



Brothers and Sisters,

I have learned that the McFarland Group (now calling itself the “California State Guild”) is spreading a considerable amount of misinformation about what it means for a Grange to return to good standing in the Order of Patrons of Husbandry. They claim that returning to good standing requires “disaffiliating” from the California State Guild. That the by-laws of Subordinate and Pomona Granges tie them to the Guild. That returning to good standing requires changing corporate by-laws. **None of these things are true.**

First, I urge you to go and read your Grange’s Charter. Read its articles of incorporation and its by-laws. You will not find a single reference to the “California State Guild.” That’s because your Grange is just that – a Grange. Once it received its Charter, it became a division of the Order of Patrons of Husbandry. It is a part of The Grange. Returning to good standing does not require a Subordinate or Pomona Grange to “join” the California State Grange. It is already part of the California State Grange. Accordingly, your Grange’s Charter, articles, and by-laws refer to the “Order,” the “National Grange,” and the “California State Grange.” Nothing needs to be changed in these documents to return to good standing.

Both the federal and the state courts have held that the McFarland Group is not a Grange and that it has no authority within the Order. The state court has held that the California State Grange was properly reorganized in 2014 pursuant to the rules of the Order – in other words, that it is the same California State Grange that has existed since 1873. These rulings necessarily mean that the McFarland Group has no authority over any Subordinate or Pomona Grange. It cannot revoke your Grange’s Charter. It cannot force your Grange to pay it dues. It has no legal basis to do anything to your Grange.

I understand that the McFarland Group is threatening Subordinate and Pomona Granges by claiming that returning to good standing will have all sorts of adverse consequences. **The McFarland Group is wrong.** There will be no change to your Grange’s legal status by returning to good standing. All Granges in California with active Charters have been Granges since they received their Charters. They remained within the Order even after Mr. McFarland and the other former officers withdrew from the Order. All Granges with active Charters are members of the California State Grange. All that needs to be done to return to good standing is to become current on dues and to submit membership reports. The California State Grange has a reinstatement/amnesty program in place until December 31 to assist Granges in returning to good standing. Please contact me if you need more information about it or if there are specific circumstances that make it difficult for your Grange to take part in the program before December 31. Under this program, the California State Grange will pay the portion of all your Grange’s back dues that are owed to the National Grange. Your Grange will not be responsible for paying those back dues. The McFarland Group has not paid any of these dues to the National Grange. Not one penny.

With respect specifically to the McFarland Group’s claims about corporations law and its application to Granges, **they are wrong.** The McFarland Group asserted those arguments in both courts. It claimed that

the only thing the courts needed to consider was the articles of incorporation of the California State Grange's corporation formed in 1946. (The McFarland Group must have forgotten the history of the previous 70 years since 1873 when the California State Grange existed before creating its corporation so that it could hold property in its own name.) The McFarland Group cited numerous provisions in the California Corporations Code and claimed that they meant that the Digest of Laws did not ever apply to the California State Grange. That the Constitution of the California State Grange did not apply to the California State Grange (that one took some logical twisting). That the Charter of the California State Grange was just a piece of paper. And guess what? **The courts rejected these arguments. Every single one.** Both courts found that the Digest of Laws and the California State Grange's Constitution and Charter had meaning and bound the California State Grange to follow the rules of the Order, even though it formed a corporation to hold its property in 1946. Simply put, **both courts found that the McFarland Group is not a Grange**, that the California State Grange was properly reorganized pursuant to the rules of the Order in July 2014, and that the McFarland Group had no right or authority over any Grange property.

Now, the McFarland Group is making the same corporate form arguments with respect to Subordinate and Pomona Granges in an attempt to scare members from doing what they wish to do – reconciliation by returning to good standing. These arguments no more apply to Subordinate and Pomona Granges than they did to the California State Grange in both lawsuits. The McFarland Group lost in the courts not because the judges were corrupt or ignorant or wrongheaded. The McFarland Group lost because there is a long and well-settled history of cases involving organizations like the Grange that hold that members may not disaffiliate from the organization and keep the organization's name and property. Under those cases, what matters are the rules of the organization. That same long and well-settled history of cases applies to Subordinate and Pomona Granges. The rules of our Order are incorporated in your Grange's articles of incorporation and by-laws. They have meaning. Returning to good standing simply requires following those rules. No changes to the corporate documents need to be made.

Ultimately, you must get together with the other members of your Subordinate or Pomona Grange and ask yourselves, are we a Grange or are we just another corporation? Apparently, the California State Guild is just a corporation. But the California State Grange, and every Subordinate and Pomona Grange, is much, much more. We are Granges. We are Patrons in the Order of Husbandry. That is the identity that matters, both in our hearts and in the courts.

I understand that the McFarland Group's threats are unwelcome and may be alarming to some. If you have received these threats, please know that the California State Grange is here to help. When the McFarland Group tried to steal the Grange hall of the Fairfax Grange in Bakersfield, the California State Grange was there and helped stop that illegal activity. More recently, when the McFarland Group threatened to seize the North Fork Grange's hall, change the keys, and reorganize it if the North Fork Grange voted to return to good standing, the California State Grange was there to defend it. You can read a copy of the letter the California State Grange's attorney, at the request of the North Fork Grange, sent to the McFarland Group's attorneys regarding the North Fork Grange and all Granges with active Charters here. As that letter makes clear, the California State Grange will defend any Subordinate or Pomona Grange that is threatened by the McFarland Group. If you let me know it is happening, the California State Grange will be there to help.

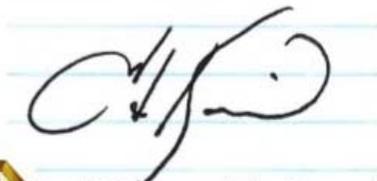
The sad truth is that the McFarland Group lost in the courts and its appeals will fail, and it knows this. Rather than accept these rulings, stop the waste of Grange funds on pointless appeals, and encourage all Granges to return to good standing so that we may finally heal the rift in our Order, the McFarland Group instead chooses to sow division and fear. This is about as un-Grangerly an act as one can imagine.

Ultimately, I believe that all Granges and Patrons, regardless of who they support in the legal struggle, need to ask themselves if the tactics used by the McFarland Group are for the good of all Subordinate and Pomona Granges and their individual members, or whether they are just for the good of Mr. McFarland himself and his lawyers. Unfortunately, the McFarland Group's recent actions make the answer to that question very clear. Nevertheless, I sincerely hope that we all can continue the process of returning all Granges to good standing and restoring our State Grange.

As always, I am available to discuss anything with any Granger at any time.

You can call me at (760) 310-6500 or e-mail me at ekomski@castategrange.org.

Fraternally yours,



Ed Komski, President, Master

California State Grange

chartered in 1873

760-310-6500

