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THE STATE OF SOUTH CAROLINA
In The Court of Appeals

APPEAL FROM LEXINGTON COUNTY
Court of Common Pleas

R. Knox McMahon, Circuit Court Judge

CASE No. 2011-CP-32-1393

Clarence Edward Looney and Grover E.
Lown, Jr., ... Respondents,

v.

Grass Roots of South Carolina, Inc. Ed
Kelleher, Robert Butler and Robert Holliday, ... Appellants.

RECORD ON APPEAL

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STATE OF SOUTH CAROLINA

COUNTY OF LEXINGTON

IN THE COURT OF COMMON PLEAS

JUDGMENT IN A CIVIL CASE

CASE NO: 2011CP3201393

Clarence Edward Looney vs. Grass Roots of South Carolina Inc

CHECK ONE:

- ☐ **JURY VERDICT.** This action came before the court for a trial by jury. The issues have been tried and a verdict rendered.
- ☐ **DECISION BY THE COURT.** This action came to trial or hearing before the court. The issues have been tried or heard and a decision rendered.
- ☐ **ACTION DISMISSED (CHECK REASON):** ☐ Rule 12(b), SCRPC; ☐ Rule 41(a),
SCRPC (Vol. Nonsuit); ☐ Rule 43(k), SCRPC (Settled); ☐ Other:
- ☐ **ACTION STRICKEN (CHECK REASON):** ☐ Rule 40(j) SCRPC; ☐ Bankruptcy:
☐ Binding arbitration, subject to right to restore to confirm, vacate or modify arbitration award;
☐ Other: _____

IT IS ORDERED AND ADJUDGED:

☒ See attached order;

☐ Statement of Judgment by the Court:

Dated at Lexington, South Carolina, this .

Court Reporter:

PRESIDING JUDGE -

This judgment was entered on the n/a, and a copy mailed first class this 19th day of May, 2011, to attorneys of record or to parties (when appearing pro se) as follows:

S Jahue Moore Sr
Moore Taylor & Thomas PA
PO Box 5709
West Columbia, SC 29171

Lourie A Salley III
821 E Main St, Ste A
Lexington, SC 29072

ATTORNEY(S) FOR THE PLAINTIFF(S)

ATTORNEY(S) FOR THE DEFENDANT(S)

Beth A. Carrigg/lc

SCRPC APP-24/FORM 4

Beth A. Carrigg - Clerk of Court

STATE OF SOUTH CAROLINA

COUNTY OF LEXINGTON

Clarence Edward Looney and Grover
E. Lown, Jr.

Plaintiff,

v.

Grass Roots of South Carolina, Inc.,
Ed Kelleher, Robert Butler, and
Robert Holliday

Defendant.

) IN THE COURT OF COMMON PLEAS

) FOR THE ELEVENTH JUDICIAL CIRCUIT

) Civil Action No. 2011-CP-32-1393

ORDER

BETH A. CARRIGG
CLERK OF COURT
LEXINGTON SC

This matter came before the Court on April 18, 2011 for a hearing on a Rule to Show Cause as to why temporary relief prayed for in the Complaint should not be granted. An order signed by this Court and filed on April 8, 2011, set the date of the hearing as well as restrained the Defendants from taking any action or doing any act of any type on behalf of the corporate defendant. At the hearing, the Plaintiffs were represented by Jake Moore, Sr., Esquire, and the Defendants were represented by Lourie Salley, III, Esquire. The Plaintiffs seek a preliminary injunction, pursuant to SCRCP 65, until the case is heard on the merits enjoining the Defendants from partaking in any actions on behalf of the corporation. Additionally, the Plaintiffs seek to have access to the membership list as well as access to financial records and other corporate records, in order to make copies at their own expense.

Standard of Review

Whether to grant a temporary injunction "rests within the sound discretion of the trial judge and will not be overturned unless the order is clearly erroneous." *Atwood Agency v. Black*, 374 S.C. 68, 72, 646 S.E.2d 882, 884 (2007) (citing *Gilley v. Gilley*, 327 S.C. 8, 488 S.E.2d 310 (1997)). When deciding whether to grant a temporary injunction, "[t]he merits of the underlying

case are to be considered only to the extent necessary to determine whether there has been a prima facie showing to support a temporary injunction.” *Id.* (citing *Curtis v. State*, 345 S.C. 557, 549 S.E.2d 591 (2001)).

Discussion

In order to grant a preliminary injunction, “[t]he plaintiff’s complaint must allege facts sufficient to constitute a cause of action for injunction and demonstrate it is reasonably necessary to protect the legal rights of the plaintiff pending in the action.” *AJG Holdings, LLC v. Dunn*, 382 S.C. 43, 50-51, 674 S.E.2d 505, 508 (Ct.App.2009). The elements the plaintiff must establish include: (1) that the plaintiff would suffer irreparable harm if the injunction is not granted; (2) the plaintiff is likely to succeed on the merits of the litigation; and (3) there is an inadequate remedy at law. *Id.*, at 51, 674 S.E.2d at 508.

The issues presently before this Court are whether or not to grant a preliminary injunction pending a trial on the merits, which would order that the Plaintiffs have the right to access the Defendant corporation’s membership list and financial and corporate records, and whether the mail-in ballot vote shall stand or be rendered null and void until such time as a membership meeting can be held. In order to determine the issues before the Court, it must turn to the by-laws of the Corporation and the South Carolina Nonprofit Corporation Act.

Regarding access to the financial and corporate documents and the membership list of Grass Roots of South Carolina, Inc., the Defendants concede that the plaintiffs are entitled to access such documents and the defendants are willing to provide the Plaintiffs access for inspection and copying of those records, with the exception of the membership list. (See, Answer and Counterclaim, ¶ 15). The Defendants assert that the Plaintiffs’ demand for Grass Roots to copy and deliver the documents was not in accordance with the law or the bylaws and therefore

the demand was rendered void. The request made by the Plaintiff Ed Looney by letter to Ed Kelleher, President of the corporation, stated that he requested to be provided articles of incorporation and all amendments, the bylaws and all amendments, resolutions adopted by the board, the minutes of meetings, written communications to members within past three (3) years, list of the names and information of current directors and officers, the most recent report filed with the Secretary of State, and a membership list. Mr. Looney included money to "defray any costs" and asked for such records within ten (10) days of the letter.

The bylaws and articles are silent as to inspection of corporate records and the membership list; therefore, the South Carolina Nonprofit Corporation Act governs this issue. The statute on inspection of records by members allows members "to inspect and copy, at a reasonable time and location specified by the corporation," certain corporate records as long as the "member gives the corporation written notice or a written demand at least five (5) business days before the date on which the member wishes to inspect and copy." S.C. Code Ann. 33-31-1602(a) (1976). Subsection (a) governs access to records that are required to be maintained at a corporation's principal office according to S.C. Code Ann. § 33-31-1601(e) (1976). These records include: the articles of incorporation and amendments, the bylaws and amendments, resolutions adopted by its board of directors, minutes of meetings for the past three years, all written communications to members within the past three years, a list of the names and addresses of current directors and officers, and the corporation's most recent report filed with the Secretary of State. S.C. Code Ann. § 33-31-1601(e)(1)-(6) (1976). As to those records, which were requested by Plaintiff Looney in his letter of demand to Defendant Kelleher, under the statute the member must give the corporation written notice or a written demand at least five (5) business days before the date on which the member wishes to inspect and copy. S.C. Code Ann. § 33-31-

1602(a) (1976). However, this demand is limited under Section 33-31-1603(c), which states that “[t]he corporation may impose a reasonable charge, covering the costs of labor and material, for copies of any documents provided to the member. The charge may not exceed the estimated cost of production or reproduction of the records.” Plaintiff Looney’s request was in compliance with the South Carolina Nonprofit Corporation Act as to those records. Accordingly, the Defendants did provide the Plaintiff with some of these records including the articles of incorporation, the bylaws, and the 501(c)(4) classification letter from the IRS and the IRS Form 990. Therefore, the Plaintiffs are entitled to inspection of the remaining requested corporate documents as requested in Plaintiff Looney’s letter since such request was in compliance with the statute. The remaining documents not given include resolutions adopted by the board of directors, minutes of all meetings and records of all actions approved by the members for the past three years, written communications to members within the past three years, including financial statements, a list of the names and addresses of current directors and officers, and the most recent report filed with the Secretary of State.

The Plaintiffs’ right to inspect the membership list is governed under S.C. Code Ann. 33-31-1602(b) (1976).¹ Subsection (b) allows inspection and copy of the certain records by a member at a reasonable time and location specified by the corporation if the member meets

¹ Defendants asserted at the hearing that the disclosure of the membership list was affected by the Supreme Court decision of *NAACP v. Alabama Ex Rel. Patterson, Attorney General*, 357 U.S. 449, 78 S.Ct. 1163 (1958). The Supreme Court held that an order of an Alabama court requiring the NAACP to produce a membership list was a denial of due process entailing the likelihood of substantial restraint upon members’ exercise of their constitutional right to freedom of association. *NAACP* is not applicable in this case and is distinguishable because the constitutional claim in *NAACP* was challenging a clear state action that was found to infringe upon the freedom of association rights of the members of the NAACP. State action, for purposes of application of the Fourteenth Amendment, is found “only if there is such a ‘close nexus between the State and the challenged action’ that seemingly private behavior ‘may be fairly treated as that of the State itself.’” *Brentwood Academy v. Tennessee Secondary School Assoc. et al.*, 531 U.S. 288, 121 S.Ct. 924 (2001) (quoting *Jackson v. Metropolitan Edison Co.*, 419 U.S. 345, 351, 95 S.Ct. 449 (1974)). Here, the challenged action is a demand by private individuals who are members of the Defendant corporation to have access to a membership list, which they are entitled to access under the laws of South Carolina, with a stated purpose of soliciting votes of other members for an election of directors or officers within the corporation. Therefore, since the challenged action is absolutely distinct from any state action, the constitutional challenges that are presented in *NAACP* are not applicable to the facts of this case.

requirements of subsection (c) and if the demand is made in writing at least five (5) business days before the date on which the member wishes to inspect and copy the records. The specific records that fall under this subsection include: (1) excerpts from any records required to be maintained under Section 33-31-1601(a) to the extent not subject to inspection under Section 33-31-1602(a); (2) accounting records of the corporation; and (3) the membership list, subject to Section 33-31-1605. Additionally, in order to be entitled to inspect and copy any of the listed records in subsection (b) the member must: (1) make the demand in good faith and for a proper purpose; (2) describe with reasonable particularity the purpose and the records the member desires to inspect; and (3) the records are directly connected with this purpose. Under S.C. Code Ann. 33-31-1605 (1976), there are additional limitations on the use of the membership list. This statute provides that unless the board of directors consents, a membership list may not be obtained or used by a person "for any purpose unrelated to a member's interest as a member." The statute further elucidates that the list may not be used (1) to solicit money or property unless the money or property will be used solely to solicit the votes of the members in an election to be held by the corporation; (2) used for any commercial purpose; or (3) sold to or purchased by any person. S.C. Code Ann. § 33-31-1605 (1976).

The request of Plaintiff Looney acknowledges the requirement under the statute that the request must be in good faith and further provides that the records are not sought for "any personal gain, financial or otherwise." (See, Plaintiff's Exh. 4). The request provides that the purpose for the records is "purely informational and educational" to be "passed on to other dues paying members so they will be educated and informed about corporate behavior." (See, Plaintiff's Exh. 4). Additionally, at the hearing for the Rule to Show Cause, Plaintiff's counsel acknowledged that the membership list was to be used to solicit votes for the election of officers

for the corporation. According to the evidence before this Court, the Plaintiff's demand is in compliance with the statute as it is in good faith and for a proper purpose, a purpose solely related to the member's interest as a member. This purpose was described with reasonable particularity in Plaintiff's demand, and having access to the membership list would clearly be connected to achieving the purpose stated in the demand.

The final issue before this Court includes the validity of the mail-in ballot the Defendants sent to members of the corporation seeking an amendment to the corporation's Articles of Incorporation that would change the corporate structure from a corporation "with members" to a corporation "without members." The bylaws of Grass Roots of South Carolina, Inc., Article XIV, Section 3, provides the requirements for an amendment of the Articles of Incorporation. It provides that the articles may be amended by the Board of Directors at a regular or special meeting when the amendment is for the purpose of qualifying the corporation as exempt from either federal income tax or state income tax. An amendment for all other purposes may be done by a majority of the members at any regular or special meeting or by written consent or written ballot. If the vote is to be done at a regular or special meeting, the bylaws provide that the Board of Directors or the members who seek the proposed amendment must provide notice of the meeting as provided in Article III, Section 5, and the notice must contain a copy of the proposed amendment to the articles. If, however, the Board of Directors or members seek to use a written consent or written ballot, then the material soliciting the approval must also contain a copy of the proposed amendment to the articles.² The mail-in ballot sent to the members of the Defendant

² The requirement in the bylaws of Grass Roots of SC, Inc. provides that a "copy" of the proposed amendment to the articles of incorporation be attached to the written ballot or the notice of a meeting. (see, Plaintiff's Exh. 1, Bylaws, Article XIV, Section 3). In S.C. Code Ann. § 33-31-1003(c) (1976), the legislature allows for the material soliciting approval of an amendment by written ballot to contain or be accompanied by a copy or summary of the proposed amendment. However, the Defendant corporation's bylaws mandate that it must be a copy of the proposed amendment.

corporation is a solicitation and recommendation of votes to approve an amendment to the articles of incorporation in order to protect the membership list from being inspected. The ballot did not have attached a copy of the proposed amendment to the articles of incorporation. It included a paragraph that states: "[b]y filling out the ballot and saying 'yes' to approve the change, you will be authorizing the Board of Directors of GrassRoots to amend the Articles of Incorporation of GrassRoots from a corporation 'with members,' to a corporation 'without members.'" This ballot does not comply with the requirements of the bylaws since it does not contain an attached copy of the proposed amendment as is required with a notice of a meeting of the members or with a written ballot. Therefore, for purposes of this preliminary injunction, the vote accomplished by the mail-in ballot is null and void until such time as a meeting can be held.

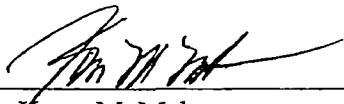
Under S.C. Code Ann. § 33-31-701(a) (1976), it is mandatory that a corporation with members hold a membership meeting annually at a time stated in or fixed in accordance with the bylaws. Additionally, according to the bylaws of the Defendant corporation, Article III, Section 2 also requires annual meetings of the members to be held each year on a day and time designated by the Board of Directors. Therefore, pending a trial on the merits, and for purposes of a preliminary injunction, an annual meeting must be held and scheduled in accordance with the statute and the bylaws of the corporation.

Conclusion

Upon consideration of all the evidence, and review of the law governing this matter, the requested corporate records and membership list are to be provided to the Plaintiffs in a manner in accordance with the statute, at a reasonable time and location decided by the corporation, for the Plaintiff to inspect and copy such records. The mail-in ballot which retrieved votes to amend the Articles of Incorporation to change the corporate structure of the Defendant corporation is

now rendered null and void. Once a mandatory annual meeting for the members is held, as required by the statute, the Defendant corporation may vote for any proposed amendment only if it is in compliance with the corporation's bylaws and the South Carolina Nonprofit Corporation Act.

AND IT IS SO ORDERED.



R. Knox McMahon
Presiding Judge,
Eleventh Judicial Circuit

Lexington, South Carolina
May 16, 2011

COPY

STATE OF SOUTH CAROLINA **FILED**
) IN THE COURT OF COMMON PLEAS
COUNTY OF LEXINGTON 2011 APR -8 P 12:55

Clarence Edward Looney and) C.A. No.:
Grover E. Lown, Jr.,)
BETH A. CARRIGG
CLERK OF COURT
LEXINGTON SC

Plaintiffs,)

vs.)

RULE TO SHOW CAUSE AND ORDER

Grass Roots of South Carolina, Inc.,)
Ed Kelleher, Robert Butler, and)
Robert Holiday,)

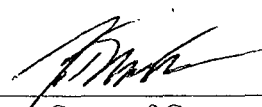
Defendants.)

2011CP3201393

TO: THE DEFENDANTS HEREIN:

YOU ARE HEREBY ORDERED to appear before this Court on the 18th day of
April, 2011, at 11:00 o'clock A.m. to show cause, if any you can,
as to why the temporary relief prayed for in the Complaint should not be granted. In the
meantime, pending a hearing on the Rule to Show Cause, you are hereby restrained from taking
any action or doing any act of any type on behalf of the corporate Defendant. You are further
ordered to bring with you at the time of the Rule to Show Cause hearing all financial records of
the corporate Defendant as well as all membership lists.

AND IT IS SO ORDERED.



Judge, Court of Common Pleas for
the Eleventh Judicial Circuit

Lexington, South Carolina.

8 April, 2011

STATE OF SOUTH CAROLINA

COUNTY OF LEXINGTON

IN THE COURT OF COMMON PLEAS

COPY

Clarence Edward Looney, Grover E. Lown, Jr.,

Plaintiff(s)

2011 APR 18 12:55

CIVIL ACTION COVERSHEET

2011-CP - 32-

vs.

Grass Roots of South Carolina, Inc., et al.

Defendant(s)

BETH A. CARRIGG
CLERK OF COURT
LEXINGTON SC

(Please Print)

Submitted By: S. Jahue Moore
Address: Post Office Box 5709
West Columbia, SC 29171

SC Bar #: 4063

Telephone #: 803-796-9160

Fax #: 803-791-8410

Other: 2011CP3201393
E-mail: jake@mttlaw.com

NOTE: The cover sheet and information contained herein neither replaces nor supplements the filing and service of pleadings or other papers as required by law. This form is required for the use of the Clerk of Court for the purpose of docketing. It must be filled out completely, signed, and dated. A copy of this cover sheet must be served on the defendant(s) along with the Summons and Complaint.

DOCKETING INFORMATION (Check all that apply)

*If Action is Judgment/Settlement do not complete

- ☒ JURY TRIAL demanded in complaint. ☐ NON-JURY TRIAL demanded in complaint.
☐ This case is subject to ARBITRATION pursuant to the Court Annexed Alternative Dispute Resolution Rules.
☐ This case is subject to MEDIATION pursuant to the Court Annexed Alternative Dispute Resolution Rules.
☐ This case is exempt from ADR. (Proof of ADR/Exemption Attached)

NATURE OF ACTION (Check One Box Below)

- | | | | |
|--|---|---|---|
| Contracts
☐ Constructions (100)
☐ Debt Collection (110)
☐ Employment (120)
☐ General (130)
☐ Breach of Contract (140)
☐ Other (199) | Torts - Professional Malpractice
☐ Dental Malpractice (200)
☐ Legal Malpractice (210)
☐ Medical Malpractice (220)
Previous Notice of Intent Case #
20____-CP-_____
☐ Notice/ File Med Mal (230)
☐ Other (299) | Torts - Personal Injury
☐ Assault/Slander/Libel (300)
☐ Conversion (310)
☐ Motor Vehicle Accident (320)
☐ Premises Liability (330)
☐ Products Liability (340)
☐ Personal Injury (350)
☐ Wrongful Death (360)
☐ Other (399) | Real Property
☐ Claim & Delivery (400)
☐ Condemnation (410)
☐ Foreclosure (420)
☐ Mechanic's Lien (430)
☐ Partition (440)
☐ Possession (450)
☐ Building Code Violation (460)
☐ Other (499) |
| Inmate Petitions
☐ PCR (500)
☐ Mandamus (520)
☐ Habeas Corpus (530)
☐ Other (599) | Judgments/Settlements
☐ Death Settlement (700)
☐ Foreign Judgment (710)
☐ Magistrate's Judgment (720)
☐ Minor Settlement (730)
☐ Transcript Judgment (740)
☐ Lis Pendens (750)
☐ Transfer of Structured Settlement Payment Rights Application (760)
☒ Other (799) | Administrative Law/Relief
☐ Reinstate Driver's License (800)
☐ Judicial Review (810)
☐ Relief (820)
☐ Permanent Injunction (830)
☐ Forfeiture-Petition (840)
☐ Forfeiture-Consent Order (850)
☐ Other (899) | Appeals
☐ Arbitration (900)
☐ Magistrate-Civil (910)
☐ Magistrate-Criminal (920)
☐ Municipal (930)
☐ Probate Court (940)
☐ SCDOT (950)
☐ Worker's Comp (960)
☐ Zoning Board (970)
☐ Public Service Commission (990)
☐ Employment Security Comm (991)
☐ Other (999) |
| Special/Complex/Other
☐ Environmental (600)
☐ Automobile Arb. (610)
☐ Medical (620)
☐ Other (699) | | | |
| ☐ Pharmaceuticals (630)
☐ Unfair Trade Practices (640)
☐ Out-of State Depositions (650)
☐ Motion to Quash Subpoena in an Out-of-County Action (660)
☐ Sexual Predator (510) | | | |

Submitting Party Signature:

Date: April 1, 2011

Note: Frivolous civil proceedings may be subject to sanctions pursuant to SCRCP, Rule 11, and the South Carolina Frivolous Civil Proceedings Sanctions Act, S.C. Code Ann. §15-36-10 et. seq.

FOR MANDATED ADR COUNTIES ONLY

Allendale, Anderson, Beaufort, Colleton, Florence, Greenville,
Hampton, Horry, Jasper, Lexington, Pickens (Family Court Only), and Richland

SUPREME COURT RULES REQUIRE THE SUBMISSION OF ALL CIVIL CASES TO AN ALTERNATIVE DISPUTE RESOLUTION PROCESS, UNLESS OTHERWISE EXEMPT.

You are required to take the following action(s):

1. The parties shall select a neutral and file a "Proof of ADR" form on or by the 210th day of the filing of this action. If the parties have not selected a neutral within 210 days, the Clerk of Court shall then appoint a primary and secondary mediator from the current roster on a rotating basis from among those mediators agreeing to accept cases in the county in which the action has been filed.
2. The initial ADR conference must be held within 300 days after the filing of the action.
3. Pre-suit medical malpractice mediations required by S.C. Code §15-79-125 shall be held not later than 120 days after all defendants are served with the "Notice of Intent to File Suit" or as the court directs. (Medical malpractice mediation is mandatory statewide.)
4. Cases are exempt from ADR only upon the following grounds:
 - a. Special proceeding, or actions seeking extraordinary relief such as mandamus, habeas corpus, or prohibition;
 - b. Requests for temporary relief;
 - c. Appeals
 - d. Post Conviction relief matters;
 - e. Contempt of Court proceedings;
 - f. Forfeiture proceedings brought by governmental entities;
 - g. Mortgage foreclosures; and
 - h. Cases that have been previously subjected to an ADR conference, unless otherwise required by Rule 3 or by statute.
5. In cases not subject to ADR, the Chief Judge for Administrative Purposes, upon the motion of the court or of any party, may order a case to mediation.
6. Motion of a party to be exempt from payment of neutral fees due to indigency should be filed with the Court within ten (10) days after the ADR conference has been concluded.

**Please Note: You must comply with the Supreme Court Rules regarding ADR.
Failure to do so may affect your case or may result in sanctions.**

STATE OF SOUTH CAROLINA)
COUNTY OF LEXINGTON)

Clarence Edward Looney and
Grover E. Lown, Jr.,

Plaintiffs,

vs.

Grass Roots of South Carolina, Inc.,
Ed Kelleher, Robert Butler, and
Robert Holiday,

Defendants.

FILED
IN THE COURT OF COMMON PLEAS

2011 APR - 8 P 12:55
C.A. No.:

BETH A. CARRIGG
CLERK OF COURT
LEXINGTON SC

SUMMONS

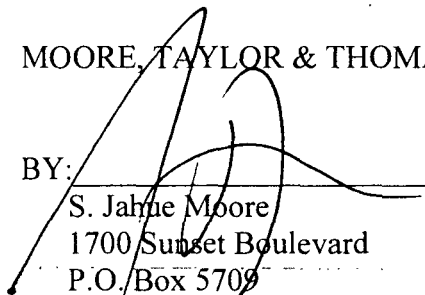
(Jury Trial)

(Declaratory Judgment and Injunctive Relief)

TO THE DEFENDANTS ABOVE-NAMED:

YOU ARE HEREBY SUMMONED AND REQUIRED to answer the Complaint in this matter, a copy of which is herewith served upon you, and to serve a copy of your ANSWER to said Complaint upon the subscriber at his office, 1700 Sunset Boulevard, P.O. Box 5709, West Columbia, South Carolina, 29171, within THIRTY (30) days from the service thereof, exclusive of the day of such service; and if you fail to answer the COMPLAINT within the time aforesaid, judgment by default will be rendered against you for the relief demanded in the Complaint.

MOORE, TAYLOR & THOMAS, P.A.

BY: 

S. Jamie Moore
1700 Sunset Boulevard
P.O. Box 5709
West Columbia, SC 29171
(803) 796-9160

ATTORNEY FOR PLAINTIFFS

West Columbia, South Carolina
April 1, 2011

STATE OF SOUTH CAROLINA)
COUNTY OF LEXINGTON)

Clarence Edward Looney and
Grover E. Lown, Jr.,

Plaintiffs,

vs.

Grass Roots of South Carolina, Inc.,
Ed Kelleher, Robert Butler, and
Robert Holiday,

Defendants.

FILED
IN THE COURT OF COMMON PLEAS

2011 APR -8 12:55
C.A. No.:

BETH A. CARRIGG
CLERK OF COURT
LEXINGTON SC

COMPLAINT

Plaintiffs above-named Complaining of the Defendants herein allege that:

1. Plaintiff, Clarence Edward Looney, is a resident and citizen of Greenville County, South Carolina. Plaintiff, Grover E. Lown, Jr., is a resident and citizens of Lexington County, South Carolina.

2. The individual Defendants reside in Lexington County, South Carolina and the corporate Defendant has offices for the transaction of its business located in Lexington County.

3. The individual Defendants are believed to make up the Board of Directors of the corporate Defendant.

4. The corporate Defendant has existed for approximately ten years and operates pursuant to a set of by-laws.

5. The individual Defendants owe a fiduciary obligation to the corporation and owe a fiduciary obligation to its members.

6. The individual Defendants have usurped the corporate Defendant and have run the corporate Defendant as if the organization belonged to them.

7. The corporate Defendant is a 501 c4 corporation and consists of various members. The corporation operates pursuant to by-laws which have existed for approximately ten years.

8. The by-laws require regular membership meetings so that corporate business can be conducted. It is the responsibility of the Board of Directors to call annual meetings.

9. There has been no annual meeting called since the inception of the corporate Defendant approximately ten years ago.

10. Pursuant to South Carolina law, the members are entitled to a membership list and access to corporate records.

11. In our about March of 2011, the Plaintiffs began seeking membership information. In response to the request for membership information, the Defendants refused to provide such information and set out on a campaign to have a non-meeting vote taken to change the structure of the corporation in a way so as to prevent members from obtaining information regarding the organization.

12. The finances of the corporation have been dictated by the individual Defendants.

13. The conduct of the organization has been conducted by the individual Defendants who seek to and who have dictated the activities of the corporation.

14. In short, the individual Defendants have abused the corporate structure and have turned the organization into their own political soap box in order to meet their own political purposes.

15. The individual Defendants have abused the corporate structure and have sought to speak and act for the corporate Defendant when they have had no authority to do so and have refused to allow the members to participate in the direction and control of the corporate Defendant.

16. This is an action for declaratory judgment and for injunctive relief.

17. This Court should declare the activities of the Defendants to be illegal and should enjoin the Defendants from any further action unless and until an appropriate membership meeting is called.

18. The individual Defendants and the corporate Defendant should be required to account for the financial activities of the corporation since its inception and should be required to produce all documents indicating the activities of the corporation since inception and as to what, if any, authority the individual Defendants claim they had to speak on behalf of the corporation Defendant.

19. Plaintiffs are informed and believe that the vote which is now being sought to change the organizational structure without a meeting is based upon fraudulent and misleading information. This Court should enjoin any change in the by-laws until such time as a hearing can be had.

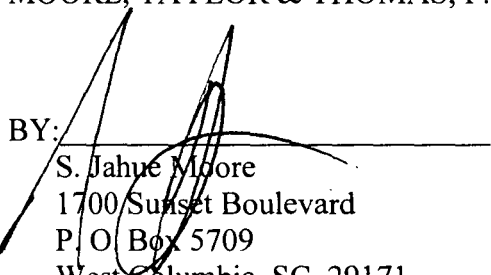
20. Plaintiffs are informed and believe that this Court should issue its Rule to Show Cause requiring the Defendants to appear and show cause, if any they can, as to why they should not be immediately required to comply with the terms of the by-laws and as to why appropriate protection should not be put into effect to protect the corporation until such times as a meeting can be had.

21. In the meantime, this Court should issue an appropriate injunction enjoining any further activities by the corporation or its individual directors pending further Order of this Court.

22. Plaintiffs are informed and believe that the corporation and its structure are in grave danger at this time and an ex parte Order should be issued enjoining any further activity of the corporation pending an appropriate Order of this Court.

WHEREFORE, Plaintiffs pray for an Order of this Court declaring the rights of the parties one to another; declaring the activities of the individual Defendants and the corporation to be illegal at this point; declaring and ordering a meeting of the membership or in the alternative dissolving the corporation; for an Order requiring election of officers and an appropriate accounting; for an appropriate Rule to Show Cause and Order; for an ex parte restraining Order; for attorney's fees and costs; and for such other and further relief as this Court might deem just and proper.

MOORE, TAYLOR & THOMAS, P.A.

BY: 

S. Jahue Moore
1700 Sunset Boulevard
P. O. Box 5709
West Columbia, SC 29171
(803) 796-9160

ATTORNEYS FOR PLAINTIFFS

West Columbia, South Carolina
April 1, 2011

STATE OF SOUTH CAROLINA)
)
COUNTY OF LEXINGTON)
_____)

VERIFICATION

FILED

2011 APR -8 12:55

PERSONALLY appeared before me, Clarence Edward Looney, who, being duly sworn, deposes and says that he is the Plaintiff in the foregoing action; that he has read the within Complaint and knows the allegations contained therein to be true except as to those allegations which may be alleged to be upon information and belief, and as to those, he believes them to be true.

Ed Looney

SWORN to before me this 15th
day of April, 2011.

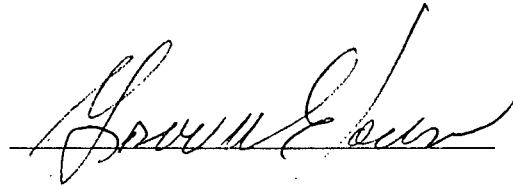
Hane M. C. C. C. (SEAL)
Notary Public for South Carolina
My Commission Expires: 3-31-2018

STATE OF SOUTH CAROLINA)
)
COUNTY OF LEXINGTON)
_____)

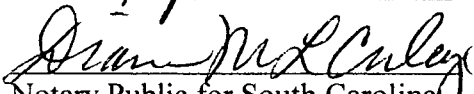
VERIFICATION FILED

2011 APR -8 12:55

PERSONALLY appeared before me, Grover E. Lown, Jr., who,
being duly sworn, deposes and says that he is the Plaintiff in the foregoing action, that he has read
the within Complaint and knows the allegations contained therein to be true except as to those
allegations which may be alleged to be upon information and belief, and as to those, he believes
them to be true.



SWORN to before me this 1st
day of April, 2011.

 (SEAL)
Notary Public for South Carolina
My Commission Expires: 3-31-2018

COPY

STATE OF SOUTH CAROLINA

IN THE COURT OF COMMON PLEAS
ELEVENTH JUDICIAL CIRCUIT

COUNTY OF LEXINGTON

FILED
2011 APR 18 A 9:49

Clarence Edward Looney and

Grover E. Lown, Jr.

BETH A. CARRIGG

CLERK OF COURT
LEXINGTON SC

CASE NO. 2011-CP-32-1393

Plaintiffs.

ANSWER AND COUNTERCLAIM

vs.

Grass Roots of South Carolina, Inc.

Ed Kelleher, Robert Butler. and

Robert Holliday.

Defendants

The Defendants, answering the Plaintiffs' complaint, would hereinafter show unto this
Honorable Court.

FOR A FIRST DEFENSE

1. Defendants Ed Kelleher, Robert Butler, Robert Holliday, and Grass Roots of
South Carolina, Inc. (hereinafter GrassRoots), deny each and every allegation not
hereinafter admitted, modified or otherwise explained.

FOR A SECOND DEFENSE

2. All allegations and averments heretofore pled are incorporated herein as if
fully set forth verbatim.

3. Defendants admit allegations contained in paragraphs 1, 2,3,4, & 5.

4. Defendants deny allegations contained in paragraph 6 and demand strict proof
thereof.

5. Defendants admit allegations contained in paragraphs 7 & 8.

6. Defendants deny allegations contained in paragraph 9 and would affirmatively allege that the defendants conducted annual and regular meetings from September 14, 1999 until March 16, 2004, when the Defendants began conducting annual and regular meetings electronically.

7. Defendants admit allegations contained in paragraph 10 insofar as the provisions of Section 33- 31-1602 of the SC Code of Laws, as amended, describe the rights of a member to obtain membership information of the Corporation, subject to the limitations set forth therein.

8. Defendants admit to the portion of paragraph 11, insofar as it alleges that Plaintiff began seeking membership information and Defendants sought to have a non-meeting vote taken to change the structure of the corporation, but deny the allegation insofar as it alleges that Defendants refused to provide membership information or to prevent members from obtaining information regarding the organization. The Defendants affirmatively allege that the Plaintiffs were not entitled to any membership information as a consequence of the Plaintiff's letter of demand for the following three reasons: 1) The Plaintiff's demand did not comply with Section 33- 31-1602(b) of the SC Code of Laws, as amended, which requires that the member "gives the corporation written notice at least five business days before the date on which the member wishes to inspect and copy" the membership list. Plaintiffs failed to provide Defendants a date on which to have the membership list ready for inspection or copying. Thus, the Plaintiff's demand was void ab initio. 2) Even if the Plaintiffs had provided a date upon which the Defendants must produce the membership list for inspection and copying, the Plaintiff's specific demand that Defendants perform the actual copying of the membership list is not

supported by law. Section 33- 31-1602(b) of the SC Code of Laws, as amended, states “a member is entitled to inspect and copy” the corporate membership list if certain conditions are satisfied, but does not require the corporation to make a copy of the membership list for the member as was demanded by the Plaintiffs. Thus, the Plaintiff’s demand was void ab initio. 3) Even if the Plaintiffs had provided a date upon which the Defendants must produce the membership list for inspection and copying, and even if the Plaintiffs had not demanded that Defendants perform an act which has no justification in the law, the Plaintiffs demand should be refused because it was not “for a proper purpose” as required by Section 33- 31-1602(c)(1) of the SC Code of Laws, as amended. Plaintiff stated in his demand letter that he was going to share the membership list with others. Sharing the membership list is not a “proper purpose” since sharing the membership list is prohibited by Section 33-31-611(b) of the SC Code of Laws, as amended, which states “No member of a public benefit or religious corporation may transfer a membership or any right arising therefrom.” The right to “inspect and copy” the membership list is a “right arising therefrom” of being a member. Thus, the Plaintiff’s demand was void ab initio. Defendants further deny the allegation in paragraph 11 that Defendants’ intent - after Defendants had already sent Plaintiff copies of the GrassRoots Articles of Incorporation (as amended), the GrassRoots Bylaws, the GrassRoots 501(c)(4) classification letter from the IRS, and the most recently filed IRS Form 990 in response to the Plaintiff’s legally insufficient letter of demand - was “to prevent members from obtaining information regarding the organization.”

9. Defendants deny the allegations contained in paragraph 12.

10. Paragraph 13 of the complaint is admitted by Defendants Kelleher & Butler,

who would affirmatively allege they have acted in their capacity as officers of the corporation, but denied by Holliday.

11. As to the allegations contained in paragraph 14, Plaintiffs have erroneously equated Defendants' strong pro gun rights issue advocacy with political action in those situations when such pro gun rights issue advocacy exposes Republican party member efforts to enact gun control. Defendants admit that Plaintiffs have a political purpose to impose upon GrassRoots. The IRS makes a legal distinction between issue advocacy and political activity for a non-profit 501(c)(4) corporation. Defendants deny allegations contained in paragraph 14 and demand strict proof thereof.

12. Defendants deny the allegations contained in paragraph 15 and demand strict proof thereof.

13. The allegations contained in paragraph 16 are self explanatory and admitted by the Defendants.

14. Defendants deny the allegations contained in paragraph 17 and demand strict proof thereof.

15. As to the allegations contained in paragraph 18, Section 33-31-1602 of the SC Code of Laws, as amended, and applicable Federal law only require the Defendants keep financial records for a period of three (3) years, that the defendants are willing and able to provide for the inspection and copying of those records by any member, or officer of this Court, but would allege that to impose a requirement in excess of the mandates of Section 33-31-1602 of the SC Code of Laws, as amended, would be unduly burdensome.

16. The Defendants would admit the allegations contained in paragraph 19 in so far as it alleges that the membership of GrassRoots voted on April 6, 2011 to change the

corporate structure to insure that the names of the members remained private and to amend the Charter and By-laws to reflect that GrassRoots would become a non-profit corporation without members, but deny the ballot vote is "based upon fraudulent and misleading information." The Defendants have a fiduciary duty - as already admitted in paragraph 5 - to protect the vital interests of its members, one such interest being the privacy of its members - which was the stated reason for the ballot vote. GrassRoots members - who are to the belief of Defendants virtually all gun owners - want their privacy protected for the following reasons, including but not limited to: 1) to protect their jobs since South Carolina is an "at will" employment state, which allows an employer to fire an employee for the "politically incorrect" act of belonging to a pro gun rights advocacy organization like GrassRoots; 2) to protect their ability to insure their assets since GrassRoots members and other gun owners can have - and have already had - their homeowner's insurance policies cancelled simply for possessing and shooting firearms; 3) to protect their families from harassment by those who disagree with the mission or actions of GrassRoots; 4) to protect their firearms from theft since allowing GrassRoots members' names to be released could easily make them the target of thieves who target homes in order to steal firearms, or of thieves who target vehicles where handguns are kept when a concealed weapon permit holder - and Defendants believe most GrassRoots members are concealed weapon permit holders - is prevented from carrying the firearm into a prohibited carry location; and 5) to protect the mission of GrassRoots from those who would sow dissension and discord in order to impede the effectiveness of GrassRoots. The Defendants admit that the Plaintiffs have filed this action to circumvent the will of the members, and hopefully get a second bite of the

apple.

17. Defendants deny the allegations contained in paragraphs 20 & 21.

18. Defendants admit the allegation contained in paragraph 22 to the extent that it is believed "the corporation and its structure are in grave danger at this time," but Defendants deny the corporation is in danger due to Defendants' actions and Defendants allege such danger comes from those who seek to silence GrassRoots and stop GrassRoots from fulfilling its mission and continuing on as the membership directed it do in the ballot vote of April 6, 2011.

FOR A THIRD DEFENSE
(mootness)

19. All allegations and averments heretofore pled are incorporated herein as if fully set forth verbatim.

20. On April 6, 2010 an election was held by all GrassRoots members to change the Articles of Incorporation to be a corporation without members. To establish a quorum, the Corporation needed two hundred fifty (250) votes, which is ten (10%) percent of the voting power of two thousand four hundred ninety-two (2,492) votes. In fact, one thousand three hundred thirty (1,330) ballots were received. Of those votes, one thousand three hundred two (1,302) votes were cast to change the Articles of Incorporation to become a non-profit corporation without members. Section 33-31-708(a) of the SC Code of Laws, as amended, states "any action that may be taken at any annual, regular, or special meeting of members may be taken without a meeting if the corporation delivers a written or electronic ballot to every member entitled to vote on the matter." GrassRoots obtained legal counsel and strictly abided by all applicable laws

concerning the written ballot vote. The written ballot vote required either 1) a two-thirds majority of a quorum or 2) a majority of the voting power, whichever is less, to vote in favor of the proposed amendment in order for it to pass. Ninety-eight (98%) per cent of the votes cast and over fifty-two (52%) per cent of the total membership voted "yes" to change the corporate structure to become a non-profit corporation without members in order to protect the privacy of the membership.

21. Defendants allege that all parties to this action are controlled by Section 33-31-1008 of the SC Code of Laws, as amended, which only protects the existing rights of persons other than members of the corporation, but not members of the corporation. Since Plaintiffs allege they are members of GrassRoots, the amendment to the Articles of Incorporation that has already been approved by GrassRoots membership effectively eliminates their right to inspect and copy the membership list.

22. The Defendants are informed and believe and therefore allege that this matter is now moot, and that the Court should dismiss this action, and award costs and fees to the Defendants.

FOR A FOURTH DEFENSE AND BY WAY OF A COUNTERCLAIM
(Sealing Membership List or Restraining Order)

23. All allegations and averments heretofore pled are incorporated herein as if fully set forth verbatim.

24. In the alternative, the Defendants have always been willing and remain ready to provide the Plaintiff any needed access to the membership lists, financial records and other records of the corporation as set forth in and in compliance with Section 33-12-1602 of the SC Code of Laws, as amended.

25. The Defendants have legitimate concerns about the members' privacy and the Plaintiffs distribution and dissemination of proprietary membership information to third parties.

26. Defendants allege that a release of the corporation's membership list would cause irreparable harm as outlined in paragraph 15 to both GrassRoots and members of the GrassRoots corporation. Once released, the membership list could be "laundered" such that it would be impossible to trace from where a misuse of the membership list originated.

27. Pursuant to Section 33-31-1604 of the SC Code of Laws, as amended, which Defendants allege is inapplicable to this case for reasons outlined in paragraph 8 above, the Defendants would request that this Court take possession of any membership list that might otherwise be provided to the Plaintiffs and keep it sealed until final resolution of this matter in order to ensure that the membership list is not released prematurely to parties that have no legal right to the membership list.

28. In the alternative, pursuant to Section 33-31-1604 of the SC Code of Laws, as amended, which Defendants allege is inapplicable to this case for reasons outlined in paragraph 8 above, Defendants are informed and believe and therefore allege that the Plaintiffs and or their attorneys should be strictly enjoined and restrained from distributing membership and or other information to any third party without the consent of the defendants or until further action of this Court.

FOR A FIFTH DEFENSE BY WAY OF COUNTERCLAIM

(attorney fees/costs)

29. All allegations and averments heretofore pled are incorporated herein as if

fully set forth verbatim.

30. The Plaintiffs brought forth this action without availing themselves to the remedies provided in Section 33-31-1602 of the SC Code of Laws, as amended.

31. The Defendants have always been willing to allow the plaintiffs to inspect or copy records at the Defendants corporate headquarters pursuant to and in compliance with Section 33-31-1602 of the SC Code of Laws, as amended, but have no duty to provide the volunteer manpower and labor to comply with the Plaintiffs' demand to copy thousands of pages of documentation.

32. The Defendants owe a duty to the Corporation and its members to ensure that the Plaintiffs' request is in good faith and that Plaintiffs' use of the information complies with Sections 33-31-1602 and 33-31-1603 of the SC Code of Laws, as amended.

33. As a result of the Plaintiffs' actions, the individual Defendants have been forced to employ counsel to represent themselves and the Corporation, and seek to recover the Defendants' reasonable attorney fees.

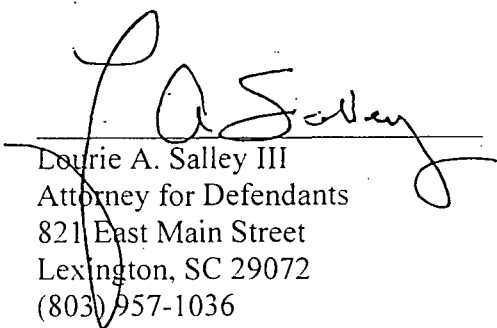
34. Defendants would seek that the Plaintiffs be required to indemnify the Defendants.

WHEREFORE; having answered and counterclaimed in full, the Defendants pray this Court:

1. Dismiss this action and award costs and fees to the Defendants.
2. Lift this Court's Order and allow the Defendants to conduct corporate business.
3. Recognize and affirm the Corporation's election dated April 6, 2011.

4. Recognize and affirm the Plaintiffs' demand for the GrassRoots membership list was void ab initio. or, in the alternative, seal the GrassRoots membership list until final resolution of this matter, or, in the alternative, require the Plaintiffs to submit to an Order restraining and enjoining the Plaintiffs from distributing membership lists and records to third Parties.

5. Require the Plaintiffs to pay Defendants' attorney fees and costs incurred as a result of the defense of this action.



Laurie A. Salley III
Attorney for Defendants
821 East Main Street
Lexington, SC 29072
(803) 957-1036

April 18, 2011
LEXINGTON, SC

BETH A. CARRIGG
CLERK OF COURT
LEXINGTON SC

2011 APR 18 A 9:49

FILED

STATE OF SOUTH CAROLINA)

IN THE COURT OF COMMON PLEAS

COUNTY OF LEXINGTON)

FILED

ELEVENTH JUDICIAL CIRCUIT

Clarence Edward Looney and
Grover E. Lown, Jr.

2011 APR 18 A 9:49

Plaintiff,

CASE NO. 2011-CP-32-1393

BETH A. DARRIG
CLERK OF COURT
LEXINGTON SC

Verification

vs.

Grass Roots of South Carolina, Inc,
Ed Kelleher, Robert Butler, and
Robert Holliday.

Defendants

PERSONALLY APPEARED BEFORE ME, ED KELLEHER, who being duly sworn,,

deposes and says that he is the Defendant in the foregoing action; that he has read the

Answer and Counterclaim and that the facts stated therein are true of his own

knowledge, except those matters and things therein alleged on information and belief, and

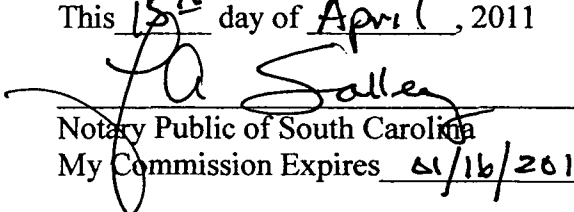
so to those he believes to be true.



Ed Kelleher

SWORN AND SUBSCRIBED TO BEFORE ME

This 15th day of April, 2011



Notary Public of South Carolina

My Commission Expires 01/16/2018

STATE OF SOUTH CAROLINA)

COUNTY OF LEXINGTON)

Clarence Edward Looney and
Grover E. Lown, Jr.

Plaintiff,

vs.

Grass Roots of South Carolina, Inc,
Ed Kelleher, Robert Butler, and
Robert Holliday.

Defendants

IN THE COURT OF COMMON PLEAS
ELEVENTH JUDICIAL CIRCUIT

2011 APR 18 A 9:49

BETH A. GARRIGG
CLERK OF COURT
LEXINGTON SC
CASE NO. 2011-CP-32-1393

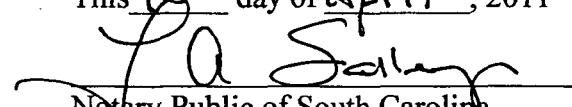
Verification

PERSONALLY APPEARED BEFORE ME, ROBERT BUTLER, who being duly sworn, deposes and says that he is the Defendant in the foregoing action; that he has read the **Answer and Counterclaim** and that the facts stated therein are true of his own knowledge, except those matters and things therein alleged on information and belief, and so to those he believes to be true.


Robert Butler

SWORN AND SUBSCRIBED TO BEFORE ME

This 15th day of April, 2011


Notary Public of South Carolina

My Commission Expires 1/16/2018

STATE OF SOUTH CAROLINA)
COUNTY OF LEXINGTON)

IN THE COURT OF COMMON PLEAS

Clarence Edward Looney and
Grover E. Lown, Jr.,

C.A. No.: 2011-CP-32-01393

Plaintiffs,

vs.

REPLY

Grass Roots of South Carolina, Inc.,
Ed Kelleher, Robert Butler, and
Robert Holiday,

Defendants.

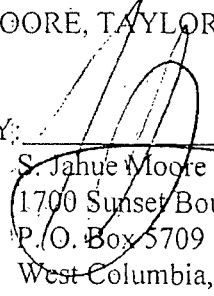
TO: THE DEFENDANTS HEREIN:

The Plaintiffs hereby reply to the Counterclaim of the Defendants as follows:

1. The material allegations of the Counterclaim are denied.

Wherefore, having fully replied the Plaintiffs pray for judgment on the Complaint; pray that the Counterclaim be dismissed; and for such other and further relief as this Court might deem just and proper.

MOORE, TAYLOR & THOMAS, P.A.

BY: 

S. Jahue Moore
1700 Sunset Boulevard
P.O. Box 5709
West Columbia, SC 29171
(803) 796-9160

ATTORNEYS FOR PLAINTIFFS

West Columbia, South Carolina
April 18, 2011

NOTICE OF APPEAL IN A CIVIL CASE

THE STATE OF SOUTH CAROLINA
In The Court of Appeals

APPEAL FROM LEXINGTON COUNTY
Court of Common Pleas

Knox McMann, Circuit Court Judge

CASE NO. 2011-CP-32-1393

Clarence Edward Looney and
Grover E, Lown, Jr.

Respondant

v.

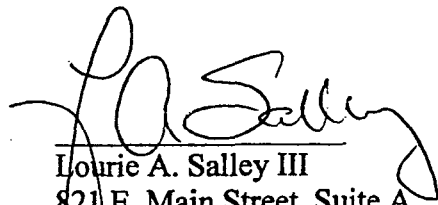
Grass Roots of SC, Inc
Ed Kelleher, Robert Butler and
Robert Holliday

Appellant

NOTICE OF APPEAL

Grass Roots of South Carolina, Inc, Ed Kelleher, Robert Butler and Robert Holliday
appeals the order[of the Honorable Knox McMann dated May.17, 2011 Appellant received
written notice of entry of this order on May 23, 2011

June 1, 2011



Lourie A. Salley III
821 E. Main Street, Suite A
Lexington, SC 29072
(803)957-1032
Attorney for Appellant

Other Counsel of Record:
S. Jahue Moore
Post Office Box 5709
West Columbia, South Carolina 29171
Attorney for Respondent
(803) 796-9160

PROOF OF SERVICE OF A NOTICE OF APPEAL

THE STATE OF SOUTH CAROLINA
In The Court of Appeals

APPEAL FROM LEXINGTON COUNTY
Court of Common Pleas

Knox McMann, Circuit Court Judge

Case No. 2011-CP-32-1393

Clarence Edward Looney and
Grover E, Lown, Jr.

Respondant

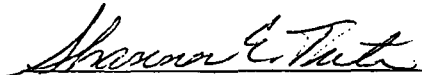
v.

Grass Roots of SC, Inc
Ed Kelleher, Robert Butler and
Robert Holliday

Appellant

PROOF OF SERVICE

I certify that I have served the Notice of Appeal on Clarence Edward Looney and Grover E Lown Jr. by depositing a copy of it in the United States Mail, postage prepaid, June 1, 2011, addressed to his attorney of record, S. Jahue Moore, Post Office Box 5709, Columbia South Carolina 29171, on June 1, 2011


Shannon E. Tuten
Paralegal to Lourie A. Salley III
Attorney for Appellant
821 E. Main Street, Suite A
Lexington, SC 29072
(803)957-1032

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STATE OF SOUTH CAROLINA
COUNTY OF LEXINGTON

IN THE CIVIL COURT

CLARENCE EDWARD LOONEY)
AND GROVER E. LOWN, JR.,)
Plaintiffs,)
-vs-)
GRASSROOTS OF SOUTH CAROLINA,)
INC.,)
ED KELLEHER, ROBERT BUTLER,)
AND ROBERT HOLLIDAY,)
Defendants.)

TRANSCRIPT OF RECORD
2011-CP-32-1393

April 18, 2011
Lexington, South Carolina

B E F O R E:

HONORABLE R. KNOX MCMAHON, Judge.

A P P E A R A N C E S:

S. JAHUE MOORE, Esquire
Attorney for the Plaintiffs

LOURIE A. SALLEY, III, Esquire
Attorney for the Defendants

L. COCONUT PANTSARI, R.P.R.
Circuit Court Reporter

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INDEX OF WITNESSES

(Court Reporter's Note: There was no direct or cross examination of any witnesses).

INDEX OF EXHIBITS

(Court Reporter's Note: No exhibits were marked or received into evidence).

1 (The following proceedings are reported on
2 April 18, 2011.)

3 THE COURT: This is 2011-CP-32-01393, Clarence
4 Edward Looney and Grover E. Lown, Jr., versus GrassRoots
5 of South Carolina, Inc., Ed Kelleher, Robert Butler, and
6 Robert Holliday. It appears it is a rule to show cause
7 signed by me on 8 April 2011, in regards to financial
8 records.

9 Mr. Moore, you represent the Plaintiff, and,
10 Mr. Salley, you represent all the Defendants?

11 MR. SALLEY: Yes, sir, Your Honor, that is
12 correct.

13 THE COURT: Mr. Moore, I would be glad to hear
14 from you.

15 MR. MOORE: May it please, Your Honor. Thank
16 you. Your Honor, I have handed up on a place on the
17 Court's bench an affidavit of one of the Plaintiffs.
18 This is an affidavit of Mr. Looney. As I recall,
19 Mr. Salley and I agreed earlier today that we would
20 handle this case by way of affidavits.

21 Your Honor, the GrassRoots of South Carolina,
22 Inc. is a non-project organization composed to promote
23 gun rights in South Carolina.

24 The organization has been in existence for
25 approximately ten years, and as of today, we know of no

1 membership meeting which has ever taken place.

2 There is apparently a Board of Directors
3 which has changed from time to time, apparently without
4 any vote of the members and without any membership
5 meeting.

6 Your Honor, to our knowledge the Defendant
7 corporation is run by Mr. Kelleher, Mr. Butler, and Mr.
8 Holliday, who basically are the officers of the
9 organization.

10 Your Honor, we have attached to the affidavit
11 the bylaws of the organization, and we will come back to
12 that in just a moment, but the bylaws are attached to
13 the affidavit.

14 One of the interesting things about this is
15 that when my clients began to request information to
16 which they are entitled under the bylaws, the officers
17 immediately set out and began attempting to have the
18 members vote by mail to change the Articles of
19 Incorporation.

20 There has been nothing to our knowledge
21 where the members have ever been asked to vote on any
22 change to the bylaws, and to our knowledge, the bylaws
23 remain active as always, just like they have always
24 been.

25 Your Honor, there is a letter -- two exhibits,

1 Exhibits 2 and 3 -- wherein the prior Executive Director
2 has told the officers that they needed to have annual
3 shareholders' meetings as required by the terms and
4 provisions of the bylaws.

5 The Court can look at Exhibit 3, which is an
6 e-mail from Vice President, Robert D. Butler, indicating
7 that there wasn't going to be any such meeting.

8 Your Honor, if the Court will look at Exhibit
9 Number 4, it is a certified letter to the President of
10 the organization, Mr. Kelleher, from my client,
11 Mr. Looney. In that letter he simply makes a request as
12 to those things that he is entitled to have pursuant to
13 the bylaws.

14 He asks for a financial accounting. He asked
15 for a membership list. He asked for the Articles of
16 Incorporation. He asked for the bylaws. He asks for
17 copies of any resolutions adopted by the Board of
18 Directors.

19 He asked for the minutes of any meetings. He
20 asked for any written communication to members the past
21 three years. He asked for a list of the names and
22 businesses of the current directors.

23 He asked for the most recent report of each
24 type required by the Secretary of State, and he asked
25 for the membership list, which the bylaws says he is

1 entitled to.

2 There is a response, which is Exhibit
3 Number 5, which shows that the President received the
4 request that was provided according to the bylaws but
5 only provided the Articles of Incorporation, the bylaws,
6 the 501(c)(4) clarification letter, and the 2009 I.R.S.
7 990.

8 So obviously the material which was requested,
9 especially the membership list, the minutes of any
10 meetings, and the financial documents, weren't provided,
11 which gave my client great cause to pause.

12 None of this documentation has been given,
13 even though the bylaws provide my client is entitled to
14 it and even though, even given every single benefit of
15 the doubt to the Defendants, the bylaws have never been
16 voted on to be changed.

17 Your Honor, Exhibit Number 5 basically is the
18 document which shows what they did send, and the rest of
19 it that has been requested simply has not been sent. If
20 we look at Exhibit Number 6, Your Honor, it's
21 interesting --

22 THE COURT: Exhibit 6?

23 MR. MOORE: Oops. Exhibit Number 6 appears to
24 have been left off. I have a copy of it somewhere. I
25 will have to get it. We went back to the office, Your

1 Honor, and prepared this once we realized it was going
2 to be by affidavits, so we have been a little bit
3 hurried.

4 Your Honor, they sent out a ballot, which I
5 can provide a copy to the Court, but in that ballot they
6 were basically asking the members to -- they were asking
7 the members to vote on a change to the Articles of
8 Incorporation.

9 Again, it's not a change to the bylaws -- I
10 have got it right here. Your Honor, if I might hand up
11 to the Court the membership ballot lot which was
12 basically sent and a propaganda letter that was sent
13 with it.

14 (Hands to Court.)

15 MR. SALLEY: Without objection, Your Honor, we
16 are going to file the same thing with the Court.

17 THE COURT: Thank you, Mr. Salley.

18 MR. MOORE: Your Honor, as the Court will
19 note, the letter that was sent indicates that it is a
20 proposed ballot authorizing the Board of Directors to
21 change the Articles of Incorporation to provide that
22 it's a non-member organization.

23 Of course, if we look at Article 14 of the
24 bylaws, Section 3 provides for all purposes the Articles
25 of Incorporation may be amended by a majority of the

1 members at a regular or special meeting.

2 If the Board of Directors or the members seek
3 to have the proposal amended of the Articles of
4 Incorporation approved at a meeting of members, notice
5 of the meeting must be given as provided in Article 3,
6 Section 5.

7 If the Board of Directors or the members seek
8 to have a proposed amendment of the Articles of
9 Incorporation approved by the members using a consent or
10 written ballot, the materials soliciting the approved
11 must contain a copy of the proposed amendment to the
12 Articles of Incorporation.

13 Of course, there was no copy of the proposed
14 amendment to the Articles of Incorporation included with
15 the propaganda material and the proposed ballot. But,
16 Your Honor, again if we look at what they purport to
17 have done, they purport to have changed the Articles of
18 Incorporation after the financial information was
19 basically requested and the membership lists were
20 requested.

21 But then it goes on, Section 4 of the bylaws,
22 Article 14, Section 4 says: If the Board of Directors
23 or the members seek to have the proposed adoption,
24 repeal or amendment of the bylaws approved by the
25 members using written consent or written ballot, the

1 materials soliciting the approval must contain a copy of
2 the proposed change to the bylaws.

3 We have never seen any ballot of any type
4 seeking to change the bylaws, and certainly we have
5 never seen any such proposed amendment.

6 Your Honor, we have a situation where I
7 understand they claim to have had 250 people vote yes to
8 the ballot changing it to membership. We haven't seen
9 any of those, but even if they were, the change was not
10 done in conformity with the bylaws. The bylaws have
11 never been changed.

12 So my clients, as members in good standing of
13 the organization, simply seek to have that which the
14 bylaws say they are entitled to, which is the membership
15 list and the financial matter -- and the financial
16 material -- and they seek to have what the bylaws say
17 they are entitled to, which is the annual meeting of the
18 members so that business can be conducted by the
19 members, as it is supposed to be done.

20 Your Honor, in effect what we seek is several
21 things. A., we seek an order of the Court enforcing the
22 bylaws ordering the Defendant to provide to the
23 Plaintiffs a copy of the membership list.

24 We also seek an order of the Court requiring
25 the Defendants to make the financial records, the

1 complete financial records, the checkbook, the tax
2 returns, the bank statements, the canceled checks
3 available to the Plaintiffs for inspection.

4 We ask the Court to order the meeting of the
5 members as required by the now existing bylaws, and we
6 ask the Court to restrain any further activity by the
7 Defendants or organization until such time as a
8 legitimate membership meeting is held.

9 With that I again would like to thank the
10 Court for listening to me and for giving us the time to
11 come before Your Honor and to argue this.

12 This appears to be a rather serious matter,
13 where for a long period of time, the corporate structure
14 has been totally ignored by the officers, who have in
15 effect usurped this organization and turned it into
16 their own private club to be dealt with according to
17 their own whims.

18 This is not the way a nonprofit organization
19 is supposed to operate. We believe it's outside the
20 scope of the way the code says they are to operate, and
21 certainly it is outside the scope of the way the bylaws
22 say. Thank you so much.

23 THE COURT: Thank you, Mr. Moore.

24 MR. SALLEY: Your Honor, may it please the
25 Court. Your Honor, I hand up to the Court a copy of our

1 answer and counterclaim, together with several
2 affidavits. I served -- filed the original answer and
3 counterclaim, and I provided counsel with a copy of the
4 affidavits.

5 There are several affidavits which I would
6 like to go through to make sure the Court has copies of,
7 Your Honor. The first is the affidavit by Thomas Glaab,
8 the Secretary of the GrassRoots, Incorporated,
9 indicating that Sunday, April 10th, he supervised the
10 counting of the ballots to change the GrassRoots
11 Articles of Incorporation --

12 THE COURT: I'm sorry, Mr. Salley. I wasn't
13 quite tracking with regards to your reading. Would you
14 say that again, sir. I apologize.

15 MR. SALLEY: The first affidavit following the
16 answer, Your Honor, that I asked the Court to take a
17 look at is the affidavit of Thomas Glaab, the Secretary
18 of GrassRoots of South Carolina, wherein he said he
19 supervised the counting of ballots to change GrassRoots'
20 Articles of Incorporation to be a non-member
21 corporation. The total number of ballots received is
22 1330. The number to change was 1302. The number of no
23 votes was 28.

24 The second affidavit we ask the Court to
25 identify is the affidavit of Robert Holliday, wherein he

1 says that he has the last three years financial records
2 available for inspection in his office, that the I.R.S.
3 filings for, I think the last two years, have been
4 turned over, and we are required to maintain those
5 records. Three, those are not in dispute.

6 The third is the affidavit of Robert D.
7 Butler, wherein he identifies that up until March of
8 2004, the annual and monthly meetings were held, that
9 beginning in March of 2004, they went to an electronic
10 format for meetings so that the meetings could be more
11 widely attended.

12 The third affidavit, Your Honor, would be a
13 memorandum and affidavit of Ed Kelleher which contains
14 several enclosures within it. There are two statements
15 counsel made, which I am certain may have inadvertently
16 misstated the facts.

17 One is that I notice that Mr. Looney indicates
18 in his -- he requested to go to the corporate office to
19 copy the documents. If you will look at the last of
20 Mr. Kelleher's exhibits there or one of the last, there
21 is actually Mr. Looney's request, wherein he demanded
22 certain information, made no attempt to go to the
23 corporate office to copy those documents.

24 The reason that is significant, Your Honor, is
25 because the information that Mr. Looney has requested

1 comes not out of right from the bylaws but actually from
2 Title 33-31, Section 610 of the South Carolina Code of
3 Laws -- or 1602.

4 Under 1602 it addresses the inspection of
5 records by the members. It says basically subject to
6 Subsection B. and Section 33-31-1603(c), a member is
7 entitled to inspect and copy at a reasonable time and
8 location specified by the corporation any of the records
9 of the corporation described in Section 33-31-1601(e),
10 if member gives the corporation written notice or
11 written demand at least five business days before the
12 date in which the member wishes to inspect and copy.

13 What he did, Your Honor, was basically demand
14 the records and demand a copy of the membership list.
15 Now, Your Honor, under the statute he is entitled to a
16 copy of the membership list in a member's corporation.

17 Our first position in this is that a change to
18 the Articles of Incorporation have eliminated the
19 members list or the members of the corporation. The
20 corporation is no longer a member's corporation.

21 The reason the members of GrassRoots did that
22 was because they wished to protect their privacy. There
23 are several enclosures to Mr. Kelleher's affidavit,
24 wherein he indicates to members as they join, GrassRoots
25 does not share their membership list with anyone.

1 When they received Mr. Looney's request for
2 membership, they sought legal counsel, not through me
3 but through another attorney, and indicated that the
4 corporation was well within its rights to have the
5 person that received the membership list agree not to
6 pass that onto other persons and sign a disclosure
7 statement stating that they would not pass that
8 information on to other persons.

9 I would ask the Court to note that in the
10 material I have passed up, there is a case, National
11 Association for the Advancement of Colored People versus
12 Alabama Ex Rel. Patterson, Attorney General, wherein the
13 Supreme Court talks about the necessity for groups such
14 as the N.A.A.C.P. or GrassRoots.

15 By the way, Your Honor, I may have forgotten,
16 but GrassRoots of South Carolina is an organization
17 which exists to protect the gun rights of the citizens
18 of South Carolina.

19 It has been the position of GrassRoots all
20 along that they were willing to provide a membership
21 list to a member so long as it's for the proper purpose
22 specified in the code section. The proper purposes do
23 not include passing that membership list over to third
24 parties.

25 Your Honor, we have a membership list

1 available. We would propose giving that membership list
2 to the Court. We would ask the Court that if the Court
3 decides, if indeed Mr. Looney has a right to view that
4 membership list in spite of the clear majority of
5 members of GrassRoots that have voted to make GrassRoots
6 a non-member corporation, to protect their privacy.

7 We would ask in that alternative that the
8 Court place upon Mr. Looney and upon counsel and
9 Mr. Lown -- although I'm somewhat confused about
10 Mr. Lown's standing in this suit because he has not
11 asked for the information.

12 We would ask the Court to place them under a
13 restraining order to restrain and prevent them from
14 releasing that list to any third parties, to include
15 other members, commercial interests --

16 THE COURT: You want your list protected.

17 MR. SALLEY: Yes, Your Honor. That is it
18 precisely. I would ask the Court to consider that in
19 numerous communications, Mr. Kelleher has told the
20 members, he has indicated that: We will protect the
21 list. We will protect your name. We will not release
22 that to third parties.

23 The entire reason that the membership of
24 GrassRoots voted to become a non-member corporation was
25 so that other people could not join GrassRoots to obtain

1 that membership list.

2 As the Court noted in N.A.A.C.P. versus
3 Alabama, the strength of an organization lies in that
4 membership list. If a hostile party were to obtain that
5 list, he could intimidate members. That party could
6 infiltrate the organization. They could change the
7 organization from its purposes. They could hand that
8 list to political enemies.

9 Now, in arguendo assuming that Mr. Looney had
10 a right to obtain that list to petition the members to
11 vote for him as a director, he would have the right to
12 do that.

13 It's our position that because the corporation
14 and because the members have voted to become a
15 non-member corporation, that issue is moot. Had he done
16 that at the time, it would have been a proper purpose.
17 He stated in this letter that his purpose was to release
18 that list to third parties and other members.

19 In a normal situation where he would have come
20 to the corporate office and obtained that list, they
21 would have had the opportunity to establish the ground
22 rules for the use of that list: We are releasing you
23 this list for the purpose of contacting other members to
24 campaign for your directorship.

25 However, you are not to release that list to

1 third parties, commercial interests. You are not to
2 release that list to other members. You are to use that
3 list only for the purpose of running for office.

4 That would be a proper use for a list, but
5 that's not listed -- that is not the purpose he stated.
6 Under, I think it's 1604 -- beg the Court's
7 indulgence -- 1603. It's talks about the proper
8 purposes for the use of the list.

9 Scope of inspection -- I'm sorry. It's 1602,
10 Subsection (c), subsection (3). That's our concern.
11 Mr. Kelleher and the others were between a rock and a
12 hard place. Had they released the list without a Court
13 order, it placed them in violation of the duty they held
14 to the individual members not to release the list.

15 Whatever the Court decides, Your Honor,
16 GrassRoots will abide by, but given GrassRoots' policy
17 and the privacy of its members, it's not in a position
18 to release the list without some type of protection for
19 that list.

20 As to the financial records and all that, Your
21 Honor, it's my understanding that the last three years
22 the tax returns have been released. They are available
23 for inspection.

24 If they want to inspect checks or any other
25 things, the statute says they have the right to come

1 into the corporate office and inspect those items.

2 There is no problem with that.

3 As to the bylaws, Your Honor, the bylaws
4 specifically address the changes to the bylaws in
5 Article 3, Subsection 11. Actually, there is a
6 requirement for elections.

7 Under Article 3, Section 11, action by written
8 ballots. It says any action that is required or
9 permitted to be taken at a meeting of the members may be
10 taken without a meeting if the corporation delivers a
11 written ballot to every member entitled to vote on the
12 matter.

13 The written ballot shall, A., set forth each
14 proposed action; B., provide an opportunity to vote for
15 or against each proposed action; C., state the date the
16 ballot must be received by the corporation to be
17 counted.

18 Then it goes on to talk about written ballot,
19 the number of votes cast by ballot equals or exceeds the
20 quorum required and the approval equal or exceeds the
21 number of votes required to bring the matter in the
22 meeting.

23 As you notice in the attachment by Ed
24 Kelleher, it's very clear. It sets forth the purpose of
25 the change, that the change be specified. If you would

1 examine the affidavit by Thomas Glaab, it's -- over half
2 the member of GrassRoots actually voted in the election,
3 1330, which is far in excess of a quorum. I think the
4 quorum is 213 votes.

5 The number of yes votes to change the
6 corporate structure to non-member structure, it was
7 1302. Only 28 voted against it.

8 Your Honor, it is our position that the
9 members have spoken, that the Plaintiff has attempted to
10 undermine the will of the members of the corporation and
11 are attempting to obtain this list for surreptitious
12 purposes.

13 It would be our request, Your Honor, that you
14 affirm the election that has been made, that you remove
15 the restraining order, and allow GrassRoots to continue
16 to pursue the interests of gun owners in South Carolina,
17 and that you award attorney's fees and costs to the
18 Defendant for the defense of this action. Thank you.

19 THE COURT: Thank you, Mr. Salley. I was
20 looking at 1602(c).

21 MR. SALLEY: Yes, Your Honor.

22 THE COURT: That you referred to, 1, 2, and 3.

23 MR. SALLEY: Yes, Your Honor.

24 THE COURT: Did you refer back to another
25 section? A member may inspect and copy the records

1 identified in Subsection (b) only if, one, the member's
2 demand is made in good faith and for a proper purpose.

3 MR. SALLEY: Yes, Your Honor.

4 THE COURT: Is that defined, proper purpose?

5 MR. SALLEY: No, Your Honor, I don't believe
6 it is.

7 THE COURT: Then when I go to 1605, it talks
8 about, again, the membership lists, limitations on use
9 of membership lists.

10 MR. SALLEY: Correct.

11 THE COURT: It says the list or any part
12 thereof basically may not be used to solicit money or
13 property unless the money or property will be used
14 solely to solicit the votes of the members in an
15 election to be held by the corporation. That would have
16 been a valid purpose, and you referred to that. If
17 Mr. Looney --

18 MR. SALLEY: Yes, Your Honor.

19 THE COURT: -- or Lown. I forget. Both of
20 them have the last name starting with an L.

21 MR. SALLEY: Looney, Your Honor.

22 THE COURT: If they were going to solicit
23 votes to run for the Board of Directors?

24 MR. SALLEY: That would have been a proper
25 purpose.

1 THE COURT: Then used for any commercial
2 purpose or sold to or purchased by any person, I guess I
3 am trying to figure out where the actual battlefield is
4 in this particular dispute and what caliber weapon I
5 need to arm myself with.

6 Because I don't see necessarily that it says
7 if Mr. Looney was a member or Mr. Lown was a member, if
8 they have a membership list, that they couldn't. You
9 then go to N.A.A.C.P. versus Alabama?

10 MR. SALLEY: There are distinctions that I do
11 need to draw the Court's attention to, Your Honor. The
12 reason I use N.A.A.C.P. versus Alabama is the Court in
13 the N.A.A.C.P. versus Alabama indicated that
14 organizations, civil rights organizations, whether it be
15 racial equality or gun rights, have an interest in
16 protecting the identity of their members.

17 That is stated in N.A.A.C.P. versus Alabama
18 and several other cases subsequent to that. The
19 distinction between this case and the Alabama case is
20 that in this case we have a member that is seeking the
21 membership list.

22 Whether the purpose is valid or invalid, we
23 don't know, but all we ask is the protection that he not
24 release the list to any third parties, which was the
25 purpose that he stated in his request.

1 THE COURT: I understand what you are saying.

2 MR. SALLEY: And in Alabama the State was
3 trying to compel the N.A.A.C.P. to release its list.

4 I will tell you, Your Honor, that within the
5 gun rights community in South Carolina, there are many
6 organizations that have competing interests, so to
7 speak, and are sometimes hostile to each other.

8 I know there is GrassRoots of South Carolina.
9 It is probably one of the stronger organizations. There
10 is also Gun Owners of South Carolina. There is also the
11 local chapter of the N.R.A., and I belong to many of
12 these.

13 They have sometimes taken divergent positions
14 on various pieces of legislation that are on occasion
15 hostile to one another.

16 If, for example, a member of, let's say, Gun
17 Owners of South Carolina were to join the GrassRoots of
18 South Carolina, which is a larger organization, I
19 believe, and then take that list back to Gun Owners of
20 South Carolina and say:

21 Hey look at this list. We've got GrassRoots.
22 Let's go in and steal their members so we'll talk them
23 into joining G.O.S.C. instead of GrassRoots. That would
24 be an improper use. That is one of the concerns we had,
25 Your Honor.

1 THE COURT: As I understand your position --
2 I'm not sure you addressed this -- you don't have any
3 objections to an order ordering GrassRoots to comply
4 with the bylaws?

5 MR. SALLEY: At this point, Your Honor, I
6 think that's moot because the Articles of Incorporation
7 have been changed, which means that at this point there
8 is no membership.

9 At this point the directors of GrassRoots of
10 South Carolina can unilaterally go in and change the
11 bylaws because the corporate structure has changed.

12 THE COURT: You have no objections to
13 Mr. Looney or Mr. Lown examining the financial records?

14 MR. SALLEY: Absolutely none whatsoever, Your
15 Honor. I would ask they go back three years because
16 those are maintained for three years. I think
17 Mr. Holliday has those. If they want to get into the
18 individual checks and things that he has to actually dig
19 out, we would ask that Mr. Holliday be compensated for
20 his time.

21 The new Treasurer is actually Patten Watson.
22 He is also a certified public accountant. We would ask
23 that if they wish individual checks and to look at
24 individual registers and things like that, that
25 obviously he be compensated for his time.

1 THE COURT: You don't have any objections to
2 providing the membership list under protective order?

3 MR. SALLEY: None whatsoever, Your Honor. As
4 long as there is a protective order that says that they
5 cannot share it with any third party, whether a member
6 or not, and not use it for any other purpose, we have no
7 objections.

8 THE COURT: Thank you, Mr. Salley. Anything
9 further, Mr. Salley?

10 MR. SALLEY: I don't think so, Your Honor. I
11 have got a note, and I think I covered this in my
12 arguments, that indicates that they never made a deemed
13 to inspect and copy at the corporate office. They only
14 demanded the corporation do the work.

15 Obviously, GrassRoots is a volunteer
16 incorporation. For these folks to -- they volunteer
17 their time. We just ask that should they be required to
18 open the corporate office for any purpose, that they be
19 compensated both for the copies and their time.

20 THE COURT: What I will do is take it under
21 advisement and have y'all both submit pending proposed
22 orders, I should say. Because I obviously haven't had
23 the opportunity to read the affidavits that were just
24 handed up.

25 MR. SALLEY: Of course, Your Honor.

1 THE COURT: And the bylaws.

2 MR. SALLEY: Your Honor, we would ask that the
3 restraining order prohibiting the directors from doing
4 the business of GrassRoots be lifted. Obviously there
5 are issues that come before the legislature that need to
6 be addressed, checks need to -- you know, bills need to
7 be paid, phone calls need to be answered. Under the
8 Court's current order, none of those things can happen.

9 THE COURT: Thank you. Mr. Moore.

10 MR. MOORE: Your Honor, in regard to that
11 restraining order, our position is really very simple.
12 These people have in effect breached their fiduciary
13 obligation to this organization for about ten years now.

14 They are legally required every single year to
15 have a Board of Directors meeting -- I mean, a meeting
16 of the membership. They have never done that. In the
17 entire ten years, there has never been a membership
18 meeting, at least none we have been notified of, and
19 Mr. Lown has been a member for a long time.

20 We are in a situation, too, to where they have
21 created quite a mess for themselves. We now, according
22 to them, even if they are correct and they have somehow
23 or another managed to amend the Articles of
24 Incorporation -- which we don't think they did according
25 to their own bylaws.

1 They now have done nothing to change the
2 bylaws. So now we have a situation under their
3 leadership where we have a organization that is a
4 non-membership organization which has an active set of
5 bylaws which says it's a members' organization.

6 Their own bylaws say that before they can
7 change the bylaws, they have to basically have a vote of
8 the membership, which has never taken place. So the
9 bylaws, even if we take everything they say to be
10 accurate, the bylaws say one thing and the newly
11 modified Articles of Incorporation, which have been
12 changed contrary to the bylaws, don't exist.

13 We've got a situation where I don't know who
14 is at the switch here, but this thing is so fouled up
15 right now that I respectfully submit that there should
16 be a prohibition on activity until such time as a
17 membership meeting can be held until somebody can get
18 control of this ship, I think.

19 THE COURT: All right, sir.

20 MR. SALLEY: Your Honor, would you like to
21 hear our response?

22 THE COURT: If you care to respond, Mr. Salley.
23 I don't want to cut you off.

24 MR. SALLEY: Your Honor, I don't want to
25 hammer a nail that has already been hammered. I would

1 reemphasize that the Articles of Incorporation have been
2 modified in this election pursuant to the bylaws.

3 It's very clear what the purpose of that vote
4 was, that after the Articles of Incorporation are
5 changed -- and they have held up filing with the
6 Secretary of State pending this Court's decision -- that
7 once modified Articles of Incorporation are changed,
8 obviously the bylaws would be changed as well.

9 So what is at stake here is whether or not the
10 Court will circumvent the will of the membership in the
11 April 8th election and set aside that election or
12 whether the Court will accept the results of that
13 election and allow GrassRoots to proceed as the members
14 require.

15 THE COURT: Again, I will take it under
16 advisement. If y'all will both e-mail proposed orders
17 to my law clerk. The restraining order is still in
18 effect. The quicker you get me the proposed orders, the
19 quicker I will look at everything. I will start reading
20 tonight.

21 MR. SALLEY: Yes, Your Honor.

22 THE COURT: I don't want to rule on it
23 unprepared.

24 MR. SALLEY: Understand.

25 THE COURT: Without having read all the

1 documentation that both you and Mr. Moore have provided.

2 Thank y'all very much.

3 *** END OF REQUESTED TRANSCRIPT OF RECORD ***

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C E R T I F I C A T E

I, the undersigned L. Coconut Pantsari, Official Reporter for the Eleventh Judicial Circuit of the State of South Carolina, do hereby certify that the foregoing is a true, accurate, and complete Transcript of Record of all the proceedings had and the evidence introduced in the hearing of the captioned cause, relative to appeal, in the Civil Court for Lexington County, South Carolina on the 18th day of April, 2011.

I do further certify that I am neither of kin, counsel nor interest to any party hereto.

June 13, 2011

L Coconut Pantsari

Court Reporter

STATE OF SOUTH CAROLINA)
COUNTY OF LEXINGTON)

IN THE COURT OF COMMON PLEAS

Clarence Edward Looney and
Grover E. Lown, Jr.,

Plaintiffs,

vs.

Grass Roots of South Carolina, Inc.,
Ed Kelleher, Robert Butler, and
Robert Holiday,

Defendants.

C.A. No.: 2011-CP-32-01393

**AFFIDAVIT OF
CLARENCE EDWARD LOONEY**

Personally appeared before me, the undersigned Clarence Edward Looney who, being first duly sworn, deposes and says as follows:

1. I have been a dues paying member of Grass Roots of South Carolina, Inc. for over two years.
2. To my knowledge, Grass Roots of South Carolina, Inc. has never had a members meeting and has never had an election of officers or board of directors since its inception about 10 years ago.
3. I have become concerned over the operation of the organization and it appears as if the individual Defendants are running the organization as their own separate club.
4. To my knowledge there has never been a financial accounting of the corporation.
5. Attached hereto as Exhibit 1, is a copy of the Bylaws of the organization.
6. Attached hereto as Exhibit 2, is a letter of William W. Rentiers, III, who was executive director of the organization until February 2011. It is my understanding that Mr. Rentiers has notified the Defendants of the need for annual meetings, but this notification has

been regularly ignored.

7. Attached hereto as Exhibit 3, is a series of e-mails from Vice-President Robert D. Butler, indicating that meetings are not to be held.

8. During the first part of March 2011, I sent Exhibit 4 certified mail to Mr. Ed Kelleher who is the President of the organization.

9. All I received back as a result of my letter was a copy of the Articles; the Bylaws; an IRS form and a 501C4 Form. Nothing else was received.

10. I have not received the resolutions requested. I have not received copies of the minutes requested. I have not received copies of the communications to the members requested. I have not received the name and addresses of the directors and officers. I also have not received the membership list. Not only have I not received this documentation, my requests to inspect the documentation at the corporate offices have been ignored.

11. I attach hereto as Exhibit 5 a copy of a letter dated March 24, 2011, from the President in which I am forwarded those documents which he did send.

12. Following my requests for information I am entitled to under the Bylaws, I received in the mail the document attached as Exhibit 6. This document included a membership ballot. The ballot ostensibly authorized the Board of Directors to change the organization from a membership organization to a non-membership organization. This "ballot" does not comply with the Bylaws of the organization.

13. I call the Court's attention to Article 14 of the Bylaws which at Section 3 reads as follows:

"For all purposes, the Article of Incorporation may be amended by a majority of the members at any regular or special meeting. If the Board of Directors or the members seek to have the proposed amendment of the Articles of Incorporation approved at a meeting of members, notice of the meeting must be given a

provided in Article III, Section 5, and a notice must contain a copy of the proposed amendment to the Articles of Incorporation. If the Board of Directors or the members seek to have the proposed amendment of the Articles of Incorporation approved by the members using written consent or written ballot, the material soliciting the approval must contain a copy of the proposed amendment to the Articles of Incorporation.”

14. There was no copy of the proposed amendment to the Articles of Incorporation included with the ballots solicited.

15. Likewise, in Section 4 of the Article 14 it is provided:

“If the Board of Directors or the members seek to have the proposed adoption, repeal or amendment of the Bylaws approved by the members using written consent or written ballot, the material soliciting the approval must contain a copy of the proposed change to the Bylaws.”

16. The proposed change in the “membership ballot” only sought to have changed the Articles of Incorporation. The change to the Articles of Incorporation did not comply with the terms and provisions of the Bylaws because it did not include with the proposed change a copy of the proposed change.

17. Additionally, there has been no ballot in regard to a change of the Bylaws. The only thing I know of which was sought to be changed was the actual wording of the Articles of Incorporation. Thus, a change to the Bylaws has never taken effect even if the illegal attempt to modify the Articles of Incorporation did take effect.

18. Thus, the amendment to the Articles of Incorporation is a nullity and there has never been changed anything having to do with the Bylaws. According to the Bylaws, which still exist, I am entitled to the information requested and seek to have such information.

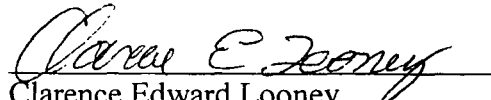
19. It is apparent from reading the propaganda sent out by the Board of Directors, that the Board disagrees with me having that to which I am entitled under our Bylaws. The Board has previously elected new members to the Board without the consent of the membership. It has

removed members from the Board without consent of the membership. In short, the present Board of Directors has usurped the control of the organization from the members and is not running the organization in conformity with the Bylaws.

20. The individual Defendants continue to speak for the organization as if it is their own private club. I am convinced that no action should be taken until an appropriate disclosure is made financially and otherwise, and until such time as an appropriate membership meeting is had.

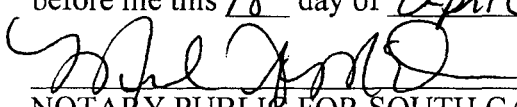
21. I believe the directors should be required to account to the membership for their use or abuse of the financial records of the organization.

FURTHER AFFIANT SAYETH NOT.


Clarence Edward Looney

SWORN TO AND SUBSCRIBED

before me this 18 day of April, 2011

 (L.S.)
NOTARY PUBLIC FOR SOUTH CAROLINA
My Commission Expires: 2-14-2012

BYLAWS
OF

GRSC, INC.

ARTICLE I
OFFICES

Section 1. Principal Office. The principal office of GRSC, Inc. [hereinafter "the corporation"] shall be located at such place as the Board of Directors may fix from time to time.

Section 2 Registered Office. The registered office of the corporation required by law to be maintained in the State of South Carolina may be, but not need be, identical with the principal office.

Section 3 Other Offices. The corporation may have offices at such other places, either within or without the State of South Carolina, as the Board of Directors may designate or as the affairs of the corporation may require from time to time.

ARTICLE II
PURPOSES

The purposes for which the Corporation is organized are as follows:

- (A) To educate the American public regarding the individual freedoms guaranteed by the Bill of Rights under the United States Constitution:
 - (i) By engaging in nonpartisan research, study and analysis, regarding the individual freedoms guaranteed by the Bill of Rights under the United States Constitution, and all similar and related issues; and
 - (ii) By providing the results of such research, study, and analysis to the American public:
 - (a) through the preparation, assembly and distribution of such results using all forms of written communication, including but not limited to, education articles, publications, studies and surveys, and all forms of telecommunication, and
 - (b) through the sponsorship of and support for public discussion groups, panels, lectures and forums or other similar programs for (i) members of the American public, (ii) federal, state and local government leaders and employees, (iii) educators, and (iv) other interested individuals and groups; and
 - (c) by organizing, operating and conducting all other related research and education activities as are permissible for an organization exempt from taxation under Section 501(c)(4) of the Internal Revenue Code (or the corresponding provisions of any future United States Internal Revenue Law).
- (B) To Accept, acquire and to solicit, by gift, devise, bequests, or otherwise, donations, money and property of every kind, nature and description, from any person, firm or Corporation, including any municipality, county or state of the United States of America, and to hold, manage, to administer, to use and to invest



as may be directed by the donor or the Board of Directors of the Corporation may determine in the absence of such direction.

- (C) To engage in any lawful act or activity for which corporations may be organized under Chapter 55A of the General Statutes of South Carolina and not inconsistent with Section 501(c)(4) of the Internal Revenue Code (or corresponding provision of any future United States Internal Revenue Law).

ARTICLE III MEETINGS OF MEMBERS

Section 1. Place of Meetings. All meetings of members shall be held at the principal office of the corporation, or at such other place, either within or without the State of South Carolina, as shall in each case be (i) fixed by the President or the Board of Directors and designated in the notice of the meeting or (ii) agreed upon by a majority of the members entitled to vote at the meeting.

Section 2 Annual and Regular Meetings. The annual meeting of members shall be held each year on a day and at a time as the Board of Directors may designate for the purpose of electing directors of the corporation and for the transaction of such other business as may be properly brought before the meeting. The regular meetings of members shall be held on such days and at such times as the Board of Directors may designate for the purpose of transacting such other business as may be properly brought before the meeting.

Section 3 Substitute Annual and Regular Meetings. If the annual meeting or a regular meeting shall not be held on the day designation, a substitute annual or regular meeting may be called in accordance with the provisions of Section 4 of this Article III. A meeting so called shall be designated and treated for all purposes as the annual or regular meeting.

Section 4 Special Meetings. Special meetings of the members may be called at any time by the President or the Board of Directors. A special meeting shall be held within thirty (30) days after at least ten percent (10%) of all the members entitled to vote on any issue proposed to be considered at the proposed special meeting sign, date and deliver to the Corporation's secretary one or more written demands for the meeting describing the purpose or purposes for which the special meeting is to be held.

Section 5. Notice of Meetings. Written notice stating the date, time, and place of the meeting shall be given to each member entitled to vote at such meeting not less than ten nor more than sixty (60) day before the date of any members' meeting, either by personal delivery, or by telegraph, teletype, or other form of wire or wireless communication, or by facsimile transmission or by mail or private carrier, by or at the direction of the Board of Directors, the President, the Secretary, or other person calling the meeting; provided that such notice must be given to all members with respect to any meeting at which a merger is to be considered and in such other instances as required by law. If mailed, such notice shall be deemed to be effective when deposited in the United States mail, correctly addressed to the member at the member's address as it appears on the current record of members of the corporation, with postage thereupon prepaid.

In the case of a special meeting, the notice of meeting shall include a description of the purpose or purposes for which the meeting is called' but, in the case of an annual or substitute annual meeting, the notice of meeting need not include a description of the purposes for which

the meeting is called unless such a description is required by the provisions of the South Carolina Nonprofit Corporation Act.

When a meeting is adjourned to a different date, time, or place, notice need not be given of the new date, time, or place if the new date, time or place is announced at the meeting before adjournment and if the new record date is not fixed for the adjourned meeting; but if a new record date is fixed for the adjourned meeting (which must be done if the new date is more than one hundred twenty (120) days after the date of the original meeting), notice of the adjourned meeting must be given as provided in this section to persons who are members as of the new record date.

Section 6. Waiver of Notice. Any member may waive notice of any meeting before or after the meeting. The waiver must be in writing, signed by the member, and delivered to the corporation for inclusion in the minutes or filing with the corporate records. A member's attendance, in person or by proxy, at a meeting (a) waives objection to lack of notice or defective notice of the meeting, unless the member or his proxy at the beginning of the meeting objects to holding the meeting or conducting business at the meeting, and (b) waives objection to consideration of a particular matter at the meeting that is not within the purpose or purposes described in the meeting notice, unless the member or his proxy objects to considering the matter before it is voted upon.

Section 7. Members' List. Before each meeting of members, the Secretary of the corporation shall prepare an alphabetical list of members entitled to notice of such meeting. The list shall show the name address of each member entitled to vote at the meeting. The list shall be kept on file at the principal office of the corporation, or at a reasonable place identified in the meeting notice in the city where the meeting will be held, for the period beginning two (2) business days after notice of the meeting is given and continuing through the meeting, and shall be available for inspection by any member or his representative for the purpose of communication with other members concerning the meeting. The list shall also be available at the meeting and shall be subject to inspection by any member, or his representative, at any time during the meeting or any adjournment thereof.

Section 8. Quorum and Voting Requirements. The members may take action on a matter at a meeting only if a quorum of members is present. Ten percent (10%) of the members entitled to vote on the matter constitutes a quorum on that matter. If a quorum is present, the affirmative vote of a majority of the votes cast is the act of the members.

Once a member is represented for any purpose at a meeting, the member is deemed present for quorum purposes for the remainder of the meeting and for any adjournment of that meeting unless a new record date is or must be set for that adjourned meeting.

A bylaw amendment to decrease the quorum for member action may be approved by a member vote or by vote of the Board of Directors. A bylaw amendment to (a) increase the quorum, or (b) increase or decrease the vote required for member action shall be approved by member vote.

In the absence of a quorum at the opening of any meeting of members, such meeting may be adjourned from time to time by the vote of a majority of the votes cast on the motion to adjourn; and, subject to the provisions of Section 5 of this Article II, at any adjourned meeting any business may be conducted that might have been conducted at the original meeting if a quorum exists with respect to the matter proposed.

Section 9. Proxies. A member may vote either in person or by a proxy authorized by a written appointment of proxy signed by the member or by his duly authorized attorney-in-fact.

A telegram, telex, facsimile or other form of wire or wireless communication appearing to have been transmitted by a member, or a photocopy or equivalent reproduction of a writing appointing a proxy shall be deemed a valid appointment form. An appointment of proxy is valid for eleven months from the date of its execution, unless a different period is expressly provided in the appointment form.

Section 10. Voting of Members. Subject to the provisions of the article of incorporation and Section 3 of Article III, each member shall be entitled to one (1) vote on each matter voted on at a meeting of members.

Except in the election of directors as governed by the provisions of Section 3 of Article III, if a quorum exists, action on a matter by the members is approved if the votes cast by the members favoring the action exceed the votes cast opposing the action, unless a greater vote is required by law or the articles of incorporation or these bylaws.

Voting on all matters shall be by voice vote or by a show of hands unless a member shall, prior to the voting on any matter, demand a ballot vote on that particular matter.

Section 11. Action by Written Ballot. Any action that is required or permitted to be taken at a meeting of the members may be taken without a meeting if the corporation delivers a written ballot to every member entitled to vote on the matter. The written ballot shall (a) set forth each proposed action, (b) provide an opportunity to vote for or against each proposed action and (c) state the date the ballot must be received by the corporation to be counted. Approval by written ballot shall be valid only if the number of votes cast by ballot equals or exceeds the quorum required and the approvals equal or exceed the number of votes required to approve the matter at a meeting.

ARTICLE IV BOARD OF DIRECTORS

Section 1. General Powers. All corporate powers shall be exercised by or under the authority of, and the business and affairs of the corporation shall be managed under the direction of, the Board of Directors.

Section 2. Number and Qualifications. The number of directors constituting the Board of Directors shall be no less than three (3) and no more than fifteen (15). Directors need not be residents of the State of South Carolina, but must be natural persons.

Section 3. Election. Except as provided in Section 6 of this Article IV, the directors shall be elected annually by vote of the members using written ballots as provided in Article III, Section 11. Those persons who receive the highest number of votes cast by written ballot, when the votes cast equal or exceed the quorum required, shall be deemed to have been elected.

Every member entitled to vote for the election of directors shall have the right to cast one (1) vote for as many persons as there are directors to be elected and for whose election he has the right to vote.

Section 4. Term of Directors. Each initial director shall hold office until the first members' meeting at which directors are elected, or until such director's death, resignation, or removal. The term of every other director shall expire at the next annual members' meeting following the director's election or upon such director's death, resignation, or removal. The term of a director elected to fill a vacancy expires at the next members' meeting at which directors are elected. A decrease in the number of directors does not shorten an incumbent director's term.

Despite the expiration of a director's term, such director shall continue to serve until a successor shall be elected and qualifies or until there is a decrease in the number of directors.

Section 5. Resignation. A director may resign at any time by giving written notice to the Board of Directors or the Chairman of the Board. A resignation is effective when given unless it specifies a later effective date.

Section 6. Removal. Any director may be removed at any time with or without cause by a vote of the members if the number of votes cast to remove such director exceeds the number of votes cast not to remove him. A director may be removed by the majority vote of the directors then in office for failing to attend three (3) meetings of the Board. A director may not be removed by the members or by the Board at a meeting unless the notice of the meeting states that the purpose, or one of the purposes, of the meeting is removal of the director. If any directors are so removed, new directors may be elected at the same meeting.

Section 7. Vacancy. Any vacancy occurring in the Board of Directors, including a vacancy resulting from an increase in the number of directors or the failure of the members to elect the authorized number of directors, may be filled by the affirmative vote of the members entitled to vote, or of a majority of the remaining directors even though less than a quorum, or by the sole remaining director. A director elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office.

Section 8. Officer of the Board. The Board of Directors may elect from among its members at any meeting of the Board of Directors, a Chairman, Vice Chairman and Secretary. The Chairman shall preside at all meetings of the Board of Directors and perform such other duties as may be directed by the Board. In the absence of the Chairman, the Vice Chairman shall have all powers and shall perform all the duties of the Chairman. The Secretary shall record the minutes of all meetings and proceedings of the Board of Directors in the book or books provided for that purpose, and in general, the Secretary shall perform such acts as may be prescribed by the Board of Directors and the Chairman and as are usually incident to the office of Secretary of the Board.

Section 9. Compensation. The Board of Directors may provide for the compensation of directors for their services as such and for the payment or reimbursement of any or all expenses incurred by them in connection with such services.

Section 10. Fixing Record Date. The Board of Directors may fix a future date as the record date for determining the members entitled to notice of a members' meeting, to demand a special meeting, to vote, or to take any other action. Such record date may not be more than seventy (70) days before the meeting or action requiring a determination of members. A determination of members entitled to notice of or to vote at a members' meeting is effective for any adjournment of the meeting unless the Board of Directors fixes a new record date for the adjournment of the meeting, which it must do if the meeting is adjourned to a date more than one hundred twenty (120) days after the date fixed for the original meeting.

If no record date is fixed by the Board of Directors for the determination of members entitled to notice of or to vote at a meeting of members, the close of business on the day before the first notice of the meeting is delivered to members shall be the record date for such determination of members.

ARTICLE V

MEETINGS OF DIRECTORS

Section 1. Regular Meetings. A regular meeting of the Board of Directors shall be held immediately after, and at the same place as, the annual meeting of members. In addition, the Board of Directors may provide, by resolution, the time and place, either within or without the State of South Carolina, for the holding of additional regular meetings.

Section 2. Special Meetings. Special meetings of the Board of Directors may be called by or at the request of the Chairman of the Board, if any, by the President or by any one (1) director, if three (3) or less directors are on the Board, or by any two (2) directors, if four (4) or more directors are on the Board. Such a meeting may be held either within or without the State of South Carolina, as fixed by the person or persons calling the meeting.

Section 3. Notice of Meetings. Regular meetings of the Board of Directors may be held without notice. The person or persons calling a special meeting of the Board of Directors shall, at least five (5) days before the meeting, give or cause to be given notice thereof by any usual means of communication. Such notice need not specify the purpose for which the meeting is called unless required by the bylaws or the law. Any duly convened regular or special meeting may be adjourned by the directors to a later time without further notice.

Section 4. Waiver of Notice. Any director may waive notice of any meeting before or after the meeting. The waiver must be in writing, signed by the director entitled to the notice, and delivered to the corporation for inclusion in the minutes or filing with the corporate records, or director's attendance at or participation in a meeting waives any required notice of such meeting unless the director at the beginning of the meeting, or promptly upon arrival, objects to holding the meeting or to transacting business at the meeting and does not thereafter vote for or assent to action taken at the meeting.

Section 5. Quorum. Unless the article of incorporation, these bylaws or the law provide otherwise, the lesser of four (4) directors or a majority of the number of directors fixed by or pursuant to these bylaws shall constitute a quorum for the transaction of business at any meeting of the Board of Directors.

Section 6. Manner of Acting. Except as otherwise provided in the articles of incorporation, these bylaws or the law, including Section 9 of this Article V, the affirmative vote of a majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors.

Section 7. Presumption of Assent. A director who is present at a meeting of the Board of Directors or a committee of the Board of Directors when corporate action is taken is deemed to have assented to the action taken unless (a) he objects at the beginning of the meeting or promptly upon his arrival, or (b) his dissent or abstention from the action taken is entered in the minutes of the meeting, or (c) he files written notice of his dissent or abstention with the presiding officer of the meeting before its adjournment or with the corporation immediately after the adjournment of the meeting. Such right of dissent or abstention is not available to a director who votes in favor of the action taken.

Section 8. Action Without Meeting. Action required or permitted to be taken at a meeting of the Board of Directors may be taken without a meeting if the action is taken by all members of the Board. The action must be evidenced by one or more written consents signed by each director before or after such action, describing the action taken, and included in the minutes or filed with the corporate records. Such action is effective when the last director signs the consent, unless the consent specifies a different effective date.

Section 9. Meeting by Simultaneous Communication. The Board of Directors may permit any one (1) or more of its directors to participate in any regular or special meeting by, or

to conduct the meeting through the use of, any means of communication by which all directors participating may simultaneously hear each other during the meeting. A director participating in a meeting by this means is deemed to be present in person at the meeting.

ARTICLE VI COMMITTEES

Section 1. Executive Committee. The Board of Directors may at any regular or special meeting attended by a quorum, by a resolution adopted by majority vote, appoint two (2) or more Directors to constitute an Executive Committee. The Executive Committee shall have and may exercise immediate supervision over Corporation's operations to deal with any problem or question that may arise between Board meetings, unless a special Board meeting is called. For this purpose, it shall exercise full administrative authority and shall possess all the powers and duties of the Board in the interim between meetings, except as limited by these bylaws or by the specific instructions of the Board of Directors or by law.

The Executive Committee shall not have power to: (a) recommend or elect Directors; (b) remove from office members of the Executive Committee; (c) remove from office any Officers of the Corporation; (d) approve the annual operating budget; (e) effect any decisions regarding the Executive Director; (f) remove auditors or legal counsel elected or selected by the Board of Directors; or (g) take any actions prohibited by law.

The Executive Committee shall report at the next Board meeting any acts taken by it and its actions shall be recorded in the Board minutes. The Chairman of the Board shall keep the minutes.

Section 2. Nominating Committee. The Board of Directors may at an regular or special meeting attended by a quorum, by a resolution adopted by majority vote, appoint two (2) or more Directors to constitute a nominating Committee. The purpose of the Nominating Committee shall be to develop and maintain a list of persons qualified to serve as Directors of the Board.

The Nominating Committee shall be charged with the responsibility to: (a) obtain from appropriate sources the names of persons qualified to serve as Directors; (b) determine whether person recommended to the Nominating Committee are willing to be considered for appointment to the Board; (c) request that such persons who indicate an interest in serving as a Director submit to the Nominating Committee such biographical data and in such form as the Committee deems appropriate; (d) submit to the Board, at a regular Board meeting occurring no less than ninety (90) days before the expiration of a Director's term, at least one (1) nomination to fill such vacancy; and (e) submit to the Board, at the regular Board meeting occurring immediately before the expiration of a director of the Board's term, at least one (1) nomination to fill such office. Provided however, the provisions of this Section 2 shall not be construed as precluding nominations from the floor to fill any vacancy in an elected position under these Bylaws.

Section 3. Special Committees. The Board of Directors may at any regular or special meeting attended by a quorum, by a resolution adopted by majority vote, appoint two (2) or more directors to constitute a special Committee, and the special Committee shall perform such duties and exercise such powers as may be specifically conferred upon it by the resolution of the Board.

Section 4. Tenure and Qualifications. Each director on a Committee shall serve until the earlier of the date his successor is elected, he dies, retires, resigns, is removed or otherwise ceases to qualify as a director on the Committee, or the Committee is terminated.

Section 5. Notice of Meetings. Regular meetings of a Committee may be held without notice of the date, time, place or purpose of the meeting.

The person or persons calling a special meeting of a Committee shall, at least five (5) days before the meeting, give notice thereof by any usual means of communication. Such notice need not describe the purpose for which the special meeting is called, unless required by the bylaws or the law.

Section 6. Waiver of Notice. A director may waive notice of any Committee meeting. Such waiver must be in writing, signed by the director entitled to the notice and delivered to the Committee for inclusion in its minutes. In addition, a director's attendance at or participation in a Committee meeting waives any required notice to him of the meeting unless the director at the beginning of the meeting, or promptly upon his arrival, objects to the holding of the meeting or the transaction of business at the meeting and does not thereafter vote for or assent to action taken at the meeting.

Section 7. Quorum and Manner of Acting. A majority of the directors on a Committee shall constitute a quorum of such Committee and any act of a majority of the directors present at a meeting in which a quorum is present shall be the act of the Committee.

Section 8. Presumption of Assent. A director who is present at a meeting of a Committee when corporate action is taken is deemed to have assented to the action taken unless (a) he objects at the beginning of the meeting or promptly upon his arrival, or (b) his dissent or abstention from the action taken is entered in the minutes of the meeting, or (c) he files written notice of his dissent or abstention with the presiding officer of the meeting before its adjournment or with the corporation immediately after the adjournment of the meeting. Such right of dissent or abstention is not available to a director who votes in favor of the action taken.

Section 9. Vacancy. Any vacancy occurring in a Committee shall be filled for the unexpired portion of the term in the same manner as provided in the case of original appointment.

Section 10. Removal. Any one (1) or more directors on a Committee may be removed, with or without cause, at any regular or special meeting of the Board of Directors attended by a quorum, by a resolution adopted by a majority vote.

Section 11. Resignation. A director may resign at any time by giving written notice to the Board of Directors, the Chairman of the Committee or the Chairman of the Board. A resignation is effective when given unless it specifies a later effective date.

Section 12. Procedure. Each Committee shall elect a Chairman from among its directors and may fix its own rules of procedure which shall not be inconsistent with these bylaws. It shall keep regular minutes of its proceedings and report the same to the Board of Directors for its information at the next regular or special meeting thereof held after the proceedings have occurred.

Section 13. Responsibility of Directors. The designation of a Committee and the delegation thereto of authority shall not operate to relieve the Board of Directors, or any director thereon, of any responsibility or liability imposed on him by law; and any resolutions adopted or other action taken by a Committee within the scope of the authority delegated to it by the Board of Directors shall be deemed for all purposes to be adopted or taken by the Board.

Section 14. Dissent. If an action taken by a Committee is not thereafter formally considered by the Board of Directors, a director may dissent from such action by filing his written objection with the Secretary of the corporation with reasonable promptness after learning of such action.

Section 15. Action Without Meeting. The directors on a Committee may take any action required or permitted without a meeting if the action is taken by all the directors on the Committee, and the action is evidenced by one (1) or more written consents signed by each director on the Committee before or after such action, describing the action taken, and included in the Committee minutes. Committee actions taken without a meeting are effective when the last director signs the consent, unless the consent specifies a different effective date. A consent signed in this manner has the effect of a meeting vote and may be described as such in any document.

Section 16. Meeting by Simultaneous Communication. A Committee may permit any one (1) or more of its directors to participate in any regular or special meeting by, or to conduct the meeting through the use of, any means of communication by which all directors participating may simultaneously hear each other during the meeting. A director participating in a Committee meeting by this means is deemed to be present in person at the meeting.

Section 17. Limits on Committee Action. A Committee may not; (a) authorize distributions, (b) recommend to members or approve dissolutions, merger or the sale, pledge or transfer of all or substantially all of the corporation's assets, (c) elect, appoint or remove directors, or fill vacancies on the Board or on any Committee, or (d) adopt, amend or repeal the articles of incorporation or the bylaws. No Committee shall make policy or shall expend or commit corporate funds without prior approval of the Board, or as otherwise provided by these bylaws.

ARTICLE VII **OFFICERS**

Section 1. Officers of the Corporation. The officers of the corporation shall consist of a President, a Secretary, a Treasurer, and such Vice-Presidents, Assistant Secretaries, Assistant Treasurers, and other officers as may from time to time be appointed by or under the authority of the Board of Directors. Any two (2) or more office may be held by the same person, but no officer may act in more than one (1) capacity where action of two (2) or more officers is required.

Section 2. Appointment and Term. The officers of the corporation shall be appointed by the Board of Directors or by a duly appointed officer authorized by the Board of Directors to appoint one (1) or more officers authorized by the Board of Directors to appoint one (1) or more officers or assistant officers. Each officer shall hold office until his death, resignation, retirement, removal, disqualification, or his successor shall have been appointed.

Section 3. Compensation of Officers. The compensation of all officers of the corporation shall be fixed by or under the authority of the Board of Directors, and no officer shall serve the corporation in any other capacity and receive compensation therefore unless such additional compensation shall be duly authorized. The appointment of an officer does not itself create contract rights.

Section 4. Removal. Any officer may be removed by the Board of Directors at any time with or without cause; but such removal shall not itself affect the officer's contract rights, if any, with the corporation.

Section 5. Resignation. An officer may resign at any time by communicating his resignation to the corporation in writing. A resignation is effective when communicated unless it specifies in the writing a later effective date. If a resignation made effective at a later date is accepted by the corporation, the Board of Directors may fill the pending vacancy before the effective date. An officer's resignation does not affect the corporation's contract rights, if any, with the officer.

Section 6. Vacancy. A vacancy in any office because of an officer's death, resignation, removal, disqualification, or otherwise, may be filled by the Board of Directors for the unexpired portion of the officer's term.

Section 7. Bonds. The Board of Directors may by resolution require any officer, agent, or employee of the corporation to give bond to the corporation, with sufficient sureties, conditioned on the faithful performance of the duties of his respective office or position, and to comply with such other conditions as may from time to time be required by the Board of Directors.

Section 8. President. The President shall be the principal executive officer of the corporation and, subject to the control of the Board of Directors, shall in general supervise and control all of the business and affairs of the corporation. He shall, when present, preside at all meetings of the members. He shall sign, with the Secretary, an Assistant Secretary, or any other proper officer of the corporation thereunto authorized by the Board of Directors, any deeds, mortgages, bonds, contracts, or other instruments which the Board of Directors has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these bylaws to some other officer or agent of the corporation, or shall be required by law to be otherwise signed or executed; and in general he shall perform all duties incident to the office of President and such other duties as may be prescribed by the Board of Directors from time to time.

Section 9. Vice-Presidents. In the absence of the President or in the event of his death, inability or refusal to act, the Vice-Presidents in the order of their length of service as such, unless otherwise determined by the Board of Directors, shall perform the duties of the President, and when so acting shall have all the powers of and be subject to all the restrictions upon the President. Any Vice-President may sign, with the Secretary or an Assistant Secretary on behalf of the corporation; and shall perform such other duties as from time to time may be prescribed by the President or Board of Directors.

Section 10. Secretary. The Secretary shall: (a) keep the minutes of the meetings of members, of the Board of Directors, and of all committees in one or more books provided for that purpose; (b) see that all notices are duly given in accordance with the provisions of these bylaws or as required by law; (c) maintain and authenticate the records of the corporation and be custodian of the seal of the corporation and see that the seal of the corporation is affixed to all documents the execution of which on behalf of the corporation under its seal is duly authorized; (d) sign with the President, or a Vice-President on behalf of the corporation; (e) prepare or cause to be prepared member lists prior to each meeting of members as required by law; (f) attest the signature of certify the incumbency or signature of any officer of the corporation; and (g) in general perform all duties incident to the office of the secretary and such other duties as from time to time may be prescribed by the President or by the Board of Directors.

Section 11. Assistant Secretaries. In the absence of the Secretary or in the event of his death, inability or refusal to act, the Assistant Secretaries in the order of their length of service as Assistant Secretary, unless otherwise determined by the Board of Directors, shall perform the duties of the Secretary, and when so acting shall have all the powers of and be subject to all the restrictions upon the Secretary. They shall perform such other duties as may be prescribed by the Secretary, by the President, or by the Board of Directors. Any Assistant Secretary may sign, with the President or a Vice-President, on behalf of the corporation.

Section 12. Treasurer. The Treasurer shall: (a) have charge and custody of and be responsible for all funds and securities of the corporation; receive and give receipts for moneys due and payable to the corporation from any source whatsoever, and deposit all such moneys in the name of the corporation in such depositories as shall be selected in accordance with the provisions of Section 4 of Article VI of these bylaws; (b) maintain appropriate accounting records as required by law; (c) prepare, or cause to be prepared, annual financial statements of the corporation that include a balance sheet as of the end of the fiscal year and an income and cash flow statement for that year, which statements, or a written notice of their availability, shall be mailed to each member within one hundred twenty (120) days after the end of the fiscal year; and (d) in general perform all of the duties incident to the office of treasurer and such other duties as from time to time may be prescribed by the President or by the Board of Directors.

Section 13. Assistant Treasurers. In the absence of the Treasurer or in the even of his death, inability or refusal to act, the Assistant Treasurers in the order of their length of service as such, unless otherwise determined by the Board of Directors, shall perform the duties of the Treasurer, and when so acting shall have all the powers of and be subject to all the restrictions upon the Treasurer. They shall perform such other duties as may be prescribed by the Treasurer, by the President, or by the Board of Directors.

ARTICLE VIII **EXECUTIVE DIRECTOR**

Section 1. Appointment – Term of Office. The Board of Directors may appoint an Executive Director. The term of office and salary shall be determined by the Board.

Section 2. Duties of the Executive Director.

- (A) The Executive Director shall be charged with the management of the Corporation under the general supervision of the Board of Directors and the Executive Committee. The Executive Director shall advise the Officers and the Committees of the Board on all matters affecting the maintenance and operation of the Corporation and on its internal and external policies, shall make recommendations governing the financial, personnel and other operating functions and shall attend all Board Meetings.
- (B) The Executive Director shall oversee the formulation of long term plans and present recommendations to the Executive Committee and to the Board and shall develop and coordinate the activities of the Corporation.
- (C) The Executive Director shall serve as an ex officio member of all committees of the Corporation.
- (D) The Executive Director shall prepare all budgets and shall monitor all business transactions and records, purchases or sale of services, and insure that all funds are utilized in an appropriate and advantageous fashion.

- (E) The Executive Director shall develop cooperative relationships with other organizations for the exchange of information and services, with community agencies and with professional organizations and other groups.
- (F) The Executive Director shall establish a plan of organization of personnel and others concerned with the operation of the Corporation and shall select, employ, control and discharge all personnel authorized by the budget. It shall be the duty of the Executive Director to submit regularly to the Board of Directors or its committees periodic reports showing the professional service and financial activities of the Corporation and to prepare and submit any special reports that may be required by the Board of Directors.
- (G) The Executive Director shall appoint, with the approval of the Board of Directors such assistants or advisors as may be reasonably necessary to perform the duties of the office of Executive Director as herein set forth.

ARTICLE X MEMBERSHIP

Any individual or entity interested in supporting the purposes of the Corporation as stated in Article II of these Bylaws may become a member of the Corporation by completing such forms and paying membership fees as shall be determined by the Corporation's Board of Directors.

ARTICLE XI DISTRIBUTION OF ASSETS UPON DISSOLUTION

In the event the Corporation is dissolved, the Board of Directors shall, after paying or making provision for the payment of all of the liabilities of the Corporation, dispose of all of the assets of the Corporation exclusively for the purposes of the Corporation in such manner, or to such organizations, organized and operated exclusively for purposes as shall at the time qualify as an exempt organization or organizations under Section 501(c)(3) of the Internal Revenue Code or the corresponding provision of any future United States Internal Revenue law, as the Board of Directors shall determine. Any such assets not so disposed of shall be disposed of by a Court of competent jurisdiction of the county in which the principal office of the Corporation is then located, exclusively for such purposes or to such organization or organizations, as said Court shall determine, which are organized and operated exclusively for such purposes.

ARTICLE XII INDEMNIFICATION AND IMMUNITY

Section 1. Authority to Indemnify. The corporation shall have the authority to indemnify or agree to indemnify any present or former director, officer, employee or agent of the corporation in any other corporation, nonprofit corporation, partnership, joint venture, trust or any other enterprise, or as a trustee or administrator under an employee benefit plan, when such person is made, or threatened to be made, a party to any pending, threatened, or completed civil, criminal, administrative, or investigative action, suit or proceeding and any appeal therein (and

any inquiry or investigation that could lead to such action, suite or proceeding) arising out of his status or his activities in any of the foregoing capacities, when the person meets the following standard of conduct: (a) he conducted himself in good faith, (b) he reasonably believed that his conduct in his official capacity was in the best interests of the corporation, and in all other cases, that his conduct was not opposed to the corporation's best interests, (c) in the case of any criminal proceeding, he had no reasonable cause to believe his conduct was unlawful, and (d) with respect to an employee benefits plan, he reasonably believed that his conduct was in the interests of the participants and beneficiaries of the plan. The corporation shall have the right to indemnify or agree to indemnify an individual who served in any of the capacities named above in this Section 1, to the fullest extent permitted by law against (a) reasonable expenses, including attorney's fees, incurred by him in connection with any threatened, pending or completed civil, criminal, administrative, or investigative, action, suite or proceeding (and any appeal therein) seeking to hold him liable by reason of the fact that he is or was acting in such capacity, and (b) reasonable payments made by him in satisfaction of any judgment, money decree, fine (including an excise tax assessed with respect to an employee benefits plan), penalty, or settlement for which he may have become liable in any such action, suit or proceeding.

Section 2. Determination of Indemnification. The corporation may indemnify a person described in Section 1 of this Article XII after a specific determination has been made as to whether the person has met the standard of conduct set forth in Section 1 of this Article XII and whether the expenses to be indemnified are reasonable.

Such a determination may be made at a meeting of the Board of Directors by a resolution adopted by the majority vote of a quorum consisting of directors who are not parties to the proceeding.

If a quorum cannot be obtained by the Board of Directors, such determination may be made by a majority vote of a Committee consisting solely of two (2) or more directors, who are not parties to the proceeding, and such Committee may be designated by the Board, including the director(s) who are parties to the proceeding, or such determination may be made by a majority vote of the members who are not parties to the proceeding.

Section 3. Advance Payment of Expenses. Expenses incurred by a director, officer, employee or agent in defending a proceeding may be paid by the corporation, in advance of the final disposition of such proceeding and the determination of indemnification under Section 2 of this Article XII, upon receipt of an undertaking by or on behalf of the director, officer, employee or agent to repay such amount to the corporation for such expenses.

Section 4. Insurance. The corporation shall have the power to purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the corporation or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise or as a trustee or administrator under an employee benefit plan against any liability asserted against him and incurred by him in any such capacity, or arising out of his status as such, whether or not the corporation would have the power to indemnify him against such liability.

Section 5. Immunity. A person serving as a director or officer of Corporation shall be immune individually from civil liability for monetary damages, except to the extent covered by insurance, for any act or failure to act arising out of this service, except where the person: (a) is compensated for his services beyond reimbursement for expenses; (b) was not acting within the scope of his official duties; (c) was not acting in good faith; (d) committed gross negligence or willful or wanton misconduct that resulted in the damage or injury; (e) derived an improper

personal financial benefit from the transaction; (f) incurred the liability from the operation of the motor vehicle; or (g) the liability arises as a result of an unlawful loan or distribution. This immunity is personal to the directors and officers, and does not immunize the Corporation against liability for the actual omissions of its directors or officers.

ARTICLE XIII LIMITATION ON CORPORATE ACTIONS

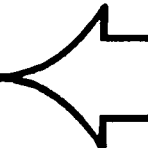
No Director, Officer, employee, or member of a committee of the Corporation, or any other private individual (within the meaning of Section 501 of the Internal Revenue Code or its successor provisions), shall at any time receive any of the net earnings from the activities of the Corporation, except that the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered to or for the Corporation in effecting any of the purposes set forth in Article II hereof; and no such person shall be entitled to share in the distribution of any corporate assets upon the dissolution of the Corporation. All Directors of the Corporation shall be deemed expressly to have consented and agreed that upon such dissolution or similar winding-up of the affairs of the Corporation, whether voluntary or involuntary, the assets of the Corporation then remaining in the hands of the Board, after satisfaction of the Corporation's liabilities, shall be transferred, conveyed, delivered, and paid over as provided in the Articles of Incorporation and Article X of these Bylaws. Notwithstanding any other provisions of these Bylaws, the Corporation shall not carry on any activities not permitted to be carried on by a corporation exempt from federal income tax under Section 501(c)(4) of the Internal Revenue Code (or the corresponding provisions of any future United States Internal Revenue law).

ARTICLE XIV GENERAL PROVISIONS

Section 2. Seal. The corporate seal of the corporation shall consist of two concentric circles between which is the name of the corporation and in the center of which is inscribed SEAL; and such seal, as impressed or affixed on the margin thereof, is hereby adopted as the corporate seal of the corporation.

Section 2. Fiscal Year. The fiscal year of the corporation shall be fixed by the Board of Directors.

Section 3. Amendment of Articles of Incorporation. The Articles of Incorporation for corporation may be amended by the Board of Directors at any regular or special meeting by a two-thirds (2/3) vote of the Directors present, provided a copy of said amendment has been mailed to each Director at least twenty (20) days prior to the meeting, when such amendment is for the purpose of enabling the corporation to take any action necessary to qualify as exempt from federal income tax under Section 501(c)(4) of the Internal Revenue Code (or the corresponding provisions of any future United States Internal Revenue law) or to qualify as exempt from South Carolina income tax under South Carolina General Statute Section 105-130.11 (or the corresponding provisions of any future South Carolina statute). For all other purposes, the Article of Incorporation may be amended by a majority of the members at any regular or special meeting. If the Board of Directors or the members seek to have the proposed amendment of the Articles of Incorporation approved at a meeting of members, notice of the meeting must be given as provided in Article III, Section 5, ~~and the notice must contain a copy of~~



~~the proposed amendment to the Articles of Incorporation. If the Board of Directors or the members seek to have the proposed amendment of the Articles of Incorporation approved by the members using written consent or written ballot, the material soliciting the approval must contain a copy of the proposed amendment to the Articles of Incorporation.~~

Section 4. Amendment of Bylaws. The bylaws of corporation may be amended or repealed and new bylaws may be adopted by the Board of Directors at any regular or special meeting by a two-thirds (2/3) vote of the Directors present, provided a copy of said amendment has been mailed to each director at least twenty (20) days prior to the meeting. In addition, these bylaws may be amended or repealed and new bylaws may be adopted by a majority of the members at any regular or special meeting. If the Board of Directors or the members seek to have the proposed adoption, repeal or amendment of the bylaws approved at the meeting of members, notice of the meeting must be given as provided in Article III, Section 5, and the notice must contain a copy of the proposed change to the bylaws. If the Board of Directors or the members seek to have the proposed adoption, repeal or amendment of the bylaws approved by the members using written consent or written ballot, the material soliciting the approval must contain a copy of the proposed change to the bylaws.

Section 5. Gender. When used in these bylaws, the words "he," "she," "his," "her," and "they" shall include and mean the singular, plural, masculine, feminine, or neuter, as the case may be, and as required by the text.

Section 6. Definitions. Unless the context otherwise requires, terms used in these bylaws shall have the meanings assigned to them in the South Carolina Nonprofit Corporation Act to the extent defined herein.

ARTICLE XV EMERGENCY BYLAWS

Section 1. Effectiveness. Notwithstanding any other provisions in the bylaws or the article of incorporation of the corporation, the emergency bylaws provided in this Article or on a shall be effective during any emergency resulting from a military attack on the United States or on a locality in which the corporation conducts its principal business or customarily holds meetings of its Board of Directors or its members, or during any nuclear or atomic disaster, or during the existence of any other catastrophic even or similar emergency, as a result of which a quorum of the Board of Directors cannot readily be assembled for action. To the extent not inconsistent with the provisions of these emergency bylaws, the provisions of the regular bylaws shall remain in effect during such emergency. Upon termination of the emergency, the emergency bylaws shall cease to be effective.

Section 2. Board Meetings. During any such emergency, a meeting of the Board of Directors may be called by any officer or director of the corporation. Notice of the time and place of the meeting shall be given by the person calling the meeting to such of the directors as it may be feasible to reach at the time by any available means of communication, including publication or radio. Such advance notice shall be given as, in the judgment of the person calling the meeting, circumstances permit. At any such meeting of the Board of Directors, a quorum shall consist of a majority of the directors and officers present at the meeting. To the extent required to constitute a quorum at the meeting, the officers present shall be deemed, in order of rank and within the same rank in order of seniority, directors for the meeting. The Board of

Directors may take any action at any such meeting which it deems necessary for managing the corporation during the emergency.

Section 3. **Principal Office.** During the emergency, the Board of Directors may change the principal office of the corporation or designate several alternative principal offices, or authorize the officers to do so, which change or designation shall last for the duration of the emergency.

Section 4. **Specific Powers.** Without limiting the generality of the foregoing, the Board of Directors, acting pursuant to Section 2 of this Article XI, is authorized to make all necessary determinations of fact regarding the extent and severity of the emergency and the availability of members of the Board; to designate and replace officers, agents, and employees of the corporation and otherwise provide for continuity of management; and to adopt rules of procedure and fill vacancies in the Board of Directors.

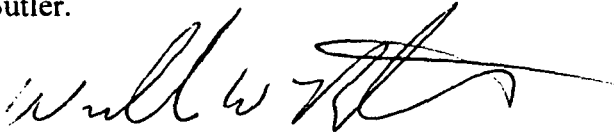
Section 5. **Nonexclusive Powers.** The emergency powers provided in this Article XI shall be in addition to any powers provided by law.

I, William W. Rentiers III was an employee of Grass Roots SC, Inc. (aka GrassRoots GunRights SC) from October 2006 through February 2011.

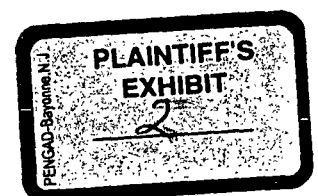
While employed at Grass Roots SC, Inc., I became aware that GrassRoots had failed to follow the organization's bylaws in that the required annual membership meetings were not being held, and the required annual elections of Directors were not being held.

I brought this to the attention of the organization's leadership team (see attached). Each time I brought this to the attention of those in charge, I was given some reason that it was not the right time to hold a membership meetings and elections. To my knowledge, no meetings or elections were ever held during the years I was employed at Grass Roots, SC Inc.

On occasion, a member would request a copy of the Grass Roots bylaws. I was ordered by GR leadership not to release the bylaws to anyone. After which, I referred all members who sought a copy of the bylaws directly to GR Vice President Dr. Robert Butler.



William W. Rentiers III
Lexington, SC



Now I know why you were fired.

LL

----- Original Message -----

From: Bill Rentiers

To: Ed Looney ; WB Ed Lown ; Leigh Heflin

Sent: Thursday, March 31, 2011 12:09 PM

Subject: Fw: Re: planning the membership meeting

FYI - this is just one email I sent out in 2008 about the requirement to hold a members meeting and elections. I am certain I can find more such emails.

--- On Mon, 11/10/08, Robert D Butler <dawgbutler@gmail.com> wrote:

From: Robert D Butler <dawgbutler@gmail.com>

Subject: Re: planning the membership meeting

To: rentiers@yahoo.com

Date: Monday, November 10, 2008, 2:59 PM

Until we have proposed fixes for the problems with our by-laws, a membership meeting is premature.

We do not have proposed fixes ready.

Rob

On Mon, Nov 10, 2008 at 1:21 PM, Bill Rentiers <rentiers@yahoo.com> wrote:

> Ed-Rob-Tom,

>

> The year is drawing to a close and we need to make plans to hold a membership meeting (& election) soon. Since I have never attended a GRSC membership meeting before, this brings up some questions. I want to make sure I consider everything and plan for everything usually expected at such meetings.

>

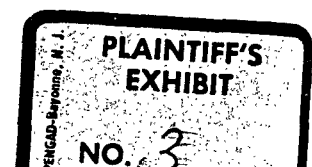
> Our database now shows 1,909 current members. Currently 507 have no email listed. Some of the other 1,402 who do have email addresses in our system might be no longer valid emails if the member didn't keep us updated. (BTW, I don't see in the bylaws where it says "members in good standing by X date" will be eligible to vote in elections. Perhaps the Board of Directors may want to address this.)

>

> What would be the best way to inform all members of the meeting? I suggest we plan to mail out a membership meeting announcement. Tom may want to include a call for nominations in that notice. We should ask for an RSVP, so we will get an idea of approximately how many members plan to attend.

>

> Should we plan to hold the meeting in the Columbia area? Being centrally located, it seems logical. I doubt all members will attend the meeting, but it will be difficult to figure out how large a venue to book until we get an RSVP from members. With the holidays coming, we need to get our reservations in as soon as possible.



>

> For example, I spoke with the Radisson on Bush River road. They have a room that could accommodate up to ~600 people for half a day, and costs estimate between \$1000 and \$3000 per day. Many dates are already booked up at the Radisson. This means we should make plans and reserve a venue without delay. If we get a smaller number who of members who RSVP, we can reserve a smaller venue.

>

> We also need to decide what other agenda items should be covered at the annual meeting. What types of things have been covered in previous membership meetings? I have so far received 11 responses to my Defender article "What are you willing to fight for?" This data could be an agenda item to discuss future goal setting.

>

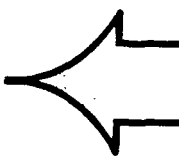
> What other ideas/suggestions/comments does anyone have about the membership meeting?

>

> Bill

1

Mr. Ed Kelleher
MACRO Inc.
1730 Augusta Rd.
West Columbia, SC 29169



Re. Grass Roots Gun Rights

Dear Sir.

As President of GRSC Inc, Also known as Grass Roots Gun Rights I am sending you this letter of demand.

Under South Carolina Law and as a dues paying member I have the right to receive copies of corporate information from you: or to be given access for myself or my agent to enter the corporate offices and inspect and make copies paper or electronic / digital of the records included in this demand.

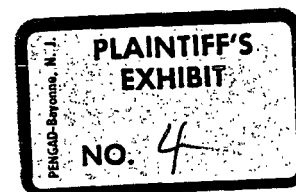
See South Carolina Code 33-31-1601., 33-31-1602., 33-31-1603., and 33-31-1620.

Section 33-31-1602 requires that I describe the purpose for which the records are sought and that the request be made in good faith. This description and good faith request follows.

I Ed Looney state that none of the records sought are for any personal gain, financial or otherwise. The purpose for which these records are sought is purely informational and educational. The information provided by Grass Roots SC will be used by myself and passed on to other dues paying members so they will be educated and informed about corporate behavior. This request is in good faith and reasonable. South Carolina law states every member is entitled to have this information and this demand is only so that the information sought can be made available to me and other dues paying members.

I Ed Looney demand the following information.

1. Articles or restated articles of incorporation and all amendments to them currently in effect;
2. Bylaws or restated bylaws and all amendments to them currently in effect;
- ③ Resolutions adopted by the board of directors relating to the characteristics, qualifications, rights, limitations, and obligations of members or any class or category of members;



- ④ The minutes of all meetings of members and records of all actions approved by the members for the past three years;
 - ⑤ All written communications to members generally within the past three years, including the financial statements furnished for the past three years under Section 33-31-1620;
 - ⑥ A list of the names and business or home addresses of its current directors and officers;
7. Most recent report of each type required to be filed by it with the Secretary of State.
- ⑧ Membership list as described in South Carolina Code 33-31-1601 (c) This request complies with SECTION 33-31-1605 because it is necessary for those who wish to solicit votes for the upcoming board of director's election. The members list and its use are not sought for any personal gain.

I am including a money order for \$30.00 to defray any costs for reproducing these records. All funds not required to offset the costs for reproduction of records are to be used as a donation to Grass Roots Gun Rights.

As it would be faster and cheaper for all involved I am asking that these records be reproduced electronically on a Compact Disc in a commonly used digital format, MS Office or PDF. I am allowing 10, (ten) days to comply with this demand even though the statutes say 5, (five) days is sufficient. Grass Roots is a small organization and I do not wish to over burden them with the shorter timetable.

Respectfully

Ed Looney Member Grass Roots Gun Rights.

Ed Looney
150 Carolina Way
Fountain Inn SC 29644

GRASSROOTS of SOUTH CAROLINA, INC.

March 24, 2011

150 Carolina Way
Fountain Inn, SC 29644

Attn: Ed Looney, GrassRoots member

I am happy to provide you the following information regarding Grass Roots South Carolina Inc.

- 1) Articles of Incorporation, as amended
- 2) Bylaws
- 3) 501c4 classification letter from IRS
- 4) IRS 990 return for 2009, most recent filed

Thank you for contacting us.

Sincerely,

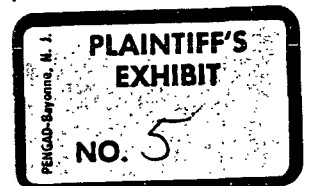
Ed Looney

Edward J. Kelleher, Jr., President 803-796-8858 (Voice/Fax)

Pres@SCFirearms.org

1730 Augusta Road, West Columbia, SC 29169 USA

<http://www.scfirearms.org>



STATE OF SOUTH CAROLINA	)	IN THE COURT OF COMMON PLEAS
	)	ELEVENTH JUDICIAL CIRCUIT
COUNTY OF LEXINGTON	)	
	)	
Clarence Edward Looney and	)	
Grover E. Lown, Jr.	)	
	)	CASE NO. 2011-CP-32-1393
Plaintiffs,	)	
	)	Memorandum of and Affidavit of Ed
vs.	)	Kelleher
	)	
Grass Roots of South Carolina, Inc,	)	
Ed Kelleher, Robert Butler, and	)	
Robert Butler.	)	
	)	
Defendants	)	
	)	

Enclosure 1 – First Grass Roots newsletter of September 1997

Enclosure 2 – GrassRoots Defender newspaper April 2003

Enclosure 3 – GrassRoots newsletter Vol. 2, No. 4, before incorporation

Enclosure 4 – GrassRoots newsletter Vol. 3, No. 4, after incorporation

Enclosure 5 – GrassRoots Defender newspaper August 2002

Enclosure 6 – Minutes of first GrassRoots Inc. physical meeting on September 14, 1999

Enclosure 7 – Minutes of GrassRoots physical meeting on March 16, 2004

Enclosure 8 – GrassRoots Ballot sent to members March 23, 2011

Enclosure 9 – Letter accompanying ballot, sent to all members March 23, 2011

Enclosure 10 – Demand letter from member Looney, received March 10, 2011

Enclosure 11 – USPS Certificate of Bulk Mailing

The affiant being duly sworn, deposes and says as follows:

1. I am Ed Kelleher. I am a founder, incorporator, director and President of GrassRoots. GrassRoots commenced operation in 1997 (see **enclosure 1**) and

incorporated as Grass Roots South Carolina Inc (GrassRoots) a SC non-profit public benefit corporation on July 9, 1999

2. GrassRoots is a single issue organization, whose sole purpose is to protect and promote the individual's right to legally own, possess and use firearms. GrassRoots has gotten reforms passed in the South Carolina Legislature for Shooting Range Protection, Concealed Weapon Permits, and other gun rights issues. GrassRoots has successfully fought against every anti-gun rights bill introduced in the General Assembly since our inception.

3. REGARDING MEMBERS: GrassRoots only offers single year memberships. We do this by intention. Our members must decide each year if they are satisfied with our performance and whether or not to continue their relationship with GrassRoots. Dues were initially set at \$15 per year, and increased to \$25 per year in 2007 when we hired a full time executive officer.

4. REGARDING OUR MEETINGS: After incorporation, GrassRoots regularly held monthly open member meetings from September 14, 1999 (**enclosure 6**) till March 16, 2004 (**enclosure 7**). As a result of the state wide nature of our membership and the declining attendance, the Board members and I agreed to hold member meetings by email and through our email listserver, GrassRoots Leadership (see **enclosure 7**, page 3, paragraphs 3,4). GrassRoots Leadership is open to all GrassRoots members. GrassRoots Leadership was started in 2000 and has run continually since that date. Its existence has been advertised on our website and in our newsletters since its inception and our members have been encouraged to participate in it.

5. REGARDING OUR MEMBERS PRIVACY: We have always been concerned with the privacy of our members and have told them so (see **enclosure 2**, page 2, column 3, paragraph 1; **enclosure 3**, page 2, column 3, paragraph 1; **enclosure 4**, page 2, column 2, paragraph 3; and **enclosure 5**, page 2, column 4, paragraph 5). When I received Mr. Looney's letter, I was concerned that his stated purpose was to share the membership list with others (see **enclosure 9**, page 1, paragraph 4). Only after receipt of Mr. Looney's letter did I realize the law allowed our membership list to be made available to any member. I was told by legal counsel we could require a member who wanted to copy the list to sign an agreement agreeing not to share the list with any third party. In this manner, we could attempt to protect our list from commercial vendors and competing interests. I was told by legal counsel that changing the corporate structure would be the only sure way to protect the membership list.

6. REGARDING ELECTION OF DIRECTORS: On our GrassRoots Leadership email list, open to members to post, there have been no offers or requests from any member to serve on the board of directors. Of the original eight directors, by 2007, five had resigned.

We have solicited, many times, in our newspapers and electronically, for help from our members. Few "stepped up to the plate". From those who did volunteer and demonstrated their abilities and continued willingness to work for the corporation, several were asked to stand for director.

In **2010** the GrassRoots officers recognized that the over whelming majority of our members were not interested in our meetings or in directing the work of GrassRoots (the GrassRoots Leadership list has typically had only 3% of eligible

members enrolled since its inception) **and** that our members were satisfied with the way things were going, evidenced by their yearly election to continue membership. We sought legal counsel on how to better accomplish the GrassRoots mission for our membership, and found that changing GrassRoots to a non-member organization would do so.

7. REGARDING MAILING OF BALLOTS TO MEMBERS: On March 23, 2011 we mailed to 2486 current members of GrassRoots for whom we had acceptable addresses, a ballot (**enclosure 8**) and letter (**enclosure 9**) regarding changing the Articles of Incorporation such that GrassRoots would be a non-member corporation.

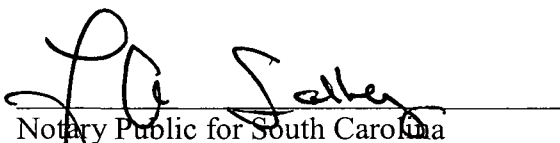
The USPS certified (see **enclosure 11**) and provided a copy of all the names and addresses of those to whom the ballot and letter were mailed on that date. On March 28, 2011 we mailed ballots to three more members (of four) for whom we did not initially have accurate addresses (e.g., closed PO boxes), but were able to contact by telephone or email. A stamped addressed return envelope was included with all ballots mailed.

Respectfully submitted,



Ed Kelleher

Sworn to and subscribed before me
this 18TH Day of April, 2011



Notary Public for South Carolina

My Commission Expires: 01/16/2018

Putting Teeth Into Concealed Carry Grass Roots South Carolina

P.O. Box 1181

Sumter, South Carolina 29151

Internet: <http://www.netside.com/~lcoble/grsc>

September, 1997

GRSC Advisory Committee

Ralph Baker
Tom Burkizer
Clyde T. Bullard
Robert D. Butler
Linda Chico
Larry Coble
Rick Daniel
John Hutchins
Bill Osborne
Charlie Robinette
Jeffery M. Wells

Who We Are and Our Purpose

Modeled after similar organizations in other states, Grass Roots South Carolina is a joint project of **Mid-Carolina Rifle Club and Gun Owners of South Carolina**. Our primary goal is to protect the rights of law abiding citizens who have chosen to obtain concealed weapons permits.

Our main effort is in educating merchants who post against concealed weapons. Our operating protocol is included in this newsletter and explains how our organization works. Briefly, we initially contact merchants who have posted signs against concealed weapons and attempt to educate

them. Afterwards, we hope that they will either remove their signs or post an alternative sign which we provide. If they do neither we distribute the name of the business to thousands of South Carolinians via gun clubs, hunt clubs, shooting sports associations, business supporters, wildlife groups, the Internet, and any other available means encouraging a voluntary boycott until the signs come down.

We have had cards printed for those of you that want to report businesses that are posting signs against concealed carry permit holders. Also, we have already launched notice of our organization in several firearms related newsletters, concealed weapons classes, as well as publicly to outline our goals. The idea is to make this a true grass roots effort in organization from our end as well as the public's. A web page has been constructed and is available for public browsing. The page includes legislative updates, a large Second Amendment Library, and information on how to support GRSC as well as a listing of those retail establishments that post against concealed weapons permit holders.

If you are interested in being a part of this effort and would like more information regarding this grass

roots effort please contact us we will place you on the supporter list. Also, we need to build the database of those businesses which have been spotted by our supporters with "no carry" postings. If you have seen such a business please mail us and let us know so we can initiate correspondence with them to change or remove their signs. With your help we can succeed.

**You may visit Grass Roots
South Carolina Online at:**
<http://www.netside.com/~lcoble/grsc/>

Welcome Back Lowe's Hardware

Many of you may have read about Lowe's Hardware removing their signs prohibiting concealed weapons in their stores. The reported story says that Corporate Headquarters acted after receiving a letter from an individual located in North Carolina. We appreciate Lowes Corporation's action in this matter and pat ourselves on the back as well for sending in all of those Lowes Customer Survey forms which we distributed at various shooting sports organization and membership meetings during the last several months!

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CWP
BADGE?
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Page 3

OFFICIAL JOURNAL OF GRASSROOTS of SOUTH CAROLINA

VOLUME 7 NUMBER 1

APRIL 2003

Are You a Felon Just Waiting to be Caught? *The Next GrassRoots Legislative Initiative*

By Robert D. Butler, J.D.
GrassRoots VP and Legislative Director

You are a responsible law abiding gun owner. Or are you?

If you have ever taken a new pistol shooter to the shooting range, then you are probably a felon waiting to be caught.

Existing South Carolina law (Section 16-23-20) makes it a misdemeanor to possess a pistol unless you fall into one of the listed exceptions. There is an exception for members of gun clubs, but *no* exception for guests. Thus, if you took a guest to the gun club and let them shoot a pistol, they broke the law. But, so did you.

Existing South Carolina law (Section 16-17-410) makes it a felony for two or more people to conspire to commit a misdemeanor. So, when you invited that new shooter to come to the gun club as your guest, you conspired to commit a misdemeanor. That makes both of you felons.

Existing South Carolina law does not allow you to possess a pistol except on your own real property (unless you have a CWP). There is *no* exception for possessing a pistol on some one else's private property, even with the permission of the private property owner. So, if you shoot pistols at Uncle Joe's farm, then you have broken the law even if you do have a CWP. Even worse, you and Uncle Joe would have conspired to commit a misdemeanor, which is a felony.

Current law makes it a crime for a concealed weapon permit holder to disarm and put their pistol into the trunk, glove box, or console when they have a need to enter a prohibited carry location



Mike Walguernery and his grandson Drake enjoy some shooting. But, there's something wrong with this picture. GrassRoots has legislation, H.3482 in the house and S.301 in the Senate to fix it so Mike and Drake and countless others like them, aren't made criminals in South Carolina. Want to help? Take the Action Steps listed on page 2.

such as a publicly owned building, private residence, unauthorized location, or posted business. Why? Because at some point the pistol is no longer concealed when disarming. Current law needs to be amended to allow a concealed weapon permit holder to lawfully disarm to enter such places.

Current law allows a pistol to be carried in the closed glove box, console,

or trunk of a vehicle. Some of the most popular vehicles sold today are mini vans, SUVs, and pickup trucks. These vehicles do not have trunks, and many do not have consoles either. Thus, the only lawful place that a pistol can be carried is in the glove box. Many glove boxes are too small to hold larger pistols. Current law needs to be amended to allow a pistol to be in a closed con-

tainer in a vehicle.

Current law does not protect people for possessing a pistol while carrying it between a gun show and their vehicle, or while carrying a pistol between their vehicle parked on the street and their home or a friend's home, or while carrying a pistol between their

See **FELON** Page 12

A Simple Guide for Buying and Carrying a Self-Defense Handgun

By Brian Puckett
President, Citizens of America

This article is for novices... and for long-time gun-owners.

You might be a woman looking for your first self-defense handgun. Or you might be a lifelong "gun person" that people come to for advice about guns. Either way this article is for you.

Every day, people who have never owned any sort of gun — perhaps have never even shot one — decide to get a self-defense handgun. They aren't gun people, they aren't going to become gun people, they aren't going to hunt or target shoot, they aren't going to practice a lot. But they want a home-defense

handgun, and they want one suitable for concealed carry if they decide to go that route. In other words they want an effective, easy to use, easy to carry, all-around self-defense handgun.

After all the pluses, minuses, caveats, ifs, ands, and buts are factored in — this is my bottom-line gun recommendation, along with the reasons for it. This article presupposes that the prospective gun owner is healthy, of normal intelligence or better, and has no inherent fear of guns.

Long-time gun users will undoubtedly find the selection process interesting, and may wish to use this article as a

See **GUIDE** Page 5

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C Y M K

President's Message

Welcome back GrassRoots people.

You can see from our headline that we still haven't reached our goal of good citizens carrying arms wherever and whenever they choose.

But, we're making progress, and if all of us in GrassRoots continue to put out the effort, we'll continue to make progress towards our goal. The cost to do this now is minimal - a little bit of your time, a few stamps and a few phone calls. However, if you choose not to spend a little now, the cost will be far, far greater down the road. Not only for you, but for your children as well. You got some postcards in this newspaper to mail to your state senators and representatives. Please take a few minutes to fill them out, mail them and then do the other things listed in our "Action Steps". Do that and we'll make some more progress towards our goal!

This issue of *The Defender* is also our "Carry Gun" issue. Several articles discuss features of concealable firearms you might carry. Future issues will be dedicated to holsters and concealment wear, ammunition, training classes and other topics. Let us know what you'd like to see.

We have a new Webmaster, Sean Stogner, Jr. Sean is an active CWP instructor, with a wife and 4 kids. He's going to school part-time and working full time, but still takes time to work on improving our website and electronic communications. It's real encouraging to me to see busy people like Sean take

time to work for the common good. You can contact Sean at his email address: webmaster@scfirearms.org.

One thing Sean is working on is an E-Newsletter. We already have the GrassRoots E-Alert e-mail list. We send important GrassRoots alerts out to this list. It's a quick and inexpensive way to get the word out to people of important events that need immediate attention. Things like the doubling of CWP fees (a tax on self-defense) and gun control proposals in Horry County are examples of E-Alerts that became big wins for gun owners.

If you're able to receive email, please sign up for this. Just send an email to Webmaster@scfirearms.org saying you want to receive E-Alerts. We don't send out many, maybe one a month, but the ones we send are important.

The E-Newsletter will be a weekly email newsletter with things of interest to South Carolina gun owners. We'll send an invitation to join that list out to our E-Alerts list. It'll be strictly "opt-in". We won't add people to it unless they specifically ask to receive it. If you want to receive the E-Newsletter, let us know. GrassRoots takes your privacy very se-

riously. We never, ever, give our mailing list to people outside GrassRoots, and even within GrassRoots only two people have the full database. We tell people that want to reach GrassRoots members that the best thing for them to do is take out an ad in our fine newspaper, *The Defender*.

On the Posted Merchant front, the

good news is that as far as we know, there are *no* merchants in South Carolina that are legally posted against concealed carry. SLED says if signs do not meet the requirements of the law, then they are not legally binding on CWP holders. The bad news is that many merchants still think of

legally armed citizens as being a problem. They still have signs of one sort or another prohibiting concealed weapons. While their signs may not be legally binding on CWP holders, they still show that the merchants consider good citizens with concealed weapons to be the Bad Guys. They still advertise to the criminals (wrongly!) that their businesses are disarmed victim zones. CWP holders should honor those signs and take their business elsewhere.

On the same note, there are still

police officers that routinely disarm good citizens legally carrying a concealed weapon when the citizens present their Concealed Weapon Permit as required by law. These officers don't know we're the Good Guys either. They're concerned with their safety, but where the safety is in taking a gun from its holster eludes me.

We have to convince people that, "We're the Good Guys!" At the Great GrassRoots Gathering we held last October, that was the message we tried to get across. Some people think because we carry a firearm, that we're liable at any moment to haul it out and start shooting. Nothing could be further from the truth. It hasn't happened to any CWP holder in South Carolina, and other states' records are just as good as ours. We have to change this thinking because many of the laws that restrict good citizens from carrying arms derive from that attitude. Change the attitude and we can change the law. That's what GrassRoots is trying to do. GrassRoots is people, working together. Everyone's contribution is needed and is important. Thanks for doing your part!

ED Kelleher

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South Carolina Legislation Watch: 2003-2004

By Robert D. Butler, J.D.
GrassRoots VP and Legislative Director

S. 31: This bill is known as the Criminal Street Gang Prevention Act. This bill allows for civil asset forfeiture.

The civil asset forfeiture provisions allow the police to keep 75% of everything they seize, the prosecuting attorney gets to keep another 20% of everything seized, and the South Carolina government gets the remaining 5%. The government does not have to convict a person of a crime before seizing and keeping the private property.

In fact, even if a jury finds a person "not guilty" of the crime that the government charged them with, the government can still keep the person's seized property. The government can keep the seized property without even filing any charges or even if the charges are dropped.

When the police and prosecutors get 95% of all seized property, it gives the appearance of impropriety. Then, when people can be found "not guilty," have no charges filed, or have all charges dropped, but still have the gov-

ernment keep all of their seized property, the appearance of impropriety is too great for our tastes.

The potential for abuse is too great. Then, to add insult to injury, if an innocent owner can prove that the seized property was used by someone else without the owners knowledge of misuse, the government still does not have to return the seized property.

This is not the American way of life.

Principles Involved: GrassRoots opposes street gang violence, but not all things done in the name of fighting street gang violence are acceptable. The civil asset forfeiture provisions need to be deleted.

GrassRoots Position: GrassRoots opposes this bill because of the civil asset forfeiture provisions.

Current Status: In the Senate Judiciary Committee

Full Text:
http://www.scstatehouse.net/ sess115_2003-2004/bills/31.htm

S. 172: This bill will lower the threshold for blood alcohol content (BAC) from 0.10% to 0.08% to allow

an inference of being under the influence. It effects use of motor vehicles, water craft, and firearms.

Principles Involved: GrassRoots opposes negligently putting the lives of others at risk.

GrassRoots Position: GrassRoots does not take a position on this bill because we do not have enough information to do so. Is this change a reasonable change, or only politically correct? Or, is it being done merely to obtain federal tax dollars?

Current Status: In the Senate Judiciary Committee

Full Text:
http://www.scstatehouse.net/ sess115_2003-2004/bills/172.htm

S. 211: A bill to repeal the one pistol per 30 days law. **Principles Involved:** Rights should not be rationed.

GrassRoots Position: GrassRoots strongly supports this bill, just as we did last session.

Current Status: In the Senate Judiciary Committee

Full Text:
http://www.scstatehouse.net/ sess115_2003-2004/bills/211.htm

S. 223: A bill to amend Section 16-23-420 to make it a crime to possess a firearm in prohibited locations, not just to carry a firearm into such prohibited locations.

Principles Involved: Section 16-23-420 should be amended to except concealed weapon permit holders.

GrassRoots Position: The proposed amendments do not effect concealed weapon permit holders. The bill should be amended to except concealed weapon permit holders, but that is not going to happen this session. Therefore, GrassRoots is neutral on this bill.

Current Status: In the Senate Judiciary Committee

Full Text:
http://www.scstatehouse.net/ sess115_2003-2004/bills/223.htm

S. 301: The GrassRoots Gun-Rights gun law reforms. This bill is a step towards allowing the people of South Carolina to reclaim their right to keep and bear arms. Current law prohibits guests from possessing a pistol on others' private property. This bill would

See WATCH Page 6

C Y M K

The Concealed Carry Newsletter for Over 18,000 South Carolinians!

Grass Roots South Carolina

P.O. Box 1181

Sumter, South Carolina 29151

Internet: <http://www.scfirearms.org>

Winter, 1999

Vol.2 No.4

South Carolinians with Concealed Weapons Permits Deemed Exempt from Instant Checks!

S.L.E.D. notified by BATF that in South Carolina CWP Holders Exempt!

First, the big news for CWP holders in South Carolina is that they are exempt from the Federal NICS check! That's right, exempt! In November the BATF sent out letters to FFL holders advising that CWP holders in certain states could show their CWP to the FFL holder when purchasing a firearm and be exempt from the Federal background check. Grass Roots South Carolina held back from immediately notifying its members until we heard from S.L.E.D. as to their position on this issue (we understand Tennessee stated they would do the checks anyway). We now have a letter from S.L.E.D. advising that a CWP issued by South Carolina will be honored as an alternative to NICS Instant Check (Federal

Background Check previously termed "Brady"). What does this mean? Well, for shotgun and rifle purchases you should be able to purchase your firearm just as you always have without any telephone calls of any kind (too bad for those without CWP permits! - they will have to undergo NICS checks). When purchasing a pistol or revolver your FFL holder will have to call S.L.E.D. for the purpose of ensuring compliance with South Carolina's limit of one handgun per 30 days. However, S.L.E.D. will not be calling NICS. Spread the news and encourage your friends to get their CWPs soon! Heck, avoidance of the \$5.00 fee to S.L.E.D. with each transaction could net you a profit in the long run!

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Letters from the Editor's Desk:

- *Regarding Gun Related Businesses*
- *E-Mail from The Web*

Found on the Internet:

- *Framing the Terms by Skip Wayland*

GRSC Action:

- *Bringing You Up To Date with GRSC*
- *GRSC Frequently Asked Questions*
- *Legislative Updates*
- *The Update on Australian Gun Control*

Welcome Back List:

- *Bringing the Bucks Back to Businesses*

A Place to Shoot:

- *Palmetto State Marksman's Association*

Articles of the Month:

- *America's Cultural War by Charlton Heston*
- *Some Thoughts on Revolver vs. SemiAutomatic*
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The GRSC Don't Carry List:

- *Where NOT to Carry!*

South Carolina Concealed Weapons Permit Instructors Association:

- *Can I Do That?*
- *Who Should I Tell?*
- *To Be or Not to Be?*
- *Educational Offerings for Instructors and Others*

Training Tips:

- *Tips to Help You Help Others*

Visit Us Online at <http://www.scfirearms.org>

GRSC Update

Bringing You Up To Date with GRSC

By Ralph Baker

My Representative and Senator sponsored the Citizens Self Defense Act of 1996. I was involved in that effort from the beginning and it is the best law we could have gotten passed at the time. Being a slow learner, I was also at the conception of GRSC, with the intention of working to make the 18,000 permits more useful and to improve the law. Response to our mailings has been outstanding. Thanks to all of you who have validated the efforts of the few volunteers. Particular thanks to those who enclosed a contribution in their response as this has been more expensive than we at first envisioned. We couldn't have done it without the support of those who responded. We are now in the process of further organizing to become even more effective at educating merchants, CWP holders, CWP instructors, and state legislators.

Now we need to make the next leap of faith and organize those who will benefit from improvements in the law -YOU! The existing volunteers are working in their neighborhoods. If we are to make statewide changes the power base must be expanded. That's where you come in. You are the only one who has a voice your local merchants and legislators will hear. We can supply facts, suggestions, moral support, and a centralized organization.

What only you can supply is the local touch. Our thought is to organize by South Carolina House District. That is a small, workable, geographic area and you will be working with friends. It is also the best legislative approach to make the law more "user friendly". The only requirement is that you want to improve the CWP situation. We don't concern ourselves with the things that are often used to divide people into groups. If you are a CWP holder we want you!

There will be little time required, only as much as you care to give. You will be dealing with stores in your area, your legislators, and others of like-mind in your area. Please help us help you. What do you need to do now? Just drop us a note with your name, address, phone number, e-mail address, fax number, and any special skills or interest areas. There

is a place for everyone and each can help, and must, if this is to work. I look forward to making progress with you.

GRSC Frequently Asked Questions

By Larry Coble

Along with the many positive responses we have received as a result of the "Do You Carry a Gun" fliers, we also have received many, many questions. As time permits we have tried to answer as fully and completely as possible all questions. I thought that perhaps a column here might answer those same questions for everyone interested.

Q: Who are you?

A: GRSC is a committee formed by members of Mid-Carolina Rifle Club. Since then we have contacted so many interested people that we are no longer strictly made up of Mid-Carolina members. Anyone may join our committee and certainly anyone may take part in our grass roots efforts.

Q: Do you have copies of your previous newsletters available?

A: We have a limited number of most of our previous newsletters. You may have them as far as long as they are available. Please remember that we have no dues or income other than your generosity. If you are asking us to send you all of our previous newsletters a gift to cover our printing and postage would be graciously appreciated! In committee, discussion of this interest in our previous newsletters had led us to decide to "bring back" one article from previous issues in each of our upcoming newsletters to get everyone caught up.

Q: Can I send you my neighbor's name and address so you can add him to your mailing list?

A: We try to accommodate all requests as resources permit. We will eventually have made contact with every CWP holder in the state offering them an opportunity to participate in our efforts. Sending out unrequested newsletters is costly and while we would like to send a newsletter to everyone in the phonebook it just isn't feasible at present. Consider copying your newsletter and offering it to those you think might be interested. Tell them how they can get on our regular mailing list.

Q: Do you sell your mailing list?

A: Absolutely not! Don't even ask! We consider your participation in our efforts to be your business and for you to participate as much or as little as you like. We will not jeopardize your privacy.

Q: Are you affiliated with a national organization such as the NRA or GOA?

A: No, we are not affiliated with any national or state RKBA organization. However I'll admit that most of the committee members hold membership in multiple national and state firearms organizations - we just can't get enough of "gun stuff!"

Q: How did you get my name and address as a CWP holder?

A: The Law Abiding Self Defense Bill was originally drafted with the assistance of pro-gun constituents who placed, within the proposed bill, a clause restricting access to information regarding CWP holders. While debated in the South Carolina House committees, this clause came under fire from the newspaper lobby who wanted access to the names of CWP holders under the Freedom of Information Act. We fought this effort however we lost. In retrospect I think inclusion of this restriction would have improved the final bill but since I'm stuck with lemons...let's make lemonade!

Q: I've heard that New Hampshire concealed weapons permits are honored in Georgia and that you have some. Can I get one?

A: Yes, we have New Hampshire CWP permit applications and as of this time Georgia has reciprocity with New Hampshire (even NH Out of State Permits). We have had these reprinted in the original N.H. State application color of blue. They are available from GRSC free of charge. We ask that you send a stamped self-addressed envelope requesting the N.H. permit to our Sumter address and we will get one out to you ASAP. Any donation would be gleefully accepted but is not required.

Q: What can be done about the size of my permit? It's larger than my gun!

A: S.L.E.D. has come out with a new, smaller permit. To get one, send in your old one requesting the new style. Keep a notarized copy until the new one arrives.

The Concealed Carry Newsletter for Over 24,000 South Carolinians!

Grass Roots South Carolina

P.O. Box 1181

Sumter, South Carolina 29151

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Winter, 1999

Vol.3 No.4

THE GOOD NEWS - WE HAVE A SPONSOR FOR OUR CWP REFORMS! **THE BAD NEWS - IT IS GOING TO TAKE MORE THAN 1 YEAR.**

Representative Jakie Knotts has stepped forward to sponsor the GRSC CWP reforms proposed in the Fall 1999 newsletter (also at <http://www.scfirearms.org>). Jakie tells us some of our provisions could well be passed this year, but others are going to face a more difficult time and will need at least the next two-year session of the General assembly to get passed.

Lets take a minute to understand how a bill becomes a law. First, someone has to come up with an idea for a new law. GRSC came up with many ideas on how to improve our current CWP law. Second, someone has to write those ideas down using the language of the legal profession into proposed legislation, known as a bill. GRSC did this, too. Third, a legislator has to introduce the bill. GRSC can NOT introduce legislation, only a legislator can introduce legislation. Rep. Jakie Knotts has agreed to not only introduce the bill, but to fight to get it passed. Then, once the bill is introduced into one of the chambers of the General Assembly, it can be acted upon by the General Assembly and either passed, defeated, or ignored.

The SC General Assembly works on a two-year legislative session calendar. The first year of each legislative session is an odd numbered year (i.e. 1999 or 2001) and the second year of each legislative session is an even numbered year (i.e. 2000 or 2002). Any bills not passed by the end of an even numbered year get thrown out. Any bill not passed by the end of a two-year legislative session can be re-introduced at a later date, but it will have to start over from the beginning.

Rep. Jakie Knotts tells us we can not get our whole package of proposed CWP changes passed in just the last year of a two-year session. Some of the proposed changes are too controversial to get passed in one year. Jakie only wants to introduce the less

controversial reforms this year. The idea is to get the less controversial changes passed this year, and to TEST GRSC MEMBERS to see how dedicated YOU are in getting these changes passed. At the end of this legislative session, we will evaluate how well things went, what got passed, and how hard YOU worked. Then, we will make plans for what to introduce in 2001, the first year of the next two year session.

It will be up to us - the grass roots voters of SC - to get the attention of our legislators and let them know how strongly we feel about CWP reform. We have to prove WE ARE DEDICATED to getting these changes passed, and let it be known our votes and our campaign help will be determined by how legislators vote on CWP reforms and whether they help to get our CWP reforms passed. Your firm, but polite, persistence with your elected representatives will eventually win the day. Any lack of dedication will show legislators you are either too satisfied with current CWP law or too lazy to hurt them in an election.

Here are talking points we must constantly stress. You can find the best talking points in John Lott's book, More Guns, Less Crime, and Gary Kleck's book, Point Blank: Guns and Violence in America.

1. CWP lowers the crime rate for ALL citizens of SC, not just CWP holders.
2. CWP is effective crime prevention with NO COST to taxpayers.
3. Every additional SC CWP holder lowers crime even more.
4. Women, old people, and the disabled are the people most helped by CWP. Empower those who choose not to be victims of violence.
5. Violent criminals seek out "gun free"

GRSC Frequently Asked Questions

GRSC Frequently Asked Questions

Along with the many positive responses we receive in our mailbox, we also receive many, many questions. As time permits we have tried to answer as fully and completely as possible all questions. I thought that perhaps a column here might answer those same questions for everyone interested.

Q: Who are you?

A: GRSC is a 501c4 Non-Profit Corporation. Our officers, staff, and directors are listed on the inside cover of all of our newsletters. We started as a group of concerned individuals interested in seeing positive change take place for all CWP holders. Initially we focused on educating merchants who posted against lawful concealed carry, however it soon became apparent that we needed to broaden our objectives if we were going to make a meaningful difference and impact for all SC CWP holders. We are no longer a small group of individuals. Our officers and staff are all volunteers and represent various areas of South Carolina. Anyone may join our organization and anyone may take part in our grass roots efforts.

Q: I used to get your newsletter but it seems I've been dropped from your mailing list. What gives?

A: The most likely reason is that you have moved. To contain costs we use bulk mail to distribute our newsletter. Bulk mail is cheap but the post office will not forward bulk mail. Ordinary first class mail would cost us almost a dollar per newsletter. By using bulk mail we generally keep the cost down to under twenty-five cents postage. The other reason you may have been dropped from our mailing list is because last summer we became a membership organization (dues and all). We attempted to contact everyone who was on our previous mailing list but perhaps we missed you. Remember: If you move contact us so that we can make the necessary corrections to our database. (Hey, more importantly, also remember you have ten days to notify SLED if you change addresses!)

Q: Do you have copies of your previous newsletters available?

A: We have a limited number of some of our recently printed newsletters. You may have them as for as long as they are available. If you are asking us to send you hard copies of our previous newsletters, a gift to cover our printing and postage

would be graciously appreciated! Also, we have many of our previous newsletters online at our website located at: <http://www.scfirearms.org>

Q: Can I send you my neighbor's name and address so you can send him a newsletter?

A: We try to accommodate all requests as resources permit. Twice we have mailed fliers to the complete list of CWP holders in South Carolina. It's highly likely that your neighbor has already received a communication from us. Consider copying or sharing your newsletter with your neighbor or anyone you think might be interested. Tell them how they join us in our efforts.

Q: Do you sell your mailing list?

A: Absolutely not! Don't even ask! We consider your participation in our efforts to be your business and for you to participate as much or as little as you like. We will not jeopardize your privacy.

Q: Are you affiliated with a national organization such as the NRA or GOA?

A: No, we are not affiliated with any national or state RKBA organization. However I'll admit that most of our officers hold membership in multiple national and state firearms organizations - we just can't get enough of second amendment activism!

Q: How did you get my name and address as a CWP holder, isn't it private?

A: The Law Abiding Self Defense Bill was originally drafted with the assistance of pro-gun constituents who placed, within the proposed bill, a clause restricting access to information regarding CWP holders. While debated in the South Carolina House committees, this clause came under fire from the newspaper lobby who wanted access to the names of CWP holders under the Freedom of Information Act. The original drafters of the bill fought this effort however they lost. In retrospect I think inclusion of this restriction would have improved the final bill but since we're stuck with lemons...let's make lemonade!

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A: S.L.E.D. has come out with a new, smaller permit. To get one, send in your old one requesting the new style. Keep a notarized copy of your permit until the new one arrives.

Q: When are you guys going to do something about the Greasy Spoon Restaurant in my town that posts against CWP?

A: When we learn that a merchant is posted against CWP holders we send a well written letter covering all of the various reasons they should consider removing their sign. Additional we send alternative signs, offer to send additional signs, and extend an offer to further discuss the issue with them. We also include a copy of our most recent newsletter which, we feel, usually covers the issues surrounding posting against lawful conceal carry as well as demonstrates that we will publish their name in an effort to educate our members and the public of their dangerous practice. However, sometimes this simply isn't enough and merchants do not remove their signs. We suggest you organize locally to voice your concern and opinion to the merchant directly. Merchants are much more likely to respond to local customers they stand to lose (read that "\$\$\$") than a letter postmarked from Columbia or Sumter.

Q: I had a permit before the current CWP law went into effect. It was better and had fewer restrictions. Why did you guys mess it up?

A: Don't shoot the messenger! GRSC wasn't even an idea when the current CWP law was passed. We're on your side and want to make the necessary changes to make your CWP as unrestricted as possible. Don't get mad at us - instead join us in our efforts if you want it improved.

Q: I was one of the first to get a CWP under the current law. Am I still restricted to carrying only the gun I used to get my CWP?

A: No. That restriction was lifted approximately one year after the law went into effect. You may now carry any firearm that meets the guidelines under the law.

Great
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Gathering
Guest
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The Defender

Local Radio
Gun Talk Show
Let's TALK
Guns. Goes
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OFFICIAL JOURNAL OF GRASSROOTS of SOUTH CAROLINA ♦ VOLUME 6 NUMBER 2 ♦ AUGUST 2002

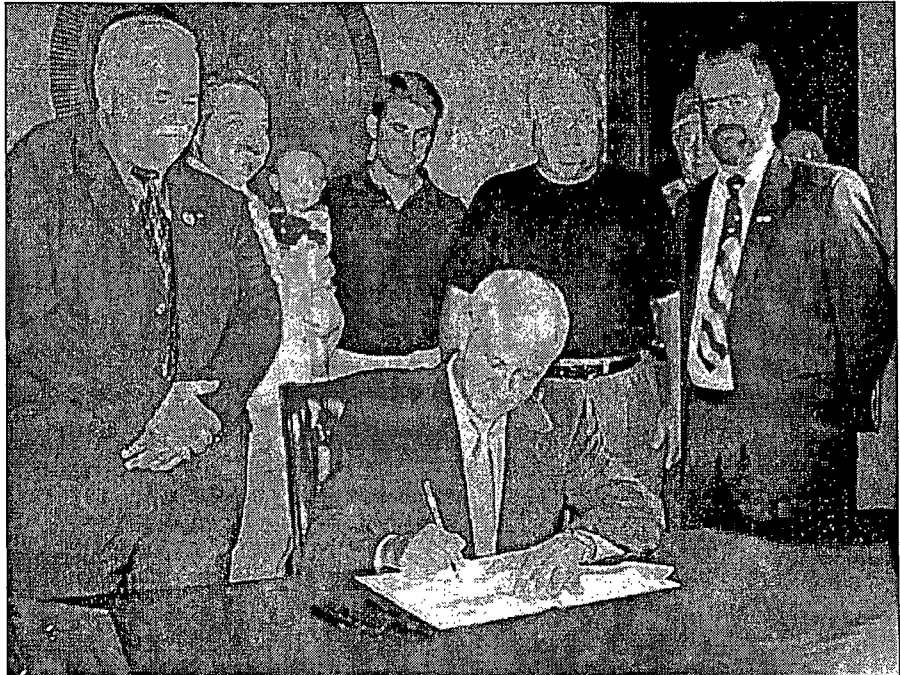
Gov. Hodges signs GrassRoots CWP and Gun Law Reforms Bill

By Ed Kelleher
President, GrassRoots GunRights

House bill H.3010, GrassRoots CWP Reform, was signed into law and became effective May 28, 2002. There was no ceremony and we thought that was that. We weren't disappointed. With all the last minute bullets we had dodged, we just breathed a sigh of relief that three years of hard work had a successful conclusion. We were looking forward to taking a little break. Well, we didn't get to rest long. Monday, June 10, Sen. Jake Knotts called and said the governor was going to have a ceremonial signing that Wednesday, in 2 days. Jake wanted us to fill up the State House. We were thinking, "What for?"

We'd won the battle! The GrassRoots CWP reforms are now law! But, then we realized the WAR against our gun rights wasn't over yet. There were more, even tougher battles to fight in the future. We'd worked hard, but one more thing was needed right now to help us follow through and pave the way for future victories! Just as "follow through" is important after you've let off a shot, this "ceremonial" signing was important also. Every major TV station in South Carolina was expected to have camera crews at the statehouse for the signing. We had more work to do.

The politicians knew GrassRoots couldn't be ignored. The politicians had this pounded into them by the thousands and thousands of postcards and calls and faxes you sent them during our battle to get reasonable CWP reforms passed and to kill the TAX ON SELF DEFENSE!



With the governor, from left to right, are GrassRoots President, Ed Kelleher, GrassRoots Communications Director, Larry Coble and son, Senator Andre Bauer, Senator Jake Knotts, and GrassRoots VP and Legislative Director, Rob Butler.

But, the media hadn't seen the post cards. The media didn't have much of an idea yet of what GrassRoots really was. The media think we are a FRINGE group! The media are market driven. Like politicians, they count the numbers. But they're not as smart as politicians. We, GrassRoots members and support-

ers, have to SHOW them which way the wind is blowing. We have to show the media that the tide has changed and is now rushing to honor liberty and the individual freedom to carry the necessary tools of self defense.

So, we sent out an email alert, which was all we had time to do, asking

everyone who possibly could to stop what they were doing and rush to the State House Wednesday.

Well, Wednesday rolled around and God bless 'em if we didn't have over 70 people from all over the state crowd into

See **BILL** Page 12

NON-PROFIT ORG
US POSTAGE
PAID
COLUMBIA SC
PERMIT #487

GrassRoots South Carolina, Inc.
P.O. Box 6383
Columbia, SC 29260-6383

State Farm And Prudential Don't Like Guns

By Larry Pratt
Executive Director
Gun Owners of America

Gary Atkinson, a South Carolina businessman [and GrassRoots member - Ed] and Del Bruno, a Connecticut cop, have had a common problem. When their insurance companies found out that they were involved with guns, they had their insurance coverage canceled.

Del Bruno sought a homeowners policy for his new condo. Just after taking out his policy with Prudential, they wanted a list of his guns and their serial numbers upon learning that he owned

firearms. For whatever reason, they decided that the Mossberg 500 was a no-no, and they cancelled his policy.

Prudential was of the opinion that Bruno's shotgun was not a sporting weapon, the only kind they will insure.

Gary Atkinson had been with State Farm for 34 years. He wanted to be sure his homeowners policy was up to date, especially — as he told his agent's assistant — since he has a pool and a shooting range on an adjacent property. "A shooting range?" (Forget the fact that pools are more dangerous. The magic word is GUN.)

See **GUNS** Page 12

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C Y M K



Rob Butler, his two daughters, Susan and Michelle, and GrassRoots supporters at the signing of the GrassRoots CWP and Gun Law Reform Bill.

The Two Year Legislative Session in Review

By Rob Butler, J.D.
Legislative Director & V.P.

GrassRoots GunRights led gun owners through a very successful 2001-2002 legislative session. GrassRoots members can be proud of what we accomplished this last legislative session. GrassRoots activists were able to kill every anti gun rights bill introduced. But, even more importantly, we pushed the GrassRoots GunRights CWP and gun law reforms into law!

GrassRoots was the ONLY organization able to pass any gun rights laws this legislative session. No other gun rights organization (either pro or anti) was able to pass any laws effecting our gun rights. GrassRoots is the winning team. We could have won more except for the lost opportunity costs we suffered. We'll explain a little later.

In the heat of the battle, we sometimes forget all that we have done. Below you will find a summary of the GrassRoots GunRights legislative accomplishments this past legislative session. Please take the time to read and appreciate all that GrassRoots has accomplished. Then, pat yourself on the back for a job well done. We couldn't have done it without you!

Legislation Actively Pushed by GrassRoots:

S. 261 led the way for H. 3010 - the GrassRoots CWP and gun law reforms. H. 3010 was signed into law by Gov. Hodges on May 28, 2002. The following changes were made and are now the law:

1. CWP holders can now carry into rest areas and the buildings at rest areas.
2. Anyone can now possess a firearm in their vehicle at rest areas and parking lots of publicly owned buildings and nice restaurants. And contrary to the

claims made by those jealous of GrassRoots' effectiveness, this change was needed. The State newspaper reported a few weeks ago on a man who was arrested and taken to jail for possessing a firearm in the parking lot of a restaurant that served alcoholic beverages for on premises consumption.

3. CWP holders can now carry into public parks, but only if they do not enter any publicly owned buildings (e.g., rest rooms).

4. CWP holders can now carry onto the premises, and into the facilities and buildings, of state parks under the control of the Department of Parks, Recreation, and Tourism.

5. Businesses prohibiting CWP holders from entering the premises must post a standard sign at a standard location.

6. A CWP holder is only required to inform a law enforcement officer that they are a CWP holder and produce their CWP if the CWP holder is carrying a concealable weapon.

7. Only one photograph (anywhere from a 1"x1" to a 3"x5" in size) is now required to be submitted with CWP applications and renewals.

8. The unconstitutional one year residency requirement has been deleted.

Changes other than proposed by GrassRoots were added to the GrassRoots proposed reforms. These changes that are now law do the following:

1. Allows a person who has a medical problem that prevents a full set of fingerprints from being obtained to still qualify for a CWP.

See Review Page 16

IN TOUCH from Page 2

This "members only" discussion group is more focused on the issues which face GrassRoots, leadership responses to issues, and ongoing projects. You may join us in either or both of these discussion groups by signing up on our web page.

Meeting With Your Leadership: Face to face contact with GrassRoots leadership and staff is available monthly at our informal monthly meetings. Currently we meet on the third Monday of each month at Shoney's on Bush River Road in Columbia at 7:00PM. These meetings are working meetings for our officers and staff however membership input is appreciated. We typically arrive early to enjoy supper and fellowship prior to our meeting.

Fax: We also ask our members for fax numbers where they can receive alerts. During the legislative session issues change day to day, leading to the need for immediate action.

While we have found that e-mail is the fastest and cheapest means of contacting our membership, sometimes we need to contact as many members as possible within a specific legislative district.

For example, when our CWP reform bill came to the SC House Floor for a vote, we had a need for our members in a particular House District to contact their representative. One way we alerted our members was to fax all GrassRoots members in that district with a legislative alert and instructions on how they could help. The GrassRoots fax number is 803-755-1201 - send us yours!

ARMED PILOT from Page 13

nition. *USA Today* recently found that twenty-five percent have not met marksmanship standards.

While some fear hijackers might gain control of a pilot's firearm, multiple attackers—even if unarmed—can eventually overcome marshals. If marshals lose control of a hijacked aircraft, would you rather have firearms accessible to hijackers, or locked behind the cockpit door?

Others argue that a pilot using a firearm would be "distracted" from controlling the airplane. But since firearms would be used only against hijackers who've already broken into the cockpit, distraction becomes moot. Is it more "distracting" to shoot an intruder or to have one's throat cut? Moreover, under this logic we should remove fire extinguishers from cockpits because, after all, we wouldn't want pilots "distracted" by having to fight an inflight fire.

But most foolish is the columnist who, recalling an EgyptAir crash from apparent pilot suicide, frets: "And we want men like this to carry guns?" Ignoring the insult to professionals who dedicate themselves to the safety of millions, let me suggest the obvious: In the exceedingly unlikely event a pilot ever decides to sabotage his own airplane, *he doesn't need a weapon.*

EIAI and two major European airlines reportedly arm pilots now. Polls reveal between 73 and 83 percent of airline pilots want firearms. And Gen-

Telephone: Your GrassRoots leadership places their telephone numbers in each newspaper you receive. When calling, please try to call the leader who most likely can answer your question.

These telephone numbers are usually home numbers so please try to use discretion when calling. Calls late at night or very early strain our leadership's volunteer spirit as well as their family's understanding.

The Great GrassRoots Gathering: This Fall GrassRoots will host the Great GrassRoots Gathering. (See page 4 & 5) Representative Suzanna Hupp (TX), remembered most because she watched her parents get murdered in Luby's Cafeteria, will be our keynote speaker.

We will have various seminars on how to make contacting your legislators and getting legislation passed easier to do. Even more importantly, you will have the chance to meet other GrassRoots GunRights members from around the state. It will be a lot of fun.

Your Privacy: GrassRoots has developed the policy to NOT distribute our members' personal information. Your personal information is held in strict confidence.

If you would like assistance joining any of the communication mediums we employ we would be glad to assist you in staying in touch with us.

Larry Coble is the Communications Officer for GrassRoots. He can be contacted at: webmaster@scfirearms.org or at our postal address:

GrassRoots South Carolina
P.O. Box 6383
Columbia, SC 29260

eral Ralph Eberhart, commander of the North American Aerospace Defense Command, calls the downing of a commercial airliner by our own military a "possibility."

Airline terminal evacuations, cockpit break-ins and repeated failures in security screening remind us no screening process is airtight, and no door can be hardened enough. As Congressman John Hostettler remarked, "Doesn't it seem reasonable to insert one more preventative step before an F-16 launches a missile against a passenger plane?"

Help make 'Safer Skies'

After firing Magaw as head of the Transportation Security Administration, the Bush administration appears to be grudgingly moving toward arming pilots. But Senator Ernest Hollings (D-SC), chairman of the Senate Commerce Committee, remains a powerful opponent of armed pilot legislation.

Immediately contact Sen. Hollings and politely remind him that:

- (1) There are simply no rational arguments against arming pilots; and
- (2) That fact has become abundantly clear even to anti-gun legislators such as Sen. Barbara Boxer.

Let him know you expect his support on the issue. Contact Sen. Hollings at: (202) 224-6121 or <http://hollings.senate.gov/email.html>. For more information, check the RightsWatch "Safer Skies" project at www.rightswatch.org.

GRASS ROOTS SOUTH CAROLINA, INC.

MINUTES OF MONTHLY MEETING

September 14, 1999

Captain George's Restaurant, 1000 Knox Abbot Drive, Cayce, SC 29033

Present: Ed Kelleher, Larry Coble, Rob Butler, Roger Thorndike, Tim Finley, Ralph Baker, Tom Burkizer

The meeting started at 6:35 p.m.

Larry Coble reported that we have a newsletter coming out at the beginning of next month and articles are needed. Provide the articles and information by September 23rd or 24th. We are again going to do a mailing to all CWP holders in South Carolina, and will be getting a current list from SLED to do the mailing. The expected cost of the list is approximately \$100.00. We will be mailing out a flyer, probably legal size.

Rob Butler said that he has copied all of the SC firearms and weapons laws and has gone through them and has come up with some proposed changes. He asked what changes we should focus on, whether we should have one bill with all of the changes, or should we try writing up separate changes to each individual bill. The opinion was that a sweeping bill would die in subcommittee, and it would be better to have the changes in individual bills.

Tim Finley has come forward to be the Instructor's Association liaison with Grass Roots

Larry Coble reported that we have some new signs now that businesses can post as an alternative to "no concealed carry" signs.

Ed Kelleher has contacted First Citizens and he is still working with them, and he also has contacted B,B,& T. We are going to be contacting the district coordinators to start bringing information to the gun shows to distribute. We need to work up an educational package for them to use. We are looking for additional ways to educate merchants, and the possibility of picketing businesses that post against concealed carry was discussed. We need to get out to the district coordinators to let them know how they can do a gun show, instructions on how to set up picketing and how to decide what businesses should be picketed.

The meeting ended at 7:00 p.m.

Grass Roots South Carolina Monthly Meeting

Date: March 16, 2004

Location: Captain George's Restaurant, Knox Abbot Drive, Cayce, South Carolina

Present: Ed Kelleher, Paul Peters, Rob Butler, Terry and Stacey Hicks, Tom Burkizer, Mike Walguarnery, Norm Price.

Ed called the meeting to order at 7:00 p.m.

Terry said we definitely need to have a class to train gun show table workers how to work a gun show table. Ed said we need at least to get a video together.

Terry said that he is still checking on the SCE& G posting so he can check it out. Terry said that we might want to rethink what we do when merchants still post against concealed carry, even though their signs are not legal. We should publish a list of those merchants who have signs against concealed carry. We will need to verify that the businesses are still posted. Terry said he would appreciate any help since he is new to the merchant program.

Norm said he talked to Bill Malinowski, and he Bill said that he had contacted the Lexington County Sheriff's Department and he gave them several dates for March and April classes, and they are going to get back to him.

Ed said that we decided at our last meeting that John Borkowski was going to be our next Larry Coble Grass Roots Activist Award winner. Ed said that when he got hold of John, he found that John's wife had died very unexpectedly, and John has plenty of other things on his mind besides being interviewed for the article. So we are going to have Bob Temple from Charleston for the next Grass Roots Activist Award.

Ed said that we still have not made a decision about multi year memberships, or about raising our dues. Ed said that he has talked to other groups and they recommended that we not raise dues unless it is absolutely necessary.

Rob said that we need to put out the word that we are actively seeking a paid employee to take over a lot of the work that needs to be done. Rob said that we have had an extreme shortage of volunteers to step up to the plate to help further the GrassRoots cause, and he won't be able to do all the things he has been doing in the last five years. So for GrassRoots to continue, we will have to hire someone to work full time, unless someone wants to step up and volunteer to take over the work. We need to maintain our presence at the State House. Ed said that the employee would be in the nature of an executive assistant, to do things that need to be done. We need to find the right person who can get things done.

Mike said we have had two gunshows since the last meeting. One in Greenville that was coordinated by Ronnie Rutledge and he did a real good job, getting 30 new members and two renewals. The other show was in Florence a couple of weeks ago.

Rob said that our bill passed the House, was sent to the Senate the same day, Senate sent it to the Judiciary Committee, and the Judiciary Committee has done nothing with it in the last month. Rob said that we were finally able to obtain the latest CWP list. SLED did not want us to have it, but after reviewing the legal reasoning that Rob provided them, SLED could not figure out how not to give it to us, so they sent it to the Attorney General's Office to find a way not to give it to us, and apparently it went to the Governor's Office and they said that they would have to give it to us. Shortly after our receiving the list, Senator Glenn McConnell introduced a Bill that allowed all government lists to be given out under the Family Privacy Protection Act except for the CWP list. Rob said that he finds it interesting that these are the same people that insisted that the CWP list be made public when we originally fought against having the list made public. Then when they find out that the only people making use of the list are pro-gun people, now they want to introduce a bill to shut it down.

Ed said that he received a registered letter from SLED saying that "any person or private entity shall not knowingly obtain or use any personal information, etc, etc. otherwise you are guilty of . . . , and you will be prosecuted with a fine not to exceed \$500 or imprisoned for a term not to exceed one year." Rob made a motion that if any officers get fined that GrassRoots will reimburse them. The motion was seconded, a vote taken and the motion was passed unanimously. We'll be doing a mailing with postcards to the new list.

Norm said that he has been calling from a list of about 100 people who used to be but are no longer GrassRoots members. Norm said that he was able to contact 62 of those people. One guy left the country, three were disconnected numbers, messages were left on 24 answering machines saying we needed for them to renew. 3 of the contacts were businesses. 31 said that they had or would renew their memberships, of the 31, 18 commented that they needed to be reminded by mail or by a postcard that their membership was coming due. Norm said that he was unable to contact 38. No one said that they didn't like GrassRoots. Ed said that we will have to send out more renewal reminders, rather than just one. Norm said that he thinks a postcard would work well as a reminder.

Mike said that there is another Jake Knotts class coming up this weekend at the range and they could use some help out there with instructors and volunteers. Mike said that he and Frank Headley are coming up with a one-page sheet with safety procedures for the range portion.

Rob said that he thinks that one of the reasons H3482 is not moving is because we did not get the response from our members that we needed with the post cards.

Mike said that Jake Knotts wants to pass a resolution in the Senate honoring Mid Carolina and GrassRoots for their help in South Carolinians getting their CWP's. He will let us know when it will come up so we can come down to the State House.

Ed said that our monthly meetings were intended to drum up interest and activity and to bring in new people, and they are not really accomplishing that, so there really is no point in meeting regularly. We can discuss the things that need to be discussed on e-mail. Ed proposed that we discontinue the meetings, at least for awhile. Rob suggested that we do that on the BOD discussion group, not the leadership group, and make sure that anyone who has been coming to the meetings is on the list.

Ed said that we won't have a meeting next month, we'll do it by e-mail, the next newspaper will be coming out April 15th so he would like to get some reports and things like that.

Norm said that we need to put a blurb in the newspaper about the instructor's class in June.

There being no further business, the meeting was adjourned.

Minutes recorded by Tom Burkizer, Secretary



P.O. Box 2446
Lexington, SC 29071
www.scfirearms.org

The below listed individual is a member in good standing of Grass Roots of South Carolina, Inc., also known herein as GrassRoots or GrassRoots GunRights.

<<NAME-PREFIX>> <<NAME-FIRST>> <<NAME-LAST>> <<NAME-SUFFIX>>
<<COMPANY>>
<<ADDRESS>>
<<CITY>> <<STATE>> <<ZIP>>

Membership ID <<ID>> Expires: <<DATE>>

[CUT HERE]

PLEASE MARK YOUR VOTE THEN RETURN THIS LOWER SECTION IN THE ENCLOSED ENVELOPE

Membership Ballot

**TO BE COUNTED THIS BALLOT MUST BE RECEIVED OR
POSTMARKED NO LATER THAN WEDNESDAY APRIL 6, 2011.**
DO NOT DELAY! REPLY NOW! WE EVEN PUT A STAMP ON IT!

1) To protect the privacy of Grass Roots of South Carolina, Inc. members, I authorize the Board of Directors to make the following amendment to the Articles of Incorporation:

Grass Roots of South Carolina, Inc., incorporated July 9, 1999 as a South Carolina non-profit public benefit corporation, adopts the following Amendment of its Articles of Incorporation: To change from a corporation that will have members, to a corporation that will not have members.

☐ **YES:** I approve this change.

☐ **NO:** I do not approve this change.

2) "I assign my proxy to vote or otherwise act for me as a member of Grass Roots of South Carolina, Inc. to the Board of Directors of Grass Roots of South Carolina, Inc.. This proxy is good for 11 months from the date received by GrassRoots and may be revoked at any time by me personally voting in a subsequent election, or by my writing the President of Grass Roots of South Carolina, Inc. with my signed revocation of this proxy."

Signature: _____

For your **proxy** to be valid, please sign above.

For this **ballot** to be valid, the information printed below must be on the returned ballot.

<<NAME-PREFIX>> <<NAME-FIRST>> <<NAME-LAST>> <<NAME-SUFFIX>> Membership #: <<ID>>

GRASS ROOTS of SOUTH CAROLINA, INC. MEMBERSHIP BALLOT

THE FUTURE OF GRASSROOTS DEPENDS ON YOUR IMMEDIATELY READING THIS MAILING, VOTING ON THE AMENDMENT AND RETURNING THE BALLOT TO US.

IN ORDER TO PROTECT YOUR PRIVACY, THE BOARD OF DIRECTORS RECOMMENDS YOU VOTE "YES" TO APPROVE THE AMENDMENT .

You may return this entire ballot to GrassRoots, or you may keep the upper portion of this ballot as proof of current GrassRoots membership.

PLEASE MARK YOUR BALLOT "YES" or "NO" AND RETURN IMMEDIATELY!

TO BE COUNTED THIS BALLOT MUST BE RECEIVED OR POSTMARKED NO LATER THAN WEDNESDAY APRIL 6, 2011.

----- [CUT HERE] -----

PLEASE MARK YOUR VOTE ON THE OPPOSITE SIDE
THEN RETURN THIS LOWER SECTION IN THE ENCLOSED ENVELOPE

IMPORTANT INFORMATION ABOUT THIS BALLOT:

There are 2492 members of GrassRoots eligible to vote who have been mailed this ballot. A quorum will be established if at least 10%, or 250 votes on Item 1, the amendment, are received or postmarked no later than Wednesday April 6, 2011. Item 1, the amendment, will be approved if a quorum is established and two-thirds of the votes received, or 1247 votes, whichever is less, approve the change. A signature is not necessary for the vote on Item 1, the amendment.

Item 2, the proxy is optional, giving it or not, does not affect the vote on Item 1. For your proxy to be valid we must have your signature – please sign in the space provided.

For your ballot to be valid, it must have your name and membership ID number printed at the bottom of the ballot as we have provided.

ABOUT THE AMENDMENT

Public law (Title 33-31-1602) says a non-profit corporation must make its records, including its membership list, available to any voting member, for them to examine or copy. Thus, anyone with the price of membership can have access to our membership list.

Item 1, the amendment, if approved will allow the directors to change the articles of incorporation such that we have no voting members, thus no one is eligible to examine or copy our membership list. With the amendment approved, GrassRoots will still have members and continue to work just as we have for the last 10 years.

ABOUT THE PROXY

If the amendment is approved, the proxy is not needed. If the amendment fails, then your proxy will help the Board of Directors possibly take other action to protect your privacy.

GrassRoots GunRights

P.O. Box 2446 Lexington, SC 29071 <http://www.SCFirearms.org>

**IT IS EXTREMELY IMPORTANT THAT YOU FILL OUT THE ENCLOSED BALLOT
AND RETURN IT IMMEDIATELY. THE ENVELOPE MUST BE RECEIVED OR
POSTMARKED NO LATER THAN WEDNESDAY APRIL 6, 2011!**
(This is so important that we even put postage on the envelope - please use it TODAY!)

THE BOARD OF DIRECTORS OF GRASSROOTS RECOMMENDS YOU
VOTE "YES"
TO APPROVE THE ENCLOSED CHANGE TO OUR ARTICLES OF INCORPORATION

March 23, 2011

Fellow GrassRoots member. This is one of the most important mailings we have ever done. The future of GrassRoots - and your gun rights - depends upon your quick positive response! Please take action TODAY!

We recently found out that anyone with the price of a membership in GrassRoots can obtain the names and addresses of all GrassRoots members. Why? Because South Carolina law mandates that non-profit organizations like GrassRoots GunRights turn over the names and home addresses of dues-paying members of "member" organizations, if requested.

That's right, SC law allows our enemies to demand copies of our GrassRoots membership list with the name and home address of every member. This private personal information of the most active pro gun rights people in SC - and that means YOU - is vulnerable! You and I must act immediately to protect ourselves from those who would use our membership list to cast doubt and confusion among us, rendering us ineffective in the fight to restore our precious liberty.

I view this as a declaration of war on your privacy and mine. I have given my word time and again that we would keep the GrassRoots membership list private. I have told many of you this face to face when recruiting new members at the GrassRoots tables at gun shows. You have my word that I will do everything in my power to make sure that this does not happen.

Let me explain why this problem needs to be fixed NOW.

Unless you get the GrassRoots email Action Alerts, you missed the biggest fight against gun control in the last ten years! And that is why I am writing to you now. There are people who

promised to punish GrassRoots for successfully leading the fight to kill a “poison pill” amendment attached to H. 3292. A “poison pill” amendment is one that contains enough “poison” in it to force people to vote against the entire bill. Politicians - both Democrat and Republican - added a gun control amendment to an otherwise pro gun bill - H. 3292, which made it a “poison pill” amendment.

H. 3292 was a pro gun bill to make SC a “constitutional carry” state, i.e., no permit would be needed to carry a handgun, just like in Vermont, Alaska, Arizona, and Wyoming. GrassRoots supported this pro gun bill, although it needed a couple of amendments to fix some drafting errors and we recommended a few changes to improve the bill.

BUT, instead of simply fixing the problems, the House General Laws subcommittee drastically changed H. 3292. For example, they made it a crime for young adults 18 to 20 years old to possess a handgun in SC - not for hunting, not for competition, not for plinking on the family farm, NO EXCEPTIONS! Young military veterans coming to SC could no longer possess a handgun in SC. These young adults can legally possess handguns now, but would be criminals for doing so if the subcommittee amendment was adopted. The subcommittee did this in spite of the SC Supreme Court specifically ruling in *State v. Bolin* in 2008 that denying young adults the right to possess handguns was unconstitutional!

The House General Laws subcommittee also tried to make it a crime for anyone from out of state, or legal immigrants not yet US citizens, to possess a handgun in SC unless they had a CWP from a reciprocal state - even though they can legally do so now! No out of state family members coming to visit, handgun hunters, or competitive shooters could even *hold* a handgun in SC, unless they had a CWP from a reciprocal state. All those tourists traveling through SC could no longer keep a handgun in the glove box or console of their car, or in their hotel room. Anyone from Georgia, Alabama, or Mississippi would become a criminal for possessing a handgun in SC since SC does not have CWP reciprocity with Georgia, Alabama, or Mississippi. GrassRoots pointed out that our SC Constitution in Article I, § 3 clearly states “nor shall any person be denied the equal protection of the laws.” Thus, the subcommittee amendment was unconstitutional in two different ways!

GrassRoots exposed the unconstitutional, anti gun, House General Laws subcommittee amendment to H. 3292. We made it plain to see, and your overwhelming response let the politicians know you saw what they were doing! The politicians did not like having their unconstitutional, anti gun agenda exposed. At first, they denied the truth about their amendment. Then, they posted an amendment online that was never officially voted on as if it was the official amendment. Then, they started making personal attacks against GrassRoots leaders. Then, they made threats against GrassRoots - the pro gun organization of gun owners that was holding their feet to the fire. You can - and should - read all about what happened on our web site at www.SCFirearms.org.

The fight to kill the “poison pill” amendment to H. 3292 was fast and furious. The anti gun amendment was passed on Feb 24, and was to be presented to the full House Judiciary Committee on March 1, just 5 days later. There was NO time to waste. There was NO time to send out written warnings. GrassRoots had to use email and internet to get people involved. If you have not already

signed up for our email Action Alerts, then sign up online now on our web site - or else you will most likely miss the next big fight to protect your gun rights just like you missed this one!

This unconstitutional, anti gun amendment even caught the eye of both the National Association for Gun Rights (NAGR) and Gun Owners of America (GOA). Both national pro gun groups jumped into the fight to help GrassRoots kill the “poison pill” amendment passed by the House General Laws subcommittee. During and after this fight, GrassRoots GunRights has been threatened with reprisals to both leadership and the organization.

The politicians and their friends were not happy with GrassRoots for exposing and killing the “poison pill” amendment to H. 3292. They told us we needed to learn to “play the game.” Well, protecting your gun rights is not a “game” to GrassRoots. Our only concern is protecting your gun rights, and now - *your* privacy.

There is good news though! You and I can win this war to prevent the confiscation of your name and home address. All we need do is change how GrassRoots is registered with the government from a corporation “with members,” to a corporation “without members.” It is that simple. Once that is done, your name and address and the names and addresses of all GrassRoots members can legally be kept private. And, yes, you will still be a “member” of GrassRoots even after this change for government registration purposes. You will still get our newspapers, mailings and email action alerts. It will still be you - our members - that contact their legislators to let them know “GrassRoots GunRights speaks for me!”

But, I need your help - NOW! The Board of Directors of GrassRoots, of which I am a member, recommends that you vote “YES” to APPROVE the change to the GrassRoots Articles of Incorporation. Please fill out the attached ballot, put it in the return envelope and mail it - TODAY! We even put a stamp on it for you! Doing so NOW will protect your privacy and that of other GrassRoots members.

By filling out the ballot and saying “YES” to APPROVE the change, you will be authorizing the Board of Directors of GrassRoots to amend the Articles of Incorporation of GrassRoots from a corporation “with members,” to a corporation “without members.” The Board of Directors will continue directing GrassRoots’ operations as we have done since July 1999 when we incorporated. Together, over the last 12 years, we have made tremendous strides in regaining our lost liberties in South Carolina. Together in the future we can continue to get closer to our goal of “All good citizens carrying whatever they choose, wherever and whenever they choose!”

But immediately, by saying “YES” to APPROVE this change, you and I will be able to stop the confiscation of your personal information and that of your fellow GrassRoots members.

Once you have filled out your Membership Ballot, please sign and return, in the same envelope, your GrassRoots GunRights Proxy, also included in this letter. Proxies will be needed if too few ballots are returned by the deadline.

You have my word that GrassRoots will not back down from opposing bad policy for the gun owners of South Carolina, even in the face of assaults on your personal privacy. GrassRoots will

continue to fight to protect your gun rights just as we have for over a decade.

You and I can win this battle – but please, you must act NOW!

GrassRoots will emerge from this war stronger and even more committed to achieving full liberty for gun owners in South Carolina.

Please fill out your GrassRoots Membership Ballot and Proxy as soon as possible, and drop it in the mail - TODAY. We even paid the postage so that you can just do it NOW!

You and I have no time to waste.

For liberty,



Ed Kelleher
President
GrassRoots GunRights SC

PS - We have fought many battles together over the years. GrassRoots GunRights:

- ✓ fought to get the Shooting Range Protection Act of 2000 improved and enacted into law;
- ✓ fought to get numerous CWP and gun law improvements enacted into law in 2002;
- ✓ fought to get even more CWP and gun improvements enacted into law in 2004;
- ✓ fought to deny local governments the power to confiscate firearms unless incident to an arrest in 2006 so as to prevent gun confiscations like happened in New Orleans after Hurricane Katrina;
- ✓ fought to get the CWP list made private in 2008; and
- ✓ fought to get limited school carry in 2009 enacted into law.

In addition, we have successfully fought and killed every anti gun bill introduced in the General Assembly since GrassRoots started over a decade ago.

But, we are not done. We still have more we need to accomplish, including, but not limited to, CWP restaurant carry, CWP recognition to allow us to carry in over 30+ states, and constitutional carry.

Allowing our enemies to have the GrassRoots GunRights membership list will make winning back our rights more difficult. So, please send back your ballot TODAY.

Mr. Ed Kelleher
MACRO Inc.
1730 Augusta Rd.
West Columbia, SC 29169

Re. Grass Roots Gun Rights

Dear Sir,

As President of GRSC Inc, Also known as Grass Roots Gun Rights I am sending you this letter of demand.

Under South Carolina Law and as a dues paying member I have the right to receive copies of corporate information from you: or to be given access for myself or my agent to enter the corporate offices and inspect and make copies paper or electronic / digital of the records included in this demand.

See South Carolina Code 33-31-1601., 33-31-1602., 33-31-1603., and 33-31-1620.

Section 33-31-1602 requires that I describe the purpose for which the records are sought and that the request be made in good faith. This description and good faith request follows.

I Ed Looney state that none of the records sought are for any personal gain, financial or otherwise. The purpose for which these records are sought is purely informational and educational. The information provided by Grass Roots SC will be used by myself and passed on to other dues paying members so they will be educated and informed about corporate behavior. This request is in good faith and reasonable. South Carolina law states every member is entitled to have this information and this demand is only so that the information sought can be made available to me and other dues paying members.

I Ed Looney demand the following information.

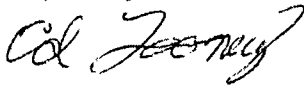
1. Articles or restated articles of incorporation and all amendments to them currently in effect;
2. Bylaws or restated bylaws and all amendments to them currently in effect;
3. Resolutions adopted by the board of directors relating to the characteristics, qualifications, rights, limitations, and obligations of members or any class or category of members;

4. The minutes of all meetings of members and records of all actions approved by the members for the past three years;
5. All written communications to members generally within the past three years, including the financial statements furnished for the past three years under Section 33-31-1620;
6. A list of the names and business or home addresses of its current directors and officers;
7. Most recent report of each type required to be filed by it with the Secretary of State.
8. Membership list as described in South Carolina Code 33-31-1601 (c) This request complies with SECTION 33-31-1605 because it is necessary for those who wish to solicit votes for the upcoming board of director's election. The members list and its use are not sought for any personal gain.

I am including a money order for \$30.00 to defray any costs for reproducing these records. All funds not required to offset the costs for reproduction of records are to be used as a donation to Grass Roots Gun Rights.

As it would be faster and cheaper for all involved I am asking that these records be reproduced electronically on a Compact Disc in a commonly used digital format, MS Office or PDF. I am allowing 10, (ten) days to comply with this demand even though the statutes say 5, (five) days is sufficient. Grass Roots is a small organization and I do not wish to over burden them with the shorter timetable.

Respectfully



Ed Looney Member Grass Roots Gun Rights.

Ed Looney
150 Carolina Way
Fountain Inn SC 29644

United States Postal Service

Certificate of Bulk Mailing

MAILER: Prepare this statement in ink. Affix meter stamp or uncanceled postage stamps covering fee in the block to the right. Present for certification.

Meter stamp or postage (*uncanceled*) stamps in payment of fee to be affixed here and canceled by postmarking, including date.

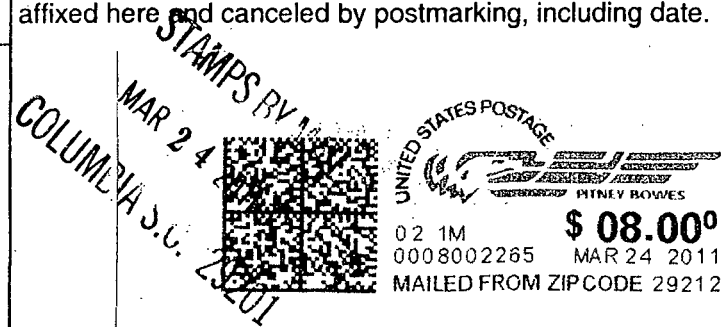
Fee for Certificate

Up to 1,000 pieces (1 certificate for total number) *6.50*

For each additional 1,000 pieces, or fraction ^{*2 x .75*} *1.50*

Duplicate Copy

Use
Current
Rate
Chart



Number of Identical Pieces	Class of Mail	Postage on Each	Number of Pieces to the Pound	Total Number of Pounds	Total Postage Paid	Fee Paid
<i>2486</i>	<i>Nonprofit</i>	<i>Permit</i>	<i>269</i>	<i>147.67</i>	<i>342.85</i>	<i>8.00</i>
Mailed For <i>Grass roots</i>			Mailed By <i>Trevett's Mailing Service</i>			

Postmaster's Certificate

It is hereby certified that the above-described mailing has been received and number of pieces and postage verified.

Ram Sam

(Postmaster or Designee)

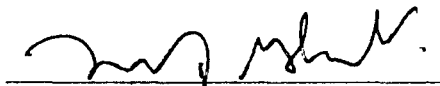
STAMPS BY MAIL
MAR 24 2011
COLUMBIA, S.C. 29201

I, Thomas Glaab, Secretary of Grass Roots South Carolina Inc, on Sunday April 10, in West Columbia, Lexington County, South Carolina, supervised the counting of ballots to change the Grass Roots Articles of Incorporation, and certify that the following are true counts:

Number of valid ballots received: 1,330

Number of valid YES votes: 1,302

Number of valid NO votes: 28



Thomas Glaab
2 Paddington Circle
Charleston, SC 29407
Charleston County

Date: April 14, 2011


April 14, 2011

JEREMY M SOLESBEE
Notary Public, State of South Carolina
My Commission Expires July 13, 2014

STATE OF SOUTH CAROLINA)

IN THE COURT OF COMMON PLEAS
ELEVENTH JUDICIAL CIRCUIT

COUNTY OF LEXINGTON)

Clarence Edward Looney and
Grover E. Lown, Jr.)

Plaintiff,)

CASE NO. 2011-CP-32-1393

Affidavit of Robert Holliday

vs.)

Grass Roots of South Carolina, Inc,)
Ed Kelleher, Robert Butler, and)
Robert Holliday.)

Defendants)

The affidavit, being duly sworn deposes and says as follows:

1. I am Robert Holliday. I am a Certified Public Accountant practicing in Lexington, South Carolina. I have been on the Board of Directors since the inception of Grassroots of South Carolina, Inc (GRSC).

2. I was Treasurer of GRSC from its inception in 1999 until March 31 2010.

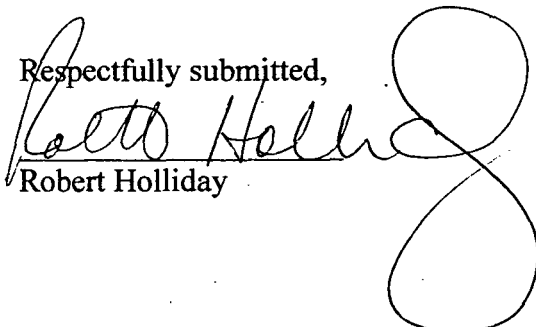
Federal and State Law requires that I maintain financial records for a period of three years. I have the last three (3) years of financial records available for inspection in my office by any member of GRSC. I have never refused to allow any member to inspect the financial records of GRSC.

3. I may have records older than three years stored in my warehouse. If so, it goes beyond the scope of my voluntary duties. My hourly rate to retrieve those records is

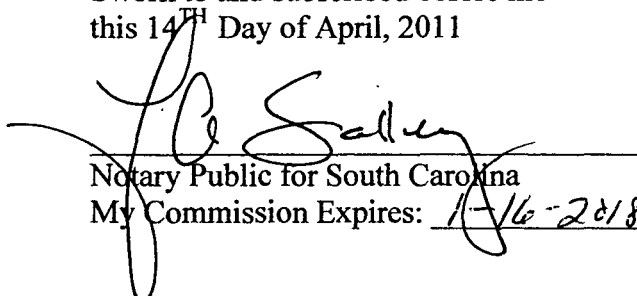
\$260.00/hour.

4. I have paid my staff to perform bookkeeping services which, at the rate I bill clients, was over sixteen thousand dollars (\$16,000) worth service for GRSC. In addition, I provided my services at no charge. I only billed GRSC the annual thirty five dollar (\$35.00) software fee (which is a direct cost) for the preparation of the Form 990.

Respectfully submitted,


Robert Holliday

Sworn to and subscribed before me
this 14TH Day of April, 2011


Notary Public for South Carolina

My Commission Expires: 1-16-2018

STATE OF SOUTH CAROLINA)

IN THE COURT OF COMMON PLEAS
ELEVENTH JUDICIAL CIRCUIT

COUNTY OF LEXINGTON)

Clarence Edward Looney and)
Grover E. Lown, Jr.)

Plaintiffs,)

CASE NO. 2011-CP-32-1393

Affidavit of Robert D. Butler

vs.)

Grass Roots of South Carolina, Inc,)
Ed Kelleher, Robert Butler, and)
Robert Butler.)

Defendants)

The affiant, being duly sworn deposes and says as follows:

I am Robert D. Butler, D.C.. I am an original founder of Grass Roots of South Carolina, Inc.. I have served on the Board of Directors since 1999.

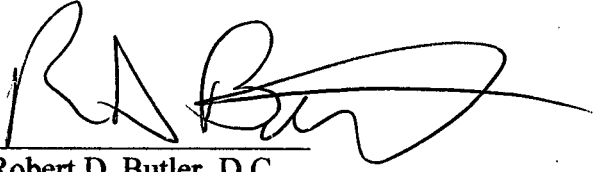
From September 1999 to March 2004, Grass Roots of South Carolina, Inc. (GRSC) held monthly membership meetings. In March 2004, we realized the meetings were no longer accomplishing their purpose. The meetings were poorly attended, and were not productive. We established a members only list serve, and we informed our membership of its existence. Eventually, we realized the electronic meetings were more productive and efficient than having members travel across the state. The electronic meetings allowed people to contribute from the comfort of home and at the time of their choosing. The electronic meetings also allowed people to contribute their thoughts after having time to reflect upon what both they and others had already contributed. The electronic meeting was a superior means of meeting for a volunteer organization spread across the state. I became the moderator of the list serve by default, not choice.

On May 13, 2010, Mr. Ed Looney contacted me and informed me that he was unable to attend monthly meetings. I informed him that "We stopped having monthly meetings many years ago. We stopped because there was virtually no interest in the meetings because people were happy with what was getting done." In addition, the electronic town hall format had proved much more productive.

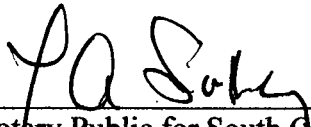
I became aware of Mr. Looney's demand for a GRSC membership list after March 10, 2011. I became concerned because one of Mr. Looney's stated purposes was to share the list with others. The statute requires GRSC to allow a member "to inspect and copy, at a reasonable time and location specified by the corporation, any of the records of the corporation described in Section 33-31-1601(e) ...". We have been willing to allow Mr.

Looney to copy those records at the Corporate office. In the interest of the privacy of our members, it is our policy to require any member who examines those records to agree not to disclose membership information to third parties.

On April 6, 2010, the members of GRSC voted, with 53% of the members voting, by a majority of 98% voted yes to change the GRSC Articles of Incorporation to become a non-member corporation. The stated reason was to protect the privacy of the members.


Robert D. Butler, D.C.

Sworn to and subscribed before me
this 14TH Day of April, 2011


Notary Public for South Carolina
My Commission Expires: 01/16/2018

**STATE OF SOUTH CAROLINA
SECRETARY OF STATE**

ARTICLES OF INCORPORATION

Nonprofit Corporation - Domestic

Filing Fee \$25.00

TYPE OR PRINT CLEARLY IN BLACK INK

Pursuant to S.C. Code of Laws §33-31-202, the undersigned corporation submits the following information:

1. The name of the nonprofit corporation is _____

2. The initial registered office (registered agent's address in SC) of the nonprofit corporation is

Street Address

City

County

State

Zip Code

The name of the registered agent of the nonprofit corporation at that office is

Print Name

I hereby consent to the appointment as registered agent of the corporation.

Agent's Signature

3. Check "a", "b", or "c" whichever is applicable. Check only one box.

a. ☐ The nonprofit corporation is a public benefit corporation.

b. ☐ The nonprofit corporation is a religious corporation.

c. ☐ The nonprofit corporation is a mutual benefit corporation.

4. Check "a" or "b", whichever is applicable.

a. ☐ This corporation will have members.

b. ☐ This corporation will not have members.

5. The address of the principal office of the nonprofit corporation is

Street Address

City

County

State

Zip Code

6. If this nonprofit corporation is either a **public benefit** or **religious corporation** complete either "a" or "b", whichever is applicable, to describe how the remaining assets of the corporation will be distributed upon dissolution of the corporation. **If you are going to apply for 501(c)(3) status, you must complete section "a."**

a. ☐ Upon dissolution of the corporation, assets shall be distributed for one or more exempt purposes within the meaning of section 501(c)(3) of the Internal Revenue Code, or the corresponding section of any future Federal tax code, or shall be distributed to the Federal government, or to a state or local government, for a public purpose. Any such asset not so disposed of shall be disposed of by the Court of Common Pleas of the county in which the principal office of the corporation is then located, exclusively for such purposes or to such organization or organizations, as said court shall determine, which are organized and operated exclusively for such purposes.

☐ If you choose to name a specific 501(c)(3) entity to which the assets should be distributed, please indicate the name of the selected entity.

OR

b. ☐ If the dissolved corporation is not described in Section 501(c)(3) of the Internal Code, upon dissolution of the corporation, the assets shall be distributed to one or more public benefit or religious corporations or to one or more of the entities described in (i) above.

☐ If you chose to name a specific public benefit, religious corporation or 501(c)(3) entity to which the assets should be distributed, please indicate the name of the selected entity.

7. If the corporation is a **mutual benefit corporation** complete either "a" or "b", whichever is applicable, to describe how the (remaining) assets of the corporation will be distributed upon dissolution of the corporation.

a. ☐ Upon dissolution of the mutual benefit corporation, the (remaining) assets shall be distributed to its members, or if it has no members, to those persons to whom the corporation holds itself out as benefiting or serving.

b. ☐ Upon dissolution of the mutual benefit corporation, the (remaining) assets, consistent with the law, shall be distributed to

8. The optional provisions which the nonprofit corporation elects to include in the articles of incorporation are as follows (See S.C. Code of Laws §33-31-202(c)).

9. The name and address of each incorporator is as follows (**only one is required, but you may have more than one**).

Name	Address	Zip Code
_____	_____	_____
_____	_____	_____
_____	_____	_____

10. Each original director of the nonprofit corporation must sign the articles but only if the directors are named in these articles.

Name (only if named in articles)	Signature of director
_____	_____
Name (only if named in articles)	Signature of director
_____	_____
Name (only if named in articles)	Signature of director
_____	_____

11. Each incorporator listed in #9 **must** sign the articles.

Signature of incorporator

Signature of incorporator

Signature of incorporator

12. If the document is not to be effective upon filing by the Secretary of State, the delayed effective date/time is _____

Filing Checklist

- Articles of Incorporation (in duplicate)
- \$25.00 made payable to the SC Secretary of State - Political Associations must also submit CL-1 form and additional \$25.00 fee
- Self-Addressed, Stamped Return Envelope
- Return all documents to: South Carolina Secretary of State's Office
Attn: Corporate Filings
1205 Pendleton Street, Suite 525
Columbia, SC 29201

**STATE OF SOUTH CAROLINA
SECRETARY OF STATE**

**NONPROFIT CORPORATION
ARTICLES OF AMENDMENT**

TYPE OR PRINT CLEARLY WITH BLACK INK

Pursuant to the provisions of Section 33-31-1005 of the 1976 South Carolina Code of Laws, as amended, the applicant delivers to the Secretary of State these articles of amendment.

1. The name of the nonprofit corporation is _____

2. Date incorporated _____

3. Specify (a) the text of every amendment adopted, and (b) list when each amendment was adopted.

4. ☐ By checking this paragraph #4 the applicant represents that (a) approval of the amendment by the members was not required, (b) the amendment was approved by a sufficient vote of the board or directors or the incorporators. (Do not check this paragraph #4 if member vote was required or if the required vote of directors or incorporators was not obtained.)

5. If the approval of the members was required to adopt the amendment(s), provide the following information:

(a) Designation (Classes of Membership)

(b) Number of memberships outstanding

(c) Number of votes entitled to be cast by each class entitled to vote separately on the amendment

(d) Number of votes of each class indisputably voting on the amendment

(e) Complete one of the following as appropriate

(i) Total number of votes cast for and against the amendment by each class entitled to vote separately _____

(ii) Total number of undisputed votes cast for the amendment by each class which was sufficient for approval for that class _____

Name of Corporation

6. ☐ By checking this paragraph #6 the applicant represents that approval of the amendment by some person or persons other than the members, the board, or the incorporators is required pursuant to Section 33-31-1030 of the 1976 South Carolina Code of Laws, as amended, and that the approval was obtained. (Do not mark paragraph #6 if either of these statements is not true.)
7. If the amendment provides for an exchange, reclassification, or cancellation of memberships, provisions for implementing the amendment must be set forth here if provisions are not contained in the amendment itself _____

8. ☐ If this corporation is converting from either a public benefit or religious corporation into a mutual benefit corporation, mark this paragraph #8 which certifies that a notice, including a copy of the proposed amendment, was delivered to the South Carolina Attorney General at least twenty days before the consummation of the amendment.

Date _____

Name of Corporation

Signature of Officer

Type or Print Name and Office

FILING INSTRUCTIONS

1. Two copies of this form, the original and either a duplicate original or a conformed copy, must be filed.
2. If the space in this form is insufficient, please attach additional sheets containing a reference to the appropriate paragraph in this form, or prepare this using a computer disk which will allow for expansion of space on the form.
3. This form must be accompanied by the filing fee of \$10.00 payable to the Secretary of State.

Return to: Secretary of State
1205 Pendleton Street, Suite 525
Columbia, SC 29201

STATE OF SOUTH CAROLINA)
COUNTY OF LEXINGTON)

IN THE COURT OF COMMON PLEAS
ELEVENTH JUDICIAL CIRCUIT

Clarence Edward Looney and)
Grover E. Lown, Jr.)

CASE NO. 2011-CP-32-1393

Plaintiffs)

vs.)

FINAL ORDER

Grass Roots of South Carolina, Inc.,)
Ed Kelleher, Robert Butler, and)
Robert Holliday)

Defendants)

Date of Hearing:

April 18, 2011

Presiding Judge:

The Honorable Knox McMahon

Attorney for Plaintiffs:

S. Jahue Moore Esq.

Attorney for Defendants:

Lourie A. Salley, III Esq.

Court Reporter:

Cookie Roberts

Plaintiffs:

Present

Defendants:

Present

On April 18, 2011, this Court conducted a hearing pursuant to a Summons and Complaint and Rule to Show Cause filed on April 8, 2011. The parties stipulated at that time that this Court should make its decision based on its review of the pleadings, affidavits, and exhibits theretofore submitted. The Court now makes the following findings of fact, conclusions of law, and decision.

STATEMENT OF THE CASE

This is an action for a declaratory judgement and injunctive relief. (Compl. para. 16.) Defendant Grass Roots of South Carolina, Inc. (hereinafter GrassRoots) is a 501(c)(4) corporation organized under the laws of South Carolina for the purpose of engaging in gun rights advocacy. Defendants Kelleher, Butler and Holliday are its board of directors (hereinafter

BOD). Defendants Kelleher and Butler are Defendant GrassRoots' President and Vice President, respectively. (Pl.'s Ex. 4; Looney Aff. para. 7.) Plaintiffs Looney and Lown are members of GrassRoots. Plaintiffs allege, and defendants concede, that GrassRoots is not fully in compliance with its own by-laws and other requirements, although the parties disagree as to the extent and nature of this lack of compliance. GrassRoots has been aware of the compliance problem since prior to November of 2008, as can be seen from Defendant Butler's email statement, which was offered by Plaintiffs, that he was trying to fix the problem. (Pl.'s Ex. 3.) The parties agree that GrassRoots has attempted to change its organizational structure by mail ballot as a way to deal with compliance issues. (Compl. para. 19; Answer and Countercl. para. 20.) Defendants allege that the vote was completed on April 6th, 2011, and that out of 1,330 ballots returned, 1,302 voted to change the organizational structure. (Glaab Aff.; Answer and Countercl. para. 20.) Plaintiffs do not dispute the outcome of the mail ballot vote, but claim only that proper procedures were not followed. (Looney Aff. paras. 12-17.) Plaintiffs now seek to have this court set aside the mail ballot vote by which Plaintiffs' views were overwhelmingly defeated, and reopen the vote with the court supervising a new vote as well as supervising the voting procedure.

FINDINGS OF FACT

The following facts are undisputed:

1. GrassRoots was incorporated on July 9, 1999. (Mem. of and Aff. of Ed Kelleher (hereinafter Kelleher Aff.) para. 1; Looney Aff. paras. 4 & 7.)
2. The individual Defendants reside in Lexington County, South Carolina and the corporate Defendant has offices for the transaction of its business located in Lexington County. (Compl. para. 2; Answer and Countercl. para. 3.)

3. GrassRoots adopted Bylaws. (Pl.'s Ex. 1; Compl. para. 4; Answer and Countercl. para. 8.)

4. Clarence Edward Looney (hereinafter Looney) is a member of GrassRoots and has been a member of GrassRoots for about two years. (Looney Aff. para. 1.)

5. Grover E. Lown, Jr. (hereinafter Lown) failed to allege he is a member of GrassRoots. But, after examining its membership list, GrassRoots concedes that Lown is a member and will not move to strike him as a Plaintiff on the ground of lack of standing. (Compl.)

6. Defendant Kelleher is the President of Defendant GrassRoots. (Pl.'s Ex. 4; Answer and Countercl. para. 10; Kelleher Aff. encl. 5 p. 1.)

7. Defendant Butler is the Vice President of Defendant GrassRoots. (Looney Aff. para. 7; Answer and Countercl. para. 10; Kelleher Aff. encl. 5 p. 1.)

8. Plaintiff Looney sent a letter to Defendant Mr. Ed Kelleher (hereinafter Kelleher), President of GrassRoots, during the first part of March 2011, demanding that GrassRoots - but not Plaintiff Looney nor his attorney nor his agent - inspect, copy and deliver documents to Plaintiff Looney. (Pl.'s Ex. 4; Compl. para. 11; Answer and Countercl. para. 8.)

9. Defendant Kelleher sent Plaintiff Looney copies of the GrassRoots Articles of Incorporation (as amended), the GrassRoots Bylaws, (Pl.'s Ex. 1), the GrassRoots 501(c)(4) classification letter from the IRS, and the most recently filed IRS Form 990 in response to Plaintiff Looney's March 2011 letter. (Answer and Countercl. para. 8; Looney Aff. para. 9.)

10. There has been no annual meeting called since the inception of the corporate Defendant approximately ten years ago. (Looney Aff. para. 2.) Defendants allege there have been membership meetings during that time. (Butler Aff.; Kelleher Aff. encl. 7 p. 3.)

11. GrassRoots mailed a ballot in late March 2011 to GrassRoots members asking the members to vote to change GrassRoots' Articles of Incorporation from a corporation that will have members into a corporation that will not have members. (Kelleher Aff. encl. 8; Looney Aff. para. 12; Kelleher Aff. encl. 11; Kelleher Aff. encl. 9.)

12. GrassRoots was aware of and in the process of remedying GrassRoots' non-compliance issues prior to November 10, 2008. (Pl.'s Ex. 3.)

13. The GrassRoots BOD consists of Ed Kelleher, Robert Butler, and Robert Holliday. (Compl. para. 3; Answer and Countercl. para. 3.)

14. The individual Defendants owe a fiduciary obligation to the corporation and owe a fiduciary obligation to its membership collectively. (Compl. para. 5; Answer and Countercl. para. 3.)

15. Plaintiff Looney claims "[p]ursuant to South Carolina law, the members are entitled to a membership list and access to corporate records." (Compl. para. 10; Answer and Countercl. paras. 7, 8, 15, 21, 24, 30, 31, & 32.)

16. Plaintiff Looney demands that GrassRoots be "required to comply with the terms of the by-laws." (Compl. para. 20; Looney Aff. paras. 12, 16, & 19.)

17. Plaintiff Looney's demand called for GrassRoots to copy and deliver the requested GrassRoots corporate documents. (Pl.'s Ex. 4 p. 2.)

18. Plaintiff Looney admitted that forcing GrassRoots to copy and deliver corporate documents upon Plaintiff Looney's demand was a burden upon GrassRoots. He wrote "I am allowing 10, (ten) days to comply with this demand even though the statutes say 5, (five) days is sufficient. Grass Roots is a small organization and I do not wish to over burden them with the shorter timetable." (Pl.'s Ex. 4 p. 2.)

19. Plaintiff Looney included "a money order for \$30.00" with his letter to Defendant Kelleher sent the first part of March 2011 demanding that GrassRoots copy and deliver the requested GrassRoots corporate documents. Plaintiff Looney stated this was "to defray any costs for reproducing these records." (Pl.'s Ex. 4 p. 2.)

The following facts are in dispute:

1. The parties dispute whether there has ever been a financial accounting by GrassRoots. Plaintiff Looney continues to claim that "there has never been a financial accounting of the corporation," (Looney Aff. para. 4), even after admitting GrassRoots provided him with the most recently filed IRS Form 990, which states the financial position of GrassRoots (Looney Aff. para. 9; Answer and Countercl. para. 8). Plaintiff Looney makes repeated claims of financial abuse by GrassRoots without presenting a single iota of proof or anything else that would cause a reasonable person to be suspicious. (Compl. paras. 12 & 18; Looney Aff. paras. 4, 20, & 21.) Defendants allege GrassRoots' financial records have been maintained by a Certified Public Accountant since its inception. (Holliday Aff. paras. 1 & 2.) In a sworn affidavit dated April 14, 2011, Defendant Holliday, the former GrassRoots treasurer and a Certified Public Accountant practicing in Lexington, SC, stated "Federal and State law requires that I maintain financial records for a period of three years. I have the last three (3) years of financial records available for inspection in my office by any member of [GrassRoots]. I have never refused to allow any member to inspect the financial records of [GrassRoots]." (Holliday Aff. paras. 1 & 2.) (emphasis added)

2. The parties dispute whether GrassRoots has had meetings. Plaintiff Looney claims GrassRoots "has never had a members meeting." (Looney Aff. para. 2.) Defendants allege GrassRoots has minutes from monthly membership meetings starting on September 14,

1999, (Kelleher Aff. encl. 6), and continuing until March 16, 2004, (Kelleher Aff. encl. 7), at which time the minutes reflect that GrassRoots was going to continue to - and actually did continue to - hold member meetings electronically, (Kelleher Aff. para. 4; Kelleher Aff. encl. 7; Butler Aff.).

3. The parties dispute whether GrassRoots has ever elected officers or directors. First, Plaintiff Looney claims GrassRoots “has never had an election of officers or board of directors since its inception about 10 years ago.” (Looney Aff. para. 2.) Then later, Plaintiff Looney creates a dispute with himself when he claims “[t]he Board has previously elected new members to the Board without the consent of the membership. It has removed members from the Board without consent of the membership.” (Looney Aff. para. 19.) The record shows that the number of directors on the board of directors has changed over the years only when a director has resigned, leaving three remaining directors. (Kelleher Aff. para. 6.) Defendant GrassRoots has rightfully never had “an election of officers” because both the GrassRoots Bylaws and SC law state officers of Defendant GrassRoots are appointed by the BOD, not elected by the membership. (Pl.’s Ex. 1 Art. VII sec. 2; Sec. 33-31-840(a) of the SC Code of Laws, as amended.)

4. The parties dispute whether GrassRoots Bylaws offer Plaintiffs the relief they seek. Plaintiff Looney claims the right to receive the information sought in his letter (Pl.’s Ex. 4) sent to GrassRoots in the first part of March 2011 derives from the GrassRoots Bylaws. (Looney Aff. paras. 12, 18, & 19.) Defendants allege the GrassRoots Bylaws provide no basis for a member’s right to receive any of the information sought by Plaintiff Looney. (Pl.’s Ex. 1.) Rather, Defendants allege the right of a member of GrassRoots to obtain the non-profit corporate information sought by Plaintiff Looney is a right provided by the South Carolina Nonprofit

Corporation Act of 1994. (Tit. 33, Ch. 31, Art. 16, Subart. A of the SC Code of Laws, as amended.)

5. The parties dispute whether GrassRoots' Bylaws permit mail ballots. Plaintiff Looney, in referring to the mail ballot sent to the GrassRoots membership to change GrassRoots from a corporation with members to a corporation without members, claims "[t]his 'ballot' does not comply with the Bylaws of the organization." (Looney Aff. para. 12.) Defendants allege amendment of the Articles of Incorporation is specifically addressed in the GrassRoots Bylaws, (Pl.'s Ex. 1 Art. XIV sec. 3), and that GrassRoots has strictly complied with both the GrassRoots Bylaws, (Pl.'s Ex. 1 Art. XIV sec. 3; Pl.'s Ex. 1 Art. III sec. 11; Pl.'s Ex. 1 Art. III sec. 8; Kelleher Aff. para. 7; Kelleher Aff. encls. 8, 9, & 11; Answer and Countercl. para. 20), as well as all applicable sections of the South Carolina Nonprofit Corporation Act of 1994, (Sec. 33-31-708(a), Sec. 33-31-708(b), Sec. 33-31-708(d), Sec. 33-31-1003(a)(2), and Sec. 33-31-1003(c) of the SC Code of Laws, as amended), regarding mail ballots.

6. The parties dispute whether the information included with Defendants' mail ballot solicitation was sufficient. Plaintiff Looney claims "[t]here was no copy of the proposed amendment to the Articles of Incorporation included with the ballots solicited," (Looney Aff. paras. 14 & 16), and "the vote which is now being sought to change the organizational structure without a meeting is based upon fraudulent and misleading information," (Compl. para. 19; Looney Aff. paras. 12, 14, 16, & 17). Defendants allege the exact wording of the proposed amendment to the Articles of Incorporation was provided on the mail ballot wherein it stated "Grass Roots of South Carolina, Inc., incorporated July 9, 1999 as a South Carolina non-profit public benefit corporation, adopts the following Amendment of its Articles of Incorporation: To change from a corporation that will have members, to a corporation that will not have members."

(Kelleher Aff. encl. 8.) (emphasis added) Defendants also allege that the four page letter, (Kelleher Aff. encl. 9), that accompanied the mail ballot, (Kelleher Aff. encl. 8), sent to every voting member of Defendant GrassRoots, (Kelleher Aff. encl. 11), was a clear and straightforward explanation of what the mail ballot would do. Furthermore, the Defendants allege they strictly adhered to every requirement for a mail ballot set by the GrassRoots Bylaws, (Pl.'s Ex. 1 Art. XIV sec. 3; Pl.'s Ex. 1 Art. III sec. 11; Pl.'s Ex. 1 Art. III sec. 8), and the South Carolina Nonprofit Corporation Act of 1994, (Sec. 33-31-708(a), Sec. 33-31-708(b), Sec. 33-31-708(d), Sec. 33-31-1003(a)(2), and Sec. 33-31-1003(c) of the SC Code of Laws, as amended).

7. The parties dispute whether Defendant Butler sent a series of emails urging that meetings not be held. Plaintiff Looney claims "Exhibit 3, is a series of e-mails from Vice-President Robert D. Butler, indicating that meetings are not to be held." (Looney Aff. para. 7.) Defendants allege Plaintiff's Exhibit 3 proves that Plaintiff Looney's claim is clearly erroneous. First, Plaintiff's Exhibit 3 contains only a single email - not a series of emails - from Defendant Butler. Second, the email does not indicate "that meetings are not to be held." (Looney Aff. Ex. 3.) Defendant Butler wrote "[u]ntil we have proposed fixes for the problems with our by-laws, a membership meeting is premature. We do not have proposed fixes ready." (Pl.'s Ex. 3.) Defendants allege that Defendant Butler's email demonstrates that Defendants knew of their compliance problems and were trying to remedy the problem in a cost effective manner since the email Defendant Butler was responding to stated that a meeting room would cost "between \$1000 and \$3000 per day," and Defendant Butler wanted to get the compliance matters and the membership meeting resolved in a single combined meeting rather than two separate meetings so as to minimize expense to the corporate defendant. (Pl.'s Ex. 3.)

8. The parties dispute whether Plaintiff Looney ever made a legally sufficient

demand to inspect and copy records. Plaintiff Looney claims “my requests to inspect the documentation at the corporate offices have been ignored.” (Looney Aff. para. 10.) Defendants deny Plaintiff Looney has ever made any “requests” other than his undated letter demanding GrassRoots provide him with copies, (Pl.’s Ex. 4), and notes the record is devoid of even a single such request ever being made by Plaintiff Looney or Plaintiff Lown.

9. The parties dispute whether the individual defendants, as elected officers and/or directors, had authority to speak and act on behalf of the corporate defendant. Plaintiff Looney claims “[t]he individual Defendants have abused the corporate structure and have sought to speak and act for the corporate Defendant when they have had no authority to do so and have refused to allow the members to participate in the direction and control of the corporate Defendant. (Compl. para. 15.) The parties have already agreed that the individual Defendants are the existing directors on the GrassRoots BOD. (Compl. para. 3; Answer and Countercl. para. 3.) The parties have also agreed that Defendants Kelleher and Butler are also the President and Vice President, respectively, of Defendant GrassRoots. (Pl.’s Ex. 4; Looney Aff. para. 7.) As officers of Defendant GrassRoots, Defendants Kelleher and Butler have the authority “to speak and act for the corporate Defendant.” (Pl.’s Ex. 1 Art. VII secs. 8, & 9; Answer and Countercl. para. 10.) Furthermore, as officers of Defendant GrassRoots, Defendants Kelleher and Butler each “shall hold office until his death, resignation, retirement, removal, disqualification, or his successor shall have been appointed.” (Pl.’s Ex. 1 Art. VII sec. 2.) Defendants further allege that Sections 33-31-701(f) and 33-31-805(d) of the SC Code of Laws, as amended, control this dispute. “The failure to hold an annual or regular meeting at a time stated in or fixed in accordance with a corporation’s bylaws does not affect the validity of a corporate action.” (Sec. 33-31-701(f) of the SC Code of Laws, as amended.) “Despite the expiration of a director’s term,

the director continues to serve until the director's successor is elected, designated or appointed, and qualifies, or until there is a decrease in the number of directors." (Sec. 33-31-805(d) of the SC Code of Laws, as amended.)

10. The parties dispute whether the individual defendants' advocacy activities reflect the wishes of GrassRoots' membership. Plaintiff Looney claims "Defendants have abused the corporate structure and have turned the organization into their own political soap box in order to meet their own political purposes." (Compl. para. 14.) Defendants allege Defendant GrassRoots, as a 501(c)(4) non-profit corporation, (Pl.'s Ex. 1 Art. II; Pl.'s Ex. 5; Looney Aff. para. 9), is restricted by law with regards to partisan politics, and is scrupulous not to violate this law. Neither the individual Defendants on behalf of Defendant GrassRoots, nor Defendant GrassRoots, have ever engaged in partisan politics, and the record is devoid of any evidence or other indication to support such a claim. The individual defendants allege they do, in fact, reflect the views of the overwhelming majority of GrassRoots members on issue advocacy matters, as evidenced by the recent mail ballot vote totals of one thousand three hundred two (1,302) "yes" votes to only twenty-eight (28) "no" votes to do as the GrassRoots BOD asked the members to do, which is ninety-eight (98%) percent support for the GrassRoots BOD. (Glaab Aff.; Answer and Countercl. para. 11.)

11. The parties dispute whether the court should become involved in a dissent by two members who are unhappy with the overwhelming vote of the corporate defendant's other members. Plaintiff Looney claims this Court should supervise GrassRoots "until such times as a meeting can be had." (Compl. para. 20.) Defendants allege that a membership meeting is no longer a proper option for conducting Defendant GrassRoots' business affairs because the GrassRoots membership has properly and overwhelmingly voted to make Defendant GrassRoots

a non-profit corporation without members, (Glaab Aff.; Kelleher Aff. para. 7; Kelleher Aff. encls. 8 & 9), precisely to protect their privacy from dissident members such as Plaintiffs herein who would use the excuse of a membership meeting to obtain a membership list from Defendant GrassRoots (Kelleher Aff. encl. 9).

In consideration of all disputed facts in a light most favorable to the Plaintiffs, the Court makes the following:

CONCLUSIONS OF LAW

The General Assembly established public policy addressing the rights of members of a non-profit corporation and the procedures to be followed when exercising such rights when it enacted the South Carolina Nonprofit Corporation Act of 1994 (hereinafter SCNCA1994). (Sec. 33-31-101 et. seq. of the SC Code of Laws, as amended.) In addition, the General Assembly has reserved to itself the power to amend or repeal it. (Sec. 33-31-102 of the SC Code of Laws, as amended.) Therefore, this Court must interpret the law as written and not attempt to create new public policy or new law through judicial fiat. Furthermore, all parties have consistently demanded this Court enforce existing law, but have not asked this Court to change existing law.

The following legal issues must be addressed by this Court:

- I. Was the letter from Plaintiff Looney to Defendant Kelleher a legally sufficient demand for corporation information to which Defendants had a duty to comply?
- II. Do both the GrassRoots Bylaws and the SCNCA1994 provide that a mail ballot vote of the membership can be used to amend GrassRoots' Articles of Incorporation?
- III. Was the mail ballot vote conducted in accordance with both the GrassRoots Bylaws and the SCNCA1994?

- IV. How does the mail ballot vote affect the rights of members of Defendant GrassRoots both in general and with respect to Plaintiffs?
- V. Should this court become involved in a power struggle between a couple of disgruntled members and the overwhelming vote of a majority of GrassRoots members?
- VI. Should this Court consider Plaintiff Looney's claim that GrassRoots has become too political?
- VII. Should this Court take over management of Defendant GrassRoots' affairs by ordering and supervising meetings or by reviewing the overwhelming vote in favor of a change in corporate structure?
- VIII. Should this court of original jurisdiction decide the Constitutional question of whether NAACP v. Alabama ex. Rel. Patterson, 357 U.S. 449 (1958) overturns SC law on the question of member privacy?

I. Was the letter from Plaintiff Looney to Defendant Kelleher a legally sufficient demand for corporation information for which Defendants had a duty to comply?

The General Assembly addressed several public policy issues regarding the respective rights of non-profit corporations and their members. Our legislature has already resolved the question of whether a member of a non-profit corporation should be allowed to burden the non-profit by forcing it to divert its limited resources from accomplishing the goals of its mission to instead inspect the corporate records to find exactly what documents the member demanded, then copy those records, and finally deliver those records to the member. Our legislature has determined that the member seeking records must bear the burden of inspecting and copying, so as to prevent a disgruntled member from forcing the non-profit corporation to waste its limited resources on clerical work not related to the non-profit corporation's mission. Likewise, our

legislature has determined that a member of a non-profit corporation must not be allowed to suddenly appear at the corporate offices and demand to inspect and copy corporate records without regard for how the non-profit corporation might have already planned to employ its manpower resources for that day. Our legislature has enacted a statute requiring a member of a non-profit corporation to give fair notice of a day certain when the member wanted to inspect and copy the non-profit corporation records. Finally, our legislature has decided a member of a non-profit corporation must not be allowed to demand sensitive information and then use that information in any manner the member so desires. Instead, our legislature has said there must be limits upon how sensitive non-profit corporation information can be used by the member. Our legislature has addressed each of these issues, which are critical to determining whether Plaintiff Looney's demand, (Pl.'s Ex. 4), was legally sufficient to impose a duty upon Defendants, as matters of public policy. This Court is therefore bound to follow the policies enacted into law by our legislature.

Plaintiff Looney's letter of demand was legally insufficient for the following reasons:

1) Plaintiff Looney's specific demand, (Pl.'s Ex. 4), that Defendants perform the inspection, copying, and delivery of the membership list is not supported by law. Section 33-31-1602(b) of the SC Code of Laws, as amended, states "a member is entitled to inspect and copy" the corporate membership list if certain conditions are satisfied, but does not require the Defendants to inspect, copy, and deliver the membership list for the member as was demanded by Plaintiff Looney. Plaintiff Looney included "a money order for \$30.00 to defray any costs for reproducing these records," (Pl.'s Ex. 4), which proves Plaintiff Looney was demanding that Defendants perform the clerical work of inspecting and copying the records. Plaintiff Looney acknowledged he was placing a burden upon Defendants when he stated "Grass Roots is a small

organization and I do not wish to over burden them with the shorter timetable,” (Pl.’s Ex. 4), but the General Assembly - as a matter of public policy - has placed such a burden upon the Plaintiffs, not the Defendants. (Sec. 33- 31-1602(b) of the SC Code of Laws, as amended.) Therefore, Plaintiff Looney’s demand was *void ab initio* and Defendants had no duty to comply.

2) Plaintiff Looney’s demand, (Pl.’s Ex. 4), failed to “give[] the [Defendants] written notice at least five business days before the date on which the [Plaintiff] wishe[d] to inspect and copy” the membership list as required by Section 33- 31-1602(b) of the SC Code of Laws, as amended. Therefore, Plaintiff Looney’s demand was *void ab initio* and Defendants had no duty to comply.

3) Plaintiff Looney’s demand, (Pl.’s Ex. 4), was not “for a proper purpose,” (Sec. 33- 31-1602(c)(1) of the SC Code of Laws, as amended), because on its face he openly stated he was going to share the membership list with others, (Pl.’s Ex. 4). Even if Plaintiff Looney’s demand to inspect and copy had conformed to the requirements of Section 33- 31-1602(b) of the SC Code of Laws, as amended, which it did not, and even if another GrassRoots member had made a proper demand which would have entitled that other member to inspect and copy, Plaintiff Looney is prohibited by Section 33-31-611(b) of the SC Code of Laws, as amended, from transferring his right to inspect and copy to the other member. Defendants have a duty to their membership collectively to ensure that only a member obtains a copy of the membership list, and only for a proper purpose, (Sec. 33-31-1602(c)(1) of the SC Code of Laws, as amended). Therefore, Plaintiff Looney’s demand was *void ab initio* and Defendants had no duty to comply.

Plaintiff Looney alleges “my requests to inspect the documentation at the corporate offices have been ignored,” (Looney Aff. para. 10), a claim Plaintiff Looney did not raise until after reading the Defendants’ Answer and Counterclaim. In their Answer and Counterclaim

Defendants allege that Plaintiffs' failure to demand "to inspect and copy," but instead his demand that Defendants copy and send corporate documents, rendered the entire demand *void ab initio*, (Answer and Countercl. para. 8). Plaintiff Looney provides no evidence - or even specifics - as to when his alleged requests to inspect and copy were made, or the date he requested for inspection and copying. This Court can not recognize such self-serving claims when offered with no evidentiary support.

II. Do both the GrassRoots Bylaws and the SCNCA1994 provide that a mail ballot vote of the membership can be used to amend GrassRoots' Articles of Incorporation?

Both the GrassRoots Bylaws, (Pl.'s Ex. 1 Art. III sec. 11), and the SCNCA1994, (Sec. 33-31-708(a) of the SC Code of Laws, as amended), allow GrassRoots to conduct corporate business through the use of a mail ballot. The GrassRoots Bylaws state "[a]ny action that is required or permitted to be taken at a meeting of the members may be taken without a meeting if the corporation delivers a written ballot to every member entitled to vote on the matter." (emphasis added) (Pl.'s Ex. 1 Art. III sec. 11.) The SCNCA1994 states "[u]nless prohibited or limited by the articles or bylaws, any action that may be taken at any annual, regular, or special meeting of members may be taken without a meeting if the corporation delivers a written or electronic ballot to every member entitled to vote on the matter." (emphasis added) (Sec. 33-31-708(a) of the SC Code of Laws, as amended.) Therefore, Defendants' use of a mail ballot vote was an approved means for conducting corporate business according to both the GrassRoots Bylaws and the SCNCA1994.

Both the GrassRoots Bylaws, (Pl.'s Ex. 1 Art. XIV sec. 3), and the SCNCA1994, (Sec.

33-31-1003(c) of the SC Code of Laws, as amended), allow GrassRoots to amend its Articles of Incorporation through the use of a written ballot. The GrassRoots Bylaws state “[i]f the Board of Directors or the members seek to have the proposed amendment of the Articles of Incorporation approved by the members using written consent or written ballot, the material soliciting the approval must contain a copy of the proposed amendment to the Articles of Incorporation.”

(Pl.’s. Ex. 1 Art. XIV sec. 3.) The SCNCA1994 states “[a] corporation may amend its articles of incorporation to add or change a provision that is required or permitted in the articles or to delete a provision not required in the articles,” (Sec. 33-31-1001(a) of the SC Code of Laws, as amended), and “[i]f the board or the members seek to have the amendment [to the Articles of Incorporation] approved by the members by written consent or written ballot, the material soliciting the approval shall contain or be accompanied by a copy or summary of the amendment,” (Sec. 33-31-1003(c) of the SC Code of Laws, as amended). Therefore, Defendants’ use of a mail ballot vote was an approved means for amending the Articles of Incorporation according to both the GrassRoots Bylaws and the SCNCA1994.

Defendants allege that a mail ballot vote was actually a better alternative than a vote at a membership meeting to determine the will of the entire membership. A mail ballot vote, with a postage paid return envelope included, (Kelleher Aff. para. 7), allows every member to easily make his vote count, while a membership meeting virtually always forces members to make a choice between 1) attending a far away meeting in order to vote, or 2) attending to work, family, or social obligations at home and missing the vote at the membership meeting. Defendants’ experience is that meetings are poorly attended. (Kelleher Aff. paras. 4 & 6; Kelleher Aff. encl. 7; Butler Aff..) Defendants allege that the likelihood of over fifty-three (53%) percent of the membership, which is the percentage of GrassRoots’ members who responded to the mail ballot,

(Glaab Aff.; Kelleher Aff. encl. 11), attending a membership meeting is extremely small. Thus, the mail ballot provided Defendants with the best guidance as to what the members wanted the Defendants to do on behalf of the membership.

III. Was the mail ballot vote conducted in accordance with both the GrassRoots Bylaws and the SCNCA1994?

The GrassRoots Bylaws state that a mail ballot vote to amend the Articles of Incorporation “must contain a copy of the proposed amendment to the Articles of Incorporation,” (Pl.’s Ex. 1 Art. XIV sec. 3), “provide an opportunity to vote for or against [the] proposed [amendment],” (Pl.’s Ex. 1 Art. III sec. 11), “state the date the ballot must be received by the corporation to be counted,” (Pl.’s Ex. 1 Art. III sec. 11), and that “[a]pproval by written ballot shall be valid only if the number of votes cast by ballot equals or exceeds the quorum required and the approvals equal or exceed the number of votes required to approve the matter at a meeting,” (Pl.’s Ex. 1 Art. III sec. 11). The GrassRoots Bylaws state “[t]en percent (10%) of the members entitled to vote on the matter constitutes a quorum on that matter. If a quorum is present, the affirmative vote of a majority of the votes cast is the act of the members.” (Pl.’s Ex. 1 Art. III sec. 8.) Thus, at least two hundred fifty votes were needed to constitute a quorum, (Kelleher Aff. encl. 11; Kelleher Aff. para. 7), and a simple majority of those votes would constitute “the act of the members.”

The SCNCA1994, (Sec. 33-31-101 et. seq. of the SC Code of Laws, as amended), addresses the issue of a mail ballot to amend a non-profit corporation’s Articles of Incorporation and states “[i]f the corporation has members entitled to vote on the amendment, . . . an amendment to a corporation’s articles to be adopted must be approved . . . by the members by

two-thirds of the votes cast or a majority of the voting power, whichever is less,” (Sec. 33-31-1003(a)(2) of the SC Code of Laws, as amended) (emphasis added); “[i]f the board . . . seek[s] to have the amendment approved by the members by written consent or written ballot, the material soliciting the approval shall contain or be accompanied by a copy or summary of the amendment,” (Sec. 33-31-1003(c) of the SC Code of Laws, as amended); the “written . . . ballot shall: (1) set forth each proposed action; and (2) provide an opportunity to vote for or against each proposed action,” (Sec. 33-31-708(b) of the SC Code of Laws, as amended); and any solicitation “for votes by written . . . ballot shall: (1) indicate the number of responses needed to meet the quorum requirements; (2) state the percentage of approvals necessary to approve each matter . . . ; and (3) specify the time by which a ballot must be received by the corporation in order to be counted,” (Sec. 33-31-708(d) of the SC Code of Laws, as amended).

A copy of the proposed amendment to the Articles of Incorporation must be included with the mail ballot to satisfy the GrassRoots Bylaws, (Pl.’s Ex. 1 Art. XIV sec. 3), and either a copy or summary of the amendment must be included with the mail ballot to satisfy the SCNCA1994, (Sec. 33-31-1003(c) of the SC Code of Laws, as amended). This Court takes judicial notice of the South Carolina Secretary of State’s web site wherein the forms required to file a non-profit corporation’s Articles of Incorporation are found.

(<http://www.scsos.com/forms/Non%20Profits/ArticlesofIncorporationNPDomestic.pdf>) Item 4 of the official South Carolina Secretary of State Articles of Incorporation form requires only that the corporation check a box to show whether “[t]his corporation will have members,” or whether “[t]his corporation will not have members.” (emphasis added) The Defendant GrassRoots’ mail ballot included the statement ““Grass Roots of South Carolina, Inc., incorporated July 9, 1999 as a South Carolina non-profit public benefit corporation, adopts the following Amendment of its

Articles of Incorporation: To change from a corporation that will have members, to a corporation that will not have members.” (emphasis added) (Kelleher Aff. encl. 8.) It is obvious that the GrassRoots proposed amendment to its Articles of Incorporation includes a copy of the proposed amendment using any reasonable interpretation.

The GrassRoots mail ballot included a copy of the amendment. (Kelleher Aff. encl. 8.) The GrassRoots mail ballot satisfied every other requirement set by the GrassRoots Bylaws, (Pl.’s Ex. 1 Art. XIV sec. 3; Pl.’s Ex. 1 Art. III sec. 11; Pl.’s Ex. 1 Art. III sec. 8), or the SCNCA1994, (Sec. 33-31-708(a), Sec. 33-31-708(b), Sec. 33-31-708(d), Sec. 33-31-1003(a)(2), and Sec. 33-31-1003(c) of the SC Code of Laws, as amended), as noted in the above paragraphs. (Kelleher Aff. encls. 8 & 11.) In fact, the GrassRoots mail ballot vote satisfied whichever standard was the most stringent standard on any given issue. In fact, while Section 33-31-1003(a)(2) of the SC Code of Laws, as amended, states “an amendment to a corporation’s articles to be adopted must be approved . . . by the members by two-thirds of the votes cast or a majority of the voting power, whichever is less” (emphasis added), Defendant GrassRoots satisfied this element both with ninety-eight (98%) percent of the votes cast and a majority of the voting power, (Glaab Aff.; Kelleher Aff. encl. 11). Therefore, the mail ballot vote was conducted in accordance with and in complete compliance with both the GrassRoots Bylaws and the SCNCA1994.

IV. How does the mail ballot vote affect the rights of members of Defendant GrassRoots both in general and with respect to Plaintiffs?

The rights of a member of a non-profit corporation found in Sections 33-31-1602 through 33-31-1605 of the SC Code of Laws, as amended, are premised upon the fact that a non-profit

corporation actually has members. But, Section 33-31-603 of the SC Code of Laws, as amended, states “[a] corporation is not required to have members.” Therefore, if a non-profit corporation does not have members, then Sections 33-31-1602 through 33-31-1605 of the SC Code of Laws, as amended, are inapplicable to that non-profit corporation because there are no members who have rights of membership to assert.

Defendant GrassRoots’ members voted overwhelmingly to change Defendant GrassRoots’ corporate structure from one that does have members into one that does not have members. (Glaab Aff.; Kelleher Aff. encls. 8 & 9) Over fifty-three (53%) percent of the members entitled to vote (i.e., the voting power) returned their ballots, and ninety-eight (98%) percent of those voted “yes” to change from a corporation that will have members, to a corporation that will not have members (only a two thirds majority was needed to pass). (Glaab Aff.; Kelleher Aff. encls. 8 & 11.) More than fifty-two (52%) percent of all the members entitled to vote (i.e., the voting power) voted “yes” to change from a corporation that will have members, to a corporation that will not have members (only a simple majority was needed to pass). (Glaab Aff.; Kelleher Aff. encls. 8 & 11.) Using the most demanding standard required to pass the mail ballot vote, only eight hundred eighty-seven (887) votes (i.e., two thirds of 1330) were needed to pass the mail ballot vote. (Sec. 33-31-1003(a)(2) of the SC Code of Laws, as amended.) The GrassRoots membership overwhelmingly approved the mail ballot with one thousand three hundred two (1302) votes, (Glaab Aff.), in support of changing Defendant GrassRoots into a non-profit corporation that will not have members, (Kelleher Aff. encl. 8).

Section 33-31-1008 of the SC Code of Laws, as amended, controls on questions regarding the effect of an amendment and restatement of Defendant GrassRoots' Articles of Incorporation. Section 33-31-1008 of the SC Code of Laws, as amended, protects, among other

rights, "the existing rights of persons other than members of the corporation." (emphasis added) Plaintiffs claim to be members, and Defendants concede that they were, which brings Plaintiffs under the provisions of Section 33-31-1008 of the SC Code of Laws, as amended. Furthermore, Section 33-31-1001(c) of the SC Code of Laws, as amended, states "a member of the corporation does not have a vested property right resulting from any provision in the articles of incorporation or bylaws." Therefore, Plaintiffs no longer have any rights of membership to assert based upon Sections 33-31-1602 through 33-31-1605 of the SC Code of Laws, as amended, which forms the entire basis of the Plaintiffs' case.

As to the Plaintiffs' case in particular, two days prior to the Plaintiffs filing suit against Defendants, GrassRoots members completed the mail ballot vote to amend GrassRoots' Articles of Incorporation to change the corporate structure of Defendant GrassRoots from one that will have members into one that will not have members. (Kelleher Aff. encls. 8 & 9.) The results of the ballot vote of April 6, 2011, amended the GrassRoots Articles of Incorporation to change GrassRoots into a non-profit corporation that does not have members. (Glaab Aff.; Kelleher Aff. encls. 8 & 9.) Section 33-31-1008 of the SC Code of Laws, as amended, states the existing rights of members are not protected if the Articles of Incorporation are amended, and Section 33-31-1001(c) of the SC Code of Laws, as amended, states that the prior right was not a vested property right. As a result of the foregoing, GrassRoots members have voted overwhelmingly, (Glaab Aff.), to extinguish any rights members, including the Plaintiffs, had prior to the mail ballot vote to inspect and copy the non-profit corporation records of Defendant GrassRoots.

Section 33-31-708 of the SC Code of Laws, as amended, provides that "any action that may be taken at any annual, regular, or special meeting of members may be taken without a meeting if the corporation delivers a written or electronic ballot to every member entitled to vote

on the matter." (emphasis added) Therefore, Defendants holding a vote by mail ballot, (Kelleher Aff. encls. 8, 9, & 11), and not at a called meeting, was proper.

Section 33-31-1001(c) of the SC Code of Laws, as amended, states "a member of the corporation does not have a vested property right resulting from any provision in the articles of incorporation or bylaws."

Section 33-31-1008 of the SC Code of Laws, as amended, controls on questions regarding the effect of an amendment and restatement of Defendant GrassRoots' Articles of Incorporation. That section protects, among other rights, "the existing rights of persons other than members of the corporation," which Plaintiffs claim to be and Defendants concede. (emphasis added) (Sec. 33-31-1008 of the SC Code of Laws, as amended.)

These sections of the South Carolina Code of Laws are determinative of the respective rights of the parties herein, and this case should be dismissed.

V. Should this court become involved in a power struggle between a couple of disgruntled members and the overwhelming vote of a majority of GrassRoots members?

This is the heart of the case. Plaintiffs' case can be distilled down to four (4) issues: 1) the issue of meetings, (Compl. paras. 8, 9, 11, 17, 19, & 20; Looney Aff. paras. 2, 6, 7, & 20); 2) the issue of the mail ballot vote, (Compl. paras. 11, 19, 20, 21, & 22; Looney Aff. paras. 12, 13, 14, 15, 16, 17, & 18); 3) the issue of alleged financial abuse, (Compl. paras. 12, 18, 20, 21, & 22; Looney Aff. paras. 4, 20, & 21); and 4) the issue of how GrassRoots has been run, especially the positions that GrassRoots has taken on the gun rights advocacy, (Compl. paras. 6, 13, 14, 15, 17, 18, 21, & 22; Looney Aff. paras. 3, 9, 10, 12, 19, & 20).

On the issue of meetings, (Compl. paras. 8, 9, 11, 17, 19, & 20; Looney Aff. paras. 2, 6, 7, & 20), Plaintiffs allege that Defendants have been aware of certain compliance issues

regarding meetings since before November of 2008, years prior to Plaintiffs bringing this action, (Pl.'s Ex. 2; Pl.'s Ex. 3). Defendants allege they have been working to address these issues. (Pl.'s Ex. 3.) The vote to change Defendant GrassRoots from a membership to a non-membership non-profit corporation, completed two days before Plaintiffs commenced this action, was done after seeking legal counsel on how to bring Defendant GrassRoots into compliance, (Kelleher Aff. para. 6), and was a major part of Defendant's efforts, (Kelleher Aff. encl. 8; Glaab Aff.).

The failure of Defendant GrassRoots to have as many meetings as required of a non-profit corporation with members is one of the primary issues of concern for Plaintiffs in this case. (Compl. paras. 8, 9, 11, 17, 19, & 20; Looney Aff. paras. 2, 6, 7, & 20.) Both Defendant GrassRoots' Bylaws, (Pl.'s Ex. 1 Art. III sec. 2), and the SCNCA1994, (Sec. 33-31-701 of the SC Code of Laws, as amended), require meetings that would not otherwise be required if Defendant GrassRoots was a non-profit corporation that did not have members. Therefore, one of the methods Defendants used to bring Defendant GrassRoots into compliance on the issue of meetings was to change the corporate defendant's organizational structure to one that does not have members. (Kelleher Aff. encl. 8; Glaab Aff..) To make this change they held a mail ballot vote, in accordance both with GrassRoots' own Bylaws, (Pl.'s Ex. 1 Art. III sec. 11; Pl.'s Ex. 1 Art. XIV sec. 3), and also with the provisions of the SCNCA1994, (Sec. 33-31-708(a), Sec. 33-31-708(b), Sec. 33-31-708(d), Sec. 33-31-1003(a)(2), and Sec. 33-31-1003(c) of the SC Code of Laws, as amended). The change was approved by an overwhelming ninety-eight (98%) percent majority of GrassRoots members who voted in the mail ballot. (Glaab Aff.; Kelleher Aff. encl. 11.) Plaintiffs have offered no evidence to support any allegation of impropriety in the vote or the method of voting. The vote of the membership of Defendant GrassRoots, (Kelleher Aff.

encl. 11), to change the GrassRoots corporate structure into a corporation that has no members, (Kelleher Aff. encl. 8; Glaab Aff.), completed two days before Plaintiffs commenced this action, (Kelleher Aff. encl. 8), has effectively brought Defendant GrassRoots into compliance with meeting requirements since there can no longer be a requirement to have member meetings when there are no members. Therefore, this Court can give no support to Plaintiffs on the issue of meetings.

On the issue of the mail ballot vote, (Compl. paras. 11, 19, 20, 21, & 22; Looney Aff. paras. 12, 13, 14, 15, 16, 17, & 18), Defendants would ask that the arguments made in “II. Do both the GrassRoots Bylaws and the SCNCA1994 provide that a mail ballot vote of the membership can be used to amend GrassRoots’ Articles of Incorporation?”, “III. Was the mail ballot vote conducted in accordance with both the GrassRoots Bylaws and the SCNCA1994?”, and “IV. How does the mail ballot vote affect the rights of members of Defendant GrassRoots both in general and with respect to Plaintiffs?” from above be incorporated herein as if fully set forth verbatim. As is shown therein, Plaintiffs’ claims that the mail ballot was somehow flawed are unsupported by the GrassRoots Bylaws, (Pl.’s Ex. 1), the SCNCA1994, (Sec. 33-31-101 et. seq. of the SC Code of Laws, as amended), or any other evidence before the court. Therefore, there is no reason for this Court to reopen the vote or supervise a new vote, or to become involved in a power struggle involving two disgruntled members who just want a second bite of the apple.

On the issue of alleged financial abuse, (Compl. paras. 12, 18, 20, 21, & 22; Looney Aff. paras. 4, 20, & 21), Plaintiffs make repeated claims of financial abuse by Defendants without offering a single iota of proof, specific allegations, or anything else that would cause a reasonable person to be suspicious. Plaintiff Looney continues to claim that “there has never

been a financial accounting of the corporation,” (Looney Aff. para. 4), even after admitting GrassRoots provided him with the most recently filed IRS Form 990, which states the financial position of GrassRoots (Looney Aff. para. 9; Answer and Countercl. para. 8). Plaintiff Looney has failed to identify a single alleged financial wrongdoing or even offer specifics as to any reasonable suspicion of wrongdoing. Defendant GrassRoots’ financial records have been maintained by a Certified Public Accountant since its inception. (Holliday Aff. paras. 1 & 2.) In a sworn affidavit dated April 14, 2011, Defendant Holliday, the former GrassRoots treasurer and a Certified Public Accountant, stated “Federal and State law requires that I maintain financial records for a period of three years. I have the last three (3) years of financial records available for inspection in my office by any member of [GrassRoots]. I have never refused to allow any member to inspect the financial records of [GrassRoots].” (Holliday Aff. para. 2.) (emphasis added) Therefore, this Court can give no support to vague accusations on the issue of alleged financial abuse when unsupported by any evidence or specifics whatsoever.

Defendants would ask the Court to take judicial notice of the fact that IRS Form 990s - including those for Grass Roots of South Carolina, Inc. - are freely available in the public domain. Two no cost internet sites providing multiple years of Form 990 information can be found at <http://nccsdataweb.urban.org/PubApps/990search.php> (search for “Grass Roots of South Carolina” in the state of “South Carolina” and tax years 2004 to 2009 are available), and <http://foundationcenter.org/findfunders/990finder/> (search for “Grass Roots of South Carolina, Inc.” in the state of “South Carolina” and tax years 2004 to 2009 are available on page 58). Plaintiffs’ unsupported accusations of financial abuse by Defendants, in spite of evidence to the contrary actually in Plaintiffs’ possession, evidence easily obtainable from the public domain, combined with Plaintiffs’ failure to properly request such information, seem designed to ensnare

this Court into doing something the Plaintiffs could not otherwise accomplish - silencing the Defendants. This Court should not allow itself to be used by the Plaintiffs to silence the Defendants using unfounded accusations of financial abuse while providing no evidence or even specifics of reasonable suspicion of financial wrongdoing.

On the question of how GrassRoots has been run, especially the positions that GrassRoots has taken on gun rights advocacy, (Compl. paras. 6, 13, 14, 15, 17, 18, 21, & 22; Looney Aff. paras. 3, 9, 10, 12, 19, & 20), Defendants admitted that Plaintiffs are disgruntled with Defendants' failure to engage in partisan politics rather than remain a single issue gun rights advocacy organization, (Answer and Countercl. para. 11). Defendants Kelleher and Butler are officers of Defendant GrassRoots, (Pl.'s Ex. 4; Looney Aff. para. 7; Answer and Countercl. para. 10; Kelleher Aff. encl. 5 p. 1), and are thus charged with running the day to day operations of Defendant GrassRoots, (Pl.'s Ex. 1 Art. VII secs. 8 & 9). According to the GrassRoots Bylaws, as officers of Defendant GrassRoots, and to be differentiated from members of the BOD, Defendants Kelleher and Butler each "shall hold office until his death, resignation, retirement, removal, disqualification, or his successor shall have been appointed." (Pl.'s Ex. 1 Art. VII sec. 2.) The record is devoid of any evidence to show or even suggest that Defendants have failed to properly perform their duties other than hold enough member meetings. But, with the change of GrassRoots' corporate structure from a non-profit corporation with members into a non-profit corporation without members, (Kelleher Aff. encl. 8; Glaab Aff.), the issue of member meetings becomes moot. Therefore, this Court can give no support to Plaintiff on the issue of how GrassRoots has been run.

VI. Should this Court consider Plaintiff Looney's claim that GrassRoots has become too political?

This question seems to involve Plaintiffs' unhappiness with the corporate defendant's pro-gun advocacy activities, with the individual defendants' leadership of the corporate defendant, and with the overwhelming vote to change GrassRoots structure in ways Plaintiffs do not like. In substance, Plaintiffs want this court to decide, by injunctive or declaratory ruling, (Compl. para. 16), whether Defendants are in violation of the restrictions on political activity imposed under Internal Revenue Code Section 501(c)(4). Plaintiffs have offered no evidence to support such a ruling. This Court should refrain from getting involved with intra-organizational squabbling initiated by two disgruntled members trying to overturn the will of the overwhelming majority, (Glaab Aff.), especially when the two disgruntled members have produced no evidence or specifics of any wrongdoing worthy of entangling this Court in the day to day affairs of Defendants.

VII. Should this Court take over management of Defendant GrassRoots' affairs by ordering and supervising meetings or by reviewing the overwhelming vote in favor of a change in corporate structure?

As previously stated, this entire case seems to be predicated on Plaintiffs' unhappiness with the corporate defendant's pro-gun advocacy activities, with the individual defendants' leadership of it, and with the overwhelming vote to change GrassRoots structure in ways Plaintiffs do not like. Plaintiffs would have this Court set aside the overwhelming majority vote to change GrassRoots corporate structure, would have this Court supervise a new vote, and are asking this Court to become involved in day to day management of the corporate defendant's affairs. (Compl. paras. 17, 19, & 21.) Again, Plaintiffs have failed to offer any evidence in support of such a determination.

VIII. Should this court of original jurisdiction decide the Constitutional question of whether NAACP v. Alabama ex. Rel. Patterson, 357 U.S. 449 (1958) overturns SC law on the question of member privacy?

Plaintiffs want access to GrassRoots' membership data. Defendants do not want to provide this data, citing the privacy of their gun-owning members. The Court takes judicial notice of the fact that questions involving gun ownership can generate strong feelings on both sides. A similar question involving membership lists and privacy was raised in NAACP v. Alabama ex. Rel. Patterson, 357 U.S. 449 (1958), which might be controlling in this case.

Defendants have promised members and prospective members of GrassRoots that the GrassRoots membership list is private, (Kelleher Aff. encl. 4 p. 2 col. 2 para. 3; Kelleher Aff. encl. 5 p. 2 col. 4 para. 5; Kelleher Aff. encl. 2 p. 2 col. 2 para. starts with "The E-Newsletter") and have made this promise since even before GrassRoots was incorporated, (Kelleher Aff. encl. 3 p. 2 col. 3 para. 1). GrassRoots members desire that the GrassRoots membership list be kept private, (Kelleher Aff. encl. 9), which is why GrassRoots members voted by an overwhelming 98% to 2% vote total, (Glaab Aff.), to change the corporate structure of GrassRoots from a non-profit corporation with members to a non-profit corporation that will not have members, (Kelleher Aff. encl. 8 p. 1). Therefore, Defendants have a fiduciary duty to the entire GrassRoots membership in general, (Compl. para. 5; Answer and Countercl. para. 3), to protect the privacy of GrassRoots members by keeping its membership list private.

GrassRoots members - whom Defendants believe are virtually all gun owners - want their privacy protected for the following reasons, including but not limited to: 1) to protect their jobs since South Carolina is an "at will" employment state, which allows an employer to fire an employee for the "politically incorrect" act of belonging to a pro gun rights advocacy organization like GrassRoots; 2) to protect their ability to insure their assets since GrassRoots

members and other gun owners can have - and have already had - their homeowner's insurance policies cancelled simply for possessing and shooting firearms, (Kelleher Aff. encl. 5 p. 1 bottom third of page); 3) to protect their families from harassment by those who disagree with the mission or actions of GrassRoots; 4) to protect their families, homes, and firearms since allowing GrassRoots members' names to be released could easily make them the target of criminals who target homes in order to steal firearms, or of criminals who target vehicles where handguns are kept when a concealed weapon permit holder (Defendants believe most GrassRoots members are concealed weapon permit holders) is prevented from carrying the firearm into a prohibited carry location; and 5) to protect the mission of GrassRoots from those who would sow dissension and discord in order to impede the effectiveness of GrassRoots. (Answer and Countercl. para. 16.) Therefore, Defendants have a fiduciary duty to the GrassRoots entire membership in general, (Compl. para. 5; Answer and Countercl. para. 3), to protect the privacy of GrassRoots members by keeping its membership list private.

Plaintiff Looney's March letter, (Pl.'s Ex. 4), demanding GrassRoots provide him with copies of documents is inconsistent with the provisions of Section 33-31-1602(a) of the SC Code of Laws, as amended, and is therefore *void ab initio*. Plaintiff Looney's claim that he also asked to inspect and copy, (Looney Aff. para. 10), which would have been consistent with the provisions of Section 33-31-1602(a) of the SC Code of Laws, as amended, is unsupported by any evidence or even any specifics. And, even if Plaintiffs had made a proper demand, their right to inspect and copy would not have survived the vote to change GrassRoots from a membership to a non-membership corporation, (Kelleher Aff. encl. 8; Glaab Aff.), as is clear from the provisions of Section 33-31-1008 of the SC Code of Laws, as amended.

Since Plaintiffs' demand for copies was *void ab initio*, and since Plaintiffs' right to inspect

and copy was extinguished by the vote to change GrassRoots into a non-member corporation, (Kelleher Aff. encl. 8; Glaab Aff.), this Court, which is a court of original jurisdiction, does not need to decide whether NAACP v. Alabama ex. Rel. Patterson overturns Section 33-31-1602(a) of the SC Code of Laws, as amended.

SUMMARY

Plaintiff Looney, by undated letter in March of 2011, (Pl.'s Ex. 4), demanded Defendants provide him with copies of numerous documents, including Articles of Incorporation, Bylaws, resolutions, minutes of meetings, written communications and a membership list. Plaintiff Looney included a money order in the sum of \$30 to defray the Defendants' cost of reproducing those documents. (Pl.'s Ex. 4.) Section 33-31-1602(a) of the SC Code of Laws, as amended, allows a member to "inspect and copy" certain records, if "the member gives the corporation written notice or a written demand at least five business days before the date on which the member wishes to inspect and copy." There is no provision in that code section, in the GrassRoots Bylaws, or anywhere else by which Plaintiffs can demand that copies be furnished to them by Defendants. And, Section 33-31-1602(a) of the SC Code of Laws, as amended, requires any demand to "inspect and copy" contain a "written notice at least five business days before the date on which the member wishes to inspect and copy." Defendants argue these defects mean the demand letter, on its face, fails to meet the requirements of the law, and is therefore *void ab initio*. (Answer and Countercl. para. 8.)

This matter was scheduled to be before this Court on April 18, 2011, at 11:00 am. Defendants served Plaintiffs with an Answer and Counterclaim shortly before 11:00 am. The Answer and Counterclaim cited Plaintiffs' failure to meet the requirements of Section 33-31-

1602(a) of the SC Code of Laws, as amended, and raised the *void ab initio* defense. Due to a scheduling conflict within this Court, the matter was postponed until 2 pm that afternoon. Just prior to the start of the 2:00 pm hearing, Plaintiff Looney offered an affidavit in which he admits he requested various items rather than to "inspect and copy" them. (Looney Aff. paras. 10 & 12) Looney then goes on to allege "my requests to inspect the documentation at the corporate offices have been ignored," but offers no particulars as to when the requests were made or the date he requested for inspection and copying. (Looney Aff. para. 10.)

This court does not need to determine whether the Looney affidavit was hastily prepared in order to circumvent the defects in the Complaint only after Plaintiffs saw Defendants' Answer and Counterclaim that morning, or whether the demands to "inspect and copy" Looney so vaguely claims were in fact ever made. Instead, this Court finds Plaintiffs' failure to comply with statute, (Sec. 33-31-1602 of the SC Code of Laws, as amended), made the original demand for copies *void ab initio*. Furthermore, this Court notes that Section 33-31-708 of the SC Code of Laws, as amended, provides "any action that may be taken at any annual, regular, or special meeting of members may be taken without a meeting if the corporation delivers a written or electronic ballot to every member entitled to vote on the matter." (emphasis added) Therefore, Defendants holding a vote by mail ballot, (Kelleher Aff. encls. 8 & 11; Kelleher Aff. para. 7), and not at a called meeting was proper, (Pl.'s Ex. 1 Art. III sec. 11; Sec. 33-31-708(a) of the SC Code of Laws, as amended). The rights of a member of a non-profit corporation found in Sections 33-31-1602 through 33-31-1605 of the SC Code of Laws, as amended, are premised upon a non-profit corporation actually having members. But, if a non-profit corporation does not have members, then Sections 33-31-1602 through 33-31-1605 of the SC Code of Laws, as amended, are inapplicable to that non-profit corporation because there are no members who have

rights of membership to assert. Finally, Section 33-31-1008 of the SC Code of Laws, as amended, controls on questions regarding the effect of an amendment and restatement of Defendant GrassRoots' Articles of Incorporation. That section protects, among other rights, "the existing rights of persons other than members of the corporation," which Plaintiffs claim to be and Defendants concede. (emphasis added.) These sections of the South Carolina Code of Laws are determinative of the respective rights of the parties herein.

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED THAT:

1. The Plaintiffs' complaint is herein dismissed with prejudice.
2. The Court herein recognizes that the corporate mail ballot vote dated April 6, 2011, is herein validated and affirmed.
3. The Temporary Restraining Order of this Court dated April 8, 2011, is vacated.
4. This Court awards attorneys fees and costs to the Defendants in an amount to be determined upon filing of an affidavit of fees and costs filed by Defendants' counsel. If contested, the Court will conduct an additional hearing to determine the reasonableness of such fees.

IT IS SO ORDERED.

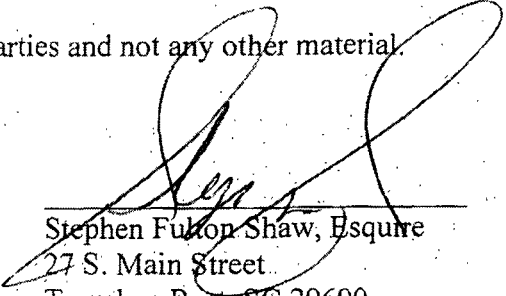
Knox McMahon

This _____ day of May, 2011

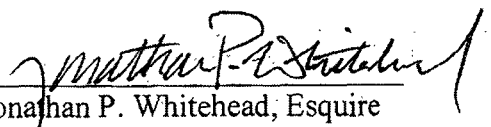
CERTIFICATE OF COUNSEL

The undersigned hereby certifies that the Record on Appeal contains all material proposed to be included by any of the parties and not any other material.

March 6, 2012



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