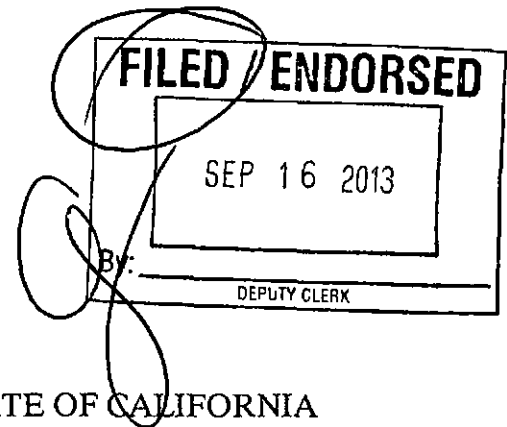


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6 MARTHA STEFENONI and SHIRLEY BAKER



7
8 SUPERIOR COURT OF THE STATE OF CALIFORNIA
9 COUNTY OF SACRAMENTO

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

13 Plaintiff,

14 vs.

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

18 Defendants.

19 ROBERT MCFARLAND, an individual,

20 Cross-Complainant,

21 vs.

22 THE NATIONAL GRANGE OF THE
23 ORDER OF PATRONS OF
HUSBANDRY, a Washington, D.C.,
nonprofit corporation, MARTHA
24 STEFENONI, an individual, EDWARD L.
LUTTRELL, an individual, SHIRLEY
25 BAKER, an individual, and ROES 1
through 10, inclusive,

26 Cross-Defendants.
27
28

CASE NO. 34-2012-00130439

**CROSS-DEFENDANTS MARTHA
STEFENONI AND SHIRLEY BAKER'S
ANSWER TO ROBERT MCFARLAND'S
FIRST AMENDED CROSS-COMPLAINT**

Complaint Filed: October 1, 2012
Trial Date: Not yet set

BY FAX

1
CROSS-DEFENDANTS MARTHA
STEFENONI AND SHIRLEY BAKER'S
ANSWER TO ROBERT MCFARLAND'S
FIRST AMENDED CROSS-COMPLAINT

1 Cross-Defendants MARTHA STEFENONI and SHIRLEY BAKER ("these answering
2 defendants") hereby allege as follows:

3 Pursuant to the provisions of California Code of Civil Procedure Section 431.20, and
4 in answer to the unverified First Amended Cross-Complaint herein ("COMPLAINT") of
5 Cross-Complainant Robert McFarland ("Cross-Complainant"), and to each and every cause
6 of action thereof, Cross-Defendants MARTHA STEFENONI and SHIRLEY BAKER
7 deny each and every allegation of said Complaint, and further deny that Cross-Complainant
8 have been damaged or injured in any sum or manner whatsoever, or at all, by any act or
9 omission of these answering defendants.

10 **AFFIRMATIVE DEFENSES**

- 11 1. AS A SEPARATE AND DISTINCT AFFIRMATIVE DEFENSE TO THE
12 COMPLAINT AND EACH CAUSE OF ACTION THEREOF, these answering
13 defendants allege that the COMPLAINT and each cause of action therein fails to
14 state a, or any, cause of action against these answering defendants.
- 15 2. AS A SEPARATE AND DISTINCT AFFIRMATIVE DEFENSE TO THE
16 COMPLAINT AND EACH CAUSE OF ACTION THEREOF, these answering
17 defendants allege that the COMPLAINT and each cause of action therein is
18 uncertain under section 430.10, subdivision (f), of the California Code of Civil
19 Procedure.
- 20 3. AS A SEPARATE AND DISTINCT AFFIRMATIVE DEFENSE TO THE
21 COMPLAINT AND EACH CAUSE OF ACTION THEREOF, these answering
22 defendants allege that the Superior Court of California lacks subject matter
23 jurisdiction to determine the substantive issues of disagreement that should be
24 decided internally through procedures established by the Constitution and Bylaws of
25 the Order of the National Grange, of which the California State Grange is a
26 constituent part, and Robert McFarland was elected its Master.
- 27 4. AS A SEPARATE AND DISTINCT AFFIRMATIVE DEFENSE TO THE

1 COMPLAINT AND EACH CAUSE OF ACTION THEREOF, these answering
2 defendants allege that Cross-Complainant's COMPLAINT, and each cause of action
3 therein, is barred by the provisions of the applicable statutes of limitation, in
4 particular but not limited to, Code of Civil Procedure Sections 335.1, 337, 337.1,
5 337.15, 337.2, 338, 339, 339.5, 340, and/or 343.

6 5. AS A SEPARATE AND DISTINCT AFFIRMATIVE DEFENSE TO THE
7 COMPLAINT AND EACH CAUSE OF ACTION THEREOF, these answering
8 defendants allege that the incidents complained of were proximately caused and/or
9 contributed to by the sole or concurrent negligence and/or acts or omissions of
10 persons or entities other than these answering defendants, including Cross-
11 Complainant herein. Cross-Defendants Martha Stefenoni and Shirley Baker
12 therefore pray that the court compare the negligence and/or acts or omissions of all
13 persons, firms, corporations and/or entities of any kind which proximately caused or
14 contributed to the incidents complained of herein and the injuries, if any, sustained
15 by Cross-Complainant herein, and that the court award damages, if any, against these
16 answering defendants only in proportion to each of their percentages of fault, if any,
17 in accordance with applicable law, including but not limited to Civil Code sections
18 1430 through 1432.

19 6. AS A SEPARATE AND DISTINCT AFFIRMATIVE DEFENSE TO THE
20 COMPLAINT AND EACH CAUSE OF ACTION THEREOF, these answering
21 defendants allege that Cross-Complainant was himself negligent in and about the
22 matters alleged in the COMPLAINT, and that said negligence of Cross-Complainant
23 was the sole and/or partial proximate cause of his damages herein, if any there were.

24 7. AS A SEPARATE AND DISTINCT AFFIRMATIVE DEFENSE TO THE
25 COMPLAINT AND EACH CAUSE OF ACTION THEREOF, these answering
26 defendants allege that the sole and/or partial proximate cause of the allegedly
27 actionable incidents was due to the negligence and/or other misconduct of other

1 persons or entities for whom these defendants are not responsible. Cross-
2 Complainant's recovery herein, if any, should therefore be barred, reduced or
3 apportioned in accordance with the degree of responsibility of those other persons or
4 entities for the damages complained of herein.

5 8. AS A SEPARATE AND DISTINCT AFFIRMATIVE DEFENSE TO THE
6 COMPLAINT AND EACH CAUSE OF ACTION THEREOF, these answering
7 defendants allege that the injuries complained of by Cross-Complainant, if any, were
8 proximately caused by some other incident or happening than what have been
9 pleaded, and/or by some other tortfeasor.

10 9. AS A SEPARATE AND DISTINCT AFFIRMATIVE DEFENSE TO THE
11 COMPLAINT AND EACH CAUSE OF ACTION THEREOF, these answering
12 defendants allege on information and belief that Cross-Complainant was himself
13 guilty of a breach of contract, bad faith, or other misconduct which would preclude a
14 right of recovery or diminish, on a comparative basis, Cross-Complainant's right of
15 recovery.

16 10. AS A SEPARATE AND DISTINCT AFFIRMATIVE DEFENSE TO THE
17 COMPLAINT AND EACH CAUSE OF ACTION THEREOF, these answering
18 defendants allege on information and belief that Cross-Complainant's damages are
19 barred or reduced because of Cross-Complainant's failure to mitigate damages.

20 11. AS A SEPARATE AND DISTINCT AFFIRMATIVE DEFENSE TO THE
21 COMPLAINT AND EACH CAUSE OF ACTION THEREOF, these answering
22 defendants allege that Cross-Complainant's COMPLAINT, and each cause of action
23 therein, fails to state facts sufficient to constitute a cause of action for attorney's fees
24 against these answering defendants.

25 12. AS A SEPARATE AND DISTINCT AFFIRMATIVE DEFENSE TO THE
26 COMPLAINT AND EACH CAUSE OF ACTION THEREOF, these answering
27 defendants allege that Cross-Complainant's recovery herein is barred or reduced by

1 the doctrine of equitable setoff.

2 13. AS A SEPARATE AND DISTINCT AFFIRMATIVE DEFENSE TO THE
3 COMPLAINT AND EACH CAUSE OF ACTION THEREOF, these answering
4 defendants allege on information and belief, that Cross-Complainant's claim is
5 barred on the ground that Cross-Complainant's course of conduct, and written
6 and/or unwritten communications constitute a waiver of the claims asserted in the
7 COMPLAINT.

8 14. AS A SEPARATE AND DISTINCT AFFIRMATIVE DEFENSE TO THE
9 COMPLAINT AND EACH CAUSE OF ACTION THEREOF, these answering
10 defendants allege that Cross-Complainant's COMPLAINT, and each cause of action
11 therein, is barred by the doctrine of laches.

12 15. AS A SEPARATE AND DISTINCT AFFIRMATIVE DEFENSE TO THE
13 COMPLAINT AND EACH CAUSE OF ACTION THEREOF, these answering
14 defendants allege that Cross-Complainant's claims are barred by the doctrine of
15 consent.

16 16. AS A SEPARATE AND DISTINCT AFFIRMATIVE DEFENSE TO THE
17 COMPLAINT AND EACH CAUSE OF ACTION THEREOF, these answering
18 defendants allege that by conduct, representations and omissions, Cross-
19 Complainant have waived, relinquished and/or abandoned, and is equitably estopped
20 to assert, any claim for relief against these answering defendants respecting the
21 matters that are the subject of the complaint.

22 17. AS A SEPARATE AND DISTINCT AFFIRMATIVE DEFENSE TO THE
23 COMPLAINT AND EACH CAUSE OF ACTION THEREOF, these answering
24 defendants allege that Cross-Complainant's claims are barred because provisions of
25 the California Corporations Code, for which McFarland served as Master, allow a
26 nonprofit California corporation to delegate its authority to a parent affiliate within
27 the same organization and to be bound by a charitable trust as authorized by the

1 bylaws.

2 18. AS A SEPARATE AND DISTINCT AFFIRMATIVE DEFENSE TO THE
3 COMPLAINT AND EACH CAUSE OF ACTION THEREOF, these answering
4 defendants allege that any statements made by Cross-Defendants Martha Stefenoni
5 and Shirley Baker which form the basis for the defamation cause of action alleged by
6 Robert McFarland were true and cannot be deemed defamatory.

7 19. AS A SEPARATE AND DISTINCT AFFIRMATIVE DEFENSE TO THE
8 COMPLAINT AND EACH CAUSE OF ACTION THEREOF, these answering
9 defendants allege that any statements made by Cross-Defendants Martha Stefenoni
10 and Shirley Baker which form the basis for the defamation cause of action alleged by
11 Robert McFarland were made without malice.

12 20. AS A SEPARATE AND DISTINCT AFFIRMATIVE DEFENSE TO THE
13 COMPLAINT AND EACH CAUSE OF ACTION THEREOF, these answering
14 defendants allege that any statements made by Cross-Defendants Martha Stefenoni
15 and Shirley Baker which form the basis for the defamation cause of action alleged by
16 Robert McFarland were statements of opinion rather than facts capable of being
17 proved true or false.

18 21. AS A SEPARATE AND DISTINCT AFFIRMATIVE DEFENSE TO THE
19 COMPLAINT AND EACH CAUSE OF ACTION THEREOF, these answering
20 defendants allege that any statements made by Cross-Defendants Martha Stefenoni
21 and Shirley Baker which form the basis for the defamation cause of action alleged by
22 Robert McFarland did not violate his privacy and were justifiable critiques of his
23 performance in office.

24 22. AS A SEPARATE AND DISTINCT AFFIRMATIVE DEFENSE TO THE
25 COMPLAINT AND EACH CAUSE OF ACTION THEREOF, these answering
26 defendants allege that any statements made by Cross-Defendants Martha Stefenoni
27 and Shirley Baker which form the basis for the defamation cause of action alleged by
28

1 Robert McFarland were intended to uphold the discipline of the Order or the
2 California State Grange, not to gain competitive advantage or limit the economic
3 opportunities of McFarland.

4 23. AS A SEPARATE AND DISTINCT AFFIRMATIVE DEFENSE TO THE
5 COMPLAINT AND EACH CAUSE OF ACTION THEREOF, these answering
6 defendants allege that any statements made by Cross-Defendants Martha Stefenoni
7 and Shirley Baker which form the basis for the defamation cause of action alleged by
8 Robert McFarland were true and cannot be deemed defamatory.

9 24. AS A SEPARATE AND DISTINCT AFFIRMATIVE DEFENSE TO THE
10 COMPLAINT AND EACH CAUSE OF ACTION THEREOF, these answering
11 defendants allege that Cross-Complainant's claims are barred by the doctrine of
12 estoppel.

13 25. AS A SEPARATE AND DISTINCT AFFIRMATIVE DEFENSE TO THE
14 COMPLAINT AND EACH CAUSE OF ACTION THEREOF, these answering
15 defendants allege that these answering defendants are entitled to a set-off from any
16 award of damages Cross-Complainant may otherwise be entitled to herein, either
17 individually or on behalf the general public, for any misconduct by Cross-
18 Complainant, for any overpayment of Cross-Complainant, and/or for any debts owed
19 to the company by Cross-Complainant.

20 26. AS A SEPARATE AND DISTINCT AFFIRMATIVE DEFENSE TO THE
21 COMPLAINT AND EACH CAUSE OF ACTION THEREOF, these answering
22 defendants allege that Cross-Complainant is barred or limited from recovery, in
23 whole or in part, because any recovery awarded to Cross-Complainant would
24 constitute unjust enrichment.

25 27. AS A SEPARATE AND DISTINCT AFFIRMATIVE DEFENSE TO THE
26 COMPLAINT AND EACH CAUSE OF ACTION THEREOF, these answering
27 defendants allege that the defendant's alleged statements, which form the basis for

1 Cross-Complainants' claim of defamation, are privileged under California Civil Code
2 Section 47, et seq., or otherwise are privileged or quasi-privileged communications.

3 28. AS A SEPARATE AND DISTINCT AFFIRMATIVE DEFENSE TO THE
4 COMPLAINT AND EACH CAUSE OF ACTION THEREOF, these answering
5 defendants allege that Robert McFarland's Cross-Complaint, and each cause of
6 action therein, fails to state facts sufficient to constitute a cause of action for punitive
7 or exemplary damages against these answering defendants, and further, that each
8 Cross-Complainant's purported claim for punitive or exemplary damages violates this
9 answering defendant's rights to due process and equal protection as guaranteed by
10 the Fourteenth Amendment of the United States Constitution and other applicable
11 law, in that, among other things, neither California Civil Code Section 3294 nor any
12 other allegedly applicable provision of state or federal substantive law provides for
13 (1) an adequate or meaningful standard for determining the nature of the conduct
14 upon which an award of punitive damages may be based or for determining or
15 reviewing the amount of a punitive damage award; (2) adequate procedural
16 safeguards for the imposition of punitive damages upon the presentation of evidence
17 beyond a reasonable doubt; or (3) unanimity of jurors as to the punitive damage
18 portion of any adverse verdict or judgment.

19 29. AS A SEPARATE AND DISTINCT AFFIRMATIVE DEFENSE TO THE
20 COMPLAINT AND EACH CAUSE OF ACTION THEREOF, these answering
21 defendants allege that the Complaint, and each cause of action therein, fails to state
22 facts sufficient to constitute a cause of action for attorney's fees against these
23 answering defendants.
24

25 These answering defendants at this time have insufficient knowledge or information
26 on which to form a belief as to whether it may have additional, as yet unstated affirmative
27 defenses available, and therefore these answering defendants reserves the right to assert
28

1 additional affirmative defenses in the event subsequent knowledge or information indicates
2 such defenses may be available or appropriate.

3
4 WHEREFORE, these answering defendants prays that Cross-Complainant take
5 nothing by his COMPLAINT, and for recovery of costs of suit incurred herein, including,
6 but not limited to, "defense costs" as defined in Code of Civil Procedure Section 1038(b),
7 attorney's fees and for such other and further relief as the Court deems proper.

8
9
10 DATED: September 13, 2013

FARBSTEIN & BLACKMAN
A Professional Corporation

11
12 By 

13 Michael A. Farbstein
14 Maggie W. Trinh
15 Attorneys for Cross-Defendants
16 MARTHA STEFENONI and SHIRLEY
17 BAKER
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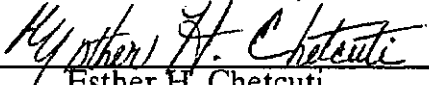
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- 1 [] by placing the document(s) listed above in a sealed envelope(s) and by causing personal
2 delivery of the envelope(s) to the person(s) at the address(es) set forth herein. Signed
3 proof of service by the process server or delivery service is attached to this proof of
4 service.
- 5 [] by personally delivering the document(s) listed above to the person(s) at the address(es)
6 set forth herein.
- 7 [] by placing the document(s) listed above in a sealed envelope(s) and consigning it to an
8 express mail service for guaranteed delivery on the next business day following the date
9 of consignment to the address(es) set forth herein.

10 I declare under penalty of perjury under the laws of the United States and the State
11 of California that the above is true and correct. Executed at San Mateo, California, on
12 September 13, 2013.

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Esther H. Chetcuti

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DOWNTOWN COURTHOUSE
SUPERIOR COURT OF CALIFORNIA
COUNTY OF SACRAMENTO