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Attorneys for Plaintiffs

# IN THE SUPERIOR COURT OF THE STATE OF CALIFORNIA

## FOR THE COUNTY OF FRESNO

KIM BELEMJIAN; JONATHAN FAIRFIELD; T.J. JOHNSTON; MATTHEW PIMENTEL; STANLEY ROY; FFLGUARD, INC.; CALIFORNIA RIFLE AND PISTOL ASSOCIATION;

#### Plaintiffs,

VS.

KAMALA D. HARRIS, in her official capacity as Attorney General for the State of California; STEPHEN LINDLEY, in his official capacity as CHIEF OF THE CALIFORNIA DEPARTMENT OF JUSTICE BUREAU OF FIREARMS; CALIFORNIA DEPARTMENT OF JUSTICE; and DOES 1 - 10;

Defendants.

CASE NO. 15-CE-CG-00029

DECLARATION OF CHRISTOPHER CHIAFULLO OF FFLGUARD, LLC, IN SUPPORT OF PLAINTIFFS' MOTION FOR ATTORNEYS' FEES

Date:

December 16, 2015

Time:

3:30 pm

Dept.:

503

Judge:

Honorable Alan M. Simpson

Action Filed: January 6, 2015

## **DECLARATION OF CHRISTOPHER CHIAFULLO**

2 | I, Christopher Chiafullo, declare as follows:

1. I am National Coordinating Counsel for *FFLGuard*, LLC, a named plaintiff in this action. I have personal knowledge of the statements made herein, and if called as a witness, I could and would competently testify under oath to the matters that I have set forth in this declaration.

- 2. *FFLGuard* is a Delaware Limited Liability Corporation with its principal place of business in New York at 244 Fifth Ave., Suite 1960, New York, New York 10001.
- 3. In my capacity as National Coordinating Counsel for *FFLGuard*, I review the financial records of the business and am responsible for the oversight of the collection of all client participation fees. I am also responsible for determining the policies and direction of the *FFLGuard* program, as well as for disbursing client fees to promote, market, advertise, and administer the program.
- 4. FFLGuard offers a cooperative compliance and legal defense program for Federal Firearms Licensees ("FFLs") by providing its clients with lawyers, subject-matter experts, professionals, and para-professionals who are specialists in the area of firearms law and compliance.
- 5. FFLGuard's legal defense program provides its FFL clients with access to these legal and firearm compliance specialists to provide educational training and rapid response services to safeguard the viability of an FFL's license.
  - 6. FFLGuard represents various FFLs throughout California.
- 7. Many of our FFL clients and their employees in California also serve as

  Department of Justice certified Firearm Safety Certificate Instructors in order to administer the required safety tests in their business locations at the point of transfer as a service to their customers.
- 8. *FFLGuard*'s participation as a plaintiff in this lawsuit was not motivated by financial gain or compensation in any way.
  - 9. FFLGuard itself gains nothing by participating as a plaintiff in this lawsuit, since it

must provide the same regulatory compliance and legal defense services to its clients regardless of the outcome of this case. All of *FFLGuard*'s California clients are part of a legal protection plan created specifically for California FFLs. This plan includes access to compliance guides, California Department of Justice audit intervention, civil litigation defense, and access to California-specific legal information. Nothing in this plan advertises funds being used to support litigation of this nature. In fact, it is detrimental to *FFLGuard*'s financial interests to intervene in the California regulatory process as all of *FFLGuard*'s California services are designed to assist California FFLs in complying with already-enacted California regulations. Additionally, I am not aware of any measurable increase in the number of *FFLGuard*'s fee-paying clients in California that could be associated with *FFLGuard*'s participation in this case.

- 10. FFLGuard does not share with its members any financial stake in pursuing this lawsuit. Nor do I anticipate that FFLGuard will realize any pecuniary gain shared with its members as a result of this litigation.
- 11. Although it is true that many of *FFLGuard*'s clients are FFLs whose businesses involve the retail sale of firearms, I am not aware of any financial benefit those clients have experienced as a result of *FFLGuard*'s participation in this lawsuit. For Defendants ultimately adopted the same regulations challenged in this lawsuit through APA-compliant means—an outcome *FFLGuard* recognized was possible, if not likely, from the outset.
- 12. Even if *FFLGuard*'s clients had gained some financial benefit as a result of this litigation, such would be ancillary to this litigation and to *FFLGuard*'s role as a plaintiff for several reasons and would not, in any case, outweigh the total cost of litigation, which I am aware now well exceeds \$100,000.
- Program or long-gun safe-handling demonstrations, but instead sought to ensure that Defendants would comply with California's Administrative Procedure Act in adopting regulations regarding those programs. *FFLGuard*, LLC, sought to ensure that members of the public, including its clients, were given an opportunity to voice their opinions regarding the Firearm Safety Certificate Program—a right expressly granted to them by California's Administrative Procedure Act

- Program is entirely voluntary. FFLs are not required by law to administer the Firearm Safety Certificate Program or to conduct long-gun safe-handling demonstrations in order to sell or otherwise transfer firearms. They are required to seek proof that a customer has a Firearm Safety Certificate and that he or she has conducted the appropriate safe-handling demonstration, but they are not required to provide that service. All of *FFLGuard*'s clients could have continued to conduct business without administering the Program to customers themselves, just as many California FFLs did when the Firearm Safety Certificate Program took effect.
- Program per Defendants' underground regulations and subsequently adopted emergency regulations (i.e., computers, printers, and a stable internet connection) are already in place at California FFL retail locations so they may comply with Dealer Record of Sale requirements and other state and federal laws. Any costs associated with procuring these technologies have been or would have been incurred regardless of Defendants' policies related to the Firearm Safety Certificate Program.
- 16. At no point was it *FFLGuard*'s intention to challenge the Firearm Safety Certificate Program and safe-handling demonstration requirements themselves. Indeed, *FFLGuard* understands the important role proper firearm safety training plays in preventing accidents and serving public safety. However, I believe that to ensure that such training is designed properly and carried out effectively, those with experience in firearm-safety training (including DOJ Certified Instructors) must be given a meaningful opportunity to weigh in on any regulations concerning the Firearms Safety Certificate Program and safe-handling

demonstrations—something Defendants failed to provide prior to the law taking effect and, I believe, would not have done but for the filing of this lawsuit. I declare under penalty of perjury under the laws of the State of California that the forgoing is true and correct. Executed August 24, 2015 at New York, New York. Christopher Chiafullo Declarant 

### PROOF OF SERVICE 2 I, Laura Quesada, am employed in the City of Long Beach, Los Angeles County, California. I am over the age eighteen (18) years and am not a party to the within action. My business address is 180 East Ocean Blvd., Suite 200, Long Beach, California 90802. 3 On August 25, 2015, I served the foregoing document(s) described as: 4 5 DECLARATION OF CHRISTOPHER CHIAFULLO OF FFLGUARD, LLC, IN SUPPORT OF PLAINTIFFS' MOTION FOR ATTORNEYS' FEES 6 on the interested parties in this action by placing [ ] the original 7 [X] a true and correct copy thereof enclosed in sealed envelope(s) addressed as follows: 9 Mr. Jeffrey Rich Deputy Attorney General 10 1300 I Street Sacramento, CA 95814 11 (PERSONAL SERVICE) I caused such envelope to delivered by hand to the offices of the addressee. 12 Executed on , 2015, at Long Beach, California. 13 (OVERNIGHT MAIL) As follows: I am "readily familiar" with the firm's practice of 14 X collection and processing correspondence for overnight delivery by UPS/FED-EX. Under the practice it would be deposited with a facility regularly maintained by UPS/FED-EX for 15 receipt on the same day in the ordinary course of business. Such envelope was sealed and placed for collection and delivery by UPS/FED-EX with delivery fees paid or provided for 16 in accordance. 17 Executed on August 25, 2015, at Long Beach, California. 18 (STATE) I declare under penalty of perjury under the laws of the State of California that X 19 the foregoing is true and correct. (FEDERAL) I declare that I am employed in the office of the member of the bar of this 20 court at whose direction the service was made 21 22 23 24 25 26 27 28