

**CALIFORNIA DEPARTMENT OF FOOD AND AGRICULTURE**

**LEGAL OFFICE**  
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***FAX TRANSMITTAL SHEET***

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**TO:** Mark McAfee, Founder  
OPDC

**FAX:** 559-842-8061

**FROM:** Richard Estes  
Counsel, CDFA

**DATE:** 11/14/07

**SUBJECT:** Signed Stipulation and Release Between CDFA and OPDC

**NUMBER OF PAGES (including this cover page):** 4

**ORIGINAL TO FOLLOW BY MAIL:** Yes

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STATE OF CALIFORNIA

ARNOLD SCHWARZENEGGER, Governor

**DEPARTMENT OF FOOD AND AGRICULTURE****LEGAL OFFICE**

1220 N Street, Room 315  
Sacramento, California 95814  
Telephone: (916) 654-1393  
Facsimile: (916) 653-1293



November 14, 2007

**SENT VIA FAX (559-842-8061) AND U. S. POSTAL SERVICE**

Mr. Mark McAfee  
Organic Pastures Dairy Company  
7221 S. Jameson Avenue  
Fresno, CA 93706

**RE: Signed Stipulation and Release Between CDFA and OPDC**

Dear Mr. McAfee:

Please find enclosed a copy of the signed Stipulation and Release between the California Department of Food and Agriculture and Organic Pastures Dairy Company, as requested.

Sincerely,

A handwritten signature in cursive script that reads "Lucy Valenton".

Lucy Valenton  
for: Richard Estes  
Counsel, CDFA

Enclosure

STIPULATION AND RELEASE

By and between California Department of Food and Agriculture ("CDFA")  
and Organic Pastures, Inc. ("OP")

WHEREAS, CDFA is an agency of the State of California, charged with enforcement of the Milk and Milk Products Act of 1947 (beginning at Food and Agricultural Code section 32501) and the State Veterinarian's Quarantine Intervention authority (beginning at Food and Agricultural Code section 9561);

WHEREAS, OP is a licensed producer and distributor of raw milk, subject to the Milk and Milk Products Act of 1947 (beginning at Food and Agricultural Code section 32501) and the State Veterinarian's Quarantine Intervention authority (beginning at Food and Agricultural Code section 9561);

WHEREAS, in September of 2006 the State Veterinarian order the recall and hold of OP product and OP suffered financial loss accordingly;

WHEREAS, parties have very different views of the propriety and value of that loss;

WHEREAS, parties nevertheless wish to resolve the issue of the propriety and value of that loss and avoid the uncertainty, adverse publicity, and discomfort of a continued conflict concerning the propriety and value of the loss suffered by OP;


NOW, THEREFORE, PARTIES agree, as follows:

1. CDFA shall pay OP \$11,418.50 as soon as claim can be processed through the state system, but not more than ninety (90) days from date parties sign this Stipulation and Release.
2. OP releases CDFA and the State of California from any and all claims, known or unknown, OP has or may assert with respect to OP's financial losses due to the recall of 2006.
3. Both CDFA and OP shall not publicize this resolution beyond those necessary to effectuate the agreement. Notwithstanding the foregoing, parties understand that CDFA as an agency of the state must release this document to oversight agencies or the public if requested by the public.

*M. J. Lee*  
 CDFA-STATE VETARIO  
 11/14/07

EXECUTED ON DATE SIGNED BY LAST SIGNING PARTY:

ORGANIC PASTURES, Inc:

By:   
Mark McAfee, President

DATE: 7/6/07 @ 1355 hrs.

CALIFORNIA DEPARTMENT OF FOOD AND AGRICULTURE:

By:   
John C. Dyer, Chief Counsel

DATE: 7/1/07