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6 Attorneys for Plaintiffs,
7 GOLDEN STATE FARM CREDIT, ACA,
8 GOLDEN STATE FARM CREDIT, PCA, and
9 GOLDEN STATE FARM CREDIT, FLCA

9 SUPERIOR COURT OF THE STATE OF CALIFORNIA

10 IN AND FOR THE COUNTY OF TEHAMA

11 GOLDEN STATE FARM CREDIT,
12 ACA, a federal Farm Credit System institution;
13 GOLDEN STATE FARM CREDIT, PCA, a federal
14 Farm Credit System institution; and GOLDEN
15 STATE FARM CREDIT, FLCA, a federal Farm
16 Credit System institution,

14 Plaintiffs,

15 vs.

16 ANDERSEN & SONS SHELLING, INC., a
17 California corporation; ANDERSEN AND SONS
18 RANCH, INC., a California corporation; A & M
19 FARMING, LLC, a California limited liability
20 company; MICHAEL JENS ANDERSEN,
21 individually and as Trustee of the MICHAEL
22 ANDERSEN AND KRISTA ANDERSEN
23 FAMILY TRUST DATED MAY 3, 2017;
24 KRISTA MARIE ANDERSEN, individually and as
25 Trustee of the MICHAEL ANDERSEN AND
26 KRISTA ANDERSEN FAMILY TRUST DATED
27 MAY 3, 2017; PATRICK KNUDT ANDERSEN,
28 individually and as Trustee of the PATRICK
ANDERSEN AND SHARON J. ANDERSEN
FAMILY TRUST DATED MAY 3, 2017;
SHARON JEAN ANDERSEN, individually and as
Trustee of the PATRICK ANDERSEN AND
SHARON J. ANDERSEN FAMILY TRUST
DATED MAY 3, 2017; FRANKLIN KAY
ANDERSEN, individually and as Trustee of the
FRANKLIN K. ANDERSEN TRUST DATED
SEPTEMBER 22, 2016 and the FRANKLIN K.
ANDERSEN IRREVOCABLE TRUST A,
DATED JULY 24, 2019; J. B. CUSICK

ELECTRONICALLY
FILED
SUPERIOR COURT OF CALIFORNIA
8/5/2024 4:30 PM
County of Tehama
Kevin Harrigan, Clerk of the Court
By Trisha Williams, Deputy
EFILED

Case No. 24CI-000197

**VERIFIED COMPLAINT FOR
SPECIFIC PERFORMANCE AND
INJUNCTIVE RELIEF**

1 COMPANY, INC., a California corporation;
2 FARMERS HILL INVESTMENTS, LLC, a
3 California limited liability company; A BUTTER
4 WORLD, LLC, a Delaware limited liability
5 company; KAMCO GROUP, LLC, a Minnesota
6 limited liability company; INTERNATIONAL
7 MARKETING CONSULTANTS, INC., a Nevada
8 corporation; BANK OF AMERICA, N.A., a U.S.
9 national banking association; TSB AG INC, a
10 California corporation; VALLEY PRIDE AG
11 COMPANY, INC., a California corporation;
12 AMERICAN AGCREDIT, FLCA, a federal Farm
13 Credit System institution; APSE LLC, a California
14 limited liability corporation; BANC OF AMERICA
15 LEASING & CAPITAL LLC, a Delaware limited
16 liability corporation; BMO BANK NATIONAL
17 ASSOCIATION, a United States national banking
18 association; BANNER BANK, a Washington
19 corporation; BAUGHER RANCH ORGANICS,
20 INC., a California corporation; CANNON
21 FINANCIAL SERVICES, INC., a New Jersey
22 corporation; CHOICE FINANCIAL GROUP, LLC,
23 a Virginia limited liability corporation;
24 CORNERSTONE COMMUNITY BANK, a
25 California corporation; EMPLOYMENT
26 DEVELOPMENT DEPARTMENT, a department
27 of the state of California; ENTREBANK, a
28 Minnesota state-chartered nonmember bank;
FARM CREDIT LEASING SERVICES
CORPORATION, a federal Farm Credit System
institution; FIRST FOUNDATION BANK, a
California corporation; GOODLEAP, LLC, a
California limited liability corporation; HYG
FINANCIAL SERVICES, INC., a Minnesota
corporation; KUBOTA CREDIT CORPORATION,
U.S.A., a California corporation; SIGNATURE
FINANCIAL AND LEASING, a New York limited
liability corporation; TOYOTA INDUSTRIES
COMMERCIAL FINANCE, INC., a California
corporation; U.S. BANK EQUIPMENT
FINANCE, a U.S. national banking association;
U.S. SMALL BUSINESS ADMINISTRATION, an
independent agency of the U.S. government; VAR
TECHNOLOGY FINANCE, a Delaware
corporation; VERDANT COMMERCIAL
CAPITAL, LLC, a Delaware limited liability
corporation ; EDWIN A. CLEMENTINO JR.;
JANICE E. CLEMENTINO; EDWIN AND
JANICE CLEMENTINO TRUST DATED
NOVEMBER 5, 2005, and DOES 1 through 50,
INCLUSIVE,

Defendants.

1 Plaintiffs GOLDEN STATE FARM CREDIT, FLCA, GOLDEN STATE FARM CREDIT,
2 PCA and GOLDEN STATE FARM CREDIT, ACA (“**Plaintiffs**” or “**GSFC**”) allege as follows:

3 1. Between 2016 and 2023, Plaintiffs made fourteen loans (collectively the “**Loans**”)
4 to Andersen & Sons Shelling, Inc., Andersen & Sons Ranch Inc., A & M Farming, LLC, Franklin
5 K. Andersen, the Franklin K. Andersen Trust dated September 22, 2016, Michael Andersen, Krista
6 Andersen, the Michael Andersen and Krista Andersen Family Trust dated May 3, 2017, Patrick
7 Andersen, Sharon Andersen, the Patrick Andersen and Sharon J. Andersen Family Trust dated
8 May 3, 2017, Farmers Hill Investments, LLC and A Butter World, LLC (“**Borrowers**”).

9 2. The Loans are secured by certain real and personal property (collectively “**the**
10 **Collateral**”), encompassing productive farmland, farm products including harvested and
11 unharvested crops, assignments of rents and leases, farm equipment, securities, and other assets.

12 3. Legal guarantees and pledges of Collateral as security for the Borrowers’ payment
13 and performance of the Loans were provided by certain of the Borrowers, as well as the Franklin
14 K. Andersen Irrevocable Trust dated July 24, 2019, J. B. Cusick Company, Inc., KamCo Group,
15 LLC and International Marketing Consultants, Inc. (the “**Guarantors**” and together with
16 Borrowers the “**Obligors**”).

17 4. Certain Borrowers own and operate an agricultural business in and around Vina, in
18 Tehama County, California, consisting primarily of walnut farming, processing and packing.

19 5. The Borrowers have defaulted on the Loans, as detailed below, therefore GSFC is
20 filing this action for specific performance of its rights under the various documents related to the
21 Loans, including deeds of trust (the “**Loan Documents**”) to have a receiver appointed with respect
22 to the Collateral pledged by the Obligors as security for the Loans and issuance of a preliminary
23 injunction in aid of the receivership.

24 6. The Collateral relates to crops, productive farmland, farm products and agricultural
25 equipment with harvesting season quickly approaching. Due to the need to preserve the Collateral
26 during this critical time in the season, GSFC, Defendant Bank of America, N.A. (“**Bank of**
27 **America**”), the Borrowers and Guarantors the Franklin K. Andersen Irrevocable Trust dated July
28 24, 2019 and J. B. Cusick Company, Inc., have executed a written stipulation to the Court’s entry

1 of an order appointing a receiver and issuing a preliminary injunction entitled Stipulation for
2 Appointment of Receiver and Issuance of Injunction Regarding Operations and Assets of the
3 Andersen Entities (“**Stipulation**”).

4 7. The Stipulation includes as an attachment the stipulated order appointing a receiver
5 and issuing a preliminary injunction, entitled Proposed Order Appointing Receiver and Issuing
6 Preliminary Injunction (“**Proposed Order**”), which in turn attaches a description of the Collateral.

7 8. Upon the Clerk’s assignment of a case number to this action and in accordance with
8 the Stipulation, GSFC intends to immediately file its Ex Parte Application for Appointment of
9 Receiver and Preliminary Injunction (“**Application**”) pursuant to the Stipulation, requesting entry
10 of the Proposed Order.

11 9. The Application will be supported by GSFC’s concurrently-filed Memorandum of
12 Points and Authorities (“**Memo**”), the declarations of counsel and the receiver nominee, and the
13 Declaration of Robert Faris, Jr. (“**Faris Decl.**”), who is the President and Chief Executive Officer
14 of GSFC. Exhibits to Mr. Faris’ Declaration that also support GSFC’s allegations herein are
15 referenced and described below as well as in the Application and supporting Memo.

16 **PARTIES & VENUE**

17 10. Plaintiff GOLDEN STATE FARM CREDIT, FLCA is a federal Farm Credit System
18 institution, specifically a federal land credit association, under the federal Farm Credit Act.

19 11. GOLDEN STATE FARM CREDIT, FLCA is a lender for ten of the fourteen Loans.

20 12. Plaintiff GOLDEN STATE FARM CREDIT, PCA is a federal Farm Credit System
21 institution, specifically a production credit association, under the federal Farm Credit Act.

22 13. GOLDEN STATE FARM CREDIT, PCA is a lender for four of the fourteen Loans.

23 14. Plaintiff GOLDEN STATE FARM CREDIT, ACA is a federal Farm Credit System
24 institution, specifically an agricultural credit association, under the federal Farm Credit Act, and
25 is the parent organization of Plaintiffs GOLDEN STATE FARM CREDIT, FLCA and GOLDEN
26 STATE FARM CREDIT, PCA.

27 15. Defendant Bank of America is a United States national banking association, with its
28 principal place of business in North Carolina, that conducts business in the State of California and

1 nationally.

2 16. Bank of America has made loans to certain Borrowers, secured as described below.

3 17. Defendant ANDERSEN & SONS SHELLING, INC. is a California corporation
4 with its principal place of business in Vina, California.

5 18. ANDERSEN & SONS SHELLING, INC. is a Borrower on nine of the Loans.

6 19. Defendant A & M FARMING, LLC, is a California limited liability corporation
7 with its principal place of business in Vina, California.

8 20. A & M FARMING, LLC is a Borrower on seven of the Loans and a Guarantor on
9 one of the Loans.

10 21. A & G ORCHARDS, LLC was a California limited liability corporation with its
11 principal place of business in Vina, California that was dissolved and merged into A & M
12 FARMING, LLC in December 2022.

13 22. A & G ORCHARDS, LLC was a Borrower on four of the Loans, the obligations for
14 which A & M FARMING, LLC assumed as its successor-in-interest.

15 23. Defendant A BUTTER WORLD, LLC, is a Delaware limited liability corporation
16 with its principal place of business in Vina, California.

17 24. A BUTTER WORLD, LLC is a Borrower on two of the Loans and a Guarantor on
18 six of the Loans.

19 25. Defendant ANDERSEN AND SONS RANCH, INC. is a California corporation
20 with its principal place of business in Vina, California.

21 26. ANDERSEN AND SONS RANCH, INC. is a Borrower on ten of the Loans and a
22 Guarantor on two of the Loans.

23 27. WESTERN NUT COMPANY was a California corporation with its principal place
24 of business in Vina, California that was dissolved and merged into ANDERSEN & SONS
25 SHELLING, INC. in July 2022.

26 28. WESTERN NUT COMPANY was a Borrower on four of the Loans, the obligations
27 for which ANDERSEN & SONS SHELLING, INC. assumed as its successor-in-interest.

28 29. A.M.P. FARMS, INC. was a California corporation with its principal place of

1 business in Vina, California that was dissolved and merged into ANDERSEN AND SONS
2 RANCH, INC. in December 2022.

3 30. A.M.P. FARMS, INC. was a Borrower on seven of the Loans, the obligations for
4 which ANDERSEN AND SONS RANCH, INC. assumed as its successor-in-interest.

5 31. Defendant J.B. CUSICK COMPANY is a California corporation with its principal
6 place of business in Chico, California.

7 32. J.B. CUSICK COMPANY is a Guarantor on two of the Loans.

8 33. A & L PROPERTIES, LLC was a California limited liability company with its
9 principal place of business in Vina, California that was dissolved and merged into A & M
10 FARMING, LLC in December 2023.

11 34. A & L PROPERTIES, LLC was a Borrower on one of the Loans, the obligations for
12 which A & M FARMING, LLC assumed as its successor-in-interest.

13 35. Defendant FARMERS HILL INVESTMENTS, LLC is a California limited liability
14 company with its principal place of business in Vina, California.

15 36. FARMERS HILL INVESTMENTS, LLC is a Borrower on two of the Loans.

16 37. Defendant KAMCO GROUP, LLC is a Minnesota limited liability company with
17 its principal place of business in St. Paul, Minnesota.

18 38. KAMCO GROUP, LLC is a Guarantor on one of the Loans.

19 39. Defendant INTERNATIONAL MARKETING CONSULTANTS, INC. is a Nevada
20 corporation with its principal place of business in Reno, California.

21 40. INTERNATIONAL MARKETING CONSULTANTS, INC. is a Guarantor on one
22 of the Loans.

23 41. Defendant PATRICK KNUDT ANDERSEN, individually and as trustee of the
24 Patrick Andersen and Sharon J. Andersen Family Trust dated May 3, 2017, is an individual
25 residing in or near Vina, California.

26 42. PATRICK KNUDT ANDERSEN is a Borrower on twelve of the Loans.

27 43. Defendant SHARON JEAN ANDERSEN, individually and as trustee of the Patrick
28 Andersen and Sharon J. Andersen Family Trust dated May 3, 2017, is an individual residing in or

1 near Vina, California.

2 44. SHARON JEAN ANDERSEN is a Borrower on twelve of the Loans.

3 45. The PATRICK ANDERSEN AND SHARON J. ANDERSEN FAMILY TRUST
4 DATED MAY 3, 2017 is a Borrower on several of the Loans.

5 46. Defendant MICHAEL JENS ANDERSEN, individually and as trustee of the
6 Michael Andersen and Krista Andersen Family Trust dated May 3, 2017, is an individual residing
7 in or near Vina, California.

8 47. MICHAEL JENS ANDERSEN is a Borrower on all fourteen of the Loans.

9 48. Defendant KRISTA MARIE ANDERSEN, individually and as trustee of the
10 Michael Andersen and Krista Andersen Family Trust dated May 3, 2017, is an individual residing
11 in or near Vina, California.

12 49. KRISTA MARIE ANDERSEN is a Borrower on all fourteen of the Loans.

13 50. The MICHAEL ANDERSEN AND KRISTA ANDERSEN FAMILY TRUST
14 DATED MAY 3, 2017 is a Borrower on several of the Loans.

15 51. Defendant FRANKLIN KAY ANDERSEN, individually and as trustee of the
16 Franklin K. Andersen Trust dated September 22, 2016 and the Franklin K. Andersen Irrevocable
17 Trust A dated July 24, 2019, respectively, is an individual residing in Athol, ID.

18 52. FRANKLIN KAY ANDERSEN is a Borrower on four of the Loans and a Guarantor
19 on five of the Loans.

20 53. The FRANKLIN K. ANDERSEN TRUST DATED SEPTEMBER 22, 2016 is a
21 Borrower on four of the Loans and a Guarantor on five of the Loans.

22 54. The FRANKLIN K. ANDERSEN IRREVOCABLE TRUST A, DATED JULY 24,
23 2019 is a Borrower on four of the Loans and a Guarantor on five of the Loans.

24 55. Upon information and belief, Defendants EDWIN A. CLEMENTINO JR. and
25 JANICE E. CLEMENTINO, are trustees of Defendant EDWIN AND JANICE CLEMENTINO
26 TRUST DATED NOVEMBER 5, 2005, and both are individuals residing in Orland, California.

27 56. Upon information and belief, EDWIN A. CLEMENTINO JR. and JANICE E.
28 CLEMENTINO, as trustees of the Edwin and Janice Clementino Trust dated November 5, 2005,

1 hold a beneficial interest, specifically a life estate, in certain real property that is part of the
2 Collateral.

3 57. Defendant TSB AG INC is a California corporation with its principal place of
4 business in Madera, California.

5 58. Upon information and belief, TSB AG INC claims a lien or other interest in certain
6 Collateral.

7 59. Defendant VALLEY PRIDE AG COMPANY, INC. is a California corporation with
8 its principal place of business in Fresno, California.

9 60. Upon information and belief, VALLEY PRIDE AG COMPANY, INC. claims a lien
10 or other interest in certain Collateral.

11 61. Defendant AMERICAN AGCREDIT, FLCA is a federal Farm Credit System
12 institution, specifically an agricultural credit association, under the federal Farm Credit Act, with
13 its principal place of business in Santa Rosa, California, that conducts business in the State of
14 California and nationally.

15 62. Upon information and belief, AMERICAN AGCREDIT, FLCA claims a lien or
16 other interest in certain Collateral.

17 63. Defendant APSE LLC is a California limited liability corporation with its principal
18 place of business in Corning, California.

19 64. Upon information and belief, APSE LLC claims a lien or other interest in certain
20 Collateral.

21 65. Defendant BANC OF AMERICA LEASING & CAPITAL LLC is a Delaware
22 limited liability corporation, with its principal place of business in San Francisco, California, that
23 conducts business in the State of California and nationally.

24 66. Upon information and belief, BANC OF AMERICA LEASING & CAPITAL LLC
25 claims a lien or other interest in certain Collateral.

26 67. Defendant BMO BANK NATIONAL ASSOCIATION is a United States national
27 banking association, with its principal place of business in Chicago, Illinois that conducts business
28 in the State of California and nationally.

1 68. Upon information and belief, BANK OF THE WEST claimed a lien or other interest
2 in certain Collateral, which BMO BANK NATIONAL ASSOCIATION assumed as its successor-
3 in-interest.

4 69. Defendant BANNER BANK is a Washington corporation with its principal place of
5 business in Walla Walla, Washington.

6 70. Upon information and belief, BANNER BANK claims a lien or other interest in
7 certain Collateral.

8 71. Defendant BAUGHER RANCH ORGANICS, INC. is a California corporation with
9 its principal place of business in Orland, California.

10 72. Upon information and belief, BAUGHER RANCH ORGANICS, INC. claims a lien
11 or other interest in certain Collateral.

12 73. Defendant CANNON FINANCIAL SERVICES, INC. is a New Jersey corporation
13 with its principal place of business in Mount Laurel, New Jersey.

14 74. Upon information and belief, CANNON FINANCIAL SERVICES, INC. claims a
15 lien or other interest in certain Collateral.

16 75. Defendant CHOICE FINANCIAL GROUP, LLC (formerly known as Venture
17 Bank) is a Virginia limited liability corporation with its principal place of business in Virginia.

18 76. Upon information and belief, CHOICE FINANCIAL GROUP, LLC. claims a lien
19 or other interest in certain Collateral, including as a successor-in-interest to Venture Bank.

20 77. Defendant CORNERSTONE COMMUNITY BANK is a California corporation
21 with its principal place of business in Red Bluff, California.

22 78. Upon information and belief, CORNERSTONE COMMUNITY BANK claims a
23 lien or other interest in certain Collateral.

24 79. Defendant EMPLOYMENT DEVELOPMENT DEPARTMENT is a department of
25 the State of California, with its headquarters in Sacramento, California.

26 80. Upon information and belief, the EMPLOYMENT DEVELOPMENT
27 DEPARTMENT claims a lien or other interest in certain Collateral.

28 81. Defendant ENTREBANK is a Minnesota state-chartered nonmember bank, with its

1 principal place of business in Bloomington, Minnesota.

2 82. Upon information and belief, ENTREBANK claims a lien or other interest in certain
3 Collateral.

4 83. Defendant FARM CREDIT LEASING SERVICES CORPORATION is a wholly
5 owned subsidiary of CoBank and a federal Farm Credit System institution under the federal Farm
6 Credit Act, that conducts business in the State of California and nationally.

7 84. Upon information and belief, FARM CREDIT LEASING SERVICES
8 CORPORATION claims a lien or other interest in certain Collateral.

9 85. Defendant FIRST FOUNDATION BANK is a California corporation with its
10 principal place of business in Irvine, California.

11 86. Upon information and belief, FIRST FOUNDATION BANK claims a lien or other
12 interest in certain Collateral.

13 87. Defendant GOODLEAP, LLC is a California limited liability corporation with its
14 principal place of business in Roseville, California.

15 88. Upon information and belief, GOODLEAP, LLC claims a lien or other interest in
16 certain Collateral.

17 89. Defendant HYG FINANCIAL SERVICES, INC. is a Minnesota corporation with
18 its principal place of business in Minneapolis, Minnesota.

19 90. Upon information and belief, HYG FINANCIAL SERVICES, INC. claims a lien or
20 other interest in certain Collateral.

21 91. Defendant KUBOTA CREDIT CORPORATION, U.S.A. is a California
22 corporation with its principal place of business in Grapevine, Texas.

23 92. Upon information and belief, KUBOTA CREDIT CORPORATION, U.S.A. claims
24 a lien or other interest in certain Collateral.

25 93. Defendant SIGNATURE FINANCIAL AND LEASING, LLC, currently doing
26 business Flagstar Financial & Leasing LLC, is a New York limited liability company with its
27 principal place of business in Melville, New York.

28 94. Upon information and belief, SIGNATURE FINANCIAL AND LEASING, LLC

1 (dba FLAGSTAR FINANCIAL & LEASING LLC) claims a lien or other interest in certain
2 Collateral.

3 95. Defendant TOYOTA INDUSTRIES COMMERCIAL FINANCE, INC. is a
4 California corporation with its principal place of business in Dallas, Texas.

5 96. Upon information and belief, TOYOTA INDUSTRIES COMMERCIAL
6 FINANCE, INC. claims a lien or other interest in certain Collateral.

7 97. Defendant U.S. BANK EQUIPMENT FINANCE, A Division of U.S. Bank
8 National Association, is a U.S. national banking association, with its principal place of business
9 in Texas, that conducts business in the State of California and nationally.

10 98. Upon information and belief, U.S. BANK EQUIPMENT FINANCE claims a lien
11 or other interest in certain Collateral.

12 99. Defendant U.S. SMALL BUSINESS ADMINISTRATION is an independent
13 agency of the U.S. government, with its headquarters in Washington D.C, that operates in the State
14 of California and nationally.

15 100. Upon information and belief, U.S. SMALL BUSINESS ADMINISTRATION
16 claims a lien or other interest in certain Collateral.

17 101. Defendant VAR TECHNOLOGY FINANCE, a division of Leaf Commercial
18 Capital, is a Delaware corporation with its principal place of business in Philadelphia,
19 Pennsylvania.

20 102. Upon information and belief, VAR TECHNOLOGY FINANCE claims a lien or
21 other interest in certain Collateral.

22 103. Defendant VERDANT COMMERCIAL CAPITAL, LLC, is a Delaware limited
23 liability corporation with its principal place of business in Cincinnati, Ohio.

24 104. Upon information and belief, VERDANT COMMERCIAL CAPITAL, LLC claims
25 a lien or other interest in certain Collateral.

26 105. The true names and capacities, whether individual, corporate, associate, or
27 otherwise, of defendants DOES 1 through 50, inclusive, are unknown to Plaintiffs, who therefore
28 sue said defendants by such fictitious names.

1 Trustor FRANKLIN K. ANDERSEN executed a Deed of Trust, Assignment of Rents, Security
2 Agreement, and Fixture Filing dated as of April 6, 2022 (the “**Multi-loan Deed of Trust**”)
3 encumbering eighteen (18) parcels of real property in Tehama County, as identified in Exhibit A
4 of the Multi-loan Deed of Trust as security for Loan 1 and to provide by cross-collateralization
5 security for four other of the Loans. (Faris Decl., Exh. 1.)

6 ***Loan 2***

7 112. Borrowers SHARON JEAN ANDERSEN, MICHAEL JENS ANDERSEN,
8 KRISTA MARIE ANDERSEN, A & M FARMING, LLC (as successor-in-interest to A & G
9 ORCHARDS, LLC), ANDERSEN AND SONS RANCH, INC. (individually and as successor-in-
10 interest to A.M.P. FARMS, INC.), PATRICK KNUDT ANDERSEN, ANDERSEN & SONS
11 SHELLING, INC. (individually and as successor-in-interest to WESTERN NUT COMPANY),
12 PATRICK ANDERSEN AND SHARON J. ANDERSEN FAMILY TRUST DATED MAY 3,
13 2017, and MICHAEL ANDERSEN AND KRISTA ANDERSEN FAMILY TRUST DATED MAY
14 3, 2017 (“**Loan 2 Borrowers**”) are indebted, and Hypothecator A BUTTER WORLD, LLC
15 (“**Loan 2 Hypothecator**”) and Guarantors FRANKLIN K. ANDERSEN, individually, and the
16 FRANKLIN K. ANDERSEN IRREVOCABLE TRUST DATED July 24, 2019 (“**Loan 2**
17 **Guarantors**”) are liable, to Plaintiff GOLDEN STATE FARM CREDIT, FLCA with respect to a
18 loan numbered 2752276001 (“**Loan 2**”) made pursuant to a (i) Commercial Promissory Note dated
19 April 6, 2022 in the original principal amount of Eleven Million One Hundred Thousand Dollars
20 (\$11,100,000.00) (the “**Loan 2 Note**”), made payable to GOLDEN STATE FARM CREDIT,
21 FCLA (in its capacity as lender), (ii) a Commercial Security Agreement dated April 6, 2022
22 between Loan 2 Borrowers and GOLDEN STATE FARM CREDIT, FLCA, and (iii) a
23 Hypothecation Agreement dated April 6, 2022 made between Loan 2 Borrowers, Loan 2
24 Hypothecator, and GOLDEN STATE FARM CREDIT, FLCA (“**Loan 2 Hypothecation**
25 **Agreement**”).

26 113. In connection with the Loan 2 Note, Loan 2 Borrowers and Guarantor FRANKLIN
27 K. ANDERSEN executed the Multi-loan Deed of Trust. (Faris Decl., Exh. 1.)

28 ///

1 *Loan 3*

2 114. Borrowers SHARON JEAN ANDERSEN, MICHAEL JENS ANDERSEN,
3 KRISTA MARIE ANDERSEN, A & M FARMING, LLC (as successor-in-interest to A & G
4 ORCHARDS, LLC), ANDERSEN AND SONS RANCH, INC. (individually and as successor-in-
5 interest to A.M.P. FARMS, INC.), PATRICK KNUDT ANDERSEN, ANDERSEN & SONS
6 SHELLING, INC. (individually and as successor-in-interest to WESTERN NUT COMPANY),
7 PATRICK ANDERSEN AND SHARON J. ANDERSEN FAMILY TRUST DATED MAY 3,
8 2017, and MICHAEL ANDERSEN AND KRISTA ANDERSEN FAMILY TRUST DATED MAY
9 3, 2017 (“**Loan 3 Borrowers**”) are indebted, and Hypothecator A BUTTER WORLD, LLC
10 (“**Loan 3 Hypothecator**”) and Guarantors FRANKLIN K. ANDERSEN, individually, and the
11 FRANKLIN K. ANDERSEN IRREVOCABLE TRUST DATED July 24, 2019 (“**Loan 3**
12 **Guarantors**”) are liable, to Plaintiff GOLDEN STATE FARM CREDIT, FLCA with respect to a
13 loan numbered 2752295001 (“**Loan 3**”) made pursuant to a (i) Commercial Promissory Note dated
14 April 6, 2022 in the original principal amount of Twenty-Six Million Six Hundred Forty Thousand
15 Dollars (\$26,640,000.00) (the “**Loan 3 Note**”), made payable to GOLDEN STATE FARM
16 CREDIT, FCLA (in its capacity as lender), (ii) a Commercial Security Agreement dated April 6,
17 2022 between Loan 3 Borrowers and GOLDEN STATE FARM CREDIT, FLCA, and (iii) a
18 Hypothecation Agreement dated April 6, 2022 made between Loan 3 Borrowers, Loan 3
19 Hypothecator, and GOLDEN STATE FARM CREDIT, FLCA (“**Loan 3 Hypothecation**
20 **Agreement**”).

21 115. In connection with the Loan 3 Note, Loan 3 Borrowers and Guarantor FRANKLIN
22 K. ANDERSEN executed the Multi-loan Deed of Trust. (Faris Decl., Exh. 1.)

23 *Loan 4*

24 116. Borrowers SHARON JEAN ANDERSEN, MICHAEL JENS ANDERSEN,
25 KRISTA MARIE ANDERSEN, A & M FARMING, LLC (as successor-in-interest to A & G
26 ORCHARDS, LLC), ANDERSEN AND SONS RANCH, INC. (individually and as successor-in-
27 interest to A.M.P. FARMS, INC.), PATRICK KNUDT ANDERSEN, ANDERSEN & SONS
28 SHELLING, INC. (individually and as successor-in-interest to WESTERN NUT COMPANY),

1 PATRICK ANDERSEN AND SHARON J. ANDERSEN FAMILY TRUST DATED MAY 3,
2 2017, and MICHAEL ANDERSEN AND KRISTA ANDERSEN FAMILY TRUST DATED MAY
3 3, 2017 (“**Loan 4 Borrowers**”) are indebted, and Hypothecator A BUTTER WORLD, LLC
4 (“**Loan 4 Hypothecator**”) and Guarantors FRANKLIN K. ANDERSEN, the FRANKLIN K.
5 ANDERSEN IRREVOCABLE TRUST DATED July 24, 2019, and the FRANKLIN K.
6 ANDERSEN TRUST, DATED SEPTEMBER 22, 2016 (“**Loan 4 Guarantors**”) are liable, to
7 Plaintiff GOLDEN STATE FARM CREDIT, FLCA with respect to a loan numbered 2752340001
8 (“**Loan 4**”) made pursuant to a (i) Commercial Promissory Note dated April 6, 2022 in the original
9 principal amount of Forty-five Million Eight Hundred Ten Thousand Dollars (\$45,810,000.00)
10 (the “**Loan 4 Note**”), made payable to GOLDEN STATE FARM CREDIT, FCLA (in its capacity
11 as lender), (ii) a Commercial Security Agreement dated April 6, 2022 between Loan 4 Borrowers
12 and GOLDEN STATE FARM CREDIT, FLCA, and (iii) a Hypothecation Agreement dated April
13 6, 2022 made between Loan 4 Borrowers, Loan 4 Hypothecator, and GOLDEN STATE FARM
14 CREDIT, FLCA (“**Loan 4 Hypothecation Agreement**”).

15 117. In connection with the Loan 4 Note, Loan 4 Borrowers and Guarantor FRANKLIN
16 K. ANDERSEN executed the Multi-loan Deed of Trust. (Faris Decl., Exh. 1.)

17 *Loan 5*

18 118. Borrowers SHARON JEAN ANDERSEN, MICHAEL JENS ANDERSEN,
19 KRISTA MARIE ANDERSEN, A & M FARMING, LLC (as successor-in-interest to A & G
20 ORCHARDS, LLC), ANDERSEN AND SONS RANCH, INC. (individually and as successor-in-
21 interest to A.M.P. FARMS, INC.), PATRICK KNUDT ANDERSEN, ANDERSEN & SONS
22 SHELLING, INC. (individually and as successor-in-interest to WESTERN NUT COMPANY),
23 PATRICK ANDERSEN AND SHARON J. ANDERSEN FAMILY TRUST DATED MAY 3,
24 2017, and MICHAEL ANDERSEN AND KRISTA ANDERSEN FAMILY TRUST DATED MAY
25 3, 2017 (“**Loan 5 Borrowers**”) are indebted, and Hypothecator A BUTTER WORLD, LLC
26 (“**Loan 5 Hypothecator**”) and Guarantors FRANKLIN K. ANDERSEN, the FRANKLIN K.
27 ANDERSEN IRREVOCABLE TRUST DATED July 24, 2019, and the FRANKLIN K.
28 ANDERSEN TRUST, DATED SEPTEMBER 22, 2016 (“**Loan 5 Guarantors**”) are liable, to

1 Plaintiff GOLDEN STATE FARM CREDIT, FLCA with respect to a loan numbered 2752341001
2 (-“**Loan 5**”) made pursuant to a (i) Commercial Promissory Note dated April 6, 2022 in the original
3 principal amount of Thirteen Million One Hundred Fifty-Four Thousand (\$13,154,000.00) (the
4 “**Loan 5 Note**”), made payable to GOLDEN STATE FARM CREDIT, FCLA (in its capacity as
5 lender), (ii) a Commercial Security Agreement dated April 6, 2022 between Loan 5 Borrowers and
6 GOLDEN STATE FARM CREDIT, FLCA, and (iii) a Hypothecation Agreement dated April 6,
7 2022 made between Loan 5 Borrowers, Loan 5 Hypothecator, and GOLDEN STATE FARM
8 CREDIT, FLCA (“**Loan 5 Hypothecation Agreement**”).

9 119. In connection with the Loan 5 Note, Loan 5 Borrowers and Guarantor FRANKLIN
10 K. ANDERSEN executed the Multi-loan Deed of Trust. (Faris Decl., Exh. 1.)

11 *Loan 6*

12 120. Borrowers SHARON JEAN ANDERSEN, MICHAEL JENS ANDERSEN,
13 KRISTA MARIE ANDERSEN, A & M FARMING, LLC (as successor-in-interest to A & G
14 ORCHARDS, LLC), ANDERSEN AND SONS RANCH, INC., PATRICK KNUDT ANDERSEN,
15 ANDERSEN & SONS SHELLING, INC., PATRICK ANDERSEN AND SHARON J.
16 ANDERSEN FAMILY TRUST DATED MAY 3, 2017, and MICHAEL ANDERSEN AND
17 KRISTA ANDERSEN FAMILY TRUST DATED MAY 3, 2017 (“**Loan 6 Borrowers**”) are
18 indebted to Plaintiff GOLDEN STATE FARM CREDIT, PCA with respect to a loan numbered
19 2756085001 (“**Loan 6**”) made pursuant to (i) a Commercial Line of Credit Agreement and Note
20 dated January 14, 2023 in the original principal amount of Five Million One Thousand Dollars
21 (\$5,001,000.00) (the “**Loan 6 Agreement and Note**”), made payable to GOLDEN STATE FARM
22 CREDIT, FCLA (in its capacity as lender); (ii) a Commercial Security Agreement dated January
23 17, 2022 between Loan 6 Borrowers and GOLDEN STATE FARM CREDIT, PCA (“**Loan 6**
24 **Security Agreement**”); (iii) Business Loan Agreement dated January 17, 2023 between Loan 6
25 Borrowers and GOLDEN STATE FARM CREDIT, PCA (“**Loan 6 Business Loan Agreement**”);
26 (iv) Approval Notice by GOLDEN STATE FARM CREDIT, PCA dated January 17, 2023
27 approving the Loan 6 Borrowers’ application for a line of credit in the principal amount of Five
28 Million One Thousand Dollars (\$5,001,000.00) to Loan 6 Borrowers; and (v) an Emergency

1 Advance Agreement dated July 11, 2024 in which GOLDEN STATE FARM CREDIT, PCA
2 amended the Loan 6 documents and granted on an emergency-basis to, and based upon the request
3 of, Loan 6 Borrowers advances in the aggregate amount up to \$320,768.00 in additional funding
4 on certain terms and conditions to protect the Collateral, thereby increasing the principal amount
5 of Loan 6 to Five Million Three Hundred Twenty-One Seven Hundred and Sixty-Eight
6 (\$5,321,768.00).

7 121. The property described in the Loan 6 documents, together with all other property,
8 rights, interests and estates related to it and described as security for Borrower's obligations with
9 respect to Loan 6 is referred to herein as the "**Loan 6 Collateral**".

10 *Loan 7*

11 122. Borrowers SHARON JEAN ANDERSEN, MICHAEL JENS ANDERSEN,
12 KRISTA MARIE ANDERSEN, A & M FARMING, LLC (as successor-in-interest to A &L
13 Properties, LLC), ANDERSEN AND SONS RANCH, INC., PATRICK KNUDT ANDERSEN,
14 ANDERSEN & SONS SHELLING, INC., PATRICK ANDERSEN AND SHARON J.
15 ANDERSEN FAMILY TRUST DATED MAY 3, 2017, and MICHAEL ANDERSEN AND
16 KRISTA ANDERSEN FAMILY TRUST DATED MAY 3, 2017 ("**Loan 7 Borrowers**") are
17 indebted, Guarantors FRANKLIN K. ANDERSEN, the FRANKLIN K. ANDERSEN
18 IRREVOCABLE TRUST DATED July 24, 2019, and the FRANKLIN K. ANDERSEN TRUST,
19 DATED SEPTEMBER 22, 2016 are liable, to Plaintiff GOLDEN STATE FARM CREDIT, PCA
20 with respect to a loan numbered 2760481001 ("**Loan 7**") made pursuant to a i) Commercial
21 Promissory Note dated May 12, 2023 in the original principal amount of Four Million Four
22 Hundred Five Thousand Dollars (\$4,405,000.00) (the "**Loan 7 Note**"), made payable to GOLDEN
23 STATE FARM CREDIT, PCA (in its capacity as lender), and (ii) a Commercial Security
24 Agreement dated May 12, 2023 between Loan 7 Borrowers and GOLDEN STATE FARM
25 CREDIT, PCA.

26 123. In connection with the Loan 7 Note, Loan 7 Borrowers and Guarantor FRANKLIN
27 K. ANDERSEN, as trustee of the FRANKLIN K. ANDERSEN TRUST DATED SEPTEMBER
28 22,2016 executed a Deed of Trust, Assignment of Rents, Security Agreement, and Fixture Filing

1 dated as of May 12, 2023 (the “**Loan 7 Deed of Trust**”) encumbering twenty (20) parcels of real
2 property in Tehama County, accompanying appurtenances, and various shares of company stock,
3 as identified in Exhibit A of the Loan 7 Deed of Trust as cross-collateral property to secure against
4 the Borrowers’ indebtedness for Loan 7. (Faris Decl., Exh. 8.)

5 ***Loan 8***

6 124. Borrowers SHARON JEAN ANDERSEN, MICHAEL JENS ANDERSEN,
7 KRISTA MARIE ANDERSEN, A & M FARMING, LLC, ANDERSEN AND SONS RANCH,
8 INC. (as successor-in-interest to A.M.P. Farms, Inc.), PATRICK KNUDT ANDERSEN, and
9 ANDERSEN & SONS SHELLING, INC. (“**Loan 8 Borrowers**”) are indebted to Plaintiff
10 GOLDEN STATE FARM CREDIT, FLCA with respect to a loan numbered 2713310001 (“**Loan**
11 **8**”) made pursuant to a Promissory Note and Loan Agreement dated April 11, 2017 in the original
12 principal amount Five Hundred Forty-Six Thousand Five Hundred Dollars (\$546,500.00) (the
13 “**Loan 8 Note**”).

14 125. In connection with the Loan 8 Note, Loan 8 Borrowers executed a Deed of Trust,
15 Assignment of Rents, Security Agreement, and Fixture Filing dated as of April 11, 2017 (the “**Loan**
16 **8 Deed of Trust**”) encumbering one (1) parcel of real property in Tehama County and
17 accompanying appurtenances, as identified in Exhibit A of the Loan 8 Deed of Trust, as collateral
18 to secure the Borrowers’ indebtedness for Loan 8. (Faris Decl., Exh. 12.)

19 ***Loan 9***

20 126. Borrowers SHARON JEAN ANDERSEN, MICHAEL JENS ANDERSEN,
21 KRISTA MARIE ANDERSEN, A & M FARMING, LLC, ANDERSEN AND SONS RANCH,
22 INC. (as successor-in-interest to A.M.P. Farms, Inc.), PATRICK KNUDT ANDERSEN,
23 ANDERSEN & SONS SHELLING, INC., PATRICK ANDERSEN AND SHARON J.
24 ANDERSEN FAMILY TRUST DATED MAY 3, 2017, and MICHAEL ANDERSEN AND
25 KRISTA ANDERSEN FAMILY TRUST DATED MAY 3, 2017; FRANKLIN K. ANDERSEN,
26 and FRANKLIN K. ANDERSEN TRUST DATED SEPTEMBER 22, 2016 (“**Loan 9 Borrowers**”) are
27 indebted to Plaintiff GOLDEN STATE FARM CREDIT, FLCA with respect to a loan
28 numbered 2714254001 (“**Loan 9**”) made pursuant to a Promissory Note and Loan Agreement

1 dated May 15, 2017 in the original principal amount of Two Hundred Eighty-Two Thousand
2 Dollars (\$282,000.00) (the “**Loan 9 Note**”), made payable to GOLDEN STATE FARM CREDIT,
3 FCLA (in its capacity as lender).

4 127. In connection with the Loan 9 Note, Loan 9 Borrowers executed a Deed of Trust,
5 Assignment of Rents, Security Agreement, and Fixture Filing dated as of May 15, 2017 (the “**Loan**
6 **9 Deed of Trust**”) encumbering one (1) parcel of real property in Tehama County, accompanying
7 appurtenances, as identified in the Loan 9 Deed of Trust as collateral property to secure against the
8 Borrowers’ indebtedness for Loan 9. (Faris Decl., Exh. 13.)

9 ***Loan 10***

10 128. Borrowers SHARON JEAN ANDERSEN, MICHAEL JENS ANDERSEN,
11 KRISTA MARIE ANDERSEN, A & M FARMING, LLC, ANDERSEN AND SONS RANCH,
12 INC. (as successor-in-interest to A.M.P. Farms, Inc.), PATRICK KNUDT ANDERSEN,
13 PATRICK ANDERSEN AND SHARON J. ANDERSEN FAMILY TRUST DATED MAY 3,
14 2017, and MICHAEL ANDERSEN AND KRISTA ANDERSEN FAMILY TRUST DATED MAY
15 3, 2017; FRANKLIN K. ANDERSEN, and FRANKLIN K. ANDERSEN TRUST DATED
16 SEPTEMBER 22, 2016, (“**Loan 10 Borrowers**”) are indebted to Plaintiff GOLDEN STATE
17 FARM CREDIT, FLCA with respect to a loan numbered 2729410001 (“**Loan 10**”) made pursuant
18 to a Promissory Note and Loan Agreement dated July 10, 2019 in the original principal amount of
19 Two Million Nine Hundred Fifty Thousand Dollars (\$2,950,000.00) (the “**Loan 10 Note**”), made
20 payable to GOLDEN STATE FARM CREDIT, FCLA (in its capacity as lender).

21 129. In connection with the Loan 10 Note, Loan 10 Borrowers executed a Deed of Trust,
22 Assignment of Rents, Security Agreement, and Fixture Filing dated as of July 10, 2019 (the “**Loan**
23 **10 Deed of Trust**”) encumbering three (3) parcels of real property in Glenn County, accompanying
24 appurtenances, excepting therefrom the unattached manufactured home located on Parcel 3,
25 as identified in Exhibit A of the Loan 10 Deed of Trust as collateral property to secure against the
26 Borrowers’ indebtedness for Loan 10. (Faris Decl., Exh. 14.)

27 130. Subsequently, not in connection with the Loan 10 Note, Borrower A & M Farming,
28 LLC executed a second Deed of Trust with Assignment of Rents (“**Clementino Deed of Trust**”)

1 dated July 15, 2019 granting PLACER TITLE COMPANY, EDWIN A. CLEMENTINO, JR. AND
2 JANICE E. CLEMENTINO, AS TRUSTEES OF THE EDWIN AND JANICE CLEMENTINO
3 TRUST DATED NOVEMBER 5, 2005 a security interest in three (3) parcels of real property in
4 Glenn County, the same parcels that are described in the Loan 10 Deed of Trust. (Faris Decl.,
5 Exh.15.)

6 131. Attached to the Clementino Deed of Trust is an agreement dated July 16, 2019
7 whereby A & M FARMING, LLC grants to EDWIN A. CLEMENTINO AND JANICE
8 CLEMENTINO, husband and wife, a life estate in that certain portion of Glenn County assessor's
9 parcel number 037-430-006 (the "**Clementino Agreement**") that is described on Exhibit A to the
10 Clementino Agreement and depicted by map on Exhibit B to the Clementino Agreement.

11 ***Loan 11***

12 132. Borrowers MICHAEL JENS ANDERSEN, KRISTA MARIE ANDERSEN,
13 MICHAEL ANDERSEN AND KRISTA ANDERSEN FAMILY TRUST DATED MAY 3, 2017,
14 and J.B. CUSICK COMPANY, INC. ("**Loan 11 Borrowers**") are indebted to Plaintiff GOLDEN
15 STATE FARM CREDIT, FLCA with respect to a loan numbered 2748424001 ("**Loan 11**") made
16 pursuant to a Commercial Line of Credit Agreement and Note dated August 17, 2021 in the original
17 principal amount of One Million Two Hundred Seventy-Five Thousand Dollars (\$1,275,000.00)
18 (the "**Loan 11 Note**"), made payable to GOLDEN STATE FARM CREDIT, FLCA (in its capacity
19 as lender).

20 133. In connection with the Loan 11 Note, Loan 11 Borrowers executed a Deed of Trust,
21 Assignment of Rents, Security Agreement, and Fixture Filing dated as of August 17, 2021 (the
22 "**Loans 11 & 12 Deed of Trust**") encumbering (3) parcels of real property in Tehama and Butte
23 Counties, together with all appurtenances, and together with shares of company stock, as identified
24 in Exhibit A of the Loans 11 & 12 Deed of Trust as collateral property to secure against the
25 Borrowers' indebtedness for Loan 11, as well as the related Loan 12 (Faris Decl., Exh. 17.)

26 ***Loan 12***

27 134. Borrowers MICHAEL JENS ANDERSEN, KRISTA MARIE ANDERSEN,
28 MICHAEL ANDERSEN AND KRISTA ANDERSEN FAMILY TRUST DATED MAY 3, 2017,

1 and J.B. CUSICK COMPANY, INC. (“**Loan 12 Borrowers**”) are indebted to Plaintiff GOLDEN
2 STATE FARM CREDIT, FLCA with respect to a loan numbered 2748425001 (“**Loan 12**”) made
3 pursuant to a Commercial Promissory Note dated August 17, 2021 in the original principal amount
4 of One Million Five Hundred Forty-Five Thousand Dollars (\$1,545,000.00) (the “**Loan 12 Note**”),
5 made payable to GOLDEN STATE FARM CREDIT, FLCA (in its capacity as lender).

6 135. In connection with the Loan 12 Note, Loan 12 Borrowers executed a Deed of Trust,
7 Assignment of Rents, Security Agreement, and Fixture Filing dated as of August 17, 2021 (the
8 “**Loans 11 & 12 Deed of Trust**”) encumbering (3) parcels of real property in Tehama and Butte
9 Counties, together with all appurtenances, and together with shares of company stock, as identified
10 in Exhibit A of the Loans 11 & 12 Deed of Trust as collateral property to secure against the
11 Borrowers’ indebtedness for Loan 12, as well as the related Loan 11. (Faris Decl., Exh. 17.)

12 *Loan 13*

13 136. Borrowers A BUTTER WORLD, LLC, KAMCO GROUP, LLC, FARMERS HILL
14 INVESTMENTS LLC, SHARON JEAN ANDERSEN, MICHAEL JENS ANDERSEN, KRISTA
15 MARIE ANDERSEN, PATRICK KNUDT ANDERSEN, PATRICK ANDERSEN AND
16 SHARON J. ANDERSEN FAMILY TRUST DATED MAY 3, 2017, and MICHAEL ANDERSEN
17 AND KRISTA ANDERSEN FAMILY TRUST DATED MAY 3, 2017 are indebted, and
18 Guarantor ANDERSEN AND SONS RANCH, INC. is liable, to Plaintiff GOLDEN STATE
19 FARM CREDIT, PCA with respect to a loan numbered 2731721001 (“**Loan 13**”) made pursuant
20 to a (i) Promissory Note and Supplement to Master Loan Agreement dated December 5, 2019 in
21 the original principal amount of Five Million Fifty-Eight Thousand Dollars (\$5,058,000.00) (the
22 “**Loan 13 Note**”), made payable to GOLDEN STATE FARM CREDIT, PCA (in its capacity as
23 lender) and (ii) a Non-Recourse Continuing Guaranty dated December 5, 2019 between
24 ANDERSEN AND SONS RANCH, INC. and GOLDEN STATE FARM CREDIT, PCA.

25 137. In connection with the Loan 13 Note, Non-Recourse Trustor and Guarantor
26 ANDERSEN & SONS RANCH, INC. executed a Deed of Trust, Assignment of Rents, Security
27 Agreement, and Fixture Filing dated as of December 5, 2019 (the “**Loan 13 Deed of Trust**”) encumbering five (5) parcels of real property, including 14 (fourteen) sub-parcels, in Tehama
28

1 County, together with accompanying appurtenances, and together with various shares of company
2 stock, as identified in Exhibit A of the Loan 13 Deed of Trust as collateral property to secure against
3 the Borrowers' indebtedness for Loan 13 (Faris Decl., Exh. 20.)

4 ***Loan 14***

5 138. Borrowers A BUTTER WORLD, LLC, FARMERS HILL INVESTMENTS LLC,
6 SHARON JEAN ANDERSEN, MICHAEL JENS ANDERSEN, KRISTA MARIE ANDERSEN,
7 PATRICK KNUDT ANDERSEN, PATRICK ANDERSEN AND SHARON J. ANDERSEN
8 FAMILY TRUST DATED MAY 3, 2017, and MICHAEL ANDERSEN AND KRISTA
9 ANDERSEN FAMILY TRUST DATED MAY 3, 2017 ("**Loan 14 Borrowers**") are indebted, and
10 Guarantor ANDERSEN AND SONS RANCH, INC. is liable, to Plaintiff GOLDEN STATE
11 FARM CREDIT, PCA with respect to a loan numbered 2739599001 ("**Loan 14**") made pursuant
12 to a (i) Commercial Line of Credit Renewal Agreement and Note dated July 19, 2022 in the original
13 principal amount of Three Million Five Hundred Thousand Dollars (\$3,500,000.00) (the "**Loan 14**
14 **Note**"), made payable to GOLDEN STATE FARM CREDIT, PCA (in its capacity as lender) and
15 (ii).an Unlimited Continuing Guaranty dated September 30, 2020 between the ANDERSEN AND
16 SONS RANCH, INC, and GOLDEN STATE FARM CREDIT, PCA.

17 139. In connection with the Loan 14 Note, Non-Recourse Trustor and Guarantor
18 ANDERSEN & SONS RANCH, INC. executed a Notice of Advance Under Deed of Trust
19 ("**Loan 14 Notice of Advance**") dated September 30, 2020, referencing and encumbering the same
20 collateral property described in Exhibit A of the Loan 13 Deed of Trust, for an additional amount
21 of \$3,500,000.00, payable with interest, advanced to Non-Recourse Trustor and Loan 14 Borrowers
22 by Plaintiff GOLDEN STATE FARM CREDIT, PCA, increasing the amount owed by Loan 14
23 Borrowers after the additional advance to \$8,639,114.90." (Faris Decl., Exh. 22.)

24 ***Cross Collateralization of GSFC Loans***

25 140. The Loan 6 Business Loan Agreement states in pertinent part: "CROSS
26 COLLATERALIZATION. It is the intent of all Parties to cross collateralize all of its
27 Indebtedness and obligations to Lender, howsoever arising and whensoever incurred, except any
28 obligation existing or arising against the principal dwelling of any Party."

1 141. As expressed under the “Cross Collateralization” clause of the Loan 6 Business
2 Loan Agreement, the Borrowers and Plaintiffs intended that all Loan 6 Collateral also be used and
3 included in a receivership in the event such receivership is necessary to secure the Collateral across
4 all fourteen (14) Loans to satisfy Borrowers’ obligations to and provide adequate remedies to
5 Plaintiffs.

6 ***Perfection of GSFC’s Security Interests Under the Loan Documents***

7 142. To secure their indebtedness under the Loans, the Obligors granted to GSFC
8 security interests and liens in the Collateral that is described in the deeds of trust referred to above
9 and in the Collateral that is described in the security agreements referred to above. (Faris Decl.
10 Exhs. 1, 8, 12, 13, 14, 17, 20, 22.)

11 143. GSFC perfected the liens of the deeds of trust by causing each deed of trust to be
12 recorded in the Official Records of Tehama County, Butte County or Glenn County, as
13 applicable. (Faris Decl. Exhs. 1, 8, 12, 13, 14, 17, 20, 22.)

14 144. GSFC perfected its security interest in the Collateral that is not real property by
15 filing certain Uniform Commercial Code (“UCC”) financing statements. (Faris Decl. Exhs. 2, 6,
16 7, 10, 11, 16, 18, 19, 21, 23.)

17 145. GSFC is informed that Bank of America has also recorded a deed of trust and filed
18 one or more UCC financing statements to secure the Obligors’ indebtedness to Bank of America.
19 (Faris Decl., Exhs. 4, 9.)

20 ***GSFC, Bank of America and Other Creditors’ Lien Priorities***

21 146. On July 30, 2021, GSFC, Bank of America and Andersen & Sons Shelling, Inc.
22 entered an Intercreditor Agreement and a related side letter dated April 6, 2022 to set forth their
23 agreement as to certain of their respective rights and obligations with respect to the Collateral and
24 their understanding relative to their respective positions in the Collateral.

25 147. UCC search results attached to the Faris Decl. as Exhibit 27 reflect the respective
26 priority of the liens of GSFC, Defendant Bank of America and certain other lienholders according
27 to their UCC financing statements filed as to their respective claimed security interests in certain
28 Collateral.

1 148. Except as to certain Collateral that is not real property *and* as to which Bank of
2 America’s liens are senior to GSFC’s liens, GSFC believes that its liens are senior as to all other
3 recorded liens related to the Collateral. (See Faris Decl. Exh. 24.)

4 ***Defaults Under the Loan Agreements***

5 149. Starting in November 2023, GSFC became aware of non-monetary defaults on the
6 Loans having occurred when, through delivery of financial statements dated July 31, 2023,
7 certain of the Obligors notified GSFC that material adverse changes in the Borrowers’ financial
8 condition had occurred from the prior reporting period, including substantial farming losses in
9 2022. (Faris Decl., ¶ 6.)

10 150. After continuing unsuccessful efforts by the Obligors to cure such non-monetary
11 defaults in relation to the Loans, GSFC issued a notice dated May 10, 2024, informing certain of
12 the Obligors that Events of Default (as defined in the Loan Documents) had occurred under the
13 terms of certain of the Loans (the “**Initial Events of Default**”). (Faris Decl., ¶¶ 7, 8 and Exhs. 3
14 and 5.)

15 151. Such Initial Events of Default have not been cured and continue to exist. (Faris
16 Decl., ¶¶ 9, 11, 13-16, Exhs. 24, 25, 26.)

17 152. By June 1, 2024, Obligors became, and have remained, unable to cure all defaults
18 pursuant to the Loans, including the tender of all amounts due and owing to GSFC. (Faris Decl.,
19 ¶ 9.)

20 153. On June 28, 2024, GSFC was informed by an email from the Vice President of
21 Finance for Andersen & Sons Shelling, Inc. that due to lack of funds and unless continuing
22 funding was made available, the company would have to begin to furlough employees the next
23 week and wind up its operations, and that doing so would put its orchards at risk of degradation,
24 crop loss or both. (Faris Decl., ¶ 10.)

25 154. Degradation of productive walnut trees and crop loss would negatively impact the
26 value of the Collateral that secures the GSFC Loans. (See Faris Decl., ¶ 10.)

27 155. GSFC issued a further notice dated July 5, 2024, informing certain of the Obligors
28 that the Initial Events of Default continued and remained uncured and that under the terms of the

1 Loans, Obligors had committed additional and continuing Events of Default (collectively with the
2 Initial Events of Default the “**Continuing Events of Default**”). (Faris Decl., ¶ 11, Exh. 24.)

3 156. The Continuing Events of Default have not been cured and continue to exist.
4 (Faris Decl., ¶¶ 13-16, Exhs. 25, 26.)

5 157. As of July 16, 2024, Obligors engaged Hilco Corporate Finance LLC for the
6 purpose of marketing the Obligors’ business operations and related real property for sale. (Faris
7 Decl., ¶ 12.)

8 158. Further notices issued by GSFC to certain Obligors on July 26, 2024 and July 30,
9 2024 informed such Obligors that the Continuing Events of Default remained uncured and that
10 the amounts due under the terms of the Loans remained unpaid. (Faris Decl., ¶¶ 13, 14, 15, Exhs.
11 25, 26.)

12 159. Additionally, as of July 30, 2024, GSFC has accelerated the Loans and the entire
13 aggregate amount of the Loans, including all accrued interest, fees, costs and other charges, is
14 now due and payable. (Faris Decl., ¶ 15, Exh. 26.)

15 160. As of the date of this Complaint, the total amount due by all Borrowers to GSFC is
16 approximately \$113,783,743, not including interest, fees and costs which continue to accrue. (Faris
17 Decl., ¶ 18.)

18 161. Section 21.2(f) of the deeds of trust to all fourteen Loans, excluding Loan 6, which
19 does not pertain to real property, entitle GSFC and its successors and assigns, as a matter of right,
20 to appointment of a receiver “without notice of any application therefor” to take possession of the
21 Collateral with “all the usual powers and duties of receivers” upon the occurrence and during the
22 continuance of any Event of Default (as defined therein). (Faris Decl., Exhs. 1, 8, 12, 13, 14, 17,
23 20, 22.)

24 **FIRST CAUSE OF ACTION**

25 **Specific Performance of Contractual Right to Appointment of Receiver; Injunction**

26 **(All Defendants)**

27 162. Plaintiffs reallege and incorporate herein by reference each of the prior paragraphs
28 1 through 161 of this Complaint as though fully set forth herein.

1 163. GSFC is informed and believes, and on that basis alleges, that the Borrowers or their
2 agents have neither the financial stability required to continue operations and maintain the
3 Collateral in good condition and working order, nor to liquidate the Collateral in an orderly fashion.

4 164. Such operation, maintenance and care are essential to preserving the value of the
5 Collateral given the agricultural nature of the Borrowers' businesses and many of the Collateral
6 properties.

7 165. At a minimum, this requires urgently preserving crops on trees during the current
8 growing season in the summer heat and operating a critical harvest of millions of pounds of nuts,
9 chiefly walnuts, in the immediately coming days.

10 166. Accordingly, unless the Collateral is immediately placed under the control of a
11 receiver, who can implement the necessary farm management and operations while continuing
12 efforts to market the Borrowers' business operations and the Collateral, there is a substantial risk
13 that the value and condition of the Collateral will severely degrade due to Borrowers' financial
14 instability and lack of working capital.

15 167. Events of Default as defined in the Loan Documents have occurred and remain
16 ongoing for all of the Loans.

17 168. The Loan 6 Business Loan Agreement cross collateralized the Loans, as explained
18 above.

19 169. Because the Loan 6 Collateral is cross collateralized with all other Collateral used
20 to secure Borrowers' indebtedness to Plaintiffs, the Loan 6 Business Loan Agreement entitles
21 GSFC, as a matter of right, to appointment of a receiver to take possession of all of the Collateral,
22 including the Loan 6 Collateral. (Faris Decl., Exhs. 1, 2, 8, 12, 13, 14, 17, 20, 22.)

23 170. GSFC as lender under each of the Loans' respective Loan Documents has performed
24 any and all of its material obligations under the collective Loan Documents, including without
25 limitation each of the Loans' respective deeds of trust.

26 171. By reason of the Continuing Events of Default under the Loan Documents for each
27 of the Loans, GSFC is entitled to enter, take possession of, manage, operate, protect, preserve and
28 maintain, and exercise any other rights of an owner of the Collateral, including selling the

1 Collateral, or to seek Court appointment of a receiver, pursuant to Code of Civil Procedure, Section
2 568.5.

3 172. GSFC has no adequate remedy at law to enforce the foregoing right to secure,
4 maintain, liquidate, distribute or operate the Collateral, or to preserve the value of the Collateral,
5 because the urgency of securing the season's harvest and promptly marketing the Collateral,
6 including harvested and now-growing crops, cannot possibly be timely accomplished through a
7 noticed motion or by foreclosure, judicial or otherwise, on the Collateral that is real property.

8 173. Furthermore, time is of the essence in preserving the value of all Collateral, be it
9 real property or harvested or now-growing crops, for ready sale to satisfy the liens of GSFC,
10 defendant Bank of America and other creditors of the Borrowers.

11 174. The only adequate remedy for GSFC is specific performance of the right to
12 appointment of a receiver as provided by the Loan Documents and pursuant to Code of Civil
13 Procedure Section 564, specifically subsections (b)(9) and (b)(11) thereof.

14 175. Unless an injunction is issued in support of the requested receivership to prevent
15 waste or loss of the Collateral, or interference with the receiver as set forth in the Proposed Order,
16 the value of the Collateral will be in continuing danger of loss or deterioration, without any realistic
17 prospect of recovery by Plaintiffs or Obligors' other creditors. GSFC therefore has no plain,
18 adequate, or speedy remedy at law and will likely suffer irreparable damage, injury, and harm
19 unless an injunction is issued.

20 **PRAYER**

21 WHEREFORE, Plaintiffs pray for judgment against Defendants as follows:

- 22 1. For specific performance of GSFC's contractual right to appointment of a receiver,
23 and pursuant to Code of Civil Procedure Section 564, subsections (b)(9) and (b)(11);
- 24 2. For appointment of a receiver according to the terms of the Proposed Order that is
25 attached to the Stipulation, and pursuant to Code of Civil Procedure Section 568.5;
- 26 3. For injunctive relief according to the terms of the Proposed Order that is attached to
27 the Stipulation, and pursuant to Code of Civil Procedure Section 526, subd. (a);
- 28 4. For costs incurred herein, including reasonable attorney fees; and

1 5. For such further relief as the Court may deem proper.

2 Dated: August 5, 2024

FRIEDMAN & SPRINGWATER LLP

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By: /s/ Ruth Stoner Muzzin
Ruth Stoner Muzzin
Catherine M. Roe
Attorneys for Plaintiffs
GOLDEN STATE FARM CREDIT, ACA,
GOLDEN STATE FARM CREDIT, PCA, and
GOLDEN STATE FARM CREDIT, FLCA

VERIFICATION

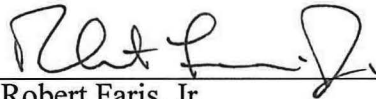
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I, Robert Faris, Jr. declare:

I am the President and Chief Executive Officer of Golden State Farm Credit, ACA, Golden State Farm Credit, FLCA, and Golden State Farm Credit, PCA (collectively, "GSFC"), the Plaintiffs in the above-captioned action. As such, I am authorized to verify the allegations made herein by the Plaintiffs.

I have read the foregoing Verified Complaint and know the contents thereof. The matters set forth therein are true of my own personal knowledge, except as to those matters that are stated on information and belief, and as to those matters I believe them to be true.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct. Executed this 5TH day of August 2024, at CHICO, California.



Robert Faris, Jr.