

BYLAWS OF C-FARAR
CLUB FOR A REFORMED AMERICAN REPUBLIC

PREAMBLE

The following Bylaws shall be subject to and governed by the Non-Profit Corporation Act of Texas (the Act) and the Articles of Incorporation of this corporation, C-FARAR. In the event of a direct conflict between the herein contained provisions of these Bylaws and the mandatory provisions of the Act, said Act shall be the controlling law. In the event of a direct conflict between the provisions of these Bylaws and the Articles of Incorporation of C-FARAR, it shall then be these Bylaws which shall be controlling.

ARTICLE I. NAME

The legal name of this Non-Profit Corporation is C-FARAR.

ARTICLE II. CORPORATE PURPOSE

Section 1. General Non-Profit Purpose

C-FARAR is organized for social welfare, public education and political activity purposes as a qualifying organization under section 501(c)(4) of the Internal Revenue Code or the corresponding section of any future federal tax code.

Section 2. Specific Purpose

The specific purpose of C-FARAR is to amass, organize and utilize financial and human resources to promote the social welfare of American citizens through efforts to further democratize our political and economic systems. This purpose will be advanced by advocating and supporting specific public policies and reforms and by advocating and supporting the election of candidates for public office who actively support those policies and reforms.

ARTICLE III. OFFICES

The principal office of C-FARAR shall be located at 4201 Lomo Alto Drive, Suite 205, Dallas, Texas 75219 or another location as the Board of Directors may determine.

ARTICLE IV. DEDICATION OF ASSETS

The assets of C-FARAR are irrevocably dedicated to and for non-profit purposes only. No part of the net earnings, properties or assets of C-FARAR, on dissolution or otherwise, shall inure to the benefit of any person or any member, director or officer of C-FARAR. On liquidation or dissolution, all remaining assets shall be distributed and paid over to an organization dedicated to non-profit purposes which has established its tax-exempt status pursuant to Section 501(c) of the Internal Revenue Code.

ARTICLE V. MEMBERSHIP

C-FARAR is a Texas nonprofit corporation authorized to operate in Texas and may seek to qualify and operate in any other state of the US. It shall be the intent of C-FARAR to authorize, organize, establish and operate a subsidiary Chapter in each Federal Congressional District of the US House of Representatives as well as the District of Columbia and to seek members for each such Chapter. The affairs of C-FARAR shall be managed by its Board of Directors, described in Article VI herein, which shall have control over and be responsible for management of all of the affairs and assets of the corporation and may delegate certain management functions to the Chapter members and their elected leaders.

Section 1. Membership Classes and Eligibility

C-FARAR shall have three (3) classes of membership as described herein.

Class A-- Any registered voter in any Congressional District(CD) in which the corporation has authorized and established a Chapter is eligible to become a Class A member of that Chapter. Requirements to become a Class A member are to:

- (a) agree to support the purposes of the corporation,**
- (b) agree to abide by the bylaws of this corporation and all federal and state election laws governing the affairs of the corporation,**
- (c) agree to pay the membership dues established from time to time by the Board of Directors, and**
- (d) agree to have membership in and contributions made to C-FARAR made public by management of C-FARAR. Initial dues for Class A members shall be \$21.70 per month or \$250 annually.**

Class B-- There shall be 437 Class B memberships, one in each CD Chapter, one for the District of Columbia Chapter and one held nationally by the President-CEO who shall also be Chairman of the Board of C-FARAR (President -CEO). All Class B memberships are held by the President-CEO who may delegate the rights of any specific Class B membership to any other member, in good standing, of C-FARAR at any time and for any length of time he may designate in writing.

Class C-- There shall be any number of Class C members of C-FARAR who may be appointed by the President - CEO. Such members shall be 'members at large', may make financial contributions to C-FARAR, but shall not be required to do so, and shall have no voting rights on any matters except as/if specifically delegated by the President - CEO as a Class B member as described above. Class C members shall agree to the same terms of membership as Class A members, except those regarding payment of dues, and may be appointed by the President - CEO to serve on the Board of Directors, except they may not occupy any seat on the board designated for Class A members as described in Article VI herein.

Section 2. Member Voting and Governance

(a) Chapter Voting and Governance. Each authorized Chapter of C-FARAR operating in a CD shall initially be governed and operated directly by the President - CEO, acting as that Chapter's Class B member, until it reaches at least 20 Class A members. At that time and as soon as practicable thereafter, such Chapter shall be eligible to elect five(5) of its Class A members to serve along with the Class B member as its Executive Committee responsible for managing the activities and budget of said Chapter. This election shall be conducted by C-FARAR'S Board of Directors according to rules it shall establish for such Chapter leadership elections and for terms not to exceed two years. Each Class A member in good standing of said CD Chapter shall be eligible to vote in the elections of the Chapter's Executive Committee. Once so elected, the Executive Committee of said Chapter shall elect one of its members to serve as the Executive Director of said Executive Committee. This Executive Committee under the leadership of its elected Executive Director shall be responsible for the management of all Chapter activities, programs and budgets during its term. Any and all activities engaged in under the direction of this Executive Committee must have the approval of a majority of the Class A members serving on the committee in addition to the affirmative vote of the Class B member of the subject Chapter.

- (b) State Level Voting and Governance.** The Board of Directors of C-FARAR shall form a State Executive Committee in each state in which it operates Chapters to which it may delegate certain management functions. The President - CEO shall be a member of each such State Executive Committee and may delegate his/her such position at any time and for any length of time to any member of C-FARAR in good standing. For those states with nine (9) or fewer operating Chapters, the Executive Director of each operating Chapter shall be a member of the State Executive Committee. For those states with ten(10) or greater operating Chapters, the Board of Directors shall conduct an election, according to rules it shall establish, from among all Chapter Executive Directors in the state to elect a State Executive Committee of seven (7). In either case, once formed, the State Executive Committee shall then elect its State Executive Director from among its members. The State Executive Committee under the leadership of its elected Executive Director shall be responsible for managing and coordinating the activities and budgets across Chapters within the state and at the purely state level as may be delegated in writing by the Board of Directors. Any and all activities engaged in under the direction of the State Executive Committee must have the approval of a majority of the State Executive Committee in addition to the affirmative approval in writing of the President - CEO or his designee.
- (c) Regional Level Voting and Governance.** The Board of Directors of C-FARAR shall form up to eight (8) Regions, each comprised of several states, and establish a Regional Executive Committee to which the Board may delegate certain management and coordination responsibilities. Each such Region shall form an Executive Committee responsible for the management and coordination activities among the several states contained within its Region. The elected State Executive Director of each state within the Region shall be a member of the Regional Executive Committee. Each Regional Executive Committee shall then elect one of its members to serve as its Regional Executive Director. The Regional Executive Committee under the leadership of its Regional Executive Director shall be responsible for managing and coordinating the activities and budgets across states within the Region and at the purely Regional level as may be delegated in writing by the Board of Directors. Any and all activities engaged in under the direction of the Regional Executive Committee must have the approval of a majority of the Regional Executive Committee in addition to the affirmative approval in writing of the President – CEO or his designee.

Section 3. Member Resignation and Termination

Any member may resign by filing a notice of resignation with the Secretary of the Corporation. Resignation shall not relieve a member of unpaid dues or other charges previously accrued. A member may be terminated from his membership by a majority vote of the Board of Directors and the affirmative agreement of the President - CEO.

ARTICLE VI. BOARD OF DIRECTORS

Section 1. General Powers and Responsibilities

C-FARAR shall be governed by a Board of Directors which shall have all the rights, powers and limitations of liability of directors of a non-profit corporation organized under the Non-Profit Corporation Act of Texas. The Board of Directors shall manage all affairs and assets of the corporation and shall establish policies and directives governing business activities and operations of all groups, divisions, departments, chapters or other entities within C-FARAR which the Board may authorize. The Board may delegate to the Officers and staff of the corporation, subject to the provisions of these Bylaws, authority and responsibility to see that its decisions and directives are appropriately executed and followed.

Section 2. Number, Tenure, Requirements, and Qualifications

The Board of Directors shall have up to thirteen (13) but not less than three (3) members including the President-CEO as Chairman of the Board, the Vice President-Secretary, and the Treasurer (if this office is held by a person different than the President or Secretary), up to eight (8) Regional Executive Directors and up to three (3) Class C members appointed by the President-CEO to Board positions. Each Regional Executive Director shall be appointed to the Board of Directors by the President-CEO as soon as practicable after being elected as a Regional Executive Director. Members of the Board of Directors shall, upon appointment and/or election, execute an agreement with C-FARAR providing their agreement to abide by all provisions of these Bylaws, immediately enter upon the performance of their duties and shall continue in office until their successors shall be duly designated or until removed under provision of this Article VI.

Section 3. Board Compensation

Board Members shall receive no compensation other than for reasonable expenses. However, provided the compensation structure complies with sections of these Bylaws relating to conflicts of interest, nothing in these Bylaws shall be construed to preclude any Board Member from serving the Corporation in any other capacity and receiving compensation for such services rendered.

Section 4. Resignation of Board Member

Board Members shall have the right to resign at any time upon written notice thereof to the Chairman of the Board or the Secretary of the Corporation. Unless otherwise specified in the notice, the resignation shall take effect upon receipt thereof and the acceptance of such resignation shall not be necessary to make it effective.

Section 5. Removal of a Board Member

Any Board Member (other than the Chairman, President and CEO who is the holder of all Class B Memberships in C-FARAR) may be removed with or without cause, at any time, by vote of three-quarters (3/4) of currently serving members of the Board if in their judgment the best interest of C-FARAR would be served thereby.

Section 6. Board Vacancies

In the event of a vacancy occurring on the Board of Directors due to

(a) death, resignation or removal under Section 5 of this Article VI, or

(b) declaration by resolution of the Board of a vacancy in the office of a director who has been declared of unsound mind by a final order of court, convicted of a felony, found by final order or judgment of any court to have breached a duty pursuant to the Corporation Code or the Act of the law dealing with the standards of conduct for a director,

then, The President-CEO may appoint a new Board Member to fill the vacancy, however, in the event the vacancy is created in one of the Regional Executive Director positions, then the Board shall supervise the election of a new Regional Executive Director from the affected Region as soon as practicable.

Section 7. Regular Board Meetings

A meeting of the Board of Directors shall be held during each quarter of each calendar year at a time and date designated by the Chairman of the Board. Such meetings may be held electronically. Notice of these meetings shall be sent to all members of the Board no less than ten (10) days prior to the meeting date.

Section 8. Special Meetings

Special meetings of the Board of Directors may be called by or at the request of the Chairman of the Board or any three (3) currently serving members of the Board. The person or persons authorized to call special meetings of the Board of Directors may fix the date, time and location for holding any special meeting of the Board called by them. Such meetings may be held electronically. Notice of any special meeting of the Board shall be given at least two (2) days in advance of the meeting.

Section 9. Quorum

The presence of a majority of current members of the Board of Directors shall be necessary at any meeting of the Board to constitute a quorum to transact business, but a lesser number

shall have power to adjourn to a specified later date without notice. The act of a majority of the members of the Board present at a meeting at which a quorum is present shall be the act of the Board of Directors, however, all such acts must have the affirmative vote of the Chairman of the Board and President-CEO.

Section 10. Minutes of Board of Directors Meetings

The Secretary of C-FARAR shall be responsible for preparing minutes of each meeting of the Board. In the event the Secretary is not available, the Chairman of the Board shall appoint an individual to act as Secretary at the meeting. Minutes prepared shall be reviewed by the Chairman of the Board and placed in the minute books of the corporation.

Section 11. Informal Action by Directors

Any action which may be taken at a meeting of the Directors may be taken without a meeting if a consent in writing shall be signed by two-thirds (2/3) of all of the current Directors, including that of the President-CEO, following reasonable notice of the intended action to all members of the Board of Directors. Board members' written consent may be executed in multiple counterparts or copies, each of which shall be deemed an original for all purposes. In addition, facsimile and electronic signatures shall be effective as original signatures.

Section 12. Confidentiality

Directors shall not disclose information about the Corporation or its activities to any person unless such information is already a matter of public knowledge, such person has a need to know, or the disclosure is in furtherance of the Corporation's purposes, or can be reasonably expected to benefit the Corporation. Directors shall use discretion and good judgment in discussing the affairs of the Corporation with third parties. Without limiting the foregoing, Directors may discuss the purposes and functions of the Corporation.

ARTICLE VII. OFFICERS

The officers of C-FARAR shall be the President and Chief Executive Officer (who shall also be Chairman of the Board of Directors), the Vice President and Secretary, and the Treasurer and Chief Financial Officer, and such other officers as the Board may designate by resolution. The President-CEO may also serve simultaneously as Treasurer and Chief Financial Officer or may appoint another member to this position. Such member may be either a Class A or Class C member. The President-CEO may not serve as the Vice President and Secretary, except in unusual circumstances when no other member is available or willing to serve in that capacity.

Section 1. Chairman-President and Chief Executive Officer (President-CEO)

The President-CEO shall be Chairman of the Board of Directors and preside at all regular meetings of the Board of Directors and shall have the following duties and responsibilities:

- a) **general and active management of the business of C-FARAR and its subsidiaries**
- b) **general superintendence and direction of all other officers of C-FARAR**
- c) **see that all orders and resolutions of the Board of Directors are carried out**
- d) **submit a report of the operations of C-FARAR to the Board of Directors quarterly and a summary of such operations to all members at least annually.**
- e) **assure that C-FARAR meets all legal and regulatory compliance requirements**
- f) **any other duties normally associated with the office of President of a corporation**

Section 2. Vice President and Secretary (Secretary)

The Vice President and Secretary shall have the following powers, duties and responsibilities:

- a) **perform the duties of the CEO of C-FARAR during that person's absence**
- b) **act as Secretary at all meetings of the Board of Directors and prepare minutes of all such meetings which shall be placed in the corporations minute books.**

Section 3. Treasurer and Chief Financial Officer (Treasurer or CFO)

The Treasurer and CFO shall have the following powers, duties and responsibilities:

- a) **keep and maintain, or cause to be kept and maintained, adequate and accurate accounts of all assets and business transactions and operations of C-FARAR including accounts of its assets, liabilities, receipts, disbursements, gains and/or losses and other matters customarily included in financial statements.**
- b) **keep records sufficient for required filings and compliance with all election laws in all states in which C-FARAR operates and such filings as required by the Federal Election Commission and the Federal Internal Revenue Service.**

ARTICLE VIII. INDEMNIFICATION

Section 1. General

To the fullest extent permitted by law, C-FARAR shall indemnify its 'agents', as described by law, including directors, officers, employees and volunteers, and including persons formerly occupying any such position, and their heirs, executors and administrators, against all expenses, judgments, fines, settlements, and other amounts actually and reasonably

incurred by them in connection with any 'proceeding', and including any action by or in the right of C-FARAR , by reason of the fact that the person is or was a person as described in the Non-Profit Corporation Act. Such right of indemnification shall not be deemed exclusive of any other right to which such persons may be entitled apart from this Article.

C-FARAR shall have the power to purchase and maintain insurance on behalf of any agent of this corporation, to the fullest extent permitted by law, against any liability asserted against or incurred by the agent in such capacity or arising out of the agent's status as such, or to give indemnification to the extent permitted by law.

Section 2. Expenses

Expenses (including reasonable attorneys' fees) incurred in defending a civil or criminal action, suit, or proceeding may be paid by the corporation in advance of the final disposition of such action, suit or proceeding, if authorized by the Board of Directors, upon receipt of an undertaking by or on behalf of the indemnitee to repay such amount if it shall ultimately be determined that such indemnitee is not entitled to be indemnified hereunder.

ARTICLE IX. BOOKS AND RECORDS

C-FARAR shall keep complete books and records of accounts and minutes of the proceedings of the Board of Directors and shall keep sufficient records of its operations and financial accounts to satisfy its legal and regulatory compliance requirements. The corporation shall also maintain copies of its Articles of Incorporation, Bylaws, federal and state operating and tax exemption certificates and its information returns to the extent required by law.

ARTICLE X. FUNDING AND FINANCIAL OPERATIONS

Section 1. Funding of C-FARAR will be accomplished by:

- a) contributions made by the President-CEO**
- b) receipt of Class A members' dues and other/additional contributions**
- c) receipt of Class C members' contributions**
- d) receipt of legal contributions from other persons or entities eligible by law to contribute**
- e) the result of authorized fundraising activities by organizational entities of C-FARAR, namely CD Chapters, State Executive Committees and Regional Executive Committees.**
- f) receipt of funds received as the result of activities and/or programs implemented by the Board of Directors acting as a national fundraising entity**
- g) contributions from others as allowed by law and by any other means allowed under state and federal election laws for 501(c)(4) organizations.**

Section 2. Financial Operations

All funds collected by any means will be deposited with and managed in the bank account of C-FARAR. Disbursements of any kind must be authorized by the Treasurer and only for purposes described in the Articles of Incorporation and Bylaws of this corporation.

To the degree practicable, funds will be budgeted and expended according to the following guidelines: (percents stated shall be approximate).

- a) Sixty (60) percent of all Class A membership dues collected from members of a particular CD Chapter will be allocated for use by the Executive Committee of that CD Chapter.**
- b) Sixty (60) percent of all funds collected as a direct result of activities and/or programs planned and implemented by the Executive Committee of a particular CD Chapter will be allocated for use by that Chapter.**
- c) Ten (10) percent of all funds collected in a) or b) herein will be allocated for use by the State Executive Committee for the particular CD Chapter.**
- d) Ten (10) percent of all funds collected in a) or b) herein will be allocated for use by the Regional Executive Committee for the particular state involved.**
- e) The remaining Twenty (20) percent of all funds collected in a) or b) herein will remain for use by the Board of Directors as it deems necessary or desirable.**
- f) Any and all funds received by C-FARAR as a direct result of activities and/or programs planned and implemented by a State or Regional Executive Committee will be allocated for use by the Committee responsible for those activities.**
- g) All other funds received by C-FARAR by whatever means will remain for use by the Board of Directors as it deems necessary or desirable.**

ARTICLE XI. CONFLICTS OF INTEREST

This article will be developed and included in these Bylaws by the Board of Directors upon the occurrence of the first need and prior to entering into any contracts with any officers or directors of C-FARAR.

ARTICLE XII. LIQUIDATION AND DISSOLUTION

This article will be developed and included herein subsequent to this draft.

ARTICLE XIII. AMENDMENTS AND REVISIONS

These Bylaws may be adopted, amended or repealed by the vote of a simple majority of the directors then in office, which majority must include the affirmative vote of the President-CEO. Such action is authorized only at a duly called and held meeting of the Board of Directors for which written notice of such meeting setting forth the proposed bylaw revisions or amendments is given in accordance with these bylaws. If any provision of these bylaws requires the vote of a larger portion of the Board than is otherwise required by law, that provision may not be altered, amended or repealed by that greater vote.

ARTICLE XIV. CONSTRUCTION AND DEFINITIONS

Unless the context otherwise requires, the general provisions, rules of construction, and definitions contained in the Non-Profit Corporation Act as amended from time to time shall govern the construction of these bylaws. Without limiting the generality of the foregoing, the masculine gender includes the feminine and neuter, the singular number includes the plural and the plural number includes the singular, and the term 'person' includes a corporation as well as a natural person. If any competent court of law shall deem any portion of these bylaws invalid or inoperative, then so far as is reasonable and possible the remainder of these bylaws shall be considered valid and operative, and effect shall be given to the intent manifested by the portion deemed invalid or inoperative.

ADOPTION OF BYLAWS

We, the undersigned, are all of the initial directors or incorporators of this corporation, and we consent to and hereby do adopt the foregoing Bylaws, consisting of 12 pages, as the Bylaws of this corporation, C-FARAR.

ADOPTED AND APPROVED by the Board of Directors on this ____ day of _____, 2018.

Carroll D. McHenry _____ President and CEO

Charles Thomas _____ Vice President and Secretary

Lauren E. McHenry _____ Director