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13 OCT 22 PM 3:11

LEGAL PROCESS #6

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12 SUPERIOR COURT OF THE STATE OF CALIFORNIA
13 COUNTY OF SACRAMENTO

14 THE NATIONAL GRANGE OF THE
15 ORDER OF PATRONS OF
16 HUSBANDRY, a Washington, D.C.,
17 nonprofit corporation,

18 Plaintiff,

19 vs.

20 THE CALIFORNIA STATE GRANGE,
21 a California nonprofit corporation, and
22 ROBERT McFARLAND, JOHN
23 LUVAAS, GERALD CHERNOFF and
24 DAMIAN PARR,

25 Defendants.

26 and related cross-actions.

CASE NO. 34-2012-00130439

REQUEST FOR JUDICIAL NOTICE IN
SUPPORT OF CROSS-DEFENDANTS
MARTHA STEFENONI AND SHIRLEY
BAKER'S REPLY BRIEF TO SPECIAL
MOTION TO STRIKE

RESERVATION NO.: 1877422

DATE: October 29, 2013

TIME: 2:00 p.m.

DEPT.: 53

JUDGE: Hon. David Brown

Complaint Filed: October 1, 2012

Trial Date: Not yet set

27 TO ALL PARTIES AND THEIR COUNSEL OF RECORD:

28 The moving parties Cross-Defendants MARTHA STEFENONI and SHIRLEY
BAKER hereby request judicial notice of the following document:

1. A true and correct copy of a posting on the California State Grange website,
dated October 11, 2013 (after the filing of this motion to strike) is attached

REQUEST FOR JUDICIAL NOTICE IN
SUPPORT OF CROSS-DEFENDANTS
MARTHA STEFENONI AND SHIRLEY
BAKER'S REPLY BRIEF TO SPECIAL
MOTION TO STRIKE

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herewith as Exhibit 5.

DATED: October 22, 2013

FARBSTEIN & BLACKMAN
A Professional Corporation

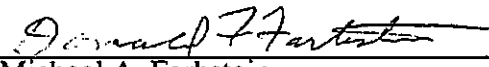
By 
Michael A. Farbstein
Donald F. Farbstein
Attorneys for Cross-Defendants
MARTHA STEFENONI and SHIRLEY
BAKER

EXHIBIT 5

To Members and Leaders of the Grange

We write this letter with deep regret, but a strong sense of obligation for the Good of the Grange. It is essential for every Grange member and leader to understand the grave peril to the Grange if power is misused at the highest levels of our Order. And, when power is abused, it must be stopped, promptly and decisively.

The Grange was founded for the mutual support of our members, for protection from powerful forces outside the Grange, and to challenge indifference from our national leadership. We are a grassroots organization, with our strength coming from our community Granges. Every Grange expects to elect its own leaders and set its own course based upon community and regional needs. We elect our leaders to support us and lift us up if we stumble. They are here to serve us for the good of the order; we do not serve them.

The National Grange Master has no need or authority to interfere in the internal business of other Granges, to control the leadership style of our elected officers, or to watchdog them for any hint of mistakes to be punished. Their first duty is to support.

Unfortunately, National Grange (NG) Master Ed Luttrell has a history of criticizing, intimidating, and threatening State Grange Masters whose leadership he doesn't like. In the name of enforcing his rigid interpretation of Grange rules, he has forced some to resign so others more to his liking can take their place. This is not what we expect from a trusted national leader, not what our principles require, and not the Grange way.

In 2011, Master Luttrell and his longtime friend, (CSG) Overseer Martha Stefenoni, began a campaign to criticize and force California State Grange (CSG) Master Bob McFarland out of office. Based on suspicions alone, Luttrell accused McFarland of improper procedures and told him to resign or face charges that could lead to his forcible removal. McFarland refused to resign based on the unfounded charges, so Luttrell and Stefenoni searched for proof. Disregarding information showing no wrong was done, Luttrell made formal charges against McFarland anyway and suspended him. Overseer Stefenoni was to replace him.

The CSG Executive Committee (EC) refused to support the false charges against McFarland and the State Overseer's attempted takeover. The National Grange Arbitration Panel appointed to consider Luttrell's charges reported that *a Grange trial of Master McFarland would not be for the Good of the Order*.

Accompanying this letter or posted on the CSG website is a more detailed summary of these events. See <http://californiagrangearg.org/wordpress/court-updates/>

Our rules are subject to many interpretations, depending on the Master's intentions and motives. If the National Master is unwilling to help when needed, lacks the leadership skills to do more than give lectures, and is motivated more by rigidly enforcing rules than by our principles of mutual support and charity, no State Master is safe. Oregon. California. Wyoming. Who is next?

For 140 years, the National Master had little power over State Granges, but Luttrell has steadily accumulated power, including a rule change letting him revoke any State charter, if he alone thinks it's good for the Grange. When the CSG EC refused to accept his abusive treatment of Master McFarland, Luttrell responded with brute force by suing the CSG and its officers in the California Superior Court, suspended the State Charter, and later revoked it. He ordered CSG

leaders to stop operating as a Grange and instructed our members to ignore their elected leaders and answer only to him. Luttrell asked the Court to support his takeover, but the Court refused, saying everything will remain "status quo" because he could not prove he is likely to win under the laws of California that govern our Granges. Ignoring the Court, he demanded that CSG management, revenue, and property be surrendered to his control; he told our community Granges to send their dues only to him; and he seized \$115,000 in Grange Insurance Association (GIA) contributions contractually owed to the CSG.

With Mr. Luttrell's emphasis on rigidity and control over fairness and principles; his history of jumping to conclusions before knowing the facts; and his refusal to recognize that he and every Grange are ruled by state law, no Grange Charter is safe from his abuse of power.

The CSG has 185 local Granges and 9,000 members, the nation's third largest. In 2010, the CSG had 10,000 members. But the rapid growth achieved under Master McFarland's leadership was cut short by Luttrell's interference, which disillusioned many members and reduced membership and revenue for both the CSG and NG. Only 12 of the 185 local Granges complied with Luttrell's repeated demands for dues, but he confused enough others that some stopped paying dues altogether to either Grange.

Suing the CSG is costing each Grange tens of thousands of dollars, on top of the lost dues and other expenses - money much better spent for constructive purposes in support of community Granges. The National Grange's failure to resolve this dispute, even with a professional mediator, is a travesty.

It is hard to overstate how much Luttrell has antagonized CSG members against the National Grange. After doing his best to dissuade delegates from attending the 2012 annual convention, they overwhelmingly affirmed their support for CSG leadership and expressed their adamant opposition to Luttrell's abuse of power.

Let us be clear: *The CSG did not abandon the National Grange. We were kicked out. We did not sue the NG, they sued us.* Now our hearts, oaths, duties, and state laws require us to continue operating our California Grange Corporation, serving our members, and protecting our sovereign state rights from the heavy hand of abuse from Washington, D.C.

We do this for the sake of the Grange that our forefathers founded on the principles of brotherhood and freedom from oppression. We invite our sister State Granges to work with us in bringing the Grange into the 21st Century, ensuring its future for our children, our grandchildren, and theirs.

Respectfully submitted by resolution adopted October 11, 2013,

The members of the California State Grange

HISTORIC SUMMARY OF EVENTS LEADING TO CONFLICTS BETWEEN THE NATIONAL GRANGE (NG) AND THE CALIFORNIA STATE GRANGE (CSG)

October, 2009 – CSG Annual Membership Convention

CSG Master Randy Lewis invites NG Master Ed Luttrell to the CSG Annual Convention.

CSG office manager Amy Self conducts delegate registration for the convention and actively supports Executive Committee (EC) member Bob McFarland to replace Randy Lewis as Master. McFarland is elected CSG Master by an 80% majority.

Luttrell meets with new CSG Master McFarland and expresses concerns over his election because someone circulated a "slate" of proposed officers that included McFarland's name. McFarland states he had nothing to do with its distribution. Luttrell discusses possible nullification of election but takes no action.

The CSG's lawsuit against the Agricultural Association of Vista (formerly Vista Grange) is deliberated by the delegates, who are concerned with escalating legal expenses because they significantly exceed budgeted funds. (The NG insisted the CSG pursue the lawsuit. But when CG asked for financial support, the NG declined.) Delegates adopt a resolution instructing and authorizing the CSG EC to resolve the lawsuit. (09-074 - GA)

October – December, 2009 - CSG Deliberates Vista Grange Lawsuit

CSG EC deliberates Vista Grange lawsuit, recommends a list of settlement considerations, and authorizes Master McFarland to settle the lawsuit at an upcoming court-mandated settlement conference.

December 6, 2009 - Vista Lawsuit Judicial Settlement Conference

With the CSG EC "laundry list" in hand, McFarland attends the judicial settlement conference, with a retired Judge presiding. McFarland communicates proposed terms recommended by the Judge to the CSG EC via telephone and obtains approval. Vista Grange lawsuit settled amicably, with authority and approval of the CSG EC. There is general elation over the success of the settlement, as expressed by EC members:

"Subject: RE: [csgec] Vista Mediation
From: shirley baker (bakertwo@jps.net)
To: csgec@yahoogroups.com;
Date: Tuesday, December 8, 2009 8:35 AM

Hip-Hip-Hurray to our Master for getting a settlement. A job well done. Of course we would always like to gain more money in this type of situation, but at what cost. I am so happy to have this behind us and most importantly our bylaws were upheld.

Bob, given what you were facing at the moment, I appreciate you took the time to contact all of the EC members. I am satisfied with the results and I know the members will be as well.

Shirley"

December 7, 2009

McFarland calls Luttrell the next day to report the settlement terms, which included reinstatement of the Vista Grange and approval of the sale of the hall. Luttrell responds, "I don't like to lose Grange halls," but ends the conversation pleased: "These are the kind of phone calls I like to get."

August 12, 2010

Luttrell visits California's Aromas Grange, with several Granges in attendance. When a proud member asks Luttrell if he is pleased with California's remarkable growth in membership, Luttrell responds, "Bob [McFarland] tends to exaggerate." When asked later to explain his statement, Luttrell responds, "It's one of those things you say that you regret the minute it leaves your lips."

August 15, 2010

Per request, NG is provided with an emailed summary of the terms of the Vista settlement:

"Subject : Vista Grange
From : Bob McFarland (bobupthecreek@yahoo.com)
To : eluttrell@nationalgrange.org;
Date : Sunday, August 15, 2010 1:40 AM

"Worthy Master -

Per the request of the Executive Committee of the NG, I am providing you with a summary of the settlement terms in the matter of CSG vs. Vista Grange, dismissed with prejudice on December 14, 2009.

"The terms of this settlement were decided in meetings of the CSG Executive Committee in Executive Session. Please respect the confidentiality of this information.

"Terms of the Settlement:

The Charter of Vista Grange was reinstated.

Vista Grange filed amended articles of incorporation with the California Secretary of State reinstating the corporation as Vista Grange #609, Incorporated.

Vista Grange to sell its real property consistent with Grange law, with the approval of the Executive Committee, to be sold at fair market value for the highest possible price (the hall has not been sold, to date).

Proceeds from the sale after costs will be distributed through escrow: 20% going to the CSG and 80% disbursed for purposes approved by the CSG Executive Committee to include scholarships for fields related to agriculture, and books and educational materials for children in the Vista community.

General releases, on both sides.

Dismissal of action by the CSG.

"Faithfully,

- Bob"

Winter-Summer 2011 – Development of Springfield-Prunedale Grange Issues

NG Master Luttrell communicates directly with local members about proposed consolidation of the Springfield and Prunedale Granges and sale of the Springfield hall. He fails to notify CSG Master McFarland, as required by Grange law. He will later recommend that these members file charges against Master McFarland.

Digest of Laws of the NG section 4.14.1, "A copy of all official communications sent to any Grange or Grange member within the jurisdiction of a CSG by the Officers, Directors, or employees of the NG, shall be sent to the Master of the CSG having jurisdiction"

The CSG EC approves the consolidation and sale on terms proposed by the consolidating Granges. Luttrell emails interpretations and advice to McFarland about the terms of approval. McFarland and the EC comply by reversing that approval and requesting a new proposal from the local Granges.

Luttrell repeatedly gives McFarland what he calls a "bottom line" instruction that "all parties must agree" to the terms in order for a consolidation and sale to take place. The EC approves the new proposal, but propose a condition regarding the manner of distributing interest earned from the hall sale proceeds.

July, 2011

The local Granges do not agree to those terms and Inger Bevans, a Prunedale Grange officer, emails Luttrell asking him to resolve their concern about the EC's condition on the Grange hall sale by overruling it. Luttrell disregards their request for a ruling and, instead, encourages them to file charges against Master McFarland. Sister Bevans later confirms that they only wanted Luttrell to overrule the EC's motion and did not want to file a complaint against McFarland, but that's what Luttrell told them they should do.

August 5-7, 2011 – Western Regional Conference

Master Luttrell, Master McFarland, CSG Overseer Martha Stefenoni and CSG employee Leslie Parker all attend the Western Regional Conference in Boise, Idaho. Luttrell, Stefenoni and Parker meet privately and discuss concerns about Master McFarland. McFarland is not advised.

August 13, 2011

Following Luttrell's recommendation, Prunedale-Springfield Grange members file a complaint against Master McFarland regarding the Springfield Grange. Their complaint requests only that Luttrell "find Bob McFarland out of order in his demand for the interest on any trust fund from the sale proceeds of Springfield Grange hall and to reverse his statement disapproving the whole consolidation."

Luttrell then tells the Complainants he does not have authority to rule on the matter, as they requested. However, the Digest clearly gives him full authority to offer mediation to resolve it or to make a ruling, as requested:

12.2.3 The Master of the level where the complaint is filed shall have the authority to offer mediation to the complainant and respondent or make a ruling on the laws of the Order to remedy the complaint.

Luttrell continues to ignore the repeated requests to resolve the issue by reversing the decision of McFarland and the EC. Instead, he appoints an arbitration panel to consider sending the charges to trial to punish the State Master. He later denies that anyone asked him for a ruling, even though the Trial Code provides for it and it was the only thing that Complainant Bevans and the Complaint asked him to do.

September 7, 2011

CSG Master McFarland first learns of the Prunedale-Springfield complaint against him from a letter sent by the arbitration panel.

September, 2011

Overseer Stefenoni meets with Luttrell at his office in Washington DC and discuss charter applications and membership applications for two California Granges. Martha suspects that dates have been altered.

Luttrell asks her to investigate, report, and send him information. McFarland and the CSG EC are not advised.

CSG Office Manager Amy Self is coaxed into participating in an accumulation of accusations against McFarland to be reported to Luttrell. She begins questioning the credentials of some delegates planning to attend the annual convention.

October 5, 2011

Without notifying or asking Master McFarland or CSG staff to explain their processing the two new Grange charters and membership applications, without investigating if mistakes were made in handling them, per Luttrell's request, Stefenoni writes him to say she must "question the honesty and integrity of the person(s) involved in chartering these Granges." Then, with no evidence of wrongdoing by McFarland, she accuses him of falsifying charter documents and other misconduct. Luttrell does not notify McFarland or make any attempt to resolve Stefenoni's concerns.

Without informing McFarland or even the CSG Executive Committee, Luttrell directs CSG employees to send him documents and reports to support accusations against the CSG Master. Consequently, the State Master's working relationship with his staff is irreparably harmed.

October 10, 2011

Two days before the CSG Annual Convention, Luttrell makes a surprise visit to the CSG Office and presents a letter to Master McFarland, accusing him of altering dates of membership applications, falsifying charter applications for two new Granges, and creating a hostile work environment. Luttrell threatens McFarland with immediate suspension and gives him two options: resign or immediately prove his innocence of all charges.

McFarland denies the accusations and will not resign. He states he cannot immediately prove his innocence, having just been presented with the charges.

Luttrell decides that, if McFarland will agree to being investigated by the CSG EC, he will delay suspension, pending the outcome of the investigation. Having no other viable alternative, McFarland agrees. Luttrell sternly warns McFarland that if he interferes with the investigation in any way, Luttrell will immediately suspend him from office.

Luttrell meets with CSG EC Chair Shirley Baker and assigns her and the CSG EC with the task of investigating the accusations.

October 12-16, 2011

CSG Annual Convention, Palermo, California.

The CSG EC begins investigating Luttrell's accusations and the intensity is felt throughout the Convention. At Luttrell's direction, many CSG delegates are interrogated by EC Chairwoman Shirley Baker and CSG Overseer Martha Stefenoni. They demand documentation not customarily required for delegates and not immediately available to most. As a result, up to 22 delegates are disenfranchised or delayed in obtaining their voting rights, with no evidence of wrongdoing, *based on suspicion* that their credentials were not in order.

Delegates are outraged and a motion from the floor to seat all credentialed delegates is made after consulting with the CSG Parliamentarian who determines that the motion is in order. The motion is adopted nearly unanimously with cheers and applause.

The next morning, at Luttrell's instruction, the CSG EC delays the opening of the convention to confront McFarland and asks him to sign a prepared statement admitting that he "suspended the rules" by allowing the motion to seat delegates, perhaps due to his "lack of knowledge about Grange procedures", and admitting "error". McFarland is told that if he does not sign the document, he will be immediately suspended by Luttrell.

McFarland does not sign the document, but makes a statement to the delegates that the motion adopted the previous day has been challenged and that review of delegate credentials will continue.

Throughout the convention, former CSG Master Randy Lewis, claiming to be a NG representative, states that if the CSG does not comply with his instructions, he will "call Ed Luttrell". He confronts McFarland on protocol, spends significant time consulting Amy Self during her delegate registrations, supports EC Chairwoman Baker and Overseer Stefenoni's interrogation of delegates, and facilitates communications between them and Luttrell. Claiming authority of the NG, he nullifies a special installation ceremony for a newly elected CSG EC member, conducted to accommodate the member's bereavement travel plans.

October 2011 – January 2012

At Luttrell's direction, the CSG EC thoroughly investigates all of the accusations brought against McFarland on October 10. The CSG EC interviews witnesses, including the staff and CSG Master, and examines charter and membership applications, delegate credentials, and other documents.

January 24, 2012

The CSG EC sends Luttrell its fourth and Final Report on the investigation of accusations brought by Luttrell against Master McFarland on October 10, 2011. On all charges, the report concluded there were "no Grange law violations indicated".

January 25, 2012

Without the knowledge or consent of the CSG EC, Overseer Stefenoni drafts what she calls the "minority report" disapproving the EC's Final Report on the Investigation. Signed by herself, Baker and Bevans, she submits the report to Luttrell, in violation of Grange protocol, the Digest of Laws, and Roberts Rules of Order.

NG Code of Parliamentary Law Section 13.1.2: "If there is a minority report of the committee, it shall be read before the majority report is acted upon. In order to bring the minority report properly before the Grange, a motion must be made to substitute the minority report for the majority report."

Luttrell nonetheless accepts the report and later bases charges against McFarland on it, ignoring the EC reports to the contrary. He responds to the CSG EC's final report, concluding: "Thank you for your efforts and I consider the tasks of this investigation complete by the CSG Executive Committee."

February 7, 2012 - The "Woodshed Letter" to McFarland

Luttrell emails a letter addressed to the CSG Master, CSG EC and NG EC, which has come to be known as "the woodshed letter" for its strong criticism of Master McFarland's leadership. CSG EC member Shirley Baker forwards the letter via email to former CSG employee Jay Hartz, who later testified under

oath that her email said it needs to be "disseminated". Jay Hartz forwards the letter to Amy Self, who forwards it to Leslie Parker.

Subsequently, it is mailed by unknown persons to numerous CSG members in envelopes bearing the CSG logo, suggesting to members that it is an official CSG communication. Unknown persons illegally obtained and used the CSG confidential mailing list to widely distribute the letter.

The CSG EC considers the letter a confidential employee evaluation and that its distribution could subject the CSG and NG to civil damages for defamation. The CSG EC begins an investigation into the release and distribution of the woodshed letter.

February 1, 2012 - Action Commences on the Springfield-Prunedale Complaint Against McFarland

Rather than using the 5 months since Luttrell assigned the complaint to them (August, 2011) to try to resolve the Complainants' issues with McFarland, as they had requested, the Arbitration Panel finally recommends that Luttrell appoint a Grange trial panel to consider punishing McFarland. The Grange Trial Code clearly describes the procedure to be followed by the arbitration panel, including:

12.2.5: "...The Arbitration Panel shall take reasonable steps to resolve the issues between the parties."

Luttrell's arbitration panel follows his example by refusing to try to resolve the matter, or even to contact McFarland about it. Luttrell then appoints a trial panel to consider the charges.

March 31, 2012

The Springfield trial takes place in Sacramento with three judges appointed by Luttrell. The Trial Panel denies McFarland the right to question the complainants and their only witness, Martha Stefenoni, and denies his right to present testimony by three witnesses on his behalf.

During the trial, lead Complainant Inger Bevans testifies that "We filed the complaint hoping for a ruling instead of it going this far." Nonetheless, the Trial Panel finds the CSG Master guilty of "intent" to violate a bylaw and assigns severe punishment of expulsion from office for the remainder of his term, which would elevate Overseer Stefenoni to his position.

During her later deposition, after the NG filed its lawsuit against the CSG, Bevans testified again under oath:

"And when I did ask Ed Luttrell how you get a ruling, and he said, either you go through the masters or you go through the judicial procedures and file a complaint, and he could make a ruling. Which was what we were after, a ruling. And, unfortunately, it went elsewhere. It wasn't our choice."

During his later deposition under oath, when asked why he did not make a ruling, Luttrell excused himself from responsibility by stating "There did not appear to be a simple ruling that I could do that would remedy the situation." In fact, he made absolutely no effort to resolve it.

April 21, 2012

At the CSG EC meeting the results of the Springfield trial are announced.

As recorded in the minutes, complainant Bevans was asked, "Inger, when you brought the charges against Bob, was it your intent that he be removed from office?" She responded: "No, that is not what we asked for. If you had heard the presentation, the National Master had the authority to make a ruling

on the action, instead of sending it to arbitration. That is what we were after. That is not what happened. He [Luttrell] went that route [the Grange Trial process]."

The committee investigating the release and distribution of the February 7 "woodshed letter" from Luttrell to McFarland presents a preliminary report. The committee presents two emails written by Leslie Parker. A Facebook posting dated February 29, 2012 to "former EC office Staff" stated:

"Martha [Stefenoni] says she talked to Ed [Luttrell] this morning. Ed said to keep putting pressure for accountability on Mr. McFarland and keep getting the members involved."

An email from Parker dated February 27, 2012 to Grange member Sharon Taylor stated:

"Would you consider writing a letter to the National Master about your concerns regarding Bob McFarland and all or part of what you have experienced with him? I know it is sticking out your neck, but even with all the reports and such that have been sent to Master Ed, he doesn't have enough to really DO anything.

Parker stated further, "We have been told that the National Master needs to hear from Members. Sending it by email is fine."

EC member Shirley Baker announces she did not distribute the "woodshed letter." However, on August 5, 2013, under oath at her deposition, Baker admits to distributing the letter.

May 17, 2012

Regarding the Springfield complaint, on appeal of the Grange Trial Court's decision on the Prunedale-Springfield complaint the NG EC reduces the punishment of the CSG Master to a 60 day suspension from June 1 - July 31, 2012.

June 1, 2012 - Two Month Suspension of Master McFarland

CSG Master begins serving the suspension. CSG Overseer Stefenoni arrives at the office. She directs CSG Office Manager Jeannie Gillespie to remove Master McFarland from the payroll and add herself to the payroll in his place as Acting Master. Gillespie refuses, without instructions from the CSG EC.

June 7, 2012

EC Chairman Luvaas emails Stefenoni about her demand for compensation while acting as Master:

"Since this seems to be mainly about money for you, this brings me to perhaps my most important point. Your interpretation of Grange law to authorize financial gain for yourself was a classic conflict of interest and an abuse of your authority. Your self-serving conduct violated your Grange Obligation, your oath of office, conflict of interest laws, the fiduciary duty of a corporate officer, and the expectations of our membership.

"In demanding Bob's pay you have made it known that, when testifying as the only witness against him in the trial that resulted in his suspension, and when instigating charges against him in October which nearly resulted in his suspension, you expected to gain financially if your actions helped get him suspended or expelled. It doesn't even matter if that was your primary motive.

"Attempting to gain financially from his suspension now, after you succeeded in trying to unseat him, is a very serious conflict of interest and an offense far more serious than the charges that got Bob suspended.

"You also should have disclosed your financial interest to the trial panel, on the record, and/or recused yourself from accepting the power of his office and demanding his salary. I suggest you be very careful about how you exercise your authority over the next two months to avoid future accusations of seeking personal gain.

"You have sworn to uphold state and federal law, on pain of forfeiture of office. If you ignore the law anyway and suspend Bob's pay as an elected corporate officer for your financial gain, and he files an administrative claim or lawsuit, don't count on CSG's insurance to defend you against that claim or any charges under Grange law. Our policy contains specific exclusions for actions seeking financial gain. Believe me, with or without insurance protection, you don't want to defend yourself or the CSG against the U.S. Department of Labor or the State Employment Development Department in their zealous protection of corporate employee and officer rights.

"Finally it's unnecessary, disrespectful and abusive for you to constantly involve Master Luttrell in our internal affairs. It's a poor measure of leadership and aggravates our divisiveness – which he has repeatedly told us he does not want to further encourage. It must be obvious to Master Luttrell by now, as it is to many of our own members, that most of our squabbling these past 10 months has been incited by your efforts against our State Master, contrary to your Grange Obligation and oath as our Overseer to help him fulfill his duties. I would not be bothering Ed with this email had you not sent him yours. It's past time for us to grow up and start respectfully resolving our issues for ourselves."

June – July, 2012 - Vista Grange Settlement is First Disputed

During the CSG Master's suspension, Acting Master Stefenoni receives notice that the Vista Grange hall has been sold. As a voting member of the CSG EC, from October-December 2009, Stefenoni participated in deliberations and decisions regarding the settlement of the Vista lawsuit, except for meetings she missed.

The "laundry list" of settlement terms approved by the CSG EC *prior to* the settlement conference included the sale of the Vista Grange. The CSG EC gave McFarland full authority to attend the Vista Grange settlement conference and negotiate the best terms possible. On the day of the settlement, McFarland phoned Stefenoni (and all of the CSG EC members) to confirm their approval of the final terms, which included sale of the Vista Grange. It should have come as no surprise to her when the Vista Grange property was sold.

Never-the-less, when Stefenoni learns of the sale of the Vista Grange, she does not contact suspended Master McFarland or the CSG EC with any questions or concerns. Instead, she alerts Luttrell and falsely represents that she was not aware the property was to be sold, again creating baseless accusations of wrong-doing against McFarland.

Based only on information provided by Stefenoni, Luttrell believes McFarland unilaterally determined settlement terms without the knowledge or consent of the CSG EC, which is false. Once again, Stefenoni assists Luttrell in working-up charges against the CSG Master by interviewing the case attorney and searching through the settlement documents. Once again, Stefenoni and Luttrell keep the CSG Master and EC completely in the dark. Once again, Luttrell orders an investigation of McFarland and assigns the task to NG Lecturer Pete Pomper.

Stefenoni provides Luttrell with a small, select group of CSG officers to be interviewed by Pomper. Luttrell forwards the list to Pomper. The list includes CSG EC members Stefenoni, Shirley Baker, Inger Bevans, and Larry Kroger, who was the CSG EC Chair at the time of the Vista settlement. But she does not suggest he interview Master McFarland, or EC members when the Vista case was settled: Leo Bergeron and Jon Luvaas.

July, 2012

Pomper writes Luttrell after interviewing Larry Kroger about the Vista settlement:

"Ed, I spoke with Larry just now and he did answer some questions but I could tell he was being very careful in his answers and didn't say anything to enhance what we have already. He said Bob called him several times during the mediation and discussed it with him. Interestingly enough, he said that EC did vote to give Bob permission to negotiate for them." (This is clearly shown in CSG EC minutes, if they had been checked.)

However, for unknown reasons, Kroger's critical testimony is omitted from Pomper's formal investigation report and Luttrell disregards Pomper's email. He fails to suggest that Pomper interview McFarland and the other EC members, who would have supported Kroger's statement. At best the investigation was flawed. At worst, it was biased.

Luttrell ignores Kroger's statement and showing McFarland had EC approval in the 2009 Vista settlement.

Luttrell also disregards the CSG EC's investigation reports in 2011-12 concluding there was no evidence that McFarland wrongfully handled new Grange charters and convention delegate applications in 2011, or otherwise broke Grange rules. In spite of having no evidence of wrongdoing by Master McFarland, and with no effort to resolve Stefenoni's concerns or to help correct any procedural mistakes, Luttrell drafted a new set of charges against McFarland rehashing the old accusations. Luttrell clearly did not follow the Grange Trial Code:

RULES AND REGULATIONS FOR GRANGE TRIALS

12.2.0 Preamble- Recognizing that members of the Grange are subject to human feelings and that disputes do arise, it is earnestly hoped that the spirit of fraternity will cause each member contemplating filing a complaint to use every effort to resolve differences before exercising the rights set forth in this Trial Code. The good works that the Grange traditionally does should not be impeded by frivolous complaints to settle a personal affront. Let each member be large enough in spirit and integrity to obviate the use of this Trial Code.

Luttrell makes it known to select CSG members that he is about to file new charges against McFarland and it is announced it at a meeting of the Orangevale Grange before the charges are filed.

August 1, 2012

Luttrell's new charges against the CSG Master are ready to be delivered on the very day McFarland returns from the two month suspension from the Springfield-Prunedale Trail.

August 6, 2012

At Luttrell's direction, Bob Clouse delivers the charges to the CSG Office. Luttrell calls the office and asks Clouse to present McFarland with one of three envelopes he is carrying inside a briefcase. The first envelope contains a letter summarizing the new charges against the CSG Master and a notice of his suspension. It is unsigned by Luttrell.

Luttrell and McFarland discuss the charges. The NG Master suggests that Master McFarland resign. The CSG Master declines. Luttrell then asks Clouse to hand the second envelope to McFarland, which contains a letter identical to the first, but is signed.

The third envelope contains a pre-written resignation letter for the CSG Master to sign, which wasn't opened.

Later that day, the Overseer Stefenoni and Clouse arrive at the CSG Office and demand that McFarland immediately vacate his office and turn over all keys and Grange property. On advice of the CSG EC and his attorney, and in compliance with California law, Master McFarland refuses to comply.

August, 2012

Overseer Stefenoni asks individual members of the CSG EC to comply in writing with Luttrell's suspension of McFarland. No meeting is called or motion adopted. Inger Bevans and Shirley Baker comply, but Jon Luvaas, Buzz Chernoff, Damian Parr and Bob McFarland do not.

September 12, 2012

Twenty California Granges and ten individual members file a Complaint against Luttrell with the National Grange High Priest of Demeter. The document contains eight charges based on violations of Grange law and principles.

An arbitration panel is formed. After five months with no communication to any of the Complainants, all charges are summarily dismissed without explanation.

September 16, 2012

4 days after the charges are filed against him, Luttrell suspends the CSG charter.

The CSG EC does not comply, on grounds that Luttrell's only reason to suspend the charter is the CSG EC's refusal to comply with Luttrell's suspension of McFarland and that the charges have no basis in fact or California law. If not for Luttrell's actions against McFarland, there would be no charter suspension.

September 24, 2012

Meeting of the CSG EC. The following motion was adopted:

"It was moved by Jon, seconded by Damian that the CSG Executive Committee take the following positions:

1. That the CSG EC considered all charges brought by National Master Ed Luttrell against CSG Master Bob McFarland on August 1, 2012 and finds no cause to suspend the CSG Master based upon those charges.
2. That the EC does not recognize any authority for Master Luttrell to suspend the CSG 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.
3. That the EC does not recognize Overseer Martha Stefenoni as the Acting Master of the CSG 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.

4. That the EC does not recognize Master Luttrell's authority to suspend the CSG Charter because doing so is contrary to the laws of the State of California governing our California Corporation.
5. That the EC demands a cessation of harassment by the National Master against the CSG and its duly elected corporate directors.
6. That, in any action taken by this EC, the officers or members of the Grange, or the National Master, the EC reserves the rights of the CSG to defend itself under Grange law and the laws of our state and nation.
7. That the Annual Meeting (Convention) of the members of our nonprofit mutual benefit corporation will proceed on schedule, as required by the California corporations Code."

September, 2012

NG creates a counterfeit web site mimicking the CSG website and claiming to be the CSG website, with information posted supporting the suspension of the CSG.

Stefenoni files a complaint with the California Labor Commissioner for wages for the two months she was the Acting Master during McFarland's suspension. She asks for \$6,000 and penalties of \$138 per day. The final determination of the Labor Commissioner is that she will receive nothing, although the CSG was forced to defend itself at a cost of more than \$2,000.

October 1, 2012

Luttrell files a lawsuit against the CSG, Bob McFarland, Jon Luvaas, Buzz Chernoff and Damian Parr in the Superior Court of California. Later Takashi Yogi and Kathy Bergeron are added to the lawsuit, simply by virtue of their being elected later to the CSG EC. CSG EC members Stefenoni, Bevans and Baker are not sued.

Master Luttrell begins an ongoing campaign to criticize CSG leadership. He demands that the subordinate Granges of California shun their elected leadership, send all of their State and National dues to the NG, and recognize only his authority. Few Granges comply but many are confused about who to pay. Many fear the NG will try to seize their property. The financial losses to the CSG are significant.

The campaign resolves nothing and only serves to divide the family of Granges in California, discourages the members and disparages the name and reputation of the Grange. It disrupts the momentum and progress of the CSG, derails the enthusiasm and growth of community Granges, and destroys friendships.

October 17, 2012

Luttrell asks the court for an injunction allowing him to take over the offices of the CSG, seize the bank accounts and property, and eject the elected leadership. The court says NO and orders that matters are to remain *status quo* until the Court can make determinations based on the merits of the case.

Luttrell ignores the ruling of the court and continues to disrupt the operations of the CSG and interfere with its relationship with the members. Luttrell confiscates \$115,000 of GIA contributions meant to be paid to the CSG, which jeopardizes the entire relationship of the Grange and GIA, risking hundreds of thousands of dollars shared by the western states. GIA is upset and conveys these concerns in a letter to Luttrell and McFarland.

January, 2013

Luttrell organizes a meeting to recruit and train deputies to operate under his control. About a dozen attend and agree to serve as NG deputies. They are assigned to take Luttrell's message to Granges in California and report back. Despite an incessant campaign to persuade our Granges to do otherwise, of 185 Granges in California, only 12 send their dues to the NG. The CSG receives emails and phone calls from Granges across California denouncing the NG.

April, 2013

Luttrell revokes the CSG's NG charter. Based on California law, the CSG decides not to appeal the decision, considering it useless because Luttrell is attempting to impose laws that do not apply to our Grange.

The Superior Court makes a ruling prevent the NG from conducting a Grange trial against McFarland, until the Court can decide the issues.

Luttrell appoints an arbitration panel and later a trial panel to prosecute Jon Luvaas for alleged Grange law violations.

The arbitration panel recommends that charges against Luvaas go to trial. The trial panel demands over \$8,000 from Luvaas for the right to appear and defend himself against the charges. This amount supposedly represents the cost of a trial to be held in Sacramento with all appointed panelists living within a two hour drive.

Unable to defend himself, the trial panel finds him guilty and recommends a punishment of immediate dismissal as an Officer of the CSG, two years suspension from the Grange, and a subsequent four years during which time he cannot hold any office in the Grange.

The California State Grange does not recognize the trial and conviction of Jon Luvaas.

June – July, 2013

The depositions of Jay Hartz, Leslie Parker, Amy Self, Bob Clouse, Inger Bevans, Shirley Baker, Martha Stefeuoni and Ed Luttrell are taken producing a wealth of information supporting the CSG's contention that a conspiracy existed to remove the Master of the CSG.

August 25, 2013

Mediation between the NG and the CSG is unsuccessful.

October 11, 2013

Master McFarland is re-elected to a third term by a 95% majority of California State Grange delegates representing 37% of California Granges.

By unanimous vote of the delegates the California State Grange adopts new bylaws "independent of any National or other affiliation".

1 **PROOF OF SERVICE**

2 *The National Grange of the Order of Patrons of Husbandry*

3 v.

4 *The California State Grange, et al. and related Cross-Actions*

5 Sacramento Superior Court Case No. 34-2012-00130439

6 I am a resident of the State of California, over the age of eighteen years, and not a party
7 to the within action. I am employed in the office of a member of the bar of this court at whose
8 direction the service was made. My business address is 411 Borel Avenue, Suite 425, San
9 Mateo, California 94402-3518. On October 22, 2013, I served the following document(s):

10 **REQUEST FOR JUDICIAL NOTICE IN SUPPORT OF CROSS-DEFENDANTS**
11 **MARTHA STEFENONI AND SHIRLEY BAKER'S REPLY BRIEF TO**
12 **SPECIAL MOTION TO STRIKE**

13 on the following person(s) by the method(s) indicated below:

14 Martin N. Jensen, Esq. 15 Thomas L. Riordan, Esq. 16 PORTER SCOTT 17 350 University Avenue, Suite 200 18 Sacramento, California 95825	Attorneys for Plaintiffs and Cross-Defendants The National Grange of the Order of Patrons of Husbandry and Edward L. Luttrell Telephone: 916-929-1481 Facsimile: 916-927-3706
19 Robert D. Swanson, Esq. 20 Daniel S. Stouder, Esq. 21 BOUTIN JONES INC. 22 555 Capitol Mall, Suite 1500 23 Sacramento, California 95814-4603	Attorneys for Defendants and Cross-Complainant The California State Grange, John Luvaas, Gerald Chernoff and Damian Parr Telephone: 916-321-4444 Facsimile: 916-441-7597
24 Mark E. Ellis, Esq. 25 William A. Lapcevic, Esq. 26 ELLIS LAW GROUP, LLP 27 740 University Avenue, Suite 100 28 Sacramento, California 95825	Attorneys for Defendant and Cross-Complainant Robert McFarland Telephone: 916-283-8820 Facsimile: 916-283-8821

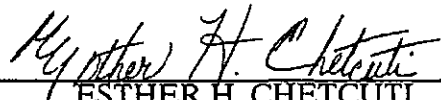
[] by transmitting via facsimile on this date from fax number (650) 554-6240 the document(s) listed above to the fax number(s) set forth herein. The transmission was completed before 5:00 p.m. and was reported complete and without error.

[] by placing the document(s) listed above in a sealed envelope(s) with postage thereon fully prepaid, for deposit in the United States mail at San Mateo, California addressed as set forth herein. I am readily familiar with the firm's practice of collection and processing correspondence for mailing. Under that practice it would be deposited with

REQUEST FOR JUDICIAL NOTICE IN
SUPPORT OF CROSS-DEFENDANTS
MARTHA STEFENONI AND SHIRLEY
BAKER'S REPLY BRIEF TO SPECIAL
MOTION TO STRIKE

- 1 the U.S. Postal Service on that same day, with postage thereon fully prepaid in the
2 ordinary course of business.
3 [] by placing the document(s) listed above in a sealed envelope(s) and by causing personal
4 delivery of the envelope(s) to the person(s) at the address(es) set forth herein. Signed
5 proof of service by the process server or delivery service is attached to this proof of
6 service.
7 [] by personally delivering the document(s) listed above to the person(s) at the
8 address(es) set forth herein.
9 [X] by placing the document(s) listed above in a sealed envelope(s) and consigning it to an
10 express mail service for guaranteed delivery on the next business day following the date
11 of consignment to the address(es) set forth herein.
12

13 I declare under penalty of perjury under the laws of the United States and the State
14 of California that the above is true and correct. Executed at San Mateo, California, on
15 October 22, 2013.
16

17 
18 _____
19 ESTHER H. CHETCUTI
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REQUEST FOR JUDICIAL NOTICE IN
SUPPORT OF CROSS-DEFENDANTS
MARTHA STEFENONI AND SHIRLEY
BAKER'S REPLY BRIEF TO SPECIAL
MOTION TO STRIKE