be delivered to the Chairperson of the Trial Court and to Complainant.

**12.2.10** The Trial Court shall set the time and place

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of hearing at which all testimony shall be taken under oath. The Trial Court shall keep a full and accurate record of the proceedings. The hearing shall proceed in the normal courtroom manner of question and answer with first Complainant and then Respondent presenting evidence. The Chairperson of the Trial Court shall rule on the admissibility of evidence.

**12.2.11** In case of default by Respondent in failing to timely answer the Complaint and/or in failing to appear at the hearing, the Trial Court may proceed, without Respondent, to accept the evidence as presented by Complainant.

**12.2.12** After hearing the evidence and arguments of Complainant and Respondent (if not in Default), the Trial Court by a majority vote shall render a decision of guilty or not guilty as to each charge. In instances where the Complaint contains more than one charge, the Trial Court shall make a separate finding of guilty or not guilty on each charge.

### **12.2.13**

(A) If the Trial Court makes a finding of guilty, then, as to each such finding, it may in addition to assessing costs against Respondent:

(1) Reprimand Respondent and the reprimand shall be read in the Grange in which the Complaint originated and in the Grange of Respondent at its next regular meeting and made a part of the minutes of that meeting; or

(2) Suspend for a specified period, Respondent's membership in the various Granges of the Order to which Respondent is a member. During said suspension Respondent shall not be permitted to attend any meetings, regular or special, of any Grange and shall not be permitted to participate in any Grange function; or

(3) In lieu of and/or in addition to the punishment available under paragraphs (1) or (2) above, remove Respondent from some or all offices held in any division of the Grange for the remainder of the Respondent's term of office and prohibit them from holding that or any office in the Grange for a specific period; or

(4) Terminate Respondent's membership in all

Granges. In the event of termination, Respondent shall not be permitted to re-apply for Grange membership without securing the written permission of the State Master, then in office, having jurisdiction over the reapplying terminated member; and

(5) The Trial Court shall determine the form and distribution of notice to be given in instances of suspension or termination.

(B) If the Trial Court makes a finding of not guilty, then the costs shall be assessed against the Complainant. For a finding of guilty, the costs shall be assessed against the Respondent. In cases of multiple charges where the findings include both guilty and not guilty rulings, the Trial Court shall assess both the Respondent and the Complainant.

### **12.2.14**

(A) The Respondent or Complainant may, within fifteen (15) days appeal the finding to the State Master, who in conjunction with the Executive Committee of the State Grange shall constitute a State Review Board for a review of the record, findings, and punishments set by the Trial Court. In the event of a member of the State Board is charged, or has been involved in the case beyond making rulings or performing their prescribed duties, the member will be disqualified from serving in this capacity. If the Board determines there was a procedural error or that the trial court erred in its finding or that the punishment is not equitable in its relation to the charge(s), then the Board may appoint a new Trial Court for a retrial in full form, on any or all charges or the Board may modify the punishment.

(B) The Respondent or Complainant may, within fifteen (15) days of the final State Review Board ruling appeal the findings of the State Review Board to the National Master for a review of the record, findings, and punishments set by the Trial Court. The National Master may review the record, findings and punishment set by the State Master and Trial Court. If the National Master determines that there was a procedural error or that the punishment was not equitable in relation to the charge(s), the National Master may modify the guilty ruling and/

or the punishment. The decision of the National Master shall be final.

**12.2.15** In no event shall the guilty finding or punishment be reported until Respondent has exhausted the appeal process. No member shall be deprived of any Grange membership until the appeal process has been exhausted.

**PROCEDURES AS TO NATIONAL DELEGATE,  
OFFICER OF NATIONAL GRANGE, AND  
OFFICER OF ASSEMBLY OF DEMETER**

**12.2.16** When a Complaint is brought against a Delegate of the National Grange or an Officer of the National Grange, other than the Master or an Officer of the Assembly of Demeter, it shall be filed with the Master of the National Grange. Upon receipt of the Complaint, the Master of the National Grange shall appoint a three (3) person Arbitration Panel within 30 days, naming one member as Chairperson. A copy of the Complaint shall be forwarded to the Respondent by the chair of the Arbitration Panel at least 15 days prior to a meeting of the Panel.

**12.2.17** The Arbitration Panel shall review the Complaint within 30 days and may allow comment from Respondent and from Complainant. Thereafter, the Arbitration Panel shall take reasonable steps to resolve the issues between parties. If the issues are resolved, then Complainant shall withdraw the Complaint and the National Master shall be so advised. If the issues cannot be resolved and the Arbitration Panel by majority vote determines that a charge does not merit trial, then the National Master shall be so advised, and the National Master shall dismiss the Complaint as to that charge. If the issues cannot be resolved and the Arbitration Panel by majority vote determines that a charge should be heard by a Trial Court, then the National Master shall be so advised and the National Master shall appoint a Trial Court with 30 days of referral. The decision of the Arbitration Panel shall be final as to whether any charge is, or is not, dismissed or referred for trial."

**12.2.18** The members of the Arbitration Panel and the Trial Court shall be past voting Delegates of the National Grange and shall be from a State(s) other than that of Complainant and Respondent. No member of the Arbitration Panel may be a member of the Trial Court.

**12.2.19** If a Complaint is referred by an Arbitration Panel to the National Master for delivery to a Trial Court, the National Master shall appoint a Trial Court composed of three (3) members, naming one member as Chairperson. As part of the process of appointing a Trial Court, the National Master shall make a determination as to the costs of a trial which may be assessed to the parties in controversy. These costs may include, but are not limited to: courtroom rental, expenses of members of the Trial Court, witnesses and public stenographers. The Trial Court in its sole discretion shall assess the costs of trial to the parties in controversy. Further, the Trial Court in its sole discretion, may require the parties in controversy to deposit with the National Master, funds in an estimated amount sufficient to pay the determined costs. If the Complainant shall fail to make the deposit as required, the Trial Court shall dismiss the Complaint. If the Respondent shall fail to make the deposit required, the Trial Court may deny Respondent the privilege of presenting evidence at the trial.

**12.2.20** Once the Complaint has been referred to the Trial Court, the Trial Court shall transmit to Respondent a complete copy of the Complaint and its attachments, the names of the members of the Trial Court, and a copy of this section of the DIGEST. Respondent shall have twenty (20) days in which to answer the Complaint in writing; a copy of the Answer shall be delivered to the Chairperson of the Trial Court and to Complainant.

**12.2.21** The Trial Court shall set the time and place of hearing at which all testimony shall be taken under oath. The Trial Court shall keep a full and accurate record of the proceedings. The hearing shall proceed in the normal courtroom manner of question and answer with first Complainant and then Respondent presenting evidence. The Chairperson of the Trial Court shall rule on the admissibility of evidence.



**12.2.22** After hearing the evidence and arguments of Complainant and Respondent (if not in Default), the Trial Court by a majority vote shall render a decision of guilty or not guilty as to each charge. In instances where the Complaint contains more than one charge, the Trial Court shall make a separate finding of guilty or not guilty on each charge.

**12.2.23**

(A) If the Trial Court makes a finding of guilty, then, as to each such finding, it may in addition to assessing costs against Respondent:

(1) Reprimand Respondent and the reprimand shall be read in the Grange in which the Complaint originated and in the Grange of Respondent at its next regular meeting and made a part of the minutes of that meeting; or

(2) Suspend for a specified period Respondent's membership in the various Granges of the Order to which Respondent is a member. During said suspension Respondent shall not be permitted to attend any meetings, regular or special, of any Grange and shall not be permitted to participate in any Grange function; or

(3) In lieu of and/or in addition to the punishment available under paragraphs (1) or (2) above, remove Respondent from some or all offices held in any division of the Grange for the remainder of the Respondent's term of office and prohibit them from holding that or any office in the Grange for a specific period; or

(4) Terminate Respondent's membership in all Granges. In the event of termination, Respondent shall not be permitted to re-apply for Grange membership without securing the written permission of the State Master, then in office, having jurisdiction over the reapplying terminated member; and

(5) The Trial Court shall determine the form and distribution of notice to be given in instances of suspension or termination.

(B) If the Trial Court makes a finding of not guilty, then the costs may be assessed against the Complainant.

**12.2.24** Once the Trial Court declares a ruling, the Respondent or Complainant may, within fifteen (15) days appeal the decision to the National Mas-

ter, who in conjunction with the Executive Committee of the National Grange shall constitute a National Review Board for a review of the record, findings and punishment set by the Trial Court. In the event a member of the National Review Board is charged, or has been involved in the case beyond making rulings and performing their prescribed duties, the member will be disqualified from serving in this capacity. If the Board determines there was procedural error or that the Trial Court erred in its ruling or that the punishment is not equitable in its relation to the charge(s), then the Board may modify the punishment and permit Respondent to accept the modified punishment. The decision of this National Review Board shall be final.

**PROCEDURES AS TO NATIONAL MASTER**

**12.2.25** In the event the National Master is charged in a Complaint, the Complaint shall be filed with the High Priest of Demeter. Upon receipt of the Complaint, the High Priest of Demeter shall appoint a three (3) person Arbitration Panel within 30 days of receipt of Complaint, naming one member as Chairperson. A copy of the Complaint shall be forwarded to the Respondent by the chair of the Arbitration Panel at least 15 days prior to a meeting of the Panel.

**12.2.26** The Arbitration Panel shall review the Complaint and may allow comment from Respondent and from Complainant. Thereafter the Arbitration Panel shall take reasonable steps to resolve the issues between the parties. If the issues are resolved, then Complainant shall withdraw the Complaint and the High Priest of Demeter shall be so advised. If the issues cannot be resolved and the Arbitration Panel by majority vote determines that a charge does not merit trial, then the High Priest of Demeter shall be so advised, and the High Priest of Demeter shall dismiss the Complaint as to that charge. If the issues cannot be resolved and the Arbitration Panel by majority vote determines that a charge should be heard by a Trial Court, then the High Priest of Demeter shall be so advised and the High Priest of Demeter shall appoint a Trial Court within 30 days of referral. The decision of the Arbitration Panel

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shall be final as to whether any charge is, or is not, dismissed or referred for trial.

**12.2.27** The members of the Arbitration Panel and the Trial Court shall be past voting Delegates of the National Grange and shall be from a State(s) other than that of Complainant and Respondent. No member of the Arbitration Panel may be a member of the Trial Court.

**12.2.28** If a Complaint is referred by an Arbitration Panel to the High Priest of Demeter for delivery to a Trial Court, the High Priest of Demeter shall appoint a Trial Court composed of three (3) members within 30 days of referral, naming one member as Chairperson. As part of the process of appointing a Trial Court, the High Priest of Demeter shall make a determination as to the costs of a trial which may be assessed to the parties in controversy. These costs may include but are not limited to courtroom rental, expenses of members of the Trial Court, witnesses and public stenographers. The Trial Court in its sole discretion shall assess the costs of trial to the parties in controversy. Further the Trial Court in its sole discretion may require the parties in controversy to deposit with the High Priest of Demeter, funds in an estimated amount sufficient to pay the determined costs. If the Complainant shall fail to make the deposit as required, the Trial Court shall dismiss the Complaint. If the Respondent shall fail to make the deposit required, the Trial Court may deny Respondent the privilege of presenting evidence at the trial.

**12.2.29** Once the Complaint has been referred to the Trial Court, the Trial Court shall transmit to Respondent a complete copy of the Complaint and its attachments, the names of the members of the Trial Court, and a copy of this section of the DIGEST. Respondent shall have twenty (20) days in which to answer the Complaint in writing; a copy of the Answer shall be delivered to the Chairperson of the Trial Court and to Complainant.

**12.2.30** The Trial Court shall set the time and place of hearing at which all testimony shall be taken under oath. The Trial Court shall keep a full and ac-

curate record of the proceedings. The hearing shall proceed in the normal courtroom manner of question and answer with first Complainant and then Respondent presenting evidence. The Chairperson of the Trial Court shall rule on the admissibility of evidence.

**12.2.31** After hearing the evidence and arguments of Complainant and Respondent (if not in Default), the Trial Court by a majority vote shall render a decision of guilty or not guilty as to each charge. In instances where the Complaint contains more than one charge, the Trial Court shall make a separate finding of guilty or not guilty on each charge.

### **12.2.32**

(A) If the Trial Court makes a finding of guilty, then, as to each such finding, it may in addition to assessing costs against Respondent:

(1) Reprimand Respondent and the reprimand shall be read in the Grange in which the Complaint originated and in the Grange of Respondent at its next regular meeting and made a part of the minutes of that meeting; or

(2) Suspend for a specified period Respondent's membership in the various Granges of the Order to which Respondent is a member. During said suspension Respondent shall not be permitted to attend any meetings, regular or special, of any Grange and shall not be permitted to participate in any Grange function; or

(3) In lieu of and/or in addition to the punishment available under paragraphs (1) or (2) above, remove Respondent from some or all offices held in any division of the Grange for the remainder of the Respondent's term of office and prohibit from holding that or any office in the Grange for a specific period; or

(4) Terminate Respondent's membership in all Granges. In the event of termination, Respondent shall not be permitted to re-apply for Grange membership without securing the written permission of the State Master, then in office, having jurisdiction over the reapplying terminated member; and

(5) The Trial Court shall determine the form and

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distribution of notice to be given in instances of suspension or termination.

**(B)** If the Trial Court makes a finding of not guilty, then the costs may be assessed against the Complainant.

**12.2.33** Once the Trial Court has declared a ruling, the Respondent or Complainant may, within fifteen (15) days appeal the decision to the elected officers of the Assembly of Demeter (the Assembly) for a review of the record and disposition of the finding, in the same manner as is set forth in Section 12.2.14 above. If the Assembly determines there was a procedural error or that the Trial Court erred in its finding, or that the punishment is not equitable in its relation to the charge(s), then the Assembly may appoint a new Trial Court for a retrial in full form, on any or all the charges or the Assembly may modify the punishment and permit Respondent to accept the modified punishment. The decision of the Assembly of Demeter shall be final.

### **PROCEDURAL GUIDE**

**12.2.34** Hearings of an Arbitration Panel shall be closed. Other than members of the Arbitration Panel, only a public stenographer, Arbitration Panel appointed secretary and counsel representing the Arbitration Panel, may be present during the taking of oral or documentary evidence.

The record of all hearings of an Arbitration Panel shall be sealed and only the findings shall be published.

Trials shall be open and public, provided however, that the Trial Court in its sole discretion may close all or part of a trial to only the parties to the Complaint and their counsel.

A complete transcript shall be made of all trials. All Trials shall be conducted in conformity with accepted judicial procedure with the Chairperson of the Trial Court ruling on the admissibility of evidence, propriety of the questions asked, the recording of

objections to evidence and questions allowed to be answered, provided however, that the Master and the Executive Committee of the National Grange are hereby authorized, from time to time, to promulgate such other rules of procedure as may be necessary to carry out the intent of these trial procedures.

**12.2.35** If a member of the Order becomes incapacitated or deceased either before or during any sections of this Chapter are invoked, the Master having jurisdiction over the proceedings may dismiss any or all charges brought against the member of the Order. That Master shall then in writing inform both parties (Complainant and Respondent or the immediate family of the incapacitated or deceased member) of the dismissal.

## **EXHIBIT E**



**Betsy Cunningham** Due to recent events between our local grange and the State Grange, I have been doing a lot of research on the issue of legal relationship we have with each other. Contrary to what the State and National Grange might think, local granges are actually separate legal entities. This means, they can do what they want regarding their business and their property, including creating a 501(c)(3). Although granges in Oregon may be operating with the tax-ID # under the Oregon State Grange's fraternal designation, there is nothing to stop a local grange from getting its own tax ID # or changing the tax status under their current one. As separate legal entities, subordinate granges can do what they want, notwithstanding any contractual agreement they have with other granges in the hierarchy. Unfortunately there is a battle going on between the California State Grange and our National Grange right now regarding this legal entity issue. A court has already ruled against the National Grange when they attempted to get a preliminary injunction to take over the operation of the California State Grange. As I understand it, the issue is what each of us has with other granges is a contract. Just like any contract, the parties can sue for the breach but have no legal authority to force the other party to do something without going to court. It may be that the California courts eventually rule that the Grange National Digest of laws are enforceable against the California State Grange, but the National Grange having to go to court over the issue just further convinces me that local granges have no obligation to just hand over anything to the State or National Grange when they either surrender their charter or actions are taken to revoke it. It seems that the officers, which make up the Board of Directors of the local granges, could decide to unaffiliated with the State and National Grange and go their own way with their property.

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