E-FILED 3/27/2017 4:42:58 PM 1 Anna M. Barvir, SBN 268728 MICHEL & ASSOCIATES, P.C. FRESNO COUNTY SUPERIOR COURT 2 180 East Ocean Blvd., Suite 200 By: C. Cogburn, Deputy Long Beach, CA 90802 Telephone: (562) 216-4444 Fax: (562) 216-4445 Email: abarvir@michellawyers.com Attorney for Plaintiffs and Petitioners 6 7 8 IN THE SUPERIOR COURT OF THE STATE OF CALIFORNIA 9 FOR THE COUNTY OF FRESNO 10 SHERIFF CLAY PARKER, TEHAMA Case No. 10CECG02116 COUNTY SHERIFF; HERB BAUER 11 SPORTING GOODS; CALIFORNIA RIFLE DECLARATION OF STEVEN H. AND PISTOL ASSOCIATION DEMBER IN SUPPORT OF 12 FOUNDATION; ABLE'S SPORTING, INC.; PLAINTIFFS' MOTION FOR RTG SPORTING COLLECTIBLES, LLC; ATTORNEYS' FEES ON APPEAL 13 AND STEVEN STONECIPHER, Jeffrey Y. Hamilton Judge: Plaintiffs and Petitioners, 14 Dept.: 402 Date: May 31, 2017 15 VS. Time: 3:30 PM 16 THE STATE OF CALIFORNIA; KAMALA D. HARRIS, in her official capacity as Attorney General for the State of California; THE CALIFORNIA DEPARTMENT OF JUSTICE; and DOES 1-25. Defendants and Respondents. 19 Action Filed: June 17, 2010 20 21 22 23 24 25 26 27 28 DECLARATION OF STEVEN H. DEMBER

- section 501(c)(3) of the Internal Revenue Code and incorporated under California law, with its headquarters in Fullerton, California.
- 2. I am also a Director and the Treasurer of California Rifle and Pistol Association. Incorporated ("CRPA), a non-profit membership organization classified under section 501(c)(4) of the Internal Revenue Code and incorporated under the laws of California, with headquarters in Fullerton, California.
- 3. In my capacity as Trustee of The CRPA Foundation, I review the foundation's ledgers and financial records, as well as its other organizing documents. I am also responsible, along with other trustees, for determining the organizational goals and tracking the overall financial health of The CRPA Foundation.
- 4. Similarly, in my capacity as Director and Treasurer of CRPA, I maintain the organization's ledgers and financial records, and regularly review its other organizing documents. I am also responsible, along with other directors, for determining the organizational goals and tracking the overall financial health of CRPA.
- 5. I have reviewed The CRPA Foundation's charter and bylaws. These documents indicate that The CRPA Foundation was established to further the interests of its donors and the approximately 30,000 members of California Rifle & Pistol Association, Incorporated ("CRPA"), by promoting the interests of firearms enthusiasts, Second Amendment civil rights activists, and sportsmen through use of donations for, among other things, litigation efforts. The CRPA Foundation is not devoted to, nor does it represent, the financial interests of ammunition shippers or retailers.
- 6. I have also reviewed CRPA's charter and bylaws. These documents provide that CRPA was established to serve the interests of its members, by promoting the interests of firearms

27

28

1

3

6

10

11

12

13

14

15

16

17

18

20

21

22

23

24

25

enthusiasts, Second Amendment civil rights activists, and sportsmen. CRPA is not devoted to, nor does it represent, the financial interests of ammunition shippers or retailers.

- 7. While The CRPA Foundation seeks to serve the interests of both its donors and the members of CRPA, The CRPA Foundation and CRPA are separate corporate entities. CRPA is funded by membership fees and donations, while the CRPA Foundation has no membership fees because it is not a membership organization. It is funded entirely by donations.
- 8. The CRPA Foundation is not, however, dependent on the financial contributions of anyone engaged in the retail sale of ammunition. The financial vitality of businesses engaged in the retail sale of ammunition does not impact the existence of The CRPA Foundation, or its business or litigation decisions.
- 9. In reviewing The CRPA Foundation's donation records, I have identified only \$1,280 in contributions from retail businesses of any kind between 2000 and the present. This makes up just 0.075% of all donations to the foundation during that period. What's more, *zero percent* of The CRPA Foundation's total contributions during that time came from businesses engaged in the business of selling and shipping ammunition to customers through the mail. I am not aware of any increase in donations to The CRPA Foundation as result of this lawsuit as compared with previous months or years.
- 10. CRPA is not dependent on the financial contributions of anyone engaged in the retail sale of ammunition. The financial vitality of businesses engaged in the retail sale of ammunition does not impact the existence of CRPA, or its business or litigation decisions.
- 11. In reviewing CRPA's membership and donation records, I have identified only 65 retail businesses of any kind that were paid members of CRPA at any time during the pendency of this lawsuit and the resulting appeals—i.e., between June 2010 and December 2016. About 54 of those business memberships lapsed at some point during this suit. While seven other businesses only became paid members of CRPA in the last year. At any given time, the total number of retail business memberships remains only a fraction of a percentage of the more than 30,000 paid CRPA members.

26

interest substantially greater than the costs of this litigation, adjusted for the likelihood of success

1	in this litigation (i.e., 10%), The CRPA Foundation would need to realize a pecuniary gain of at
2	least \$7,000,000.00.
3	20. At the time the vital litigation decisions were being made, I believed the potential
4	for any financial gain for The CRPA Foundation through this litigation, to the extent there was any,
5	would not outweigh the costs of bringing this litigation. Rather, I estimate that the financial
6	burdens of this litigation far outweigh The CRPA Foundation's pecuniary interests in this litigation.
7	I declare under penalty of perjury under the laws of the State of California that the forgoing
8	is true and correct. Executed March 22, 2017.
9	
10	Steven H. Dember
11	Declarant
12	
13	
14	
15	
16	
17	
18	
19	
20	
21	
22	
23	
24	
25	
26	
27	4
28	DECLARATION OF STEVEN H. DEMBER

1	PROOF OF SERVICE
2	STATE OF CALIFORNIA COUNTY OF FRESNO
3 4 5	I, Laura Palmerin, am employed in Long Beach, Los Angeles County, California. I am over the age of eighteen (18) years and am not a party to the within action. My business address is 180 East Ocean Boulevard, Suite 200, Long Beach, CA 90802.
6	On March 27, 2017, I served the foregoing document(s) described as:
7	DECLARATION OF STEVEN H. DEMBER IN SUPPORT OF PLAINTIFFS' MOTION FOR ATTORNEYS' FEES ON APPEAL
8	on the interested parties in this action by placing
9	[] the original [x] a true and correct copy thereof enclosed in a sealed envelope(s) addressed as follows:
10	George Waters P. Patty Li
11	Deputy Attorney General 1300 I Street, Suite 125 Deputy Attorney General 455 Golden Gate Ave., Suite 11000
12	P.O. Box 944255 San Francisco, CA 94102 Sacramento, CA 94244-2550
13	
14	X (BY MAIL) As follows: I am "readily familiar" with the firm's practice of collection and processing correspondence for mailing. Under the practice it would be deposited with the
15 16	U.S. Postal Service on that same day with postage thereon fully prepaid at Los Angeles, California, in the ordinary course of business. I am aware that on motion of the party
17	served, service is presumed invalid if postal cancellation date is more than one day after date of deposit for mailing an affidavit. Executed on March 27, 2017, at Long Beach, CA
18	(VIA OVERNIGHT MAIL) As follows: I am "readily familiar" with the firm's practice of
19	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 receipt on the same day in the ordinary course of business. Such envelope was sealed and
20	placed for collection and delivery by UPS/FED-EX with delivery fees paid or provided for in accordance with ordinary business practices.
21	<u>X</u> (STATE) I declare under penalty of perjury under the laws of the State of California that
22	the foregoing is true and correct.
23	(<u>FEDERAL</u>) I declare that I am employed in the office of the member of the bar of this of this court at whose direction the service was made.
24	Hallein
25	LAURA PALMERIN
26	
27	
28	

PROOF OF SERVICE