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Attorneys for Marshall Grange No 451

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF EL DORADO**

MARSHALL GRANGE NO 451,
Plaintiff,

v.

LINDA CHERNOFF, does 1 through 25
Respondent.

CASE NUMBER:

**COMPLAINT FOR BREACH OF
FIDUCIARY DUTY, CONVERSION,
DECLARATORY RELIEF, INJUNCTIVE
RELIEF**

Plaintiff, Marshall Grange No 451, a California nonprofit mutual benefit corporation
("Plaintiff") alleges this Complaint as follows:

1 1. Plaintiff is a nonprofit mutual benefit corporation organized under the laws of the State
2 of California in 1950 with its primary place of business situated in El Dorado County, California.

3 2. Linda Chernoff ("Chernoff") is an individual residing in El Dorado County. Chernoff is
4 also referred to herein as "Defendant."

5 3. On July 24, 1970, the Trustees of the Garden Valley Community Hall of Garden Valley
6 transferred the property located at 4940 Marshall Rd, Garden Valley, California (the "Grange Hall") to
7 Plaintiff "in grateful consideration of Marshall Grange's expenditures on, and great improvement of,
8 the Garden Valley Community Hall through the years under their contract agreement."

9 4. From the date Plaintiff received the Grange Hall, it has used the property for member
10 meetings, meetings of the board of directors (the "Executive Committee"), monthly member potlucks,
11 and to rent for various community groups.

12 5. Plaintiff has been a member of the California State Grange, a California mutual benefit
13 nonprofit corporation ("CSG"), since Plaintiff incorporated in 1950.

14 6. CSG currently embroiled in a legal battle with The National Grange of the Order of
15 Patrons of Husbandry ("National Grange"), wherein the National Grange has revoked the charter of
16 CSG and has appointed a new organization as the California State Grange ("New Grange"). That law
17 suit is currently on appeal, and as with all cases on appeal, enforcement of the judgment is stayed
18 pending the outcome of the appeal. Attached at Exhibit A is a copy of the Stipulated Order for Stay
19 Pending Appeal in Sacramento County Case No. 2012-00130439 ("State Grange Case").
20

21 7. Due to the legal issues between CSG, New Grange and National Grange, Plaintiff
22 presented the question to its members at a duly held meeting on December 14, 2015 ("2015 Annual
23 Meeting"). At that meeting, the members voted that discussion regarding the New Grange be delayed
24 until the January member meeting.

25 8. At the 2015 Annual Meeting, Takashi Yogi was elected President, Claudia Licht was
26 elected Secretary, Defendant Chernoff was elected vice president, and Avery was elected Treasurer.
27
28

1 9. Plaintiff held a member meeting on February 8, 2016 and the members voted to send
2 membership dues to CSG, not the New Grange.

3 10. On February 8, 2016, during the stay of the enforcement of the State Grange Case,
4 Plaintiff received a letter from New Grange suspending and threatening to revoke Plaintiff's charter for
5 electing Takashi Yogi president of the Plaintiff (an action that New Grange felt was in violation of New
6 Grange's regulations).

7 11. On February 9, 2016, Defendant Chernoff paid a locksmith to change the locks on the
8 Grange Hall, without authorization from the executive committee and without notice to the Executive
9 Committee, the officers of Plaintiff or the members.

10 12. On February 10, 2016 Claudia Licht was notified that the bank account had been frozen.

11 13. On February 9, 2016, Claudia Licht, secretary of Plaintiff, was notified that the lock on
12 the Plaintiff's post office box had been changed and that the Plaintiff could not get access to its mail
13 without approval from an authorized person, which Plaintiff believes to be Chernoff, or an agent of
14 Chernoff.

15 14. On February 9, 2016, Avery, acting as an agent of Chernoff, informed Claudia Licht that
16 she was in possession of checks for the Plaintiff but refused to deliver them to Plaintiff.

17 15. On February 10, 2016, the Executive Committee met and resolved to change the locks
18 so that the members would be able to access the Grange Hall, as they had for over forty-five (45) years.

19 16. On February 12, 2016, several members of the Executive Committee met with a
20 locksmith to change the locks on the Grange Hall. Chernoff was there, but left and returned with
21 people in two other vehicles who blocked the driveway and held the locksmith and others against their
22 will until an El Dorado sheriff deputy arrived and ordered that the vehicle blockade be removed.
23 Chernoff was informed by the deputy that the sheriff's office considered this a civil matter and
24 Chernoff agreed not to change the locks until the dispute was resolved.

25 17. On February 18, 2016, Chernoff once again changed the locks on the Grange Hall and
26 installed an alarm.
27
28

1 18. Since Chernoff changed the locks the second time, services at the Grange Hall have
2 been interrupted. On Monday February 22, 2016, members arrived for the monthly potluck only to find
3 the Grange Hall locked with no explanation. On February 18, 2016, Plaintiff's long standing renter, the
4 local chapter of Narcotics Anonymous, was unable to hold its regularly scheduled meeting because the
5 Grange Hall was locked and Chernoff was not present to allow the group access.

6 19. In addition to interrupting member and regular renter use of the Grange Hall, Defendant
7 Chernoff has diverted income from Plaintiff by causing a scheduled event, the KFOK 95.1 Fundraiser
8 with music by The Island of Black and White, to be moved to the International Order of Odd Fellows
9 Hall in Georgetown, California.

10 20. On February 19, 2016, Defendant Chernoff sent a letter to the members of Plaintiff
11 improperly designating herself as "Acting President" in an attempt to coerce them into voting to join
12 the New State Grange under threat to defraud them of their membership interests without notice or a
13 fair hearing as required by the mutual benefit nonprofit law of California.

14 21. On or about March 10, 2016, Chernoff mailed letters out to members informing them
15 that they were no longer a members of Plaintiff. A copy of one such letter is attached as Exhibit E.
16

17
18 **FIRST CAUSE OF ACTION**

19 **Breach of Fiduciary Duty of Care (Corporations Code § 7231)**

20 22. Plaintiff realleges and incorporates by reference each and every allegation contained in
21 Paragraphs 1 through 20 above.

22 23. Under Corporations Code Section 7231 Defendant has a fiduciary obligation of care
23 regarding the assets of the Plaintiff.

24 24. Defendant has breached her fiduciary duty of care by excluding members from use of
25 the Grange Hall, by wrongfully changing the locks on the Grange Hall, by changing the locks on the
26 Plaintiff's P.O. Box, by refusing to deliver mail to the Executive Committee, and by preventing
27 Plaintiff from performing its duties under rental contracts with tenants.
28

SECOND CAUSE OF ACTION

Breach of Fiduciary Duty of Loyalty (Corporations Code § 7236)

25. Plaintiff realleges and incorporates by reference each and every allegation contained in Paragraphs 1 through 23 above.

26. Under Corporations Code Section 7236 directors and officers of a nonprofit mutual benefit corporation are prohibited from causing a corporation to engage in a transaction in which the director has a material interest, unless such interest is disclosed and the transaction is approved by a majority of the disinterested directors.

27. Chernoff has breached her fiduciary duty of loyalty by taking actions on behalf of Ed Komski. Mr. Komski has named Chernoff's husband, Gerald Chernoff, in a law suit and Chernoff has taken several actions against Plaintiff in exchange for Mr. Komski pardoning Gerald Chernoff from any wrongdoing.

THIRD CAUSE OF ACTION

(Conversion)

28. Plaintiff realleges and incorporates by reference each and every allegation contained in Paragraphs 1 through 26 above.

29. Conversion is the wrongful exercise of dominion over the property of another. The elements of a conversion are the plaintiff's ownership or right to possession of the property at the time of the conversion; the defendant's conversion by a wrongful act or disposition of property rights; and damages. It is not necessary that there be a manual taking of the property; it is only necessary to show an assumption of control or ownership over the property, or that the alleged converter has applied the property to his own use." (*Oakdale Village Group v. Fong* (1996) 43 Cal.App.4th 539, 543-544.)

30. Defendant has converted Plaintiff's property by wrongfully changing the locks on the Grange Hall, by changing the lock on the Plaintiff's P.O. Box, by refusing to deliver mail to the Executive Committee, removing the calendar from the Grange Hall and refusing to return this and other property to Plaintiff.

FOURTH CAUSE OF ACTION**Declaratory Relief**

31. Plaintiff realleges and incorporates by reference each and every allegation contained in Paragraphs 1 through 29 above.

32. An actual controversy has arisen and now exists between plaintiff and defendant concerning their respective rights and duties in that plaintiff contends Chernoff and Avery have been removed from their positions with Plaintiff and that the Executive Committee and remaining officers of Plaintiff were duly appointed by the members of Plaintiff, whereas defendant disputes these contentions and contends that Defendant Chernoff is now the acting president of Plaintiff and other officers and Executive Committee members have been removed.

33. Plaintiff desires a judicial determination of its rights and duties, and a declaration as to the removal of Defendant and the authority of the Executive Committee of Plaintiff to carry out the management of Plaintiff.

34. A judicial declaration is necessary and appropriate at this time under the circumstances in order that Plaintiff may continue to serve its members and carry out its tax exempt purpose.

FIFTH CAUSE OF ACTION**Injunctive Relief**

35. Plaintiff realleges and incorporates by reference each and every allegation contained in Paragraphs 1 through 33 above.

36. Plaintiff seeks injunctive relief preventing Defendant from interfering with the day to day operations of Plaintiff, the management of Plaintiff and Plaintiff's finances.

37. Defendant has threatened to and Defendant has, in fact interfered with Plaintiff's day to day operations in that Defendant has changed the locks on Plaintiff's primary place of business. Defendant has threatened to, and has in fact, interfered with Plaintiff's management by locking out the executive committee, preventing the executive committee from meeting. Defendant has

1 threatened to and has in fact interfered with Plaintiff's finances by excluding Plaintiff from
2 accessing Plaintiff's bank account.

3 38. There is a real an imminent threat that Defendant will irreparably disrupt Plaintiff's
4 business by driving away membership, disrupting Plaintiff's executive committee and damaging
5 Plaintiff's financial relationships.

6 39. If Defendant is not enjoined from interfering with Plaintiff's place of business, finances
7 and operations, Plaintiff will be irreparably harmed.

8
9 **PRAYER**

10 WHEREFORE, Plaintiff prays for judgment against Defendant, as follows:

11 **As to the First Cause of Action for Breach of Fiduciary Duty:**

- 12
13 1. For general and special damages according to proof;
14 2. For punitive damages according to proof;
15 3. For interest on any all amounts owed at the legal rate;
16 4. For costs of suit herein;
17 5. For such other relief as this Court deems appropriate.
18

19 **As to the Second Cause of Action for Breach of Fiduciary Duty:**

- 20 1. For general and special damages according to proof;
21 2. For punitive damages according to proof;
22 3. For interest on any all amounts owed at the legal rate;
23 4. For costs of suit herein;
24 5. For such other relief as this Court deems appropriate.
25

26
27 **As to the Third Cause of Action for Conversion:**
28

1. For general and special damages according to proof;
2. For punitive damages according to proof;
3. For interest on any all amounts owed at the legal rate;
4. For costs of suit herein;
5. For such other relief as this Court deems appropriate.

As to the Fourth Cause of Action for Declaratory Relief:

1. For a declaration by this Court for setting out the respective rights and obligations of the respective parties herein;
2. For general and special damages according to proof;
3. For punitive damages according to proof;
4. For interest on any all amounts owed at the legal rate;
5. For costs of suit herein;
6. For such other relief as this Court deems appropriate.

As to the Fifth Cause of Action for Injunctive Relief:

1. For general and special damages according to proof;
2. For punitive damages according to proof;
3. For interest on any all amounts owed at the legal rate;
4. For costs of suit herein;
5. For Injunctive relief ordering that Defendant to not interfere with Plaintiff's day to day operations, management and finances;
6. For such other relief as this Court deems appropriate.

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DATED: March 14, 2016



Michael W. Pearson
Attorney for Plaintiff,
Marshall Grange No 451

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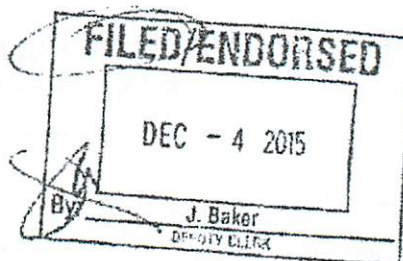
EXHIBIT A

Stipulated Order for Stay

9:45 am

SUPERIOR COURT OF CALIFORNIA COUNTY OF SACRAMENTO ORDER DETERMINING DISPOSITION OF EX PARTE APPLICATION

Case Name <i>The National Grange vs. Ca. State Grange</i>		Case Number <i>2012-00130439</i>
Type of Application <i>Re. Stip to Stay Pending Appeal</i>	By <i>A</i>	Application Date <i>12-4-15</i>
Names of Appearing Party <i>Daniel S. Stouder</i>	Representing <i>A Ca State Grange</i>	
<i>No appearance by any other party</i>		
<p>The Court, having considered the above entitled ex parte application with appearance as noted above, rules as follows:</p> <p><input checked="" type="checkbox"/> The application is granted. <i>per the stipulated order, the court will sign the order (Ex. A) attached hereto.</i></p> <p><i>Mr. Stouder shall give notice to all parties forthwith.</i></p> <p><input type="checkbox"/> The application is denied on the merits of the papers presented to the Court.</p> <p><input type="checkbox"/> The application is denied without prejudice to its resubmission for the following reason(s):</p> <p><input type="checkbox"/> The moving party may not proceed except by noticed motion.</p> <p><input type="checkbox"/> Other</p> <p><input type="checkbox"/> Counsel for the _____</p>		
<i>12-4-15</i> DATE		<p><i>David I. Brown</i> JUDGE OF THE SUPERIOR COURT</p>

**BOUTIN JONES INC.**

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Attorney for Plaintiffs-in-Intervention The California
 State Grange and Ed Komski and Defendants The
 Grange of the State of California's Order of Patrons
 of Husbandry, Chartered, Ed Komski, and Lillian Booth

SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF SACRAMENTO

THE NATIONAL GRANGE OF THE ORDER
OF PATRONS OF HUSBANDRY, a
 Washington, D.C., non-profit corporation,

Plaintiff,

and

THE CALIFORNIA STATE GRANGE, a
 California nonprofit corporation, and **ED**
KOMSKI

Case No.: 34-2012-00130439

(Consolidated with Butte County
 Superior Court Case #163389)

STIPULATED [PROPOSED] ORDER
FOR STAY PENDING APPEAL

STIPULATED [PROPOSED] ORDER FOR STAY PENDING APPEAL

1 Plaintiffs-in-Intervention.

2 v.

3 THE CALIFORNIA STATE GRANGE, a
4 California nonprofit corporation, and
5 ROBERT MCFARLAND, JON LUYAAS,
6 GERALD CHERNOFF, DAMIAN PARR,
7 TAKASHI YOGI, KATHY BERGERON, and
8 BILL THOMAS,

9 Defendants.

10 AND CONSOLIDATED ACTION.

Date: November 23, 2015
Time: 2:00 P.M.
Dept. 53
Judge: David I. Brown

Complaint filed: October 1, 2012
Complaint-in-Intervention filed:
November 7, 2014
Trial Date: January 26, 2016

11 1. Whereas, Plaintiffs-in-Intervention California State Grange and Ed Komski have
12 filed a Complaint-in-Intervention against individual defendants Robert McFarland, Jon Luyvaas,
13 Takashi Yogi, Damian Parr, Kathy Bergeron, and Bill Thomas (the "Complaint-in-Intervention").

14 2. Whereas, Defendant California State Grange has filed a Complaint against The
15 Grange of the State of California's Order of Patrons of Husbandry, Chartered, Ed Komski, and Lillian
16 Booth (the "Complaint").

17 3. Whereas, the Complaint-in-Intervention was filed in, and the Complaint was
18 consolidated with, an action filed by the National Grange of the Order of Patrons of Husbandry filed
19 against Defendants California State Grange, Robert McFarland, Jon Luyvaas, Gerald Chernoff,
20 Damian Parr, Takashi Yogi, Kathy Bergeron, and Bill Thomas (the "National Grange Complaint").

21 4. Whereas, the Court granted a motion for summary judgment on the National Grange
22 Complaint and entered judgment on behalf of National Grange (the "Judgment").

23 5. Whereas, Defendants California State Grange, Robert McFarland, Jon Luyvaas,
24 Gerald Chernoff, Damian Parr, Takashi Yogi, Kathy Bergeron, and Bill Thomas have filed an appeal
25 of the Judgment.

26 6. Whereas, the trial on the Complaint-in-Intervention and the Complaint remains on
27 calendar and is scheduled to begin January 26, 2016.

28 7. Whereas, matters at issue in the Complaint-in-Intervention and the Complaint mirror
issues that will be addressed by the Court of Appeal in connection with the Judgment on appeal.

8. Whereas, the parties wish to voluntarily stay the actions continuing in the trial court on the following terms:

a) The parties agree to an immediate stay of all proceedings on the claims against the individuals alleged in the Complaint-in-Intervention and on the claims alleged in the Complaint except as set forth in points b-e below (the "Stay"). The trial set for January 26, 2016 is vacated. The Stay will be in place until a final decision on the appeal of the order granting summary judgment to National Grange.

b) The parties will respond to certain outstanding discovery requests as follows: Plaintiffs-in-Intervention will produce documents and provide a) amended responses to Defendant California State Grange's Requests for Production of Documents, Set One, Request Nos. 53/54 as set forth in the order on Defendant California State Grange's motion to compel; b) amended responses to the Request for Production of Documents that are the subject of Mr. McFarland's motion to compel (Nos. 3, 4, 6, 34, & 35); and c) responses to Defendant California State Grange's second and third sets of Requests for Production of Documents, second set of Special Interrogatories, second set of Form Interrogatories, and first set of Request for Admissions. Defendant California State Grange will produce documents and provide responses to sets 1-4 of Plaintiffs-in-Intervention's Request for Production of Documents. Mr. McFarland will provide amended responses to Interrogatories and Request for Production of Documents and produce documents as set forth in the joint stipulated order on Plaintiffs-in-Intervention's motion to compel submitted to the Court on December 1, 2015. The subpoena directed to Fidelity National Title Insurance Company will also remain in effect.

c) The parties may meet and confer and, if necessary, move to compel with respect to the discovery responses and document productions set forth in paragraph b, and with respect to the discovery responses (to Request for Production of Documents, Set Two and Form Interrogatories, Set One, Special Interrogatories, Set One, and Requests for Admission

1 Set One) received from the Now Unchartered State Grange by e-mail on November 30,
2 2015.

3 d) The National Grange and Plaintiff-in-Intervention California State Grange will
4 retain whatever rights they may have to engage in motion practice related to enforcement of
5 the Judgment.

6 e) Defendant Robert McFarland's motion for summary judgment as to the claims
7 against him in the complaint-in-intervention will be fully briefed and heard. That motion
8 currently is set for hearing on December 24, 2015, but Mr. McFarland and Plaintiffs-in-
9 Intervention have agreed that the hearing shall be continued until a mutually agreeable
10 hearing date on or after January 25, 2016.

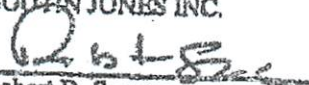
11 9. Whereas, this Stipulated [Proposed] Order shall become effective immediately.

12
13 IT IS SO STIPULATED.

14
15 Dated: December 3, 2015

16 By:

BOLEIN JONES INC.



Robert D. Swanson
Daniel S. Stouder
Gabrielle D. Bontin
Amy L. O'Neill

Attorneys for Defendant and Cross-Complainant,
California State Grange and Defendants
Jon Luvasa, Gerald Chernoff, Damian Farr,
Takashi Yogi, Kathy Bergeron, and Bill Thomas

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22 Dated: December 3, 2015

23 By:

ELLIS-LAW GROUP, LLP


Mark E. Ellis
Amanda N. Griffith
Alma Torlak-Celik

Attorneys for Defendant Robert McFarland

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STIPULATED [PROPOSED] ORDER FOR STAY PENDING APPEAL

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Dated: December 3, 2015

By:

SCHIFF HARDEN LLP

Jeffrey D. Skinner

Attorney for Plaintiffs-in-Intervention The
California State Grange and Ed Komsel and
Defendants The Grange of the State of California's
Order of Patrons of Husbandry, Chartered, Ed Komsel,
and Lillian Booth

PURSUANT TO STIPULATION, IT IS SO ORDERED.

Dated: December 4, 2015

By:

THE HONORABLE DAVID I. BROWN
JUDGE FOR THE SUPERIOR COURT

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15 Attorneys for Marshall Grange No 451

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SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF EL DORADO

MARSHALL GRANGE NO 451,
Plaintiff,

v.

LINDA CHERNOFF, does 1 through 25
Respondent.

CASE NUMBER:

**EX PARTE APPLICATION FOR
TEMPORARY RESTRAINING ORDER AND
ORDER TO SHOW CAUSE RE:
PRELIMINARY INJUNCTION;
DECLARATION OF CLAUDIA LICHT;
MEMORANDUM OF POINTS AND
AUTHORITIES [Code Civ. Proc., §§ 526, 527]**

1 Plaintiff, Marshall Grange No 451, a California nonprofit mutual benefit corporation
2 ("Plaintiff"), hereby applies for a temporary restraining order restraining the Defendant Linda Chernoff
3 ("Chernoff"), Chernoff is sometimes herein referred to as "Defendant," from locking Plaintiff out of the
4 premises located at 4940 Marshall Road, Garden Valley, California (the "Grange Hall"); from
5 preventing Plaintiffs from accessing bank account numbers 3130028504, 3100224, and 3159317124 at
6 El Dorado Savings Bank; from preventing Plaintiff from accessing its mail received in P.O. Box 516,
7 Garden Valley, California; from communicating with the members of Plaintiff on behalf of the
8 Plaintiff.

9 Plaintiff further requests that Defendant return all property of Plaintiff including the following:


- 10 1. All keys to Plaintiff's property in her possession, including without limitation, keys to
11 PO Box 516, keys to the Grange Hall, and keys to the trash shed located at the Grange Hall;
- 12 2. Code to the alarm Chernoff wrongfully installed at the Grange Hall;
- 13 3. The code to the "lockbox" that contains the key to the Grange Hall;
- 14 4. Calendar removed from the Grange Hall by Chernoff without authorization;
- 15 5. All rental agreements for the Grange Hall;
- 16 6. Contact information for all renters of the Grange Hall;
- 17 7. All mail addressed to Plaintiff, including without limitation, payments of membership
18 dues;
- 19 8. Plaintiff's Checkbook, blank checks, and check register(s);
- 20 9. Control of Plaintiff's website, www.marshallgrange.org; and
- 21 9. All official communications and correspondence addressed to Plaintiff, including
22 without limitation, all emails and other written communications from Ed Komski and The Grange of
23 the State of California's Order of Patrons of Husbandry.

24
25 Plaintiff also seeks an order to show cause why a preliminary injunction should not be granted
26 enjoining Defendant and her agents from (1) holding themselves out as officers of Plaintiff, (2)
27
28

1 communicating with members of Plaintiff on Plaintiff's behalf, and (3) entering into any contracts
2 binding Plaintiff.

3 Defendant was given reasonable notice of the instant application on before 10:00 A.M. March
4 15, 2016. (Dec. M. Pearson ¶5).

5
6
7 DATED: March 14, 2016


Michael W. Pearson
Attorney for Plaintiff,
Marshall Grange No 451

MEMORANDUM OF POINTS AND AUTHORITIES**I. INTRODUCTION**

Defendant and her agents have threatened to hijack Plaintiff's day to day operations, management and finances. Without a restraining order from this Court, Defendant and her agents will completely disrupt Plaintiff's operations. In addition to the unauthorized take-over of Plaintiff's operations, Defendant has threatened to terminate the membership interests of Plaintiff's members without hearing or appeal in violation of California law.

II. STATEMENT OF FACTS

Plaintiff has been a member of the California State Grange, a California mutual benefit nonprofit corporation ("CSG"), since Plaintiff incorporated in 1950. Plaintiff is also exempt from federal and state tax pursuant to a group tax exemption held by CSG. (Dec. Licht ¶5).

CSG currently embroiled in a legal battle with The National Grange of the Order of Patrons of Husbandry ("National Grange"), wherein the National Grange has revoked the fraternal charter of CSG and has appointed a new organization as the California State Grange ("New Grange"). That law suit is currently on appeal, and as with all cases on appeal, enforcement of the judgment is stayed pending the outcome of the appeal. ("State Grange Case"). (Dec. Licht ¶6).

Due to the legal issues between CSG, New Grange and National Grange, Plaintiff presented the question to its members at a duly held meeting on December 14, 2015 ("2015 Annual Meeting"). At that meeting, the members voted that discussion regarding the New Grange be delayed until the January member meeting. (Dec. Licht ¶7).

At the 2015 Annual Meeting, Takashi Yogi was elected President, Claudia Licht was elected Secretary, Chernoff was elected vice president, and Barbara Avery ("Avery") was elected Treasurer. (Dec. Licht ¶8).

1 Plaintiff held a member meeting on February 8, 2016 and the members voted to continue
2 sending membership dues to CSG, not the New Grange. (Dec. Licht ¶9).

3 On February 8, 2016, during the stay of the enforcement of the State Grange Case, Plaintiff
4 received a letter from New Grange suspending and threatening to revoke Plaintiff's charter for electing
5 Takashi Yogi president of the Plaintiff (an action that New Grange felt was in violation of New
6 Grange's regulations). (Dec. Licht ¶10).

7 On February 9, 2016, Chernoff paid a locksmith to change the locks on the Grange Hall,
8 without authorization from or notice to the Executive Committee. (Dec. Licht ¶11).

9 On February 10, 2016, Plaintiff's secretary was notified that the Plaintiff's bank accounts at El
10 Dorado Savings had been frozen. (Dec. Licht ¶12).

11 On February 9, 2016, Plaintiff's secretary was notified that the lock on the Plaintiff's post
12 office box had been changed and that the Plaintiff could not get access to its mail without approval
13 from an authorized person which Plaintiff believes to be Chernoff, or an agent of Chernoff.. (Dec. Licht
14 ¶13).

15 On or about February 9, 2016, Avery, acting as an agent of Chernoff, informed Claudia Licht
16 that she was in possession of checks for the Plaintiff but refused to deliver them to Plaintiff. (Dec. Licht
17 ¶14).

18 On February 10, 2016, the Executive Committee met and resolved to change the locks so that
19 the members would be able to access the Grange Hall, as they had for over forty-five (45) years. (Dec.
20 Licht ¶15).

21 On February 12, 2016, several members of the Executive Committee met with a locksmith to
22 change the locks on the Grange Hall. Chernoff was at the Grange Hall, but left and returned with
23 people in two other vehicles who blocked the driveway and held the locksmith and others against their
24 will until an El Dorado sheriff deputy arrived and ordered that the vehicle blockade be removed.
25 Chernoff was informed by the deputy that the sheriff's office considered this a civil matter and
26 Chernoff agreed not to change the locks until the dispute was resolved. (Dec. Licht ¶ 16).

1 On February 18, 2016, Chernoff once again changed the locks on the Grange Hall and installed
2 an alarm. Chernoff also posted a sign on the Grange Hall indicating a phone number for Chernoff and
3 another unknown phone number to be called in advance for access to Plaintiff's property. (Dec. Licht
4 ¶17).

5 Since Chernoff changed the locks the second time, services at the Grange Hall have been
6 interrupted. On Monday February 22, 2016, members arrived for the monthly potluck only to find the
7 Grange Hall locked with no explanation. On February 18, 2016, Plaintiff's long standing renter, the
8 local chapter of Narcotics Anonymous, was unable to hold its regularly scheduled meeting because the
9 Grange Hall was locked and Chernoff was not present to allow the group access. (Dec. Licht ¶18).

10 In addition to interrupting member and regular renter use of the Grange Hall, Chernoff has
11 diverted income from Plaintiff by causing a scheduled event, the KFOK 95.1 Fundraiser with music by
12 The Island of Black and White, to be moved to the International Order of Odd Fellows Hall in
13 Georgetown, California. (Dec. Licht ¶19).

14 On February 19, 2016, Chernoff sent a letter to the members of Plaintiff improperly designating
15 herself as "Acting President" in an attempt to coerce them into voting to join the New State Grange
16 under threat to defraud them of their membership interests without notice or a fair hearing as required
17 by the mutual benefit nonprofit law of California. (Dec. Licht ¶20).

18 On or about March 10, 2016, Chernoff mailed letters out to at least one member informing him
19 that he was no longer a member of Marshall Grange.
20

21 III. ARGUMENT

22 Without this Court's intervention, Defendant and her agents will be able to completely takeover
23 Plaintiff's day to day operations, management and finances, and terminate the membership interests of
24 the majority of Plaintiff's members. Plaintiff faces the imminent threat of losing its decades' long
25 history and all of its active membership and rental business.
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1 **A. Statutory Authority.**

2 An injunction is properly granted when a plaintiff seeks to preserve the status quo until the final
3 determination on the merits of the action. (*Continental Baking Co. v. Katz* (1968) 68 Ca.2d 512, 528).
4 In order to be entitled to a preliminary injunction, a plaintiff must show that it will suffer irreparable
5 harm if the injunction is not issued. (CCP § 526(a)(2). The term “irreparable injury” means that species
6 of damages, whether great or small, “that ought not to be submitted to on the one hand or inflicted on
7 the other.” (*Wind v. Herbert* (1960) 186 Cal.App.2d 276, 285).

9 Courts evaluate two interrelated factors in deciding whether to issue a TRO/preliminary
10 injunction: (1) the likelihood that the plaintiff will prevail on the merits at trial and (2) the interim harm
11 that the plaintiff is likely to sustain if the injunction were to be denied as compared to the harm that the
12 defendant is likely to suffer if the injunction were issued. (*Ketchens v. Reiner* (1987) 194 Cal.App.3d
13 470, 474.).

15 Based on the evidence before this Court, Plaintiff’s application should be granted because all of
16 these elements have been met.

17 **B. Defendant Must Be Enjoined To Prevent Irreparable Harm To Plaintiff’s Operations.**

18 Plaintiff is entitled to a temporary restraining order to prevent Defendant from interfering with
19 Plaintiff’s day to day operations, management and finances.
20

21 Defendant has made it impossible for Plaintiff to pay its bills, provide services for its members
22 and satisfy Plaintiff’s obligations under contracts entered into with long term tenants. Plaintiff is also
23 terminating membership interests without hearings or appeals.
24

25 **C. Plaintiff is Likely to Prevail on the Merits.**

1 Where a member of a fraternal organization is incorporated, like Plaintiff, that incorporated
2 member may be suspended by the fraternal organization, like National Grange, but such suspension
3 has no effect on the rights of the incorporated member to own property. *Merill Lodge No. 229 v.*
4 *Independent Order of Good Templars* (1889) 78 Cal. 166. Plaintiff incorporated in 1950 as a mutual
5 benefit nonprofit and holds title to the Grange Hall as a corporation. Plaintiff is part of a group tax
6 exemption with CSG, the currently suspended member of National Grange, and is a member of CSG.
7 Plaintiff is not a member of New Grange.

8 Because Chernoff's communications indicate that because she has been appointed by New
9 Grange, her case hinges on the argument that the New Grange somehow governs Plaintiff by virtue of
10 having the name or status previously held by CSG. A new fraternal organization claiming to take the
11 place of an existing corporation cannot simply step into the shoes of the old parent organization. *Mut.*
12 *Bldg. & Loan Ass'n of Long Beach v. Corum*, 220 Cal. 282, 292, 30 P.2d 509 (193) ("A change in
13 name does not affect the identity of a corporation"); see also *Lanini v. JP Morgan Chase Bank*,
14 2014 U.S. Dist. LEXIS 47348, 2014 WL 1347365 (E.D. Cal. Apr. 4, 2014) ("The court rejects any
15 claim that the name change [from Washington Mutual Bank, F.A. to Washington Mutual Bank]
16 somehow precludes Chase's authority to foreclose."; *United States v. Abakporo*, 2013 U.S. Dist.
17 LEXIS 168141, 2013 WL 6188260 (S.D.N.Y. Nov. 25, 2013).

18 IV. CONCLUSION

19
20
21 Defendant's wrongful actions are currently causing irreparable harm to Plaintiff. Chernoff is
22 attempting to expel members who do not support her unauthorized take-over of the Grange Hall and
23 she will continue to harm Plaintiff unless this court intervenes. Plaintiff is a sovereign corporation and
24 a member of CSG, not subject to the governance of the New Grange or National Grange and must be
25 allowed access to its mail, bank accounts and real property.
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2 DATED: March, 2016
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Michael W. Pearson
Attorney for Plaintiff,
Marshall Grange No 451

DECLARATION OF MICHAEL W. PEARSON

I, Michael W. Pearson, declare:

1. I am an attorney duly licensed to practice before the courts of the State of California, and I am of counsel with HMS Law Group, LLP, counsel of record for the Plaintiff in the above-captioned matter. I state the facts herein of my own personal knowledge and if called upon to do so could and would competently testify thereto.

2. Pursuant to Rule 3.102(a) of the Rules of Court, the parties and attorneys relating to this motion are as follows:

Attorneys for Plaintiff: Marshall Grange No 451

Michael Pearson
HMS Law Group, LLP
455 Capitol Mall, Suite 605
Sacramento, CA 95814

Matthew Pearson
Pearson & Pearson, APC
4120 El Camino Ave.
Sacramento, CA 95821

Defendant Linda Chernoff:
Linda Chernoff
6340 Mt. Murphy Road
Garden Valley, CA 95633
toohighranch1@gmail.com
530-642-8671

3. Pursuant to Rule 3.1202(b) of the Rules of Court, there have been no previous ex parte applications that have been refused in whole or in part of the same character or requesting the same relief as this ex parte application.

1 4. Pursuant to Rule 3.1202(c) of the Rules of Court, the Declaration of Claudia
2 Licht in support of this Ex Parte Application sets forth the affirmative factual showing of
3 irreparable harm and the statutory basis for granting relief ex parte.

4 5. Defendant has been notified via telephone and email by 10:00 A.M. March 15,
5 2016, pursuant to the Rules of Court 3.1203. It is unknown whether Defendant will be
6 opposing this Ex Parte Application.

7
8 I declare under penalty of perjury under the laws of the State of California that the foregoing is
9 true and correct and that this declaration was executed on March 14, 2016 in Sacramento,
10 California.

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Michael W. Pearson

1 MICHAEL PEARSON (SBN: 228698)
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11 SACRAMENTO, CA 95814
12 PHONE (916) 760-7027
13 FAX: (916) 560-7394
14 EMAIL: Matthew@EastSacLaw.com

15 Attorneys for Marshall Grange No 451

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SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF EL DORADO

MARSHALL GRANGE NO 451,
Plaintiff,

v.

LINDA CHERNOFF, does 1 through 25
Respondent.

CASE NUMBER:

DECLARATION OF CLAUDIA LICHT IN
SUPPORT OF
EX PARTE APPLICATION FOR
TEMPORARY RESTRAINING ORDER AND
ORDER TO SHOW CAUSE RE:
PRELIMINARY INJUNCTION;

I, Claudia Licht, declare:

1 1. I am the Secretary of Marshall Grange No 451 ("Plaintiff"). I have personal knowledge
2 of the facts set forth herein and, if called, could testify as to them.

3 2. I make this application on behalf of the Plaintiff for a temporary restraining order and
4 order to show cause regarding a preliminary injunction to maintain the status quo pending trial of the
5 matter.

6 3. I request this court restrain the Defendant, Linda Chernoff, as well as their agents and
7 employees, from excluding Plaintiff from the premises located at 4940 Marshall Road, Garden Valley,
8 California (the "Grange Hall"); from preventing Plaintiffs from accessing bank account numbers
9 3130028504, 3100224, and 3159317124 at El Dorado Savings Bank; from preventing Plaintiff from
10 accessing its mail received in P.O. Box 516, Garden Valley, California; from communicating with the
11 members of Plaintiff on behalf of the Plaintiff.

12 4. I also request this court issue an order requiring that Chernoff and her agents return all
13 property of Plaintiff, including, without limitation, keys to PO Box 516; the code to the alarm Chernoff
14 wrongfully installed at the Grange Hall; the code to the "lockbox" that contains the key to the Grange
15 Hall; the calendar removed from the Grange Hall by Chernoff without authorization; all rental
16 agreements for the Grange Hall; contact information for all renters of the Grange Hall; all mail
17 addressed to Plaintiff, including without limitation, payments of membership dues; Plaintiff's
18 Checkbook, blank checks, and check register(s); control of Plaintiff's website,
19 www.marshallgrange.org; and all official communications and correspondence addressed to Plaintiff,
20 including without limitation, all emails and other written communications from Ed Komski and The
21 Grange of the State of California's Order of Patrons of Husbandry ("New Grange").

22 5. Plaintiff has been a member of the California State Grange, a California mutual benefit
23 nonprofit corporation ("CSG"), since Plaintiff incorporated in 1950. Plaintiff is also exempt from
24 federal and state tax pursuant to a group tax exemption held by CSG.

25 6. CSG currently embroiled in a legal battle with The National Grange of the Order of
26 Patrons of Husbandry ("National Grange"), wherein the National Grange has revoked the fraternal
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1 charter of CSG and has appointed New Grange as the California State Grange. That law suit is
2 currently on appeal, and as with all cases on appeal, enforcement of the judgment is stayed pending the
3 outcome of the appeal. A copy of the stay in the State Grange Case is attached as Exhibit A.

4 7. Due to the legal issues between CSG, New Grange and National Grange, Plaintiff
5 presented the question to its members at a duly held meeting on December 14, 2015 ("2015 Annual
6 Meeting"). At that meeting, the members voted that discussion regarding the New Grange be delayed
7 until the January member meeting.

8 8. At the 2015 Annual Meeting, Takashi Yogi was elected President, Claudia Licht was
9 elected Secretary, Chernoff was elected vice president, and Barbara Avery ("Avery") was elected
10 Treasurer.

11 9. Plaintiff held a member meeting on February 8, 2016 and the members voted to continue
12 sending membership dues to CSG, not the New Grange.

13 10. On February 8, 2016, during the stay of the enforcement of the State Grange Case,
14 Plaintiff received a letter from New Grange suspending and threatening to revoke Plaintiff's charter
15 for electing Takashi Yogi president of the Plaintiff (an action that New Grange felt was in violation of
16 New Grange's regulations). A copy of the letter is attached hereto as Exhibit B.

17 11. On February 9, 2016, Chernoff paid a locksmith to change the locks on the Grange Hall,
18 without authorization from the executive committee and without notice to the Executive Committee.

19 12. On February 10, 2016 I was notified that the Plaintiff's bank accounts at El Dorado
20 Savings had been frozen.

21 13. On February 9, 2016, I was notified that the lock on the Plaintiff's post office box had
22 been changed and that the Plaintiff could not get access to its mail without approval from an
23 authorized person which I believe to be Chernoff, or an agent of Chernoff.

24 14. On February 9, 2016, Avery, acting as an agent of Chernoff, informed me that she was
25 in possession of checks for the Plaintiff but refused to deliver them to Plaintiff.
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1 15. On February 10, 2016, the Executive Committee met and resolved to change the locks
2 so that the members would be able to access the Grange Hall, as they had for over forty-five (45)
3 years.

4 16. On February 12, 2016, several members of the Executive Committee met with a
5 locksmith to change the locks on the Grange Hall. Chernoff was at the Grange Hall, but left and
6 returned with people in two other vehicles who blocked the driveway and held the locksmith and
7 others against their will until an El Dorado sheriff deputy arrived and ordered that the vehicle blockade
8 be removed. Chernoff was informed by the deputy that the sheriff's office considered this a civil
9 matter and Chernoff agreed not to change the locks until the dispute was resolved.

10 17. On February 18, 2016, Chernoff once again changed the locks on the Grange Hall and
11 installed an alarm. Attached as Exhibit C is a sign posted on the Grange Hall indicating a phone
12 number for Chernoff and another unknown phone number to call for advance permission for access to
13 the Grange Hall.

14 18. Since Chernoff changed the locks the second time, services at the Grange Hall have
15 been interrupted. On Monday February 22, 2016, members arrived for the monthly potluck only to
16 find the Grange Hall locked with no explanation. On February 18, Plaintiff's long standing renter, the
17 local chapter of Narcotics Anonymous, was unable to hold its regularly scheduled meeting because the
18 Grange Hall was locked and Chernoff was not present to allow the group access.

19 19. In addition to interrupting member and regular renter use of the Grange Hall, Chernoff
20 has diverted income from Plaintiff by causing a scheduled event, the KKOF 95.1 Fundraiser with
21 music by The Island of Black and White, to be moved to the International Order of Odd Fellows Hall
22 in Georgetown, California.

23 20. On February 19, 2016, Chernoff sent a letter to the members of Plaintiff improperly
24 designating herself as "Acting President" in an attempt to coerce them into voting to join the New
25 State Grange under threat to defraud them of their membership interests without notice or a fair
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1 hearing as required by the mutual benefit nonprofit law of California. A copy of the letter is attached
2 as Exhibit D.

3 21. On or about March 10, 2016, Chernoff mailed letters out to members informing them
4 that they were no longer members of Plaintiff. A copy of one such letter is attached as Exhibit E.

5
6 I declare under penalty of perjury under the laws of the State of California that the foregoing is true and
7 correct and that this declaration was executed on March 14th, 2016 in Garden Valley, California.
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11 
12 Claudia Licht

EXHIBIT A

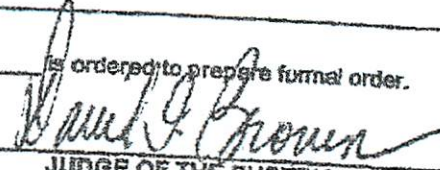
Stay in State Grange Case

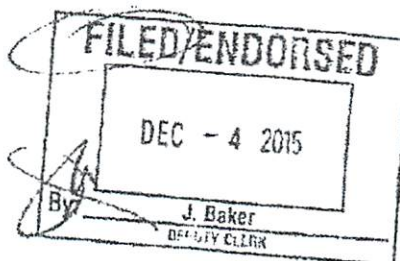
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SUPERIOR COURT OF CALIFORNIA COUNTY OF SACRAMENTO

ORDER DETERMINING DISPOSITION OF EX PARTE APPLICATION

Case Name The National Grange vs. Ca. State Grange		Case Number 2012-00130439
Type of Application Re. Stip to Stay Pending Appeal	By A	Application Date 12-4-15
Names of Appearing Party	Representing	
Daniel S. Stouder	Ca State Grange	
No appearance by any other party		
The Court, having considered the above entitled ex parte application with appearance as noted above, rules as follows: <input type="checkbox"/> without a hearing <input checked="" type="checkbox"/> after hearing 		
<input checked="" type="checkbox"/> The application is granted. per the stipulated order, the court will sign the order (EX-A) attached hereto.		
Mr. Stouder shall give notice to all parties forthwith.		
<input type="checkbox"/> The application is denied on the merits of the papers presented to the Court.		
<input type="checkbox"/> The application is denied without prejudice to its resubmission for the following reason(s):		
<input type="checkbox"/> The moving party may not proceed except by noticed motion.		
<input type="checkbox"/> Other		
<input type="checkbox"/> Counsel for the		
12-4-15 DATE		is ordered to prepare formal order.  DAVID I. BROWN JUDGE OF THE SUPERIOR COURT

**BOUTIN JONES INC.**

Robert D. Swanson SBN162816
 Daniel S. Stouder SBN 226753
 Gabrielle D. Boutin SBN 267308
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 California State Grange and Defendants Jon Luvaas,
 Gerald Chernoff, Damian Parr, Takashi Yogi,
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Merk E. Ellis SBN 127159
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 Fax: (202) 778-6460

Attorney for Plaintiffs-in-Intervention The California
 State Grange and Ed Komski and Defendants The
 Grange of the State of California's Order of Patrons
 of Husbandry, Chartered, Ed Komski, and Lillian Booth

SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF SACRAMENTO

THE NATIONAL ORANGE OF THE ORDER
OF PATRONS OF HUSBANDRY, a
 Washington, D.C., non-profit corporation,

Plaintiff,

and

THE CALIFORNIA STATE GRANGE, a
 California nonprofit corporation, and **ED**
KOMSKI,

Case No.: 34-2012-00130439

(Consolidated with Butte County
 Superior Court Case #163389)

STIPULATED [PROPOSED] ORDER
FOR STAY PENDING APPEAL

STIPULATED [PROPOSED] ORDER FOR STAY PENDING APPEAL

1 Plaintiffs-in-Intervention.

2 v.

3 THE CALIFORNIA STATE GRANGE, a
4 California nonprofit corporation, and
5 ROBERT MCFARLAND, JON LUYAAS,
6 GERALD CHERNOFF, DAMIAN PARR,
7 TAKASHI YOGI, KATHY BERGERON, and
8 BILL THOMAS,

9 Defendants.

10 AND CONSOLIDATED ACTION.

Date: November 23, 2015
Time: 2:00 P.M.
Dept. 53
Judge: David L. Brown

Complaint filed: October 1, 2012
Complaint-in-Intervention filed:
November 7, 2014
Trial Date: January 26, 2016

11 1. Whereas, Plaintiffs-in-Intervention California State Grange and Ed Komski have
12 filed a Complaint-in-Intervention against individual defendants Robert McFarland, Jon Luyvaas,
13 Takashi Yogi, Damian Parr, Kathy Bergeron, and Bill Thomas (the "Complaint-in-Intervention").

14 2. Whereas, Defendant California State Grange has filed a Complaint against The
15 Grange of the State of California's Order of Patrons of Husbandry, Chartered, Ed Komski, and Lillian
16 Booth (the "Complaint").

17 3. Whereas, the Complaint-in-Intervention was filed in, and the Complaint was
18 consolidated with, an action filed by the National Grange of the Order of Patrons of Husbandry filed
19 against Defendants California State Grange, Robert McFarland, Jon Luyvaas, Gerald Chernoff,
20 Damian Parr, Takashi Yogi, Kathy Bergeron, and Bill Thomas (the "National Grange Complaint").

21 4. Whereas, the Court granted a motion for summary judgment on the National Grange
22 Complaint and entered judgment on behalf of National Grange (the "Judgment").

23 5. Whereas, Defendants California State Grange, Robert McFarland, Jon Luyvaas,
24 Gerald Chernoff, Damian Parr, Takashi Yogi, Kathy Bergeron, and Bill Thomas have filed an appeal
25 of the Judgment.

26 6. Whereas, the trial on the Complaint-in-Intervention and the Complaint remains on
27 calendar and is scheduled to begin January 26, 2016.

28 7. Whereas, matters at issue in the Complaint-in-Intervention and the Complaint mirror
issues that will be addressed by the Court of Appeal in connection with the Judgment on appeal.

2
STIPULATED (PROPOSED) ORDER FOR STAY PENDING APPEAL

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1 8. Whereas, the parties wish to voluntarily stay the actions continuing in the trial court
2 on the following terms:

3 a) The parties agree to an immediate stay of all proceedings on the claims against
4 the individuals alleged in the Complaint-in-Intervention and on the claims alleged in the
5 Complaint except as set forth in points b-e below (the "Stay"). The trial set for January 26,
6 2016 is vacated. The Stay will be in place until a final decision on the appeal of the order
7 granting summary judgment to National Grange.

8 b) The parties will respond to certain outstanding discovery requests as
9 follows: Plaintiffs-in-Intervention will produce documents and provide a) amended
10 responses to Defendant California State Grange's Requests for Production of Documents,
11 Set One, Request Nos. 53/54 as set forth in the order on Defendant California State Grange's
12 motion to compel; b) amended responses to the Request for Production of Documents that
13 are the subject of Mr. McFarland's motion to compel (Nos. 3, 4, 6, 34, & 35); and c)
14 responses to Defendant California State Grange's second and third sets of Requests for
15 Production of Documents, second set of Special Interrogatories, second set of Form
16 Interrogatories, and first set of Request for Admissions. Defendant California State Grange
17 will produce documents and provide responses to sets 1-4 of Plaintiffs-in-Intervention's
18 Request for Production of Documents. Mr. McFarland will provide amended responses to
19 Interrogatories and Request for Production of Documents and produce documents as set
20 forth in the joint stipulated order on Plaintiffs-in-Intervention's motion to compel submitted
21 to the Court on December 1, 2015. The subpoena directed to Fidelity National Title
22 Insurance Company will also remain in effect.

23 c) The parties may meet and confer and, if necessary, move to compel with respect
24 to the discovery responses and document productions set forth in paragraph b, and with
25 respect to the discovery responses (to Request for Production of Documents, Set Two and
26 Form Interrogatories, Set One, Special Interrogatories, Set One, and Requests for Admission
27
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1 Set One) received from the Now Unchartered State Grange by e-mail on November 30,
2 2015..

3 d) The National Grange and Plaintiff-in-Intervention California State Grange will
4 retain whatever rights they may have to engage in motion practice related to enforcement of
5 the Judgment.

6 e) Defendant Robert McFarland's motion for summary judgment as to the claims
7 against him in the complaint-in-intervention will be fully briefed and heard. That motion
8 currently is set for hearing on December 24, 2015, but Mr. McFarland and Plaintiff-in-
9 Intervention have agreed that the hearing shall be continued until a mutually agreeable
10 hearing date on or after January 25, 2016.

11 9. Whereas, this Stipulated [Proposed] Order shall become effective immediately.

12
13 IT IS SO STIPULATED.

14
15 Dated: December 3, 2015

BOULEIN JONES INC.

16 By: 

17 Robert D. Swanson
18 Daniel S. Stouder
19 Gabrielle D. Boutin
20 Amy L. O'Neill

21 Attorneys for Defendant and Cross-Complainant,
22 California State Grange and Defendants
23 Jon Luvaas, Gerald Chernoff, Damian Parr,
24 Takashi Yogi, Kathy Bergeron, and Bill Thomas

25 Dated: December 3, 2015

ELLIS-LAW GROUP, LLP

26 By: 

27 Mark E. Ellis
28 Amanda N. Griffith
Alma Torlak-Celik

Attorneys for Defendant Robert McFarland

4
STIPULATED [PROPOSED] ORDER FOR STAY PENDING APPEAL

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Dated: December 3, 2015

By:

SCHIFF HARDEN LLP

Jeffrey D. Skinner

Attorney for Plaintiffs-in-Intervention The
California State Grange and Ed Komski and
Defendants The Grange of the State of California's
Order of Patrons of Husbandry, Chartered, Ed Komski,
and Lillian Booth

PURSUANT TO STIPULATION, IT IS SO ORDERED.

Dated: December 4, 2015

By:

THE HONORABLE DAVID I. BROWN
JUDGE FOR THE SUPERIOR COURT

EXHIBIT B

February 8, 2016 letter from Ed Kowski

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California State Grange

1311 Willow Glen Road, Fallbrook, California 92028

Official Notice of Suspension of Charter

February 8, 2016

To the Officers and Members of Marshall Grange #451:

Section 4.5.1 of the Digest of Laws provides that "it shall be the duty of the Master of [the] State Grange to suspend ... the Charter of" any Subordinate Grange when certain criteria are met and the Master determines "that the good of the Order" requires suspension. In particular, Section 4.5.1(B) provides for the suspension of the Charter of "[a] Grange working in violation of the law and usages of the Order," while Section 4.5.1(C) provides for the suspension of the Charter of a Grange "in arrears for dues for one or more quarters."

I have determined that Marshall Grange is "working in violation of the law and usages of the Order" because it has elected to the office of Master Takashi Yogi, who is not a member of The Grange. Section 10.4.3 of the Digest of Laws provides that only "members in good standing are eligible to hold office in the Grange to which they belong." Mr. Yogi voluntarily withdrew his membership in the Grange by November 8, 2013, at the latest, when he signed a "Position Statement" declaring that he was "no longer affiliated with the National Grange." Additionally, in discovery responses served in the state court litigation in 2015, Mr. Yogi admitted, under penalty of perjury, that he is "not a member of the Order of Patrons of Husbandry," "not a member of any organization affiliated with the Order of Patrons of Husbandry," and "not a member of any organization affiliated with the National Grange of the Order of Patrons of Husbandry." (Yogi Resps. to Req. for Admission Nos. 1-3 (Jan. 22, 2015).) Accordingly, it is beyond dispute that Mr. Yogi is not presently a member of The Grange, and so is ineligible to hold the office of Master of Marshall Grange.

I previously informed the members of Marshall Grange that Mr. Yogi is ineligible to serve as Master. On December 15, 2015, pursuant to Section 10.4.2 of the Digest of Laws, I informed Marshall Grange that the vote electing Mr. Yogi was disputed and found out of order, and ordered that the ballot for Master of Marshall Grange be retaken. On January 3, 2016, however, I personally attended a monthly meeting of Marshall Grange where Mr. Yogi was recognized by certain members to be the "elected president" of Marshall Grange. Accordingly, it is my determination that Marshall Grange is attempting to fill the office of Master with an individual who does not meet the qualifications to hold that office.

I have also determined that Marshall Grange is in arrears for dues for at least 13 quarters. To the best of my knowledge, Marshall Grange has not paid dues to any Grange organization since at least September 2012.

Finally, I have determined "that the good of the Order requires" the suspension of the Charter of Marshall Grange until the issues identified above are satisfactorily resolved.

Thus, pursuant to the National Grange Digest of Laws and the California State Grange Constitution and By-Laws, with the authority vested in me as the Master of the California State Grange, and for the good of the Order, the Charter of Marshall Grange is hereby suspended, effective February 8,

BOARD OF DIRECTORS

Ed Komski, President/CEO
1311 Willow Glen Road
Fallbrook, CA 92028
(760) 310-6500
EKomski@CAStateGrange.org

Mike Warner
Vice President
mwarner@CAStateGrange.org

Lillian Booth, Secretary
PO Box 1442
Paradise, CA 95967
(530) 872-8719
LBooth@CAStateGrange.org

Bob Clouse
Executive Committee
BClouse@CAStateGrange.org

Inger Bevans
Executive Committee
IBevans@CAStateGrange.org

Johnny Squire
Executive Committee
JSquire@CAStateGrange.org

Grange Motto

*In essentials, unity;
In non-essentials,
Liberty;
In all things, charity*

2016.

A Subordinate Grange may not operate as a Grange while its Charter is suspended, except to the extent authorized by the State Grange. Upon suspension of its Charter, a Subordinate Grange is required to turn over its operations to the State Grange, or individuals designated by the State Grange, to manage during the term of the suspension.

Pursuant to Section 4.10.8(A) of the Digest of Laws, "[i]n the case of a vacancy in the office of Master of any Grange, the Overseer of the said Grange shall act as Master until the vacancy is filled." Similarly, Section 10.6.2 provides that in the absence of the Master at meetings of a Subordinate Grange, "the highest ranking officer present may act as Master." Linda Chernoff was elected to the position of Overseer/Vice President of Marshall Grange. Accordingly, the California State Grange designates Mrs. Chernoff to be Acting Master of Marshall Grange and assume management responsibilities during the term of the suspension of its Charter. Additionally, the California State Grange authorizes Marshall Grange to hold a meeting of its membership during the term of the suspension for the purpose of electing an individual in good standing in the Order to serve as Master.

It is my belief that the deficiencies identified above may be remedied within a 45-day period, thereby avoiding the need for revocation of the Charter. Accordingly, with the advice and consent of the Executive Committee of the California State Grange, the suspension of the Charter of Marshall Grange will be for a period of 45 days—until March 24, 2016—or until the problems identified above are adequately resolved. In particular, Marshall Grange may resolve these problems by (1) holding an election for the office of Master at its next meeting, and electing a member of the Order in good standing to hold that office; and (2) taking steps to become current on its Grange dues.

If on March 24, 2016 these deficiencies are not rectified or significant progress to resolving them is not evident, the Charter of Marshall Grange may be revoked, with all the consequences under the National Grange Digest of Laws, the California State Grange Constitution and By-Laws, and California law that entails.

Pursuant to Sections 4.5.3 and 12.1.5 of the Digest of Laws, Marshall Grange may appeal the suspension of its Charter within 45 days. Pursuant to Section 4.5.2 of the Digest of Laws, National Master Betsy Huber is copied on this Notice of Suspension.

Fraternally,



Ed Komski, President, CEO and Master

California State Grange

(760)310-6500

EKomski@CAStateGrange.org

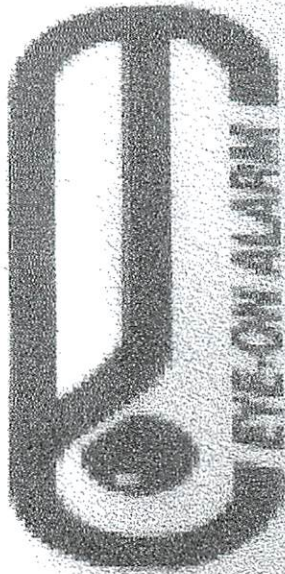
www.CaliforniaStateGrange.org

Cc: Betsy Huber, National Grange Master

EXHIBIT C

Sign Posted on Grange Hall

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**THIS BUILDING IS PROTECTED
BY AN ALARM SYSTEM**

**IF YOU NEED TO GET IN AND DO NOT
HAVE PRIOR AUTHORIZATION**

PLEASE CONTACT

530-642-8671 or 530-334-3197

EXHIBIT D

February 19, 2016 letter from Linda Chernoff to Members

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MARSHALL GRANGE No. 451

February 19, 2016

Dear Marshall Granger,

Starting our new year of 2016, we are taking this opportunity to familiarize ourselves with the commitment we have signed up for as Grange members. I am asking you to do this for your membership in the Marshall Grange #451, which is a fraternal organization that operates and conducts its business on a set of by-laws that are in conformity with those of the California State Grange and National Grange. These documents can be found on My Grange/Governance at (www.californiastatetrangegrange.org). Below is a renewal of your commitment to the Marshall Grange which I would like you to read over, and if you are in agreement, sign and send back to me at toohighranch1@gmail.com or P.O. Box 516, Garden Valley, Ca. 95633 by March 7, 2016. If you are not in agreement and choose not to sign, then you will regretfully be dropped from the rolls of the Grange. If you choose not to be a member and have already paid your 2016 dues, we will send you a refund upon your request. If you have any questions, please feel free to contact me by phone at 530-642-8671, or by e-mail at toohighranch1@gmail.com.

Fraternally,

Linda Chernoff, Acting President
Marshall Grange #451

"Renewing Your Commitment to the Marshall Grange #451"

The Marshall Community Grange is committed to being a relevant, caring and involved part of the community where members can find the encouragement to meet people and make new friends for outstanding fellowship, find the opportunity to lead and be well led, and where their participation can make a difference.

As a member I am renewing my commitment to the Marshall Grange #451 by agreeing to the following:

- to encourage, empower, guide and support fellow members.
- to be honest, share, treat others with respect and compassion, and expect the same from them.
- to give generously of my time and talents, and provide support and response to my community's needs.
- to encourage the sustainable availability of wholesome, nutritious food.
- to show responsibility to our environment - locally and beyond.
- to conform to and abide by the laws of my state and nation and the rules and regulations of the Grange at the Community, State and National levels.
- to pay the annual dues in a timely manner.

I understand that if I knowingly or willfully break this agreement, I will remove myself from the Grange.

Printed Name of Member

Signature of Member

EXHIBIT E

March 10, 2016 Letter from Linda Chernoff to Carl Austin, Member of Marshall Grange No 451



The Grange is the largest general farm organization in America

MARSHALL GRANGE No. 451
PATRONS OF HUSBANDRY

4940 Marshall Road
P.O. Box 516
Garden Valley, CA 95633

March 10, 2016

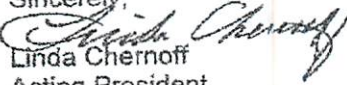
Carl Austin
PO Box 536
Garden Valley, CA 95633

Dear Carl,

This letter is a courtesy on our part to let you know that you are not listed as a member on the CSG (Guild) records as recent as January 2016 nor did we receive a 2016 membership card for you from the CSG (Guild). Since we have not received your dues or a signed letter of obligation to the Patrons of Husbandry, Marshall Grange by March 7 as requested in an earlier letter, we will not be adding you to the Marshall Grange membership rolls.

Your duties as an officer (Lecturer) of the Grange per your obligation cease to exist. We are sorry you have chosen this path and hope you are happy with your decision.

Sincerely,


Linda Chernoff
Acting President

1 MICHAEL PEARSON (SBN: 228698)
2 HMS LAW GROUP, LLP
3 455 CAPITOL MALL, SUITE 605
4 SACRAMENTO, CA 95814
5 PHONE (916) 252-0200
6 FAX: (916) 244-0447
7 EMAIL: mpearson@hmslawgroup.com

8 MATTHEW PEARSON (SBN: 227390)
9 PEARSON & PEARSON APC
10 4120 EL CAMINO AVE., STE B
11 SACRAMENTO, CA 95814
12 PHONE (916) 760-7027
13 FAX: (916) 560-7394
14 EMAIL: Matthew@EastSacLaw.com

15 Attorneys for Marshall Grange No 451

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SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF EL DORADO

MARSHALL GRANGE NO 451,
Plaintiff,

v.

LINDA CHERNOFF, does 1 through 25
Respondent.

CASE NUMBER:

**[PROPOSED] TEMPORARY RESTRAINING
ORDER AND ORDER TO SHOW CAUSE
RE: PRELIMINARY INJUNCTION; [Code
Civ. Proc., §§ 526, 527]**

Plaintiff's *Ex Parte* Application for Temporary Restraining Order and Order to Show Cause Re:
Preliminary Injunction, and good cause appearing therefore, IT IS HEREBY ORDERED THAT:

1 Defendant and her agents are restrained from:

- 2 1. Locking Plaintiff out of the premises located at 4940 Marshall Road, Garden Valley,
3 California (the "Grange Hall");
- 4 2. Preventing Plaintiffs from accessing bank account numbers 3130028504, 3100224, and
5 3159317124 at El Dorado Savings Bank;
- 6 3. Preventing Plaintiff from accessing its mail received in P.O. Box 516, Garden Valley,
7 California; from communicating with the members of Plaintiff on behalf of the Plaintiff.

9 Defendant is further ordered to return all property of Plaintiff including the following:

- 10 1. All keys to Plaintiff's property in her possession, including without limitation, keys to
11 PO Box 516, keys to the Grange Hall, and keys to the trash shed located at the Grange Hall;
- 12 2. Code to the alarm installed at the Grange Hall;
- 13 3. The code to the "lockbox" that contains the key to the Grange Hall;
- 14 4. Calendar removed from the Grange Hall by Chernoff without authorization;
- 15 5. All rental agreements for the Grange Hall;
- 16 6. Contact information for all renters of the Grange Hall;
- 17 7. All mail addressed to Plaintiff, including without limitation, payments of membership
18 dues;
- 19 8. Plaintiff's checkbook, blank checks, and check register(s);
- 20 9. Control of Plaintiff's website, www.marshallgrange.org; and
- 21 10. All official communications and correspondence addressed to Plaintiff, including
22 without limitation, all emails and other written communications from Ed Komski and The Grange of
23 the State of California's Order of Patrons of Husbandry.

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_____, El Dorado County Superior Court Judge