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13 MAR 13 PM 3:55

LEGAL PROCESS #3

1 Mark E. Ellis - 127159
2 William A. Lapcevic - 238893
3 Elizabeth A. Handelin - 275710
4 ELLIS LAW GROUP, LLP
5 740 University Avenue, Suite 100
6 Sacramento, CA 95825
7 Tel: (916) 283-8820
8 Fax: (916) 283-8821

9 Attorneys for Defendant
10 ROBERT MCFARLAND

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SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF SACRAMENTO

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

Plaintiff,

v.

THE CALIFORNIA STATE GRANGE, a
California nonprofit corporation, and ROBERT
MCFARLAND, JOHN LUVAAS, GERALD
CHERNOFF, and DAMINA PARR,

Defendants.

Case No.: 34-2012-00130439

**DECLARATION OF ROBERT
MCFARLAND IN SUPPORT OF RETURN
ON ORDER TO SHOW CAUSE RE:
PRELIMINARY INJUNCTION**

DATE: March 29, 2013

TIME: 2:00 p.m.

DEPT: 53

Complaint filed: October 1, 2012

Trial Date: None set

I, Robert McFarland, declare:

1. I am currently the elected Master and President of the California State Grange. The facts stated in this declaration are true and correct and based upon my own personal knowledge, and if called upon to testify thereto, I am competent to do so.

2. California State Grange is a corporation organized under the laws of California. I am currently the elected President of the California State Grange, serving at the pleasure of our Board of Directors, and I am responsible for the day to day operations of the California State Grange. As part of

1 my being an elected President of the California State Grange, I have an employment contract with the
2 California State Grange, under which I have an obligation to oversee and manage the corporation's
3 operations and activities of the California State Grange. Attached to the Index of Exhibits, as **Exhibit**
4 **A**, is a true and correct copy of the Articles of Incorporation of the California State Grange.

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6 3. I am filing this his application for a temporary restraining order and order to show cause
7 why a preliminary injunction should not be issued in order to maintain the status quo until the matter
8 can be decided at trial on the merits.

9 4. I request that Defendant, The National Grange of the Order of Patrons of Husbandry,
10 Edward Luttrell, Master of the National Grange, and any other agents, servants and employees of The
11 National Grange be restrained from continuing with any internal trial proceedings which will affect the
12 operation of the California State Grange.

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14 5. Based upon allegations initiated by Martha Stefenoni, Overseer of the California State
15 Grange, in October of 2011, Edward Luttrell, Master of The National Grange, sent a letter to me which
16 stated several presumed violations and requested that the California State Grange Executive
17 Committee look into such allegations. The unfounded allegations included: (a) purportedly falsifying
18 Charter and/or membership applications, (b) alleged attempts to seat unqualified delegates at the
19 California State Grange sessions, and (c) purported attempts to harass and/or intimidate staff members.

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21 6. Any action against me was suspended pending an investigation by the California State
22 Grange Executive Committee. The California State Grange Executive Committee is made up of
23 California State Grange Board of Directors (John Luvaas, Buzz Chernoff, Damian Parr, Inger Bevans
24 and Shirley Baker), and Officers Martha Stefenoni, Overseer, and myself, as President After
25 concluding its investigation, the California State Grange Executive Committee issued a report to the
26 National Grange, concluding:

1 a) The mistakes made to Charter and membership applications (which solely consisted of
2 two applications which had an incorrect date) were unintentional, and the result of a dysfunctional
3 State Office through several administrations, where no employee or Master could be singled out as the
4 cause. As part of the finding, the California State Grange Executive Committee included a plan for
5 reorganization of the office in an attempt to correct the problem. It held that it did not find evidence of
6 any intentional violation of Grange Law by myself or anyone else.

8 b) No evidence was found to support a charge that I had approved or conspired to seat
9 alternate delegates who were not qualified or who would somehow support my reelection. It
10 concluded that it did not find any supporting evidence that I approved, solicited or conspired to seat
11 alternate delegates for any other Grange in violation of Grange Law.

12 c) Finally, as part of its last report, The California State Grange Executive Committee
13 concluded it had found no evidence of any wrongdoing or violation of Grange Law by me based upon
14 all allegations put forth for review. Attached to the Index of Exhibits, as **Exhibit B**, is a true and
15 correct copy of the report of the Board's findings.

17 7. On or about January 25, 2012, after the California State Grange Executive Committee,
18 after it concluded its investigation and found no wrongdoing. Martha Stefenoni, Shirley Baker and
19 Inger Bevans forwarded a "minority report" to Luttrell without any advice or consent of the California
20 State Grange Board of Directors. Based on Luttrell's apparent dislike for me, he ignored the findings
21 of the Executive Committee and chose to accept the unverified, unofficial report from a minority of the
22 Executive Committee, which was adverse to McFarland and contrary to the findings of the Executive
23 Committee and the Board of Directors of the California State Grange. Attached to the Index of
24 Exhibits, as **Exhibit C**, is a true and correct copy of the January 25, 2012 minority report.

26 8. At the time of the Executive Committee's investigation, I was involved in a separate
27 "Grange Trial." That matter involved the California State Grange's decision on a consolidation of the
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1 Prunedale and Springfield Granges within the California State Grange. The charge in that proceeding
2 requested that the "Grange Trial" overturn my decision in the consolidation of the two Granges. In
3 order to proceed, I paid approximately \$5,000, retained counsel and brought 6 witnesses from out of
4 the area to testify in support of my defense. The panel was selected and appointed by Luttrell. The
5 panel had only one witness, Ms. Stefenoni, to support the charges, which neither myself or my attorney
6 was permitted to cross-examine. In my case in chief, I put on only three witnesses before the "Grange
7 Trial" panel cut me off, found me guilty and expelled me from the National Grange for life.
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9 9. In an attempt to appease all parties, I agreed to accept a two month suspension for any
10 unintentional wrongs that occurred during his time as Master, despite being cleared by the California
11 Executive Committee. I served this voluntary suspension from June 1, 2012 to July 31, 2012.

12 10. During my suspension as President of the California State Grange, Overseer Stefenoni
13 became the acting Master, and she wasted no time searching office records and interrogating California
14 State Grange officials and attorneys in an attempt to solicit additional evidence against me for which
15 she could bring to Luttrell to support additional charges. Upon my return on August 1, 2012, Luttrell
16 immediately suspended me based upon the allegations in the Stefenoni report, and he added other
17 charges based upon my involvement in a settlement agreement that had occurred in 2009, of which
18 Luttrell was fully aware at the time it took place. Attached to the Index of Exhibits as **Exhibit D** is a
19 true and correct copy of the August 1, 2012 Letter from Luttrell.
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21 11. Based upon the actions of Luttrell and Stefenoni, I refused to accept the new suspension
22 as it was a clear attempt to remove me from my elected office, contrary to the laws of California, and
23 the laws of the Grange. Further, I tendered the charges to the Board of Directors of the California
24 State Grange. The Board of Directors of the California State Grange agreed with me and passed the
25 following resolutions:
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a) That the California State Grange Executive Committee considered all charges brought by National Master Ed Luttrell against California State Grange Master Robert McFarland on August 1, 2012 and found no cause to suspend the California State Grange Master based upon those charges.

b) That the Executive Committee does not recognize any authority for Master Luttrell to suspend the California State Grange Master because Grange law prohibits any action under Grange law contrary to the laws of the land governing our Grange. Under the California Corporations Code governing our Grange, no body other than the members who elected a corporate director may remove that director from office.

c) That the Executive Committee does not recognize Overseer Martha Stefenoni as the Acting Master of the California State Grange because Master McFarland's suspension by the National Master was unlawful under both Grange and California law and because, she has a conflict of interest.

d) That the Executive Committee does not recognize Master Luttrell's authority to suspend the California State Grange Charter because doing so is contrary to the laws of the State of California governing our California Corporation.

e) That the Executive Committee demands a cessation of harassment by the National Master against the California State Grange and its duly elected-corporate directors.

f) That, in any action taken by this Executive Committee, the officers or members of the Grange, or the National Master, the Executive Committee reserves the rights of the California State Grange to defend itself under Grange law and the laws of our state and nation.

Attached hereto as **Exhibit E** is a true and correct copy of the California State Grange Board of Directors' resolutions.

1 12. Based on the California State Grange Board of Directors refusal to honor National
2 Master Luttrell's wrongful suspension, Luttrell attempted to cancel California State Grange's Annual
3 Meeting, where 189 members and delegates had already registered to attend and moved for a
4 temporary restraining order and preliminary injunction ordering the turnover of all assets and bank
5 accounts of the California State Grange to the National Grange.

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7 13. After this Court denied the National Grange's motion for a temporary restraining order,
8 Luttrell by and through agents of the National Grange continued to contact members of the California
9 State Grange attempting to deter members away from attending the Annual meeting. However, the
10 annual meeting took place, and at the meeting the delegates of the California State Grange voted
11 unanimously to disregard the National Grange suspensions and continue to operate as a normal
12 California corporation until the case goes to trial. A true and correct copy of the Minutes from the
13 October 11, 2012 annual meeting is attached to the Index of Exhibits as **Exhibit F**.

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15 14. Additionally, the National Grange has attempted to financially suffocate the California
16 State Grange by advising all members of the California State Grange to send their annual dues to the
17 National Grange, rather than for the California State Grange. Attached to the Index of Exhibits as
18 **Exhibit G** is a true and correct copy of the March 1, 2013, letter sent by Luttrell to members of the
19 California State Grange requesting that dues be paid to the National Grange..

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21 15. Such action by the National Grange clearly is an attempt to interfere with my ability to
22 perform the obligations pursuant to my employment contract and to make it difficult to manage the
23 operations of the California State Grange.

24 16. Since that meeting and the filing of the cross-complaint against the National Grange, Ed
25 Luttrell and Martha Stefenoni, the National Grange has moved forward with its internal trial process.

26 17. On or about February 19 , 2013, I received a letter from the Grange Trial Court
27 Chairperson, Steven Verrill, informing me that the trial was proceeding forward, and that I must pay
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1 \$10,000.00 to the National Grange within 20 days of receipt of the letter or I would be denied the
2 opportunity to present evidence on my behalf. Further, the letter states that Ed Luttrell, the person
3 filing a complaint against me, personally selected and appointed the panelists/judges for the trial. A
4 true and correct copy of the letter from Steven Verill is attached to the Index of Exhibits as **Exhibit H**.

5 18. Since the National Grange has refused to voluntarily stay the internal "Grange Trial," I
6 have no choice but to file this ex parte application for a temporary restraining order to restrain the
7 National Grange from proceeding with a "Grange Trial" wherein the adjudicating panel's intent is to
8 block any ability I would have to defend myself by forcing me to pay \$10,000.00 to the National
9 Grange in order to have the opportunity to present supporting evidence in front of a panel that has
10 been chosen by the very person that filed the instant complaint and charges against me. Additionally,
11 pursuant to my employment contract with the California State Grange, my annual salary as President
12 of the California State Grange is approximately \$38,000. Requiring me to pay 25% of my annual
13 salary to participate in a "Grange Trial" places upon me an extreme financial hardship.
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15 19. If Luttrell and the National Grange are permitted to proceed with a "Grange Trial," it
16 will certainly result in harm to me because National Grange will undoubtedly use the findings from the
17 "Grange Trial" to seek to terminate my employment by enforcing the known outcome of the "Grange
18 Trial." Based on the receipt of the letter from the National Grange and my apprehension and fear for
19 my rights to a fair trial regarding my employment with a California corporation, I authorized my
20 attorneys to object to the trial process.
21

22 20. I believe that the "Grange Trial" is an attempt to expel me from the National Grange
23 and then to attempt to terminate or interfere with my current employment contract with a California
24 corporation.
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26 21. On or about March 4, 2013, I learned from a letter from Steven Verrill dated February
27 27, 2013 that the "Grange Trial" is scheduled to take place on Thursday, March 14, 2013. Attached to
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1 the Index of Exhibits as **Exhibit I** is a true and correct copy of the February 27, 2013 letter from
2 Steven Verill.

3 22. The National Grange has sued me in Superior Court and it already attempted to obtain a
4 Court Order effectively terminating my rights under my employment contract with the California State
5 Grange. After being denied, their requested relief from this court, they now seek to hold a "Grange
6 Trial" in order to terminate my employment rights by which rules I will be judged by a panel selected
7 and appointed by Ed Luttrell, the very person that brought charges and filed suit against me.
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9 23. Upon refusal of the National Grange to stay or abate the "Grange Trial," I had no choice
10 but to file this ex parte motion for a temporary restraining order to restrain the National Grange from
11 proceeding with a trial where the members' intent is to block any ability I would have to defend
12 myself, and where the members are biased, and chosen by the Complainant such that the outcome is
13 presumed known, making the entire proceeding futile.
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15 24. For all of these reasons I request that the Court grant a temporary restraining order and
16 order to show cause why a preliminary injunction should not be issued in order to prevent the National
17 Grange from interfering with my current employment contract until this matter may be heard on its
18 merits.

19 I declare under penalty of perjury under the laws of the State of California that the foregoing is
20 true and correct, and that this declaration was executed on March 13, 2013 in Sacramento, California.
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23 By  _____
Robert McFarland