

**ATTACHMENT F**  
**ADMINISTRATIVE HEARING TRANSCRIPTS**  
**DAY THREE – NOVEMBER 15, 2012**

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BEFORE THE  
BOARD OF ADMINISTRATION  
CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
ERIC SAWYER, ADMINISTRATIVE LAW JUDGE

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IN THE MATTER OF THE )  
APPLICABILITY OF GOVERNMENT CODE )  
SECTION 20638 TO MEMBER FRED ) P.E.R.S. NO.  
GUIDO: ) 9711  
 ) O.A.H. NO.  
FRED GUIDO AND CITY OF CUDAHY, ) 2012030387  
 )  
RESPONDENTS. )

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VOLUME III

TRANSCRIPT OF PROCEEDINGS, TAKEN AT  
320 WEST FOURTH STREET, SIXTH FLOOR,  
LOS ANGELES, CALIFORNIA, COMMENCING  
AT 9:09 A.M., ON THURSDAY, NOVEMBER  
15, 2012, HEARD BEFORE ERIC SAWYER,  
ADMINISTRATIVE LAW JUDGE, REPORTED  
BY MAXINE MILLER, HEARING REPORTER.

1 APPEARANCES OF COUNSEL:

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3 FOR THE DEPARTMENT:

4

REED SMITH, L.L.P.

BY: JEFFREY R. RIEGER, ESQ.

5

101 SECOND STREET

SUITE 1800

6

SAN FRANCISCO, CALIFORNIA 94105

415.659.4883

7

JRIEGER@REEDSMITH.COM

8

9

10 FOR THE RESPONDENT GUIDO:

11

LAW OFFICES OF JOHN MICHAEL JENSEN

BY: JOHN MICHAEL JENSEN, ESQ.

12

11500 WEST OLYMPIC BOULEVARD

SUITE 550

13

LOS ANGELES, CALIFORNIA 90064

310.312.1100

14

JOHNJENSEN@JOHNMJENSEN.COM

15

16

17 FOR THE RESPONDENT CITY OF CUDAHY:

18

OLIVAREZ MADRUGA, P.C.

BY: JUANDA LOWDER DANIEL, ESQ.

19

1100 SOUTH FLOWER STREET

SUITE 2200

20

LOS ANGELES, CALIFORNIA 90015

213.774.0009, EXT. 118

21

JDANIEL@OMLAWYERS.COM

22

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I N D E X

WITNESS:	DIRECT	CROSS	REDIRECT	RE CROSS
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EMILY PEREZ DE FLORES	8J	44R	66J	
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FRED GUIDO	86J	93D 97R		
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D = DANIEL  
J = JENSEN  
R = RIEGER



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E X H I B I T S

	MARKED FOR	RECEIVED
RESPONDENT'S:	IDENTIFICATION	IN EVIDENCE

227 - ENVELOPE	79	96
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1 LOS ANGELES, CALIFORNIA, THURSDAY

2 NOVEMBER 15, 2012

3 9:09 A.M.

4

5 THE COURT: WE'RE BACK FOR THE THIRD  
6 HEARING DAY OF THE STATEMENT OF ISSUES PERTAINING TO  
7 RESPONDENTS FRED GUIDO AND THE CITY OF CUDAHY. TODAY  
8 IS NOVEMBER 15, 2012. IT'S A LITTLE AFTER 9:00.  
9 WE'RE IN THE SAME VENUE.

10 COUNSEL ARE PRESENT. RESPONDENT IS HERE.  
11 WE ARE CONTINUING WITH THE DIRECT EXAMINATION OF  
12 EMILY PEREZ DE FLORES.

13 AND, MR. JENSEN, YOU CAN CONTINUE WHEN  
14 YOU'RE READY.

15 MR. JENSEN: THANK YOU, YOUR HONOR.

16

17 EMILY PEREZ DE FLORES,  
18 HAVING BEEN PREVIOUSLY DULY SWORN IN,  
19 RESUMED THE STAND AND TESTIFIED

20 FURTHER AS FOLLOWS:

21 ///

22 ///

23 ///

24

25

1 DIRECT EXAMINATION (RESUMED)

2 BY MR. JENSEN:

3 Q. GOOD MORNING, MS. DE FLORES.

4 A. GOOD MORNING.

5 Q. I'D LIKE TO TURN YOUR ATTENTION TO  
6 EXHIBIT 225 IN THE BLACK BINDER, SPECIFICALLY  
7 PAGE 356.

8 THE COURT: OKAY. LET ME JUST REMIND THE  
9 WITNESS, TODAY YOU'RE UNDER THE SAME OATH THAT YOU  
10 TOOK YESTERDAY; YOU UNDERSTAND THAT?

11 THE WITNESS: YES.

12 THE COURT: OKAY. THANK YOU.

13 THE WITNESS: OKAY.

14 BY MR. JENSEN:

15 Q. DO YOU RECOGNIZE THIS DOCUMENT ENTITLED  
16 "RECIPROCITY PROCEDURES WHEN APPLYING RECIPROCITY  
17 SALARIES"?

18 A. YES.

19 Q. AND WHAT IS THIS DOCUMENT?

20 A. THIS DOCUMENT WAS DEVELOPED IN THE  
21 RETIREMENT ESTIMATE UNIT TO ASSIST STAFF TO BETTER  
22 UNDERSTAND THE PROCESSING OF RETIREMENT OPTIONS.  
23 THEY SHOULD BE USING THE SYSTEM TO --

24 MR. RIEGER: I'M SORRY. WHAT EXHIBIT ARE  
25 WE ON?

1 MR. JENSEN: WE'RE ON EXHIBIT 225,  
2 PAGE 356.

3 MR. RIEGER: 225, PAGE 356. OH, I'M SORRY.  
4 I DIDN'T CATCH THE 356 PART. I'M SORRY. I APOLOGIZE  
5 FOR INTERRUPTING. OKAY.  
6 BY MR. JENSEN:

7 Q. ACTUALLY, MS. DE FLORES, CAN YOU START FROM  
8 THE BEGINNING SO WE --

9 A. OKAY. SO THIS PROCEDURE WAS DEVELOPED FOR  
10 RETIREMENT ESTIMATE UNIT STAFF SO THAT THEY CAN  
11 BETTER PROVIDE AN ESTIMATE TO MEMBERS REGARDING THE  
12 USE OF THE RECIPROCITY DATA ON THE SYSTEM.

13 Q. AND HOW ARE BENEFIT ESTIMATES -- HOW ARE  
14 THOSE REQUESTS MADE TO CALPERS?

15 A. VARIOUS METHODS. THEY CAN SUBMIT THE  
16 ONLINE REQUESTS THROUGH THE WEB. THEY CAN DOWNLOAD  
17 THE FORM, RETIREMENT ESTIMATE REQUEST FORM, AND  
18 SUBMIT THAT VIA THE MAIL, AND/OR THEY CAN GO TO A  
19 REGIONAL OFFICE AND ONE CAN BE GENERATED THERE.

20 THE SYSTEM CONTAINS EDITS AND AUDITS, AND  
21 IT WOULD FALL TO THE UNIT IF IT DIDN'T PASS THOSE  
22 EDITS AND AUDITS.

23 Q. CAN YOU EXPLAIN WHAT "IT WOULD FALL TO THE  
24 UNIT IF IT DIDN'T PASS THOSE EDITS AND AUDITS" MEANS?

25 A. THE EDIT -- THE SYSTEM CONTAINS EDITS AND

1 AUDITS THAT WILL NOT GENERATE AN AUTOMATIC ESTIMATE.

2 THAT GOES STRAIGHT TO THE MAILROOM AND OUT  
3 THE DOOR. IT REQUIRES STAFF TO REVIEW WHAT THOSE  
4 ERRORS -- ERROR MESSAGES ARE SO THAT THEY CAN SOMEHOW  
5 INPUT INFORMATION ONTO THE RETIREMENT ESTIMATE  
6 DATABASE SO THAT THEY CAN PRODUCE THE ESTIMATE.

7 Q. AND LET ME JUST ASK YOU TO LOOK AT DOCUMENT  
8 201.

9 AND WAS THIS LETTER GENERATED PURSUANT TO  
10 THOSE PROCEDURES?

11 A. NO.

12 Q. AND HOW -- IS THIS A RETIREMENT ESTIMATE  
13 REQUEST?

14 A. THIS WAS GENERATED WHEN THE RETIREMENT  
15 ESTIMATE REQUEST WAS MADE -- WAS MADE AND THE REQUEST  
16 WAS RECEIVED IN THE RETIREMENT ESTIMATE UNIT.

17 THIS WAS ONLY A TEMPLATE THAT WAS SENT OUT  
18 BECAUSE WE DIDN'T HAVE THE FINAL COMPENSATION  
19 INFORMATION, AND THAT'S BASICALLY THE TEMPLATE THAT  
20 THEY USE BECAUSE IN HERE IT SAYS:

21 "PLEASE PROVIDE US THAT FINAL  
22 COMPENSATION AMOUNT."

23 Q. AND LET ME TURN YOUR ATTENTION TO  
24 EXHIBIT 202, THE NEXT EXHIBIT.

25 A. YES.

1 Q. YOURS LOOKS DIFFERENT FROM MINE.

2 PAGE 202 -- EXHIBIT 202. THIS ONE (INDICATING).

3 MR. JENSEN: YOUR HONOR, MAY I APPROACH THE  
4 WITNESS?

5 THE COURT: YES.

6 THE WITNESS: I'M SORRY. I TURNED ONE TOO  
7 MANY.

8 BY MR. JENSEN:

9 Q. EXHIBIT 202, IS THIS A RETIREMENT ESTIMATE  
10 BENEFIT GENERATED PURSUANT TO THE PROCEDURES IN  
11 EXHIBIT 225?

12 A. AGAIN, FGUIDO 3 IS A TEMPLATE LETTER THAT  
13 WAS GENERATED FROM A WORD DOCUMENT, AND THEN 004 IS  
14 ONE PAGE OF THE ESTIMATE THAT WAS PROVIDED.

15 Q. PURSUANT TO THE PROCEDURES IN EXHIBIT 225?

16 A. NO.

17 MR. RIEGER: OBJECTION; VAGUE.

18 THE COURT: OVERRULED.

19 THE WITNESS: NO.

20 BY MR. JENSEN:

21 Q. AND ARE THE -- SO ARE THERE SOME  
22 ESTIMATE -- RETIREMENT BENEFIT ESTIMATES THAT ARE --  
23 INVOLVE RECIPROCITY THAT ARE NOT GENERATED PURSUANT  
24 TO THE PROCEDURES THAT YOU'VE -- CALPERS PROVIDED TO  
25 US IN THIS PROCEDURE MANUAL IN 225?

1           A.     THE PROCEDURES IN 225 ARE PROCEDURES USED  
2           WHEN CALCULATING A RETIREMENT BENEFIT AT TIME OF  
3           RETIREMENT.

4           MR. RIEGER:   OBJECTION; VAGUE AS TO 225.  
5           COUNSEL PUT TWO DIFFERENT DOCUMENTS IN ONE EXHIBIT.  
6           NOW HE'S REFERRING TO 225 AS IF IT'S ONE DOCUMENT.

7           THE COURT:   OKAY.   YOU'RE REFERRING TO  
8           PAGE 356?

9           MR. JENSEN:   YES, 356.

10          THE COURT:   WAS THAT THE CASE WITH YOUR  
11          LAST ANSWER?

12          THE WITNESS:  NO.   MY LAST ANSWER WAS  
13          REGARDING THE BUSINESS PROCESS PROCEDURES.

14          BY MR. JENSEN:

15          Q.     OKAY.   SO LET'S CLEARLY DESIGNATE.   WE'VE  
16          BEEN TALKING THIS MORNING SO FAR EXCLUSIVELY ABOUT  
17          THE RECIPROCITY PROCEDURES THAT ARE BATES STAMPED 356  
18          AND WHICH WERE, SINCE THEY WEREN'T SEPARATELY  
19          DESIGNATED AS A SEPARATE PROCEDURE, INCLUDED ALL IN  
20          ONE EXHIBIT FOR PURPOSES OF COMPLETION.

21          BECAUSE THIS WAS THE WAY THEY WERE PROVIDED  
22          TO US, THIS IS THE WAY THEY WERE LISTED IN THE  
23          EXHIBIT.   SO IF YOU COULD EXCLUSIVELY FOCUS FOR THE  
24          TIME BEING ON THIS DOCUMENT, P.E.R.S. 356, AND IF I  
25          COULD GET YOUR ANSWERS FOR THE NEXT BIT OF TIME BASED

1 ON 356.

2 A. OKAY.

3 Q. SO TO CLARIFY THE CONFUSION, WHAT IS THIS  
4 DOCUMENT IN 356?

5 A. IT'S THE RECIPROCITY PROCEDURES THAT WERE  
6 DEVELOPED FOR RETIREMENT ESTIMATE STAFF WHEN  
7 RECEIVING REQUESTS THAT INVOLVED RECIPROCITY OR  
8 INDICATION THAT THE MEMBER WAS A MEMBER OF ANOTHER  
9 RETIREMENT SYSTEM.

10 Q. SO WHAT -- WITH RESPECT TO EXHIBIT 202,  
11 THERE'S SEVERAL PAGES HERE. IS THIS DOCUMENT  
12 GENERATED PURSUANT TO THE PROCEDURES IN -- ON PAGE  
13 P.E.R.S. 356?

14 A. NO.

15 Q. AND WHAT -- WHAT IS -- UNDER WHAT  
16 PROCEDURES WAS THE DOCUMENT IN 202 ASSEMBLED UNDER?

17 A. THEY WERE ASSEMBLED UNDER PROCEDURES PRIOR  
18 TO MY MANAGEMENT OF THE RETIREMENT ESTIMATE UNIT  
19 THROUGH THIS SERVICE LEVEL IMPROVEMENT PROCESS.  
20 THERE WERE NO DOCUMENTED PROCEDURES WHEN THE LETTER  
21 IN 202 WAS SENT.

22 Q. SO YOU'RE BASICALLY TELLING ME THAT THESE  
23 PROCEDURES IN 356 WERE ENACTED AFTER THE TIME PERIOD  
24 THAT IS REFLECTED IN EXHIBIT 202?

25 A. YES.

1 Q. AND WERE THERE ANY PROCEDURES IN EFFECT AT  
2 THE TIME TO YOUR KNOWLEDGE OF EXHIBIT 202'S  
3 GENERATION BY CALPERS?

4 MR. RIEGER: OBJECTION; VAGUE.

5 THE COURT: OVERRULED.

6 THE WITNESS: NO.

7 BY MR. JENSEN:

8 Q. WERE THE PROCEDURES IN -- LISTED ON BATES  
9 STAMP 356 IN EFFECT AT THE TIME OF THE GENERATION OF  
10 THE RETIREMENT ESTIMATE IN 2-0 -- IN EXHIBIT 206?

11 A. I DON'T RECALL. I DON'T RECALL THE EXACT  
12 DATE THAT THESE WERE DEVELOPED. I'M TRYING TO -- I  
13 WANT TO SAY IT WAS SOMETIME IN 2007 THAT THE  
14 PROCEDURES IN 225 WERE DEVELOPED, BUT I CAN'T RECALL  
15 IF IT WAS BEFORE OCTOBER 2 OR AFTER OCTOBER 2 OF  
16 2007.

17 Q. WERE YOU IN CHARGE OF THE UNIT THAT  
18 GENERATED THESE RETIREMENT ESTIMATES AT THE TIME THAT  
19 EXHIBIT 206 WAS GENERATED?

20 A. YES.

21 Q. AND WHY DID YOU DEVELOP THE PROCEDURES THAT  
22 ARE LISTED IN BATES STAMP 356?

23 A. TO HELP STAFF BETTER PROCESS THESE  
24 RETIREMENT ESTIMATES BASED ON WHETHER RECIPROCITY WAS  
25 ESTABLISHED BY AN INDIVIDUAL OR NOT.

1 Q. WAS THERE SPECIFIC REASONS YOU DEVELOPED  
2 THESE PROCEDURES?

3 A. I DEVELOPED THEM BECAUSE MY PRIOR  
4 EMPLOYMENT FOR NINE YEARS WAS TO PROCESS RECIPROCAL  
5 REQUESTS FROM AGENCIES OR MEMBERS. SO WHEN I BECAME  
6 AWARE THAT THE TEMPLATE EXISTED THAT WE ESTABLISH  
7 RECIPROCITY AND IT WAS CLEARLY NOT ON THE SYSTEM,  
8 THAT'S WHY THE PROCEDURES WERE DEVELOPED.

9 Q. CAN YOU EXPLAIN THAT?

10 MR. RIEGER: OBJECTION. I DON'T KNOW WHAT  
11 MORE HE'S SEEKING. CALLS FOR A NARRATIVE ;ASKED AND  
12 ANSWERED.

13 MR. JENSEN: CALLS FOR AN EXPLANATION.

14 THE COURT: I THINK THE PROBLEM IS I'M NOT  
15 TOTALLY SURE I UNDERSTOOD WHAT YOU JUST SAID, SO IF  
16 YOU COULD ANSWER THE QUESTION IN A DIFFERENT WAY, I  
17 GUESS.

18 THE WITNESS: SO I HAD NINE YEARS OF  
19 EXPERIENCE ESTABLISHING RECIPROCITY. THROUGH THAT  
20 PROCESS, WE UPDATED OUR SYSTEM WITH THE INFORMATION  
21 WHETHER RECIPROCITY APPLIED, VESTING ONLY, FINAL  
22 COMP, OTHER SYSTEMS.

23 IT WAS CLEAR TO ME THAT STAFF WASN'T USING  
24 THAT SYSTEM TO VALIDATE THAT RECIPROCITY HAD BEEN  
25 ESTABLISHED. THEREFORE, THESE PROCEDURES WERE THEN

1 DEVELOPED.

2 MY ANALYST IN THE UNIT DEVELOPED THESE  
3 PROCEDURES, AND THEN WE WENT THROUGH THEM TOGETHER  
4 TO -- TO ENSURE THE ACCURACY AND THEN EXPLAIN IT TO  
5 STAFF.

6 BY MR. JENSEN:

7 Q. SO WOULD IT BE FAIR TO INDICATE THAT YOU  
8 THOUGHT THAT LETTERS WERE GOING OUT TO PEOPLE  
9 MISINFORMING THEM ABOUT THEIR RECIPROCITY RIGHTS?

10 A. YES.

11 Q. AND HOW MANY LETTERS DO YOU THINK?

12 A. WE -- IN THE PERIOD OF TIME THAT I WAS  
13 THERE, WE WERE GENERATING OVER 100,000 RETIREMENT  
14 ESTIMATES.

15 Q. AND HOW MANY OF THOSE INVOLVED RECIPROCITY?

16 A. I COULD NOT EVEN GIVE YOU THAT NUMBER.

17 Q. ARE THESE ESTIMATES IMPORTANT TO PEOPLE, IN  
18 YOUR OPINION?

19 A. YES.

20 Q. IS THE ACCURACY OF THEM IMPORTANT?

21 A. YES.

22 Q. DID CALPERS TAKE ANY EFFORTS TO INFORM  
23 THOSE PEOPLE THAT HAD -- IT HAD PREVIOUSLY TOLD THAT  
24 RECIPROCITY EXISTED THAT THEY HAD NOT DONE A COMPLETE  
25 DETERMINATION?

1 A. NO.

2 Q. WHY NOT?

3 A. THERE WAS NO MECHANISM TO BE ABLE TO  
4 IDENTIFY ALL THE INDIVIDUALS THAT MAY HAVE RECEIVED  
5 INCORRECT INFORMATION.

6 Q. DID YOU THINK THAT THOSE PEOPLE WERE  
7 RELYING ON THAT INFORMATION?

8 MR. RIEGER: OBJECTION; FOUNDATION.

9 THE COURT: SUSTAINED.

10 BY MR. JENSEN:

11 Q. WHAT IS THE PURPOSE OF THESE LETTERS?

12 A. TO GIVE MEMBERS SOME INFORMATION ABOUT WHAT  
13 THEY CAN EXPECT AT RETIREMENT. PART OF THE PROCESS  
14 IS TO STAMP "UNOFFICIAL" BECAUSE THERE WAS NO PROCESS  
15 TO VALIDATE THOSE SALARIES. THOSE WERE COMING FROM  
16 THE MEMBER, NOT THE ACTUAL RETIREMENT SYSTEM.

17 Q. DID YOU SEE THAT AS A PROBLEM?

18 MR. RIEGER: OBJECTION; VAGUE.

19 THE COURT: OVERRULED.

20 YOU CAN ANSWER.

21 THE WITNESS: NO.

22 BY MR. JENSEN:

23 Q. DID YOU SEE IT AS A PROBLEM THAT THEY MAY  
24 HAVE BELIEVED RECIPROCITY EXISTED AND YOU BELIEVED IT  
25 DIDN'T?

1 MR. RIEGER: OBJECTION; VAGUE. HE KEEPS  
2 SAYING "THEY."

3 THE COURT: SUSTAINED.

4 BY MR. JENSEN:

5 Q. IS PART OF YOUR POSITION AS A MANAGER  
6 CONCERN ABOUT THE ACCURACY OF THE INFORMATION THAT  
7 CALPERS IS SENDING OUT?

8 A. CAN YOU REPEAT THE QUESTION?

9 Q. IS PART OF YOUR POSITION TO ENSURE THE  
10 ACCURACY OF THE INFORMATION THAT CALPERS IS SENDING  
11 OUT FROM YOUR UNIT?

12 A. YES.

13 Q. AND HOW IMPORTANT DID YOU THINK THIS  
14 RECIPROCITY MISINFORMATION ISSUE WAS?

15 MR. RIEGER: OBJECTION; VAGUE.

16 THE COURT: OVERRULED.

17 THE WITNESS: I FELT IT WAS IMPORTANT.  
18 THAT'S WHY THE PROCEDURES WERE -- THESE ADDITIONAL  
19 PROCEDURES WERE DEVELOPED.

20 BY MR. JENSEN:

21 Q. I JUST WANT TO QUICKLY JUST REVIEW THIS.  
22 IT SAYS:

23 "WHEN A MEMBER HAS REQUESTED.  
24 THAT WE USE THEIR RECIPROCAL.  
25 SALARIES."

1 THE COURT: OKAY. WE'RE LOOKING AT PAGE?

2 MR. JENSEN: OH, I'M SORRY. PAGE 356, THE  
3 PROCEDURES IN 225.

4 BY MR. JENSEN:

5 Q. DID MEMBERS EVER -- WELL, PRIOR TO THE  
6 INSTITUTION OF THESE PROCEDURES, DID MEMBERS  
7 TELEPHONE CALPERS AND ASK FOR RECIPROCITY OR ASK  
8 FOR -- I'M SORRY. STRIKE THAT.

9 DID MEMBERS EVER CALL CALPERS AND MAKE A  
10 BENEFIT REQUEST OVER THE PHONE?

11 A. THEY MAY HAVE CALLED AND MADE THE REQUEST,  
12 BUT REQUESTS WERE NOT TAKEN OVER THE TELEPHONE FOR  
13 RETIREMENT ESTIMATES.

14 Q. HOW DOES THAT -- WHAT IS IN YOUR EXPERIENCE  
15 THE TYPICAL PROCESS WHEN A MEMBER IS INQUIRING ABOUT  
16 RECIPROCITY OVER THE PHONE?

17 A. NORMALLY THE PHONE CALLS COME INTO OUR  
18 CUSTOMER CONTACT CENTER. THE STAFF HAS BEEN TRAINED  
19 TO ANSWER QUESTIONS REGARDING RECIPROCITY, THE  
20 BENEFITS OF RECIPROCITY. BUT THEY'RE NOT TRAINED TO  
21 PROCESS RECIPROCITY REQUESTS TO ESTABLISH  
22 RECIPROCITY.

23 Q. BUT IN THIS CASE, YOU HEARD MR. GUIDO  
24 TESTIFY THAT HE CALLED CALPERS WITH SPECIFIC DATES OF  
25 EMPLOYMENT AND INQUIRED ABOUT RECIPROCITY. IS THAT

1           WITHIN THE COMPETENCY OF A CALPERS ANALYST TO RESPOND  
2           TO?

3                       MR. RIEGER:  OBJECTION; VAGUE.

4                       THE COURT:  OVERRULED.

5                       YOU CAN ANSWER.

6                       THE WITNESS:  CALL AGENT, NO.

7           BY MR. JENSEN:

8                       Q.    AND WHAT ABOUT AN ANALYST?

9                       A.    AN ANALYST THAT WORKS IN THE PROGRAM AREA  
10           THAT ESTABLISHES RECIPROCITY, YES.  BUT AN ANALYST IN  
11           THE CALL CENTER, A CALL AGENT, THEY'RE ANALYSTS, BUT  
12           THEY DON'T HAVE THE KNOWLEDGE TO ESTABLISH  
13           RECIPROCITY.

14                      Q.    BUT I'M JUST ASKING ABOUT CALPERS  
15           PROCEDURES HERE.  MR. GUIDO TESTIFIED THAT HE CALLED  
16           SOMEBODY AT THE CALL CENTER, I GUESS, AND THEN WAS  
17           REFERRED TO SOMEBODY ELSE.

18                      WHAT -- IN THE TYPICAL EXPERIENCE OF  
19           CALPERS, IS THAT STRUCTURE REFERRING TO AN ANALYST IN  
20           THE RECIPROCITY DIVISION?

21                      MR. RIEGER:  OBJECTION; FOUNDATION,  
22           SPECULATION.

23                      THE COURT:  SUSTAINED.

24           BY MR. JENSEN:

25                      Q.    DO YOU HAVE ANY EXPERIENCE ABOUT HOW THE

1 CALL CENTER CALLS ARE ROUTED?

2 A. YES, I DO.

3 Q. HOW?

4 A. NORMALLY, THEY DO NOT GET ROUTED TO THE  
5 PROGRAM STAFF, SPECIFICALLY IN THIS SITUATION TO THE  
6 RECIPROCAL UNIT THAT PROCESSES OR ESTABLISHES  
7 RECIPROCITY. IT GETS ESCALATED TO A CALL AGENT AT A  
8 HIGHER LEVEL. THEY TRY TO CLOSE THE CALLS ON THE  
9 ONSET.

10 WHEN THE AGENT CAN'T ANSWER IT AND IT GETS  
11 ESCALATED TO THE ESCALATION STAFF IN THE CALL CENTER  
12 AND THEY CAN'T ANSWER IT, THEN A NOTE WILL GO TO THE  
13 PROGRAM AREA THAT SPECIALIZES IN THAT PROCESS -- IN  
14 THIS CASE, RECIPROCITY, TO ANSWER, AND THEN STAFF  
15 WOULD HAVE TO CALL BACK.

16 Q. AND IF MR. GUIDO WAS PROVIDED A SPECIFIC --  
17 OR I MEAN A PERSON WHO HE ASKED SPECIFIC QUESTIONS TO  
18 AND THEY ANSWERED HIM, AT WHAT LEVEL WOULD THEY BE  
19 AUTHORIZED TO ANSWER HIS SPECIFIC QUESTIONS ABOUT  
20 RECIPROCITY?

21 MR. RIEGER: OBJECTION; VAGUE.

22 MR. JENSEN: IT'S FOLLOW-UP.

23 THE COURT: OVERRULED.

24 YOU CAN ANSWER.

25 THE WITNESS: I DON'T KNOW WHO MR. GUIDO

1 SPOKE WITH, SO I CAN'T TELL YOU WHAT LEVEL OF  
2 KNOWLEDGE THEY HAD.

3 BY MR. JENSEN:

4 Q. AND MY QUESTION WAS A LITTLE DIFFERENT. IT  
5 WAS, HE IS PROVIDING THIS INFORMATION AND THEY ARE  
6 PROVIDING AN ANSWER TO HIM. AT WHAT LEVEL WOULD THEY  
7 BE AUTHORIZED TO PROVIDE AN ANSWER TO HIM?

8 MR. RIEGER: OBJECTION; VAGUE, FOUNDATION.

9 MR. JENSEN: IT'S JUST FOLLOW-UP ON -- I  
10 MEAN, I DON'T KNOW WHICH DIFFERENT -- I MEAN, SHE  
11 JUST TESTIFIED THERE WAS A ROUTING MECHANISM AND A  
12 LEVEL OF AUTHORITY, AND SHE'S TESTIFYING THAT AT SOME  
13 LEVEL THEY CAN GIVE ANSWERS ON RECIPROCITY.

14 I JUST WANT TO KNOW WHAT LEVEL THAT IS.

15 MR. RIEGER: I'M JUST OBJECTING TO THE FORM  
16 OF THE QUESTION.

17 THE COURT: I WAS GOING TO OVERRULE THE  
18 OBJECTION.

19 I'M GOING TO MAKE A RULING. I DON'T NEED  
20 BOTH OF YOU TO WEIGH IN ON IT UNLESS YOU'D LIKE ME TO  
21 MORE DEEPLY CONSIDER THE OBJECTION.

22 ALL RIGHT. DO YOU REMEMBER THE QUESTION OR  
23 DO YOU NEED HIM TO --

24 THE WITNESS: I NEED HIM TO REPEAT IT.

25 THE COURT: OKAY.

1 BY MR. JENSEN:

2 Q. MR. GUIDO'S TESTIMONY WAS HE PROVIDED  
3 SPECIFIC DATES OF EMPLOYMENT AND THE CALPERS ANALYST  
4 GAVE HIM BACK INFORMATION THAT RECIPROCITY HAD BEEN  
5 ESTABLISHED. AT WHAT LEVEL OF CALPERS ANALYST WOULD  
6 BE AUTHORIZED TO GIVE HIM THAT ANSWER?

7 A. IT WOULD HAVE TO BE PROGRAM AREA STAFF UNIT  
8 THAT ESTABLISHES RECIPROCITY.

9 Q. DO YOU HAVE ANY REASON TO BELIEVE THAT HE  
10 WOULD NOT HAVE SPOKEN TO THAT PERSON?

11 A. BASED ON WHAT YOU SAID EARLIER THAT THE  
12 CALL WAS -- THE CALL WAS TRANSFERRED, TO ME I WOULD  
13 SAY THAT HE DID NOT SPEAK TO THE UNIT STAFF THAT  
14 ESTABLISHES RECIPROCITY.

15 Q. AND I'M NOT CLEAR JUST EXACTLY WHAT THE  
16 DETAILS WERE, BUT I BELIEVE HE CALLED BACK TO A  
17 SPECIFIC NUMBER. WOULD THAT CHANGE YOUR ANSWER?

18 MR. RIEGER: OBJECTION; VAGUE.

19 THE COURT: OVERRULED.

20 YOU CAN ANSWER.

21 THE WITNESS: NO, IT WOULDN'T. BECAUSE THE  
22 UNIT NUMBERS OF THE PROGRAM AREA ARE NOT PROVIDED TO  
23 MEMBERS. THEY ARE PROVIDED -- THE UNIT NUMBERS ARE  
24 NOT PROVIDED EXTERNALLY. MEMBERS ARE PROVIDED THE  
25 888 NUMBER WHEN CONTACTING CALPERS.

1 BY MR. JENSEN:

2 Q. AND IS IT POSSIBLE -- WELL, IS IT POSSIBLE  
3 THAT HE CONTACTED THE RECIPROCITY ANALYST AT CALPERS  
4 DIRECTLY AND RECEIVED AN ANSWER?

5 A. I DON'T KNOW.

6 Q. OKAY. LET'S GO BACK TO THIS EXHIBIT 356.  
7 WHAT PART DID YOU HAVE IN DEVELOPING THIS  
8 PROCEDURE?

9 A. SO IN MEETING WITH STAFF, I EXPLAINED -- MY  
10 ANALYST, I EXPLAINED HOW RECIPROCITY IS ESTABLISHED  
11 WHEN IT'S BEEN DETERMINED BY THE RECIPROCITY UNIT.

12 VALUES ARE UPDATED ON -- ON THE CALPERS  
13 ONLINE MEMBER EMPLOYEE TRANSACTION, C.O.M.E.T., THAT  
14 TELLS YOU IF IT'S FULL RECIPROCITY, FINAL  
15 COMPENSATION, VESTING ONLY, OR IF IT'S ANOTHER  
16 SYSTEM.

17 FROM THAT KNOWLEDGE, I ALSO HAD TO EXPLAIN  
18 THAT DEPENDING ON THE PERIOD OF TIME IN WHICH THE  
19 MOVEMENT WAS MADE, IT WOULD DEPEND ON THE TIME PERIOD  
20 FOR A LAPSE AND WHATNOT.

21 SO THAT DETAIL I GAVE TO HER. SHE WROTE UP  
22 THE PROCEDURES, OBTAINED SCREEN PRINTS OF THE  
23 DATABASE, AND THEN GAVE THEM TO ME FOR REVIEW  
24 AFTERWARDS.

25 Q. AND DID YOU -- DID YOU APPROVE THIS

1 PROCEDURE?

2 A. YES.

3 Q. IS THIS PROCEDURE IN EFFECT TODAY?

4 A. I DON'T KNOW.

5 Q. WHEN WAS THE LAST -- WHAT WAS THE PERIOD OF  
6 TIME THAT YOU BELIEVED THAT THIS -- THESE PROCEDURES  
7 WERE IN EFFECT?

8 A. APPROXIMATELY SOMETIME IN 2007 UP UNTIL THE  
9 TIME I LEFT THE RETIREMENT ESTIMATE UNIT IN JUNE OF  
10 2003 -- I MEAN -- I LIED -- 2/7/2009. FEBRUARY OF  
11 '09 IS WHEN I LEFT THE ESTIMATE UNIT.

12 Q. AND WHEN DID YOU JOIN THE ESTIMATE UNIT?

13 A. JUNE OF 2003.

14 Q. AND WAS THERE ANY CHANGE IN YOUR JOB  
15 RESPONSIBILITIES BETWEEN JUNE OF 2003 AND 2007?

16 A. NO. I HESITATE BECAUSE OF MY TITLE. I WAS  
17 A RETIREMENT PROGRAM SUPERVISOR OVER THE UNIT, AND  
18 THEN MY TITLE JUST CHANGED TO MANAGER.

19 Q. SO ACTUALLY, FOR THE FIRST FOUR YEARS OF  
20 YOUR MANAGERIAL POSITION, THERE WERE NO PROCEDURES IN  
21 EFFECT FOR RECIPROCITY?

22 A. THERE WERE NO WRITTEN PROCEDURES THAT I WAS  
23 AWARE OF.

24 Q. BUT YOU TESTIFIED EARLIER THAT AS SOON AS  
25 YOU MOVED OUT OF THE RECIPROCITY DIVISION, YOU

1           STARTED WORK ON THESE PROCEDURES IN THE RETIREMENT  
2           ESTIMATE --

3                       MR. RIEGER:  OBJECTION TO THE EXTENT IT  
4           MISSTATES THE RECORD.  I DON'T THINK THAT'S RIGHT  
5           BUT --  
6           BY MR. JENSEN:

7                       Q.  WELL, CAN YOU CLARIFY?  THAT WAS MY  
8           UNDERSTANDING.

9                       A.  NO.  IT WASN'T WHEN I FIRST WENT INTO THE  
10          UNIT.  IT WASN'T UNTIL I BECAME AWARE THAT  
11          MISINFORMATION WAS BEING SENT OUT.  AGAIN, THESE  
12          PROCEDURES WERE DEVELOPED IN 2005.

13                      Q.  AND HOW DID YOU BECOME AWARE THAT  
14          MISINFORMATION WAS BEING SENT OUT?

15                      A.  I CAN'T RECALL SPECIFICALLY, BUT IT WAS  
16          EITHER A MEMBER CALLED WITH A CONCERN AND IT WAS  
17          BROUGHT TO MY ATTENTION BY STAFF.  AND IT WAS BROUGHT  
18          TO MY ATTENTION BECAUSE OF MY BACKGROUND IN  
19          RECIPROCITY.

20                      Q.  AND HOW LONG DID IT TAKE BETWEEN YOUR  
21          AWARENESS OF A PROBLEM IN MISINFORMATION BEING GIVEN  
22          ABOUT RECIPROCITY BEFORE THESE PROCEDURES WERE  
23          DEVELOPED?

24                      A.  I DO NOT RECALL.

25                      Q.  CAN YOU GIVE ME AN APPROXIMATE AMOUNT OF

1 TIME?

2 A. A FEW MONTHS.

3 Q. AND ONCE YOU BECAME AWARE IN THE DIVISION  
4 THAT THERE WAS MISINFORMATION BEING GIVEN OUT, WHAT  
5 EFFORTS DID YOU MAKE TO CORRECT THE INFORMATION THAT  
6 MEMBERS HAD RECEIVED?

7 MR. RIEGER: OBJECTION; ASKED AND ANSWERED.

8 THE COURT: OVERRULED. I THINK THIS IS  
9 SLIGHTLY DIFFERENT FROM THE QUESTION BEFORE.

10 YOU CAN ANSWER.

11 THE WITNESS: CAN YOU ASK THE QUESTION  
12 AGAIN?

13 BY MR. JENSEN:

14 Q. ONCE YOU UNDERSTOOD THAT MISINFORMATION  
15 ABOUT RECIPROCITY HAD BEEN SENT OUT TO MEMBERS  
16 ALREADY, WHAT STEPS DID YOU TAKE TO CORRECT THE  
17 MISINFORMATION?

18 A. I DIDN'T. WE DON'T HAVE ANY MECHANISM TO  
19 BE ABLE TO IDENTIFY WHO RECEIVED THE MISINFORMATION  
20 AND TO GIVE THEM CORRECT INFORMATION.

21 Q. DID CALPERS RETAIN COPIES OF THE RETIREMENT  
22 ESTIMATES?

23 A. NO.

24 Q. DOES CALPERS RETAIN LISTS OF DOCUMENTS THAT  
25 HAVE BEEN SENT TO MEMBERS?

1           A.    NO.  WE HAVE THE MEMBER FILE THAT HAS SOME  
2           DOCUMENTS, BUT RETIREMENT ESTIMATES WERE -- WAS  
3           DETERMINED TO BE A DOCUMENT NOT TO RETAIN BECAUSE OF  
4           THE VOLUME THAT IS PRODUCED.

5                       SOMETIMES A MEMBER CAN REQUEST FIVE  
6           ESTIMATES IN ONE REQUEST.  AND BECAUSE OF THE VOLUME,  
7           WE JUST DON'T HOUSE THAT IN OUR MEMBER FILES.

8           Q.    I WANT TO TURN YOUR ATTENTION TO  
9           EXHIBIT 224.

10                       AND IN PARTICULAR, I JUST WANT TO POINT  
11           YOUR ATTENTION TO PAGE 5 OF 6, ON OCTOBER 6, 2003.

12           A.    OKAY.

13           Q.    AND IT SAYS:

14                       "MANUALLY COMPLETED ESTIMATE.  
15           AND SENT MEMBER RECIPROCITY.  
16           TEMPLATE."

17           A.    YES.

18           Q.    DOES THE C.T.P. KEEP -- WELL, HOW WOULD YOU  
19           DESCRIBE THE C.T.P. AS A DOCUMENT -- AS A HISTORY OF  
20           DOCUMENTS SENT TO MEMBERS?

21           A.    IT'S AN ELECTRONIC RECORD.

22           Q.    IS IT SEARCHABLE?

23           A.    YES.  I'M ASSUMING IT'S SEARCHABLE.  
24           ACTUALLY, I DON'T KNOW.

25           Q.    BUT IT DOES REFLECT THAT INFORMATION HAS

1 BEEN SENT TO MEMBERS ABOUT RECIPROCITY?

2 A. YES.

3 Q. AND HAVE YOU -- HAVE YOU USED C.T.P.?

4 A. YES.

5 Q. HAVE YOU ENTERED INFORMATION IN THE C.T.P.?

6 A. YES.

7 Q. HAVE YOU LOOKED AT A C.T.P. TO DETERMINE

8 WHAT INFORMATION HAS BEEN SENT TO A MEMBER?

9 A. YES.

10 Q. FROM A REFERENCE TO THE C.T.P., COULD YOU  
11 DETERMINE THAT INFORMATION ABOUT RECIPROCITY HAD BEEN  
12 SENT TO MEMBERS PRIOR TO 2007?

13 A. YES. BUT WHAT LEVEL OF INFORMATION, I  
14 WOULDN'T KNOW.

15 Q. I JUST WANT TO QUICKLY TURN BACK TO  
16 EXHIBIT 225 AND EXHIBIT 356 -- PAGE 356.

17 AND IT SAYS:

18 "HERE'S A LIST OF TYPES OF

19 RECIPROCITY YOU MIGHT FIND IN.

20 C.O.M.E.T."

21 AND CAN YOU TELL US WHAT C.O.M.E.T. IS?

22 A. THE CALIFORNIA ONLINE MEMBER AND EMPLOYER  
23 TRANSACTION.

24 Q. SO DOES C.O.M.E.T. CONTAIN REFERENCES TO  
25 DOCUMENTS SENT TO MEMBERS ABOUT RECIPROCITY?

1 A. NO.

2 Q. AND WHAT INFORMATION ABOUT RECIPROCITY IS  
3 INCLUDED IN C.O.M.E.T.?

4 A. WHEN THE UNIT THAT ESTABLISHES RECIPROCITY  
5 HAS REVIEWED AND MADE THEIR DETERMINATION ABOUT  
6 RECIPROCITY, UNDER THE ACTIVITY SCREEN, THEY CAN  
7 RECORD THE VALUE OF RECIPROCITY AND THE VALUES BEING  
8 FULL, FINAL COMP, VESTING, OR OTHER SYSTEM.

9 Q. AND IS THAT ENTERED BY THE RECIPROCAL  
10 SYSTEM OR CALPERS?

11 A. IT'S ENTERED BY THE RECIPROCITY UNIT STAFF  
12 THAT PROCESS RECIPROCITY.

13 Q. AT CALPERS?

14 A. AT CALPERS.

15 Q. I JUST WANT TO TURN YOUR ATTENTION TO THE  
16 SECOND TO THE LAST PARAGRAPH ON PAGE 356.

17 A. OKAY.

18 Q. IT SAYS "OTHER SYSTEM"?

19 A. YES.

20 Q. AND CAN YOU DESCRIBE WHAT THAT MEANS?

21 A. SO CALPERS HAS BY LAW THE ABILITY TO USE  
22 THE HIGHEST FINAL COMPENSATION EXCHANGE WITH THE  
23 CALIFORNIA STATE TEACHERS' RETIREMENT SYSTEM, THE  
24 LEGISLATIVE RETIREMENT SYSTEM, THE JUDGES' RETIREMENT  
25 SYSTEM, AND JUDGES' RETIREMENT SYSTEM II.

1                   SO THERE'S VARIOUS TYPES OF RECIPROCAL  
2           AGENCIES.  THERE'S THE COUNTY SYSTEMS; THERE'S THE  
3           CALIFORNIA PUBLIC RETIREMENT SYSTEMS; THERE'S  
4           U.C.R.P., UNIVERSITY OF CALIFORNIA RETIREMENT PLAN;  
5           AND THEN WHAT WE IDENTIFY AS OTHER SYSTEMS BEING  
6           CALSTERS, LEGISLATIVE, JUDGES', AND JUDGES' II  
7           RETIREMENT SYSTEMS.

8                   Q.    AND THE INDICATION HERE, IT SAYS  
9           "GENTLEMAN'S HANDSHAKE AGREEMENT."  WHAT DOES THAT  
10          MEAN?

11                  A.    IT'S JUST -- IT'S JUST, HEY, WE'RE GOING TO  
12          DO THE FINAL COMPENSATION EXCHANGES.  IT JUST -- IT  
13          WAS JUST TO BE ABLE TO IDENTIFY TO STAFF THAT THERE'S  
14          NO RECIPROCAL AGREEMENT OR IT'S NOT THE LAW THAT'S  
15          PROVIDING FOR RECIPROCITY.

16                   IT'S JUST WE HAVE HAD THIS AGREEMENT WITH  
17          THESE ENTITIES THAT WE WILL USE FINAL COMPENSATION  
18          EXCHANGE, AND THAT'S OUTLINED BY LAW.

19                  Q.    AND WHAT DO YOU MEAN "OUTLINED BY LAW"?

20                  A.    IT'S A PROVISION IN THE PUBLIC EMPLOYEES  
21          RETIREMENT SYSTEM.

22                  Q.    WHAT'S THE PROVISION?

23                  A.    THE DECISION TO PROVIDE THE HIGHEST FINAL  
24          COMPENSATION EXCHANGE FOR MEMBERS WHO ARE WITH THESE  
25          OTHER SYSTEMS.

1 Q. AND IS CONCURRENT SERVICE A BAR TO  
2 RECIPROCITY FOR THESE OTHER SYSTEMS?

3 MR. RIEGER: OBJECTION; RELEVANCE.  
4 EVIDENCE CODE 403. THIS IS ALL ABOUT OTHER SYSTEMS  
5 THAT MR. GUIDO NEVER PARTICIPATED IN. I'M NOT SURE  
6 WHY WE'RE SPENDING TIME ON IT.

7 THE COURT: HOW IS THIS RELEVANT?

8 MR. JENSEN: THIS IS INFORMATION PROVIDED  
9 TO ANALYSTS AND OTHERS TO PROVIDE TO THE PUBLIC AND  
10 TO MAKE THESE DECISIONS, AND THERE IS SIGNIFICANT  
11 AMBIGUITY EVEN IN THEIR DOCUMENTS INFORMING THEIR OWN  
12 INDIVIDUALS ABOUT INFORMATION.

13 AND EVEN THOUGH THESE DOCUMENTS WERE  
14 DEVELOPED AFTERWARDS, I THINK IT'S IMPORTANT ABOUT  
15 CALPERS. IF THERE'S ANY QUESTION ABOUT THE  
16 INFORMATION THEY'RE GIVING, I THINK THAT THIS IS  
17 RELEVANT TO THAT. AND I WON'T SPEND A LOT OF TIME ON  
18 IT.

19 THE COURT: I'LL SUSTAIN THE OBJECTION. I  
20 DON'T THINK IT'S GOING TO HELP ME MAKE ANY FINDINGS.  
21 BY MR. JENSEN:

22 Q. MS. DE FLORES, I JUST WANT TO ADDRESS  
23 THIS -- QUICKLY ADDRESS THIS PERIOD AFTER MR. GUIDO  
24 FILED HIS RETIREMENT APPLICATION WITH CALPERS.

25 A. OKAY.

1 Q. WHO WOULD ADDRESS THE RECIPROCITY ISSUE  
2 CONCERNING MR. GUIDO AFTER THE RETIREMENT APPLICATION  
3 WAS FILED?

4 A. WHEN THE RETIREMENT APPLICATION WAS FILED  
5 AND THERE WERE NO VALUES WITH REGARDS TO RECIPROCITY  
6 BEING ESTABLISHED, IT WAS -- A REQUEST FOR ACTION WAS  
7 SENT TO MEMBER SERVICES DIVISION, UNIT 841, WHICH IS  
8 THE UNIT THAT PROCESSES AND ESTABLISHES -- MAKES THE  
9 DETERMINATION REGARDING RECIPROCITY.

10 Q. I'M SORRY. I'M A LITTLE IN FRONT OF  
11 MYSELF. I WANT TO MOVE BACK JUST ONE PERIOD. CAN  
12 YOU LOOK AT EXHIBIT 207 AND 208.

13 ARE THESE RETIREMENT ESTIMATES?

14 A. THIS IS THE TEMPLATE THAT IS PROVIDED WHEN  
15 A RETIREMENT ESTIMATE IS GIVEN.

16 MR. RIEGER: CAN THE WITNESS PLEASE  
17 IDENTIFY WHICH EXHIBIT?

18 THE WITNESS: THIS 207, RETIREMENT  
19 TEMPLATE.

20 BY MR. JENSEN:

21 Q. AND WITH REFERENCE TO 208?

22 A. 208 IS THE RETIREMENT ESTIMATE THAT GETS  
23 ATTACHED TO THE TEMPLATE IN 207.

24 Q. AND WAS THIS -- WAS THIS RETIREMENT  
25 ESTIMATE IN 208 SENT AFTER PROCEDURES THAT YOU

1 IDENTIFIED IN 356 WERE ALREADY PUT INTO PLACE?

2 A. YES.

3 Q. AND WITH REFERENCE TO EXHIBIT 208, THE  
4 SECOND PAGE BATES STAMPED FGUIDO 22, IF YOU CAN LOOK  
5 IN THE TABULAR SECTION THERE, WHAT DOES THAT INDICATE  
6 TO YOU ABOUT WHAT TYPE OF RECIPROCITY HAS BEEN  
7 ESTABLISHED?

8 MR. RIEGER: OBJECTION; FOUNDATION.

9 THE COURT: OVERRULED.

10 YOU CAN ANSWER.

11 THE WITNESS: I'M AT A LOSS AS TO WHAT  
12 TABULAR PLACE YOU'RE TALKING ABOUT.

13 BY MR. JENSEN:

14 Q. I'M LOOKING AT THE SECOND PAGE OF 208,  
15 BATES STAMPED FGUIDO 22.

16 A. UH-HUH.

17 Q. THERE'S A SPREADSHEET SECTION UP THERE.

18 THE COURT: AT THE TOP.

19 THE WITNESS: THE TABLE?

20 BY MR. JENSEN:

21 Q. UH-HUH. CAN YOU TAKE --

22 MR. RIEGER: THE OBJECTION IS ALSO ASSUMES  
23 FACTS NOT IN EVIDENCE. I CAN EXPLAIN IF YOU'RE  
24 INTERESTED. I JUST --

25 THE COURT: NO. I UNDERSTAND THE

1 OBJECTION. IT'S OVERRULED. I THINK IT'S PRETTY  
2 CLEAR WHAT HE'S ASKING.

3 THE WITNESS: OKAY. CAN YOU ASK ME THE  
4 QUESTION AGAIN.  
5 BY MR. JENSEN:

6 Q. FROM YOUR UNDERSTANDING OF THE FACTS IN THE  
7 CASE, WHAT TYPE OF RECIPROCITY IS INDICATED IN THIS  
8 SPREADSHEET?

9 A. I THINK I UNDERSTAND YOUR QUESTION. THE  
10 FINAL COMPENSATION IS A HIGHER FINAL COMPENSATION  
11 THAN CALPERS HAD ON RECORD. SO MY ASSUMPTION IS IT'S  
12 WHAT THE MEMBER PROVIDED ON THE RETIREMENT ESTIMATE.

13 Q. WOULD THIS INDICATE THAT FULL RECIPROCITY  
14 IS BEING USED IN THIS ESTIMATE?

15 A. I DON'T KNOW WHAT STAFF VALUED RECIPROCITY  
16 WHEN THIS WAS GENERATED.

17 Q. IS THE FINAL COMPENSATION THAT -- THAT  
18 MR. GUIDO INDICATED WAS PAID BY HIS  
19 L.A.C.E.R.A.-ASSOCIATED JOB?

20 A. THE FINAL COMPENSATION WAS THE FINAL  
21 COMPENSATION THAT WAS ON THE RETIREMENT ESTIMATE  
22 REQUEST FORM, AND THAT WAS USED IN THE RETIREMENT  
23 ESTIMATE.

24 Q. AND DID YOUR DEPARTMENT CHECK THIS ESTIMATE  
25 BEFORE SENDING OUT (SIC), ACCORDING TO YOUR

1 PROCEDURES AT THE TIME?

2 A. I WOULD SAY NO.

3 Q. AND WHY NOT?

4 A. THEY FAILED TO FOLLOW THE PROCEDURES.

5 Q. AT THIS POINT, DID YOU UNDERSTAND THAT

6 THERE WAS WHAT YOU BELIEVE NOW TO BE MISTAKEN

7 INFORMATION SENT OUT?

8 MR. RIEGER: OBJECTION; VAGUE.

9 THE COURT: SUSTAINED.

10 BY MR. JENSEN:

11 Q. AFTER YOUR PROCEDURES WERE PUT INTO EFFECT,

12 DID YOU UNDERSTAND THAT INFORMATION THAT INDICATED

13 FULL VESTING WAS BEING SENT OUT BASED ON MEMBER

14 REQUEST FOR SALARY?

15 A. NO.

16 Q. DOES THIS SURPRISE YOU?

17 A. YES.

18 Q. WHY DOES IT SURPRISE YOU?

19 A. WELL, IT SURPRISES ME THAT WE ITERATED AND

20 TRAINED STAFF ON HOW TO USE THE PROCEDURES IN 225 AND

21 THEY WERE NOT BEING FOLLOWED.

22 Q. NOW, LET ME MOVE ON TO THE RETIREMENT

23 APPLICATION. AND LET ME JUST TURN -- DO YOU KNOW THE

24 APPROXIMATE TIME FRAME OF MR. GUIDO FILING HIS

25 RETIREMENT APPLICATION AND CALPERS' SUBSEQUENT ACTION

1 TO HIS FILING?

2 A. YES.

3 MR. RIEGER: I'M SORRY. COULD I HAVE THE  
4 QUESTION READ BACK? I LOST TRACK.

5 THE COURT: ALL RIGHT. COULD YOU READ IT  
6 BACK.

7 (THE RECORD WAS READ AS FOLLOWS:

8 Q. NOW, LET ME MOVE ON TO THE  
9 RETIREMENT APPLICATION. AND LET ME  
10 JUST TURN -- DO YOU KNOW THE  
11 APPROXIMATE TIME FRAME OF MR. GUIDO  
12 FILING HIS RETIREMENT APPLICATION AND  
13 CALPERS' SUBSEQUENT ACTION TO HIS  
14 FILING?

15 A. YES.)

16 BY MR. JENSEN:

17 Q. AND SO MY FOLLOW-UP QUESTION IS: AT SOME  
18 POINT, DID THE QUESTION OF MR. GUIDO'S RECIPROCITY  
19 FALL BACK INTO THE RECIPROCITY DIVISION OF CALPERS?

20 MR. RIEGER: OBJECTION; ASSUMES FACTS NOT  
21 IN EVIDENCE.

22 MR. JENSEN: IT'S A QUESTION.

23 THE COURT: OVERRULED.

24 YOU CAN ANSWER.

25 MR. RIEGER: IT DOES ASSUME FACTS NOT IN

1 EVIDENCE.

2 THE COURT: OKAY. LOOK, YOU GUYS, BOTH OF  
3 YOU, YOU ASK A QUESTION; YOU MAKE AN OBJECTION; I  
4 MAKE A RULING.

5 I DON'T NEED EXPLANATIONS BEFORE I MAKE MY  
6 RULING; I DON'T NEED EXPLANATIONS AFTER. IF I NEED  
7 THEM, I'LL ASK. ALL RIGHT? THIS IS THE SECOND OR  
8 THIRD TIME WE'VE GONE THROUGH THIS.

9 OKAY. SO DO YOU REMEMBER WHAT THE QUESTION  
10 WAS?

11 THE WITNESS: NO.

12 THE COURT: ALL RIGHT. WHY DON'T YOU  
13 REPEAT IT.

14 BY MR. JENSEN:

15 Q. DO YOU RECALL THE ISSUE OF MR. GUIDO'S  
16 RECIPROCITY BEING SENT TO A DIVISION OF CALPERS THAT  
17 DETERMINES RECIPROCITY AFTER THE FILING OF HIS  
18 RETIREMENT APPLICATION?

19 A. YES.

20 Q. AND APPROXIMATELY WHEN WAS IT REFERRED TO  
21 THAT DIVISION?

22 A. IF I RECALL CORRECTLY, IN THE C.T.P. NOTES,  
23 IT WAS LIKE APRIL -- ABOUT APPROXIMATELY TWO WEEKS  
24 AFTER APRIL 7.

25 Q. AND WERE YOU IN CHARGE OF THAT DIVISION AT

1 THAT TIME?

2 A. NO.

3 Q. DO YOU HAVE KNOWLEDGE OF THE PROCEDURES  
4 THAT WERE UNDERTAKEN IN THE CIRCUMSTANCE AT THAT  
5 TIME?

6 A. WITH REGARDS TO THIS CASE, I DID TALK TO  
7 THE MANAGER OF THE UNIT THAT PROCESSES RECIPROCITY;  
8 YES.

9 Q. AND TELL US WHAT THEY SAID TO YOU.

10 A. THEY -- WHEN THEY RECEIVED THE REQUEST FROM  
11 THE BENEFITS SERVICES DIVISION, THEY HAD TO GO OUT TO  
12 L.A.C.E.R.A. TO COMMUNICATE THEIR -- THE INFORMATION  
13 AS TO WHEN HE WAS A MEMBER OVER THERE AND ALSO  
14 PROVIDE LOS ANGELES COUNTY RETIREMENT SYSTEM WITH THE  
15 INFORMATION OF WHEN HE WAS A MEMBER HERE IN CALPERS.

16 THEY DIDN'T GET A RESPONSE RIGHT AWAY FROM  
17 L.A.C.E.R.A., SO THEY DID A FOLLOW-UP IN MAY, AROUND  
18 MID-MAY, TO GET THAT INFORMATION.

19 AND IT WASN'T UNTIL ABOUT JUNE 1 WHEN THEY  
20 WERE KNOWLEDGEABLE ABOUT HE DID NOT QUALIFY FOR  
21 RECIPROCITY BECAUSE OF HIS CONCURRENT EMPLOYMENT FROM  
22 HIS FIRST TENURE WITH CUDAHY IN LOS ANGELES AND THEN  
23 FOR THE SECOND PERIOD WHEN HE CONTINUED IN CALPERS,  
24 SEPARATED IN 1982, AND THEN WENT TO L.A.C.E.R.A.  
25 APPROXIMATELY 14 YEARS LATER.

1 IT EXCEEDED THE SIX MONTHS' LAPSE.

2 Q. AND DID YOU COMMUNICATE TO THAT PERSON AT  
3 OR NEAR THE TIME THAT THIS APPLICATION CAME INTO THAT  
4 RECIPROCITY DIVISION?

5 A. NO.

6 Q. WERE YOU -- WHEN YOU LEFT YOUR  
7 RESPONSIBILITIES OF THAT DIVISION, DID YOU TELL THE  
8 SUBSEQUENT MANAGER THAT THERE HAD BEEN A PERIOD OF  
9 TIME WHEN WHAT YOU CONSIDERED TO BE MISINFORMATION  
10 ABOUT RECIPROCITY HAD BEEN SENT OUT TO MEMBERS?

11 A. NO.

12 Q. TO YOUR KNOWLEDGE, DID THE OFFICE  
13 UNDERSTAND OR KNOW THAT MISINFORMING LETTERS HAD BEEN  
14 SENT OUT TO A GREAT NUMBER OF PEOPLE PRIOR TO 2007?

15 A. NO. IN THE RECIPROCAL UNIT, NO.

16 Q. SO AT ANY TIME, DID YOU -- WERE YOU IN  
17 CHARGE OR RESPONSIBLE FOR INFORMING THE RECIPROCITY  
18 DIVISION OF THE MISINFORMATION PROVIDED BY THE  
19 RETIREMENT BENEFIT ESTIMATE DIVISION?

20 A. NO.

21 Q. IS THERE ANY COMMUNICATION BETWEEN THE TWO  
22 DIVISIONS?

23 A. NOT IN THE NORMAL COURSE OF BUSINESS, NO.

24 Q. SO THEY'RE JUST INDEPENDENT DIVISIONS?

25 A. UNITS, YES.

1                   MR. JENSEN: YOUR HONOR, I HAVE -- I DON'T  
2                   THINK I HAVE ANY FURTHER QUESTIONS. IF I COULD JUST  
3                   TAKE A MINUTE JUST TO LOOK THROUGH MY NOTES?

4                   THE COURT: OKAY.

5                   MR. JENSEN: ACTUALLY, CAN WE TAKE AN EARLY  
6                   MORNING BREAK, SO I CAN JUST MAKE SURE I'VE GOT IT,  
7                   OR YOU CAN GIVE ME FIVE MINUTES?

8                   THE COURT: WHY DON'T WE TAKE OUR MORNING  
9                   RECESS. WE'LL COME BACK AT 11:10.

10                  MR. JENSEN: 10:10.

11                  MR. RIEGER: 10:10.

12                  THE COURT: TEN AFTER 10:00. HOW IS THAT?

13                  MR. JENSEN: THAT'S GREAT.

14                  THE COURT: OFF THE RECORD.

15                  (WHEREUPON, A RECESS WAS HELD  
16                  FROM 10:02 A.M. TO 10:16 A.M.)

17                  THE COURT: OKAY. LET'S GO BACK ON THE  
18                  RECORD.

19                  OKAY. WE'RE BACK FROM OUR MORNING BREAK.  
20                  ANYTHING FURTHER, MR. JENSEN?

21                  MR. JENSEN: JUST SOME FINAL SET OF  
22                  QUESTIONS HERE.

23                  BY MR. JENSEN:

24                  Q. BACK TO 225, REFERENCE TO PAGE 357, IS THIS  
25                  THE SECOND PAGE OF THE POLICY THAT YOU ENACTED

1           SOMETIME IN 2007?

2           A.     THE SECOND PAGE OF THE PROCEDURES, YES.

3           Q.     THE PROCEDURES.  AND IS THAT THE COMPLETE  
4           SET OF PROCEDURES, THOSE TWO PAGES?

5           A.     YES.

6           Q.     AND I JUST WANT TO ASK YOU TO REFER TO THE  
7           LAST SENTENCE THERE.  DID YOU PUT IN PLACE A  
8           PROCEDURE WHEREBY IF THERE WAS A QUESTION THAT IT  
9           WOULD BE BROUGHT TO THE UNIT SUPERVISOR OR ASSIGNED  
10          TO AN ANALYST?

11          A.     IN THESE PROCEDURES, YES.

12          Q.     CAN YOU JUST DESCRIBE THAT?

13          A.     IF THEY HAD ANY QUESTIONS WHETHER THEY  
14          SHOULD BE CONSIDERING RECIPROCITY IN THE RETIREMENT  
15          ESTIMATE AND THEY WEREN'T SURE, THEY WERE TO COME AND  
16          SEE ME.

17          Q.     OKAY.  AND HOW MANY PEOPLE DID YOU OVERSEE  
18          AT THAT TIME?

19          A.     I WANT TO SAY 12.

20          Q.     AND APPROXIMATELY HOW MANY ESTIMATES WERE  
21          GENERATED PER WEEK?

22          A.     I COULDN'T GIVE YOU THE VOLUME PER WEEK.  I  
23          CAN GIVE YOU OVER 100,000 A YEAR.

24          Q.     AND DO YOU HAVE A RECOLLECTION OF  
25          APPROXIMATELY HOW MANY OF THOSE INVOLVED RECIPROCITY?

1 A. NO.

2 Q. DO YOU RECALL IF ANY ESTIMATES WERE BROUGHT  
3 TO YOUR ATTENTION AFTER THESE POLICIES WERE BROUGHT  
4 TO -- WERE PUT INTO PLACE?

5 A. LESS THAN HALF A DOZEN, I'M SURE.

6 Q. AND JUST TO POINT OUT THE SPECIFIC ESTIMATE  
7 IN EXHIBIT 208, WAS THIS BROUGHT TO YOUR ATTENTION?

8 MR. RIEGER: OBJECTION; VAGUE AS TO TIME.

9 THE COURT: SUSTAINED.

10 BY MR. JENSEN:

11 Q. WAS THIS BROUGHT TO YOUR ATTENTION  
12 SUBSEQUENT TO -- WELL, IN THE PERIOD BETWEEN JUNE OF  
13 2008 AND DECEMBER OF 2008?

14 A. I DO NOT RECALL. I JUST -- JUST BASED ON  
15 THIS, I WOULD SAY NO.

16 Q. AND WHAT OTHER ESTIMATES WERE BROUGHT TO  
17 YOUR ATTENTION -- WHAT OTHER TYPE OF RETIREMENT  
18 BENEFITS DID YOU REQUEST TO BE BROUGHT TO YOUR  
19 ATTENTION IF THERE WAS A QUESTION?

20 MR. RIEGER: OBJECTION; RELEVANCE.

21 THE COURT: SUSTAINED.

22 MR. JENSEN: I'M JUST TRYING TO FIGURE OUT  
23 WHICH ISSUES WERE -- CAN I JUST ASK HER -- OKAY.  
24 THAT'S FINE.

25 THE COURT: WE'RE HERE TO TALK ABOUT

1           RECIPROCITY SO WE'RE NOT GOING INTO OTHER QUESTIONS  
2           THAT PEOPLE HAVE. I JUST DON'T SEE HOW IT'S GOING TO  
3           HELP ME.

4                   MR. JENSEN: THAT'S FINE. THEN,  
5           YOUR HONOR, I HAVE NO FURTHER QUESTIONS OF  
6           MS. DE FLORES.

7                   THE COURT: ALL RIGHT. YOUR QUESTIONS.

8                   MR. RIEGER: YES. JUST A FEW, YOUR HONOR.

9

10                                   CROSS-EXAMINATION

11           BY MR. RIEGER:

12                   Q. MS. DE FLORES, COULD YOU -- COULD YOU  
13           PLEASE TURN TO EXHIBIT 224.

14                   MR. RIEGER: AND, YOUR HONOR, 224 IS  
15           ALREADY IN EVIDENCE; AM I RIGHT ABOUT THAT?

16                   THE COURT: YES.

17           BY MR. RIEGER:

18                   Q. AND, MS. DE FLORES, I BELIEVE YOU HAVE  
19           TESTIFIED EARLIER THAT CALPERS STAFF MEMBERS ENTER  
20           INFORMATION INTO THIS CUSTOMER TOUCH POINT SCREEN  
21           WHEN THEY TAKE ACTION ON A MEMBER ACCOUNT; IS THAT  
22           RIGHT?

23                   A. FOR THE MOST PART.

24                   Q. SOMETIMES THEY DON'T?

25                   A. SOMETIMES THEY DO; SOMETIMES THEY DON'T.

1 Q. IF YOU COULD PLEASE LOOK ON PAGE 6 OF  
2 EXHIBIT 224.

3 A. OKAY.

4 Q. ARE YOU FAMILIAR WITH THE -- WITH WHAT  
5 DOCUMENTS ARE BEING REFERRED TO IN THIS NOTE BY  
6 CONNIE MOLLOY THAT SAYS "SENT MEMBER BOOKLET AND PUB  
7 FOR RECIPROCITY"?

8 MR. JENSEN: OBJECTION. THERE'S NO  
9 PERSONAL KNOWLEDGE.

10 MR. RIEGER: RIGHT NOW I'M JUST -- I ASKED  
11 IF SHE HAD KNOWLEDGE.

12 THE COURT: OVERRULED.

13 YOU CAN ANSWER.

14 THE WITNESS: YES.

15 BY MR. RIEGER:

16 Q. HOW DO YOU HAVE THAT KNOWLEDGE?

17 A. BECAUSE I'M FAMILIAR WITH THE VARIOUS TYPES  
18 OF MEMBER BOOKLETS AND THE PUBLICATION FOR  
19 RECIPROCITY. THERE'S ONLY ONE PUBLICATION FOR  
20 RECIPROCITY.

21 Q. HAVE YOU SPOKEN WITH MS. MOLLOY TO CONFIRM  
22 YOUR UNDERSTANDING OF THESE NOTES?

23 A. YES.

24 Q. DID SHE CONFIRM YOUR UNDERSTANDING OF THESE  
25 NOTES?

1 MR. JENSEN: OBJECTION; HEARSAY.

2 MR. RIEGER: THIS WOULD BE ADMINISTRATIVE  
3 HEARSAY. WE HAVE A BUSINESS RECORD THAT REFERS TO  
4 THESE DOCUMENTS. MS. DE FLORES HAS ALREADY TESTIFIED  
5 THAT SHE KNOWS WHAT DOCUMENTS THESE WOULD REFER TO IN  
6 THE ORDINARY COURSE.

7 MR. JENSEN: AND SHE'S REFERRING TO  
8 SPECIFIC DOCUMENTS WHICH WOULD BE HEARSAY OFFERED FOR  
9 THE PROOF OF THE MATTER ASSERTED, AND IF THEY WANT TO  
10 BRING MS. MOLLOY, THEY SHOULD BRING MS. MOLLOY.

11 BUT "MEMBER BOOKLET AND PUB FOR  
12 RECIPROCITY," I DON'T THINK SHE'S GOT PERSONAL  
13 KNOWLEDGE OF IT, AND I DON'T THINK IT SATISFIES  
14 THE --

15 THE COURT: ALL RIGHT. SO RIGHT NOW IT'S  
16 ADMINISTRATIVE HEARSAY?

17 MR. JENSEN: AND THERE IS A RECORD, A  
18 BUSINESS RECORD, HERE WHICH COULD BE USED TO SUPPORT  
19 IT, BUT IT CAN'T BE USED TO DESIGNATE IT MORE  
20 SPECIFICALLY AS SOMETHING OTHER THAN WHAT IS HERE.

21 I THINK ADMINISTRATIVE HEARSAY WILL  
22 REITERATE THIS BUSINESS RECORD, BUT THEY'RE NOT  
23 ALLOWED TO DEVELOP THAT INTO SOMETHING IN EXCESS OF  
24 WHAT THIS BUSINESS RECORD SUGGESTS.

25 I MEAN, THEY'RE TRYING TO GO SAY

1 SOMETHING -- I DON'T KNOW WHAT THEY ARE TRYING TO SAY  
2 BUT --

3 THE COURT: ALL RIGHT. I'LL ALLOW IT AS  
4 ADMINISTRATIVE HEARSAY. IT'S MY JOB TO DETERMINE  
5 WHAT IT EXPLAINS, SUPPLEMENTS, OR CORROBORATES.

6 IF HER TESTIMONY THAT'S ADMINISTRATIVE  
7 HEARSAY IS THE ONLY SOURCE IN THE RECORD OF THAT  
8 INFORMATION, THEN I WON'T MAKE A FACTUAL FINDING  
9 ABOUT IT, BUT THAT'S MY DECISION TO MAKE.

10 SO YOU CAN -- I'LL ALLOW IT AS  
11 ADMINISTRATIVE HEARSAY. IF YOU REMEMBER THE QUESTION  
12 YOU CAN ANSWER.

13 MR. RIEGER: AND I'LL JUST ASK THE QUESTION  
14 AGAIN.

15 THE COURT: OKAY.

16 BY MR. RIEGER:

17 Q. MS. DE FLORES, BASED ON YOUR KNOWLEDGE AND  
18 YOUR 32 YEARS OF EXPERIENCE WITH CALPERS, YOU TOLD ME  
19 THAT YOU UNDERSTOOD WHAT WOULD BE REFERRED TO ON  
20 PAGE 6 OF EXHIBIT 224 WHEN IT SAYS "MEMBER BOOKLET  
21 AND PUB FOR RECIPROCITY"; IS THAT RIGHT?

22 MR. JENSEN: OBJECTION, YOUR HONOR; VAGUE  
23 AS TO "WHAT WOULD BE REFERRED TO."

24 THE COURT: SUSTAINED.

25 CLARIFY.

1                   MR. RIEGER: YOU KNOW, THAT'S OKAY. I WAS  
2 JUST RECAPPING THE PRIOR TESTIMONY. I'LL JUST ASK  
3 THE QUESTION.

4 BY MR. RIEGER:

5                   Q. DID YOU SPEAK WITH MS. MOLLOY TO CONFIRM  
6 THAT YOUR UNDERSTANDING OF WHAT SHE WAS REFERRING TO  
7 HERE WHEN SHE USED THE PHRASES "MEMBER BOOKLET AND  
8 PUB FOR RECIPROCITY" -- DID YOU CONFIRM WITH HER WHAT  
9 SHE MEANT BY THOSE PHRASES?

10                   MR. JENSEN: I'LL JUST MAKE THE OBJECTION  
11 AGAIN. IT'S HEARSAY AND I THINK THEY'RE  
12 SUPPLEMENTING BEYOND WHAT'S REASONABLY DRAWN FROM  
13 THIS BUSINESS RECORD.

14                   THE COURT: OKAY. OVERRULED FOR THE  
15 REASONS I PREVIOUSLY STATED.

16                   YOU CAN ANSWER.

17                   THE WITNESS: YES. I SPOKE TO CONNIE, AND  
18 SHE TOLD ME THAT SHE SENT -- SHE TOLD ME THE PUB 16,  
19 WHICH IS THE RECIPROCITY BOOKLET, WOULDN'T CHANGE  
20 RETIREMENT SYSTEMS AND THE MEMBER BOOKLET SHE HAD  
21 REQUESTED.

22 BY MR. RIEGER:

23                   Q. AND IS THERE ANY OTHER PUBLICATION FOR  
24 RECIPROCITY OTHER THAN THE ONE THAT YOU UNDERSTOOD  
25 THIS TO BE REFERRING TO?

1 A. NO.

2 Q. OKAY. COULD YOU PLEASE TURN TO EXHIBIT 6  
3 IN CALPERS' BINDER.

4 DO YOU RECOGNIZE EXHIBIT 6?

5 A. YES.

6 Q. WHAT IS THIS DOCUMENT?

7 A. THIS IS PUBLICATION 16, "WHEN YOU CHANGE  
8 RETIREMENT SYSTEMS," WHICH REFERENCES -- OR GIVES  
9 REFERENCE TO RECIPROCITY.

10 Q. BASED ON YOUR OWN UNDERSTANDING OF CALPERS'  
11 PROCEDURES AND BASED ON YOUR CALL WITH MS. MOLLOY, IS  
12 THIS THE DOCUMENT SHE WAS REFERRING TO WHEN SHE  
13 REFERRED TO THE "PUB FOR RECIPROCITY"?

14 A. YES.

15 MR. JENSEN: AGAIN, YOUR HONOR, I REASSERT  
16 THE OBJECTION.

17 THE COURT: OKAY. OVERRULED. SHE  
18 ANSWERED.

19 MR. RIEGER: SHE DID.

20 YOUR HONOR --

21 BY MR. RIEGER:

22 Q. WELL, ACTUALLY IF YOU COULD PLEASE TURN TO  
23 EXHIBIT 8.

24 THE BOTTOM OF THE THIRD PARAGRAPH SAYS:

25 "WE HAVE ALSO INCLUDED THE

1 PUBLICATION 'WHEN YOU CHANGE  
2 RETIREMENT SYSTEMS,' WHICH EXPLAINS  
3 RECIPROCITY IN FULL DETAIL."

4 DO YOU SEE THAT SENTENCE?

5 A. YES.

6 Q. BASED ON YOUR KNOWLEDGE OF CALPERS  
7 RECIPROCITY, IS THAT REFERRING TO THE SAME  
8 PUBLICATION THAT'S REFERRED TO ON PAGE 6 OF  
9 EXHIBIT 224?

10 MR. JENSEN: YOUR HONOR, OBJECTION AGAIN.  
11 SHE'S NOT TESTIFYING -- WELL, LACKS FOUNDATION.

12 THE COURT: SUSTAINED.

13 BY MR. RIEGER:

14 Q. IF YOU COULD TURN BACK TO EXHIBIT 6,  
15 PLEASE.

16 IS THERE A WAY TO TELL WHEN THIS  
17 PUBLICATION ENTITLED "WHEN YOU CHANGE RETIREMENT  
18 SYSTEMS" IN EXHIBIT 6 -- IS THERE A WAY TO TELL THE  
19 PUBLICATION DATE?

20 A. YES.

21 Q. AND HOW WOULD YOU TELL THAT?

22 A. ON THE LAST PAGE OR THE BACK PAGE OF THE  
23 BOOKLET, IT HAS THE PUBLISHED DATE OF AUGUST 2002.

24 THE COURT: WHICH PAGE ARE YOU REFERRING  
25 TO?

1 THE WITNESS: THAT'S P.E.R.S. 0081.

2 THE COURT: OH, I SEE.

3 BY MR. RIEGER:

4 Q. IS THIS THE VERSION OF THIS PUBLICATION  
5 THAT WAS IN EFFECT IN OCTOBER OF 2003?

6 A. WHEN I --

7 MR. JENSEN: OBJECTION; LACKS FOUNDATION.

8 THE COURT: OVERRULED.

9 YOU CAN ANSWER, IF YOU KNOW.

10 THE WITNESS: YES. THIS WAS THE -- IN  
11 REVIEWING THE DIFFERENT PUBLICATION VERSIONS IN  
12 PREPARATION, I DETERMINED THAT THIS WAS THE EFFECTIVE  
13 PUBLICATION PRIOR TO 2003.

14 BY MR. RIEGER:

15 Q. PRIOR TO OCTOBER 2003?

16 A. CORRECT.

17 MR. RIEGER: YOUR HONOR, I'D LIKE TO OFFER  
18 EXHIBIT 6 INTO EVIDENCE.

19 THE COURT: OKAY. ANY OBJECTION?

20 MR. JENSEN: NO OBJECTIONS, YOUR HONOR.

21 THE COURT: ALL RIGHT. IT'S ADMITTED.

22 (DEPARTMENT'S EXHIBIT NUMBER 6 WAS  
23 MARKED FOR IDENTIFICATION BY THE COURT AND  
24 RECEIVED INTO EVIDENCE.)

25 / / /

1 BY MR. RIEGER:

2 Q. MS. DE FLORES, IF YOU COULD PLEASE TURN TO  
3 EXHIBIT 7.

4 ARE YOU FAMILIAR WITH THIS DOCUMENT?

5 A. YES.

6 Q. CAN YOU TELL ME WHAT THIS DOCUMENT IS?

7 A. THIS IS THE LOCAL MISCELLANEOUS, 2 PERCENT  
8 AT 55, LOCAL MEMBER BOOKLET.

9 Q. IS THIS THE MEMBER BOOKLET THAT WAS  
10 REFERENCED IN EXHIBIT 224 AT PAGE 6?

11 MR. JENSEN: OBJECTION. OBJECTION; LACKS  
12 FOUNDATION.

13 MR. RIEGER: I'M DOING THE SAME THING I  
14 JUST DID WITH THE OTHER ONE.

15 I'M SORRY. I'LL WAIT FOR YOUR HONOR, IF  
16 YOU NEED ANYTHING.

17 THE COURT: THANK YOU.

18 OVERRULED.

19 YOU CAN ANSWER, IF YOU KNOW.

20 THE WITNESS: I WOULD SAY YES, BASED ON  
21 MR. GUIDO'S RECORDS.

22 BY MR. RIEGER:

23 Q. DID YOU --

24 MR. JENSEN: YOUR HONOR, MOTION TO STRIKE.  
25 IT'S NONRESPONSIVE TO THE QUESTION, AND SHE'S

1           BASICALLY SPECULATING.

2                   THE COURT:   ALL RIGHT.   THE WAY YOU PHRASED  
3           THAT, MY CONCERN IS WHETHER THIS IS BASED ON PERSONAL  
4           KNOWLEDGE OR WHETHER YOU'RE JUST FILLING IN THE  
5           CRACKS AND GUESSING OR SPECULATING.

6                   THE WITNESS:   I'M NOT -- IT'S IN MY DIRECT  
7           KNOWLEDGE OF HIS BEING IN MISCELLANEOUS, A LOCAL  
8           MISCELLANEOUS MEMBER.

9           BY MR. RIEGER:

10                   Q.   DID YOU CONFIRM WITH MS. MOLLOY THAT THIS  
11           WAS --

12                   MR. RIEGER:   I'M SORRY.   DID YOUR HONOR  
13           WANT TO ASK ANOTHER QUESTION?

14                   MR. JENSEN:   YOUR HONOR, CAN I FOLLOW UP  
15           OR --

16                   THE COURT:   A QUESTION OR A FOLLOW-UP --

17                   MR. JENSEN:   NO.   JUST THE OBJECTION OF  
18           LACK OF FOUNDATION AND LACK OF PERSONAL KNOWLEDGE.

19                   THE COURT:   OKAY.

20                   MR. JENSEN:   SHE'S --

21                   THE COURT:   I'LL DENY THE MOTION TO STRIKE  
22           BASED ON THE WITNESS'S TESTIMONY.   YOU CAN ASK THE  
23           NEXT QUESTION, AND YOU CAN FOLLOW UP ON REDIRECT.

24                   ALL RIGHT.   GO AHEAD.

25                   MR. RIEGER:   THANK YOU, YOUR HONOR.

1 BY MR. RIEGER:

2 Q. DID YOU SPEAK WITH MS. MOLLOY ABOUT WHETHER  
3 EXHIBIT 7 IS THE MEMBER BOOKLET REFERENCED IN  
4 EXHIBIT 224 ON PAGE 6?

5 A. I DID, YES.

6 Q. AND DID SHE CONFIRM TO YOU THAT EXHIBIT 7  
7 IS THAT DOCUMENT?

8 A. SHE DID INDICATE THAT SHE SENT -- SHE  
9 REQUESTED THE LOCAL MISCELLANEOUS BOOKLET.

10 MR. JENSEN: OBJECTION, YOUR HONOR. AGAIN,  
11 THERE'S NO -- IT'S LACK OF PERSONAL KNOWLEDGE AND  
12 LACK OF FOUNDATION THAT IT'S THIS BOOKLET. THERE'S  
13 INFORMATION THAT SOMETHING WAS SENT, BUT IT'S NOT  
14 TYING IT UP THAT IT'S THIS PARTICULAR ONE.

15 THE COURT: OKAY. I'LL LET YOU FOLLOW UP.

16 MR. RIEGER: THAT'S OKAY. I'M DONE. I'LL  
17 MOVE ON. I DON'T THINK I NEED THIS DOCUMENT, TO BE  
18 HONEST WITH YOU. I'LL JUST MOVE ON.

19 THE COURT: OKAY. IF YOU MOVE ON, THERE'S  
20 NOT ENOUGH INFORMATION TO INDICATE THIS IS THE  
21 BOOKLET --

22 MR. RIEGER: I UNDERSTAND. I'M NOT  
23 OFFERING IT.

24 6 IS ALREADY IN, AM I RIGHT? 6 WAS JUST  
25 PUT INTO EVIDENCE?

1 THE COURT: YES.

2 MR. RIEGER: YES. THAT'S OKAY. WE'LL MOVE  
3 ON.

4 THE COURT: OKAY. ALL RIGHT. ANYTHING  
5 FURTHER ON THAT, MR. JENSEN?

6 MR. JENSEN: 7 WAS WITHDRAWN; IS THAT  
7 CORRECT?

8 THE COURT: HE'S NOT OFFERING IT. 6 IS IN.  
9 7, HE HASN'T OFFERED IT, AND HE'S NOT GOING TO OFFER  
10 IT.

11 MR. JENSEN: OKAY. SO THE TESTIMONY  
12 RELATED TO 7, CAN WE JUST STRIKE IT, THEN?

13 THE COURT: YOU WANT TO BE HEARD ON THAT?

14 MR. RIEGER: YOU CAN STRIKE IT.

15 THE COURT: OKAY. IT'S STRICKEN.

16 GO AHEAD.

17 BY MR. RIEGER:

18 Q. IF YOU COULD PLEASE TURN TO EXHIBIT 10,  
19 PAGE -- WELL, IT'S FGUIDO 41 OF EXHIBIT 10.

20 I'M SORRY. BEFORE WE MOVE ON TO  
21 EXHIBIT 10, EXHIBIT 6. I APOLOGIZE FOR BOUNCING BACK  
22 AND FORTH.

23 IN YOUR KNOWLEDGE, WAS -- IS -- OKAY.

24 EARLIER WE TALKED ABOUT EXHIBIT 6 HAVING A  
25 PUBLICATION DATE; DO YOU RECALL THAT?

1 A. YES.

2 Q. OKAY. AND FROM TIME TO TIME, ARE THE  
3 PUBLICATIONS REVISED?

4 A. YES.

5 Q. NOW, IF YOU COULD PLEASE TURN TO  
6 EXHIBIT 27.

7 DO YOU RECOGNIZE EXHIBIT 27?

8 A. YES.

9 Q. NOW, EXHIBIT 27 IS ACTUALLY SEVERAL  
10 DIFFERENT VERSIONS OF THIS DOCUMENT; DO I HAVE THAT  
11 RIGHT?

12 A. YES.

13 Q. AND DO EACH OF THESE DOCUMENTS ALSO HAVE A  
14 PUBLICATION DATE LIKE EXHIBIT 6 DID?

15 A. YES.

16 Q. OKAY. AND DO THOSE PUBLICATION DATES ON  
17 THESE DOCUMENTS INDICATE WHEN THIS VERSION -- WHEN  
18 EACH VERSION WAS PUBLISHED?

19 MR. JENSEN: LACKS FOUNDATION. OBJECTION.

20 THE COURT: OVERRULED.

21 YOU CAN ANSWER.

22 THE WITNESS: YES.

23 MR. RIEGER: YOUR HONOR, I'D LIKE TO OFFER  
24 EXHIBIT 27 INTO EVIDENCE.

25 MR. JENSEN: AND HOW MANY OF THESE ARE

1           THERE IN THERE, MR. RIEGER? HOW MANY DIFFERENT  
2           VERSIONS?

3                   THE COURT: IT LOOKS LIKE IT GOES FROM 2005  
4           TO 2009. THEY'RE LIKE IN TWO-YEAR INTERVALS.

5                   MR. RIEGER: WE CAN COUNT THEM, IF YOU  
6           WANT.

7                   MR. JENSEN: YOU'RE OFFERING THEM ALL IN  
8           THIS ONE DOCUMENT?

9                   MR. RIEGER: I'M OFFERING THEM ALL AS --  
10          WE'VE ALREADY ESTABLISHED THAT EXHIBIT 6 IS THE  
11          VERSION WHICH WAS IN EFFECT IN OCTOBER 2003, AND I'M  
12          JUST OFFERING THESE DOCUMENTS AS THE VERSIONS THAT  
13          HAVE BEEN IN EFFECT SINCE THAT TIME, AS THE  
14          AMENDMENTS TO THE DOCUMENTS THAT HAVE OCCURRED SINCE  
15          THAT TIME UP THROUGH 2009.

16                  MR. JENSEN: NO OBJECTION FOR THE PURPOSE  
17          OF THESE COMING IN AS CALPERS PUBLICATIONS AND  
18          REVISIONS TO THEM. I'M NOT SURE WHAT OTHER PURPOSE  
19          HE'S OFFERING THEM FOR.

20                  THE COURT: OKAY. I'LL ADMIT 27.

21                   (DEPARTMENT'S EXHIBIT NUMBER 27 WAS  
22           MARKED FOR IDENTIFICATION BY THE COURT AND  
23           RECEIVED INTO EVIDENCE.)

24           BY MR. RIEGER:

25           Q. IS THE "WHEN YOU CHANGE RETIREMENT SYSTEMS"

1 PUBLICATION POSTED ON CALPERS' WEBSITE?

2 A. YES.

3 Q. AND DO YOU HAVE KNOWLEDGE OF HOW LONG IT  
4 HAS BEEN THAT THE "WHEN YOU CHANGE RETIREMENT  
5 SYSTEMS" PUBLICATION HAS BEEN POSTED ON CALPERS'  
6 WEBSITE?

7 A. YES.

8 Q. HOW DO YOU HAVE THAT KNOWLEDGE?

9 A. I CONTACTED THE PUBLIC AFFAIRS OFFICE.

10 Q. IN PREPARATION FOR THIS HEARING?

11 A. YES.

12 Q. HOW LONG HAS "WHEN YOU CHANGE  
13 RETIREMENT" --

14 MR. JENSEN: WAIT.

15 BY MR. RIEGER:

16 Q. HOW LONG HAS THE PUBLICATION BEEN POSTED ON  
17 CALPERS' WEBSITE?

18 MR. JENSEN: OBJECTION. LACK OF PERSONAL  
19 KNOWLEDGE, AND THERE'S NOT OTHER EVIDENCE THAT WOULD  
20 SUGGEST SHE HAS KNOWLEDGE.

21 MR. RIEGER: HE DID DESIGNATE HER AS THE  
22 CALPERS PERSON MOST KNOWLEDGEABLE. IT IS HER  
23 OBLIGATION TO INFORM HERSELF OF THE INSTITUTIONAL  
24 KNOWLEDGE SO SHE CAN COME AND TESTIFY ON THAT  
25 SUBJECT.

1 THE COURT: ON THE SUBJECT THAT YOU'RE  
2 INQUIRING RIGHT NOW?

3 MR. RIEGER: WELL, HE ASKED IF THIS IS THE  
4 RECIPROCITY PUBLICATION. HIS DESIGNATION, HIS  
5 SUBPOENA ACTUALLY, SAYS THE PERSON MOST KNOWLEDGEABLE  
6 REGARDING RECIPROCITY.

7 THIS IS ORGANIZATIONAL INFORMATION THAT SHE  
8 INFORMED HERSELF OF SO THAT SHE COULD COME HERE AND  
9 TESTIFY AS THE PERSON MOST KNOWLEDGEABLE.

10 THE COURT: ALL RIGHT. SO IS THIS QUESTION  
11 WITHIN ONE OF THE AREAS THAT YOU DESIGNATED HER TO  
12 TESTIFY?

13 MR. JENSEN: I DID NOT DESIGNATE HER TO  
14 TESTIFY ABOUT CALPERS COMPUTER PRACTICES OR  
15 INFORMATION PRACTICES. I ASKED HER TO TESTIFY  
16 REGARDING THE ISSUE OF HOW RECIPROCITY IS DESIGNATED.

17 MR. RIEGER: IT ACTUALLY JUST SAYS  
18 "RECIPROCITY." AND THAT'S A PRETTY BROAD  
19 DESIGNATION, BUT THIS IS PART OF RECIPROCITY AND THIS  
20 IS THE RECIPROCITY MANUAL.

21 THE COURT: ALL RIGHT. I'LL OVERRULE THE  
22 OBJECTION. I'M NOT SURE IF WE HAD AN ANSWER OR NOT.  
23 BY MR. RIEGER:

24 Q. HAVE YOU -- AS A PERSON MOST KNOWLEDGEABLE  
25 REGARDING RECIPROCITY, DID YOU INFORM YOURSELF OF HOW

1 LONG IT'S BEEN THAT THIS PUBLICATION HAS BEEN POSTED  
2 ON CALPERS' WEBSITE?

3 A. YES.

4 Q. AND HOW LONG HAS THAT BEEN?

5 A. SEPTEMBER 2002.

6 Q. OKAY. NOW, IF YOU COULD PLEASE TURN TO  
7 EXHIBIT 10, FGUIDO 41. IT'S ABOUT HALFWAY THROUGH  
8 EXHIBIT 10.

9 YOU PROBABLY ALREADY TESTIFIED TO THIS, BUT  
10 IF YOU COULD, PLEASE JUST SUMMARIZE FOR ME WHAT THE  
11 PURPOSE OF THIS DOCUMENT IS AT FGUIDO 41.

12 A. IT'S THE FORM THAT A MEMBER CAN SUBMIT --  
13 IT'S A FORM THAT THEY OBTAIN IN THEIR OPTIONS AT  
14 SEPARATION PACKAGE THAT ALLOWS A MEMBER TO SUBMIT  
15 REQUESTING TO ESTABLISH RECIPROCITY.

16 Q. AND WHAT HAPPENS NEXT IF A MEMBER SUBMITS  
17 THIS FORM TO CALPERS?

18 A. ONCE THIS FORM IS RECEIVED IN CALPERS, IT  
19 GOES TO THE RECIPROCITY UNIT. THEY WILL THEN BEGIN  
20 THE COMMUNICATION WITH THE OTHER RETIREMENT SYSTEM  
21 THAT'S INDICATED TO BE ABLE TO DETERMINE IF THEY CAN  
22 ESTABLISH RECIPROCITY.

23 Q. IS THAT THE SAME TYPE OF COMMUNICATION THAT  
24 OCCURRED AFTER MR. GUIDO RETIRED IN THIS CASE?

25 A. IT OCCURRED AFTER MR. GUIDO SUBMITTED HIS

1 RETIREMENT APPLICATION.

2 Q. THANK YOU FOR CORRECTING ME. SUBMITTED HIS  
3 APPLICATION.

4 COULD YOU PLEASE TURN TO EXHIBIT 17.

5 MR. RIEGER: AND I'M SORRY, YOUR HONOR. I  
6 HAVE TO DO A LITTLE HOUSEKEEPING BECAUSE I WAS USING  
7 MY BINDER, AND I DON'T BELIEVE 10 IS IN EVIDENCE.  
8 BUT IT IS THE SAME AS AN EXHIBIT IN THE PRIOR BINDER.  
9 I THINK I HAVE TO GO BACK.

10 THE COURT: OKAY. 10 HASN'T BEEN OFFERED.

11 MR. RIEGER: THAT'S RIGHT. AND RATHER THAN  
12 OFFER IT, WHAT I'D LIKE TO DO IS JUST VERY QUICKLY  
13 JUST CONFIRM WITH THE WITNESS -- I'D JUST LIKE TO  
14 KEEP THIS AS CLEAN AS POSSIBLE.

15 BY MR. RIEGER:

16 Q. EXHIBIT 204, IF YOU COULD JUST TURN TO  
17 EXHIBIT 204 IN THE CALPERS BINDER -- I MEAN  
18 MR. GUIDO'S BINDER. AND IF YOU TURN TO FGUIDO 41.

19 DO YOU SEE THAT IN EXHIBIT 204?

20 A. YES.

21 Q. IS THAT THE SAME DOCUMENT WE WERE JUST  
22 DISCUSSING?

23 A. YES.

24 Q. SO IN THE ORDINARY COURSE, IF MR. GUIDO HAD  
25 SUBMITTED THIS FORM TO CALPERS, CALPERS WOULD HAVE

1           STARTED THAT COMMUNICATION PROCESS WITH L.A.C.E.R.A.  
2           AFTER -- SOON AFTER RECEIVING THE SUBMITTED FORM; IS  
3           THAT RIGHT?

4           A.     YES.

5           Q.     SO THE PROCESSES THAT CALPERS WENT THROUGH  
6           IN APRIL AND MAY OF 2009 WOULD HAVE BEEN GONE THROUGH  
7           AT AN EARLIER TIME IF MR. GUIDO HAD SUBMITTED HIS  
8           FORM AT AN EARLIER TIME; IS THAT RIGHT?

9           A.     YES.

10          Q.     IF YOU COULD PLEASE TURN TO EXHIBIT 26.  
11                 DO YOU RECOGNIZE EXHIBIT 26?

12          A.     YES.

13          Q.     WHAT IS EXHIBIT 26?

14          A.     THEY'RE MEMBER TRANSCRIPTS THAT IDENTIFY A  
15                 MEMBER'S CONTRIBUTIONS MADE, THE SERVICE CREDIT  
16                 EARNED, VARIOUS TABLE DATA THAT'S BEEN SUBMITTED TO  
17                 CALPERS.

18          Q.     IS THIS A BUSINESS RECORD THAT IS KEPT IN  
19                 CALPERS' FILES RELATED TO MR. GUIDO?

20                 MR. JENSEN:  OBJECTION, YOUR HONOR.  THAT  
21                 CALLS FOR LEGAL SPECULATION.

22                 THE COURT:  I'M SORRY?

23                 MR. JENSEN:  OBJECTION; CALLS FOR LEGAL  
24                 SPECULATION -- LEGAL INTERPRETATION OF A BUSINESS  
25                 RECORD.

1 THE COURT: OVERRULED.

2 YOU CAN ANSWER.

3 THE WITNESS: THESE RECORDS ARE KEPT IN THE  
4 MEMBER'S FILE.

5 BY MR. RIEGER:

6 Q. AND THESE BUSINESS RECORDS SPECIFICALLY  
7 RELATE TO MR. GUIDO?

8 A. YES.

9 Q. AND ON THE FIRST PAGE OF EXHIBIT 26 --

10 MR. RIEGER: ACTUALLY, YOUR HONOR, I'D LIKE  
11 TO OFFER EXHIBIT 26 INTO EVIDENCE.

12 THE COURT: OKAY. ANY OBJECTION?

13 MR. JENSEN: NO OBJECTION, YOUR HONOR.

14 THE COURT: ALL RIGHT. IT'S ADMITTED.

15 (DEPARTMENT'S EXHIBIT NUMBER 26 WAS  
16 MARKED FOR IDENTIFICATION BY THE COURT AND  
17 RECEIVED INTO EVIDENCE.)

18 BY MR. RIEGER:

19 Q. ON THE FIRST PAGE OF 26, CAN YOU TELL FROM  
20 EXHIBIT 26 THE TOTAL MEMBER CONTRIBUTIONS THAT  
21 MR. GUIDO HAS MADE TO CALPERS BASED ON HIS CITY OF  
22 CUDAHY SERVICE?

23 A. \$821.42.

24 Q. AND HOW ARE THOSE CONTRIBUTIONS DETERMINED?

25 A. ON THE MEMBER'S EARNINGS, (INAUDIBLE) --

1 COURT REPORTER: CAN YOU SPEAK UP, PLEASE?

2 THE WITNESS: BASED ON THE MEMBER'S  
3 EARNINGS, A PERCENTAGE OF THE MEMBER'S EARNINGS  
4 DETERMINED BY THE EMPLOYER'S CONTRACT.  
5 BY MR. RIEGER:

6 Q. WHICH EMPLOYER ARE YOU REFERRING TO?

7 A. THE CITY OF CUDAHY.

8 Q. AND THEN HOW ARE THE CITY OF CUDAHY'S  
9 CONTRIBUTIONS TO CALPERS DETERMINED?

10 A. THEY'RE ACTUALLY EVALUATIONS. AND WHEN  
11 THEY CONTRACT WITH CALPERS, THAT'S WHEN THEY  
12 DETERMINE WHAT THE CONTRIBUTIONS WILL BE.

13 Q. ARE THOSE CONTRIBUTIONS ALSO EXPRESSED AS A  
14 PERCENTAGE OF -- LET ME BACK UP.

15 ARE THE EMPLOYER CONTRIBUTIONS EXPRESSED AS  
16 A PERCENTAGE OF THE EMPLOYEE'S PAYROLL, TOTAL  
17 PAYROLL?

18 A. NO.

19 Q. HOW ARE THEY EXPRESSED?

20 A. BY THE MEMBER'S EARNINGS.

21 Q. OKAY. SO THE CITY OF CUDAHY'S  
22 CONTRIBUTIONS TO CALPERS FOR MR. GUIDO'S SERVICE WERE  
23 BASED ON MR. GUIDO'S EARNINGS; IS THAT CORRECT?

24 A. CORRECT.

25 Q. HIS EARNINGS WITH CUDAHY?

1 A. CORRECT.

2 Q. DO YOU KNOW HOW MANY MEMBERS CALPERS HAS?

3 A. A LOT. PROBABLY A MILLION.

4 THE COURT: TRY TO KEEP YOUR VOICE UP, IF  
5 YOU CAN.

6 THE WITNESS: OKAY.

7 A LOT. PROBABLY OVER A MILLION.

8 BY MR. RIEGER:

9 Q. IS IT A MILLION AND A HALF?

10 A. YES.

11 Q. EARLIER -- I JUST WANT TO MAKE SURE THE  
12 RECORD IS CLEAR -- YOU TESTIFIED ABOUT 100,000  
13 ESTIMATES. WHEN YOU REFER TO 100,000 ESTIMATES,  
14 WHAT'S THE TIME FRAME YOU'RE REFERRING TO?

15 A. ON A YEARLY BASIS.

16 MR. RIEGER: YOUR HONOR, CAN WE HAVE A  
17 FIVE-MINUTE BREAK? I THINK I'M DONE.

18 THE COURT: OKAY. WE'LL GO OFF THE RECORD.

19 (WHEREUPON, A RECESS WAS HELD  
20 FROM 10:51 A.M. TO 11:01 A.M.)

21 THE COURT: LET'S GO BACK ON THE RECORD.

22 ANYTHING FURTHER?

23 MR. RIEGER: NO MORE QUESTIONS, YOUR HONOR.

24 THE COURT: OKAY. THANK YOU.

25 MS. DANIEL, DO YOU HAVE ANY QUESTIONS?

1 MS. DANIEL: NO QUESTIONS, YOUR HONOR.

2 THE COURT: OKAY. ANY REDIRECT?

3 MR. JENSEN: YES, YOUR HONOR.

4

5 REDIRECT EXAMINATION

6 BY MR. JENSEN:

7 Q. THANK YOU, MS. DE FLORES.

8 SO HOW MANY PUBLICATIONS DOES CALPERS HAVE  
9 ABOUT RECIPROCITY?

10 A. THERE'S ONLY ONE PUBLICATION ABOUT  
11 RECIPROCITY.

12 MR. JENSEN: AND I'D JUST LIKE TO SHOW THIS  
13 TO MR. RIEGER. THIS IS JUST SOMETHING THAT I PULLED  
14 OFF THE INTERNET.

15 DO YOU RECOGNIZE THAT? CAN I ASK THE  
16 WITNESS IF SHE RECOGNIZES IT?

17 MR. RIEGER: YOU WANT TO ASK THE WITNESS  
18 ABOUT MORE DOCUMENTS ON THE WEBSITE EXPLAINING THE  
19 RULES OF RECIPROCITY? GO AHEAD.

20 MR. JENSEN: AND, YOUR HONOR, I JUST WANT  
21 TO SHOW YOU WHAT -- THIS IS FROM THE CALPERS WEBSITE.  
22 IT IS A POSTED PUBLICATION ABOUT RECIPROCITY.

23 THE COURT: OKAY. SO THIS IS SOMETHING  
24 THAT YOU'VE PULLED UP FROM THE WEBSITE, AND YOU'RE  
25 SHOWING IT TO HER ON A --

1 MR. JENSEN: ON AN IPAD.

2 THE COURT: OKAY.

3 BY MR. JENSEN:

4 Q. MS. DE FLORES, DO YOU RECOGNIZE THIS  
5 DOCUMENT?

6 A. YES.

7 Q. AND WHAT IS THIS DOCUMENT?

8 A. THIS COMES OUT OF THE CALPERS PROCEDURES  
9 MANUAL FOR EMPLOYERS, OR IT'S ALSO CONTAINED IN THE  
10 STATE HANDBOOK FOR STATE EMPLOYERS.

11 Q. IS IT A PUBLICATION ABOUT RECIPROCITY?

12 A. IT'S A PROCEDURES MANUAL ABOUT ALL BUSINESS  
13 AREAS WITHIN CALPERS: HOW TO ENROLL A MEMBER INTO  
14 CALPERS, HOW TO SEPARATE, HOW TO REPORT PAYROLL,  
15 INFORMATION REGARDING RECIPROCITY. IT CONTAINS ALL  
16 THE BUSINESS AREAS WITHIN CALPERS.

17 Q. IS IT AVAILABLE ON THE INTERNET?

18 A. YES.

19 Q. CAN YOU READ THAT FOR US. JUST LET ME  
20 INDICATE WHERE TO AND IF -- WELL, IF YOU CAN READ IT  
21 TO -- CAN YOU READ THAT ON THERE (INDICATING)?

22 A. YES.

23 Q. JUST TO THE END OF THIS RECIPROCITY  
24 SECTION.

25 MS. DANIEL: YOUR HONOR, MAY I OBJECT AS TO

1 TIMING AND FOUNDATION UNLESS YOU'RE GOING TO  
2 ESTABLISH THE TIMING OR A PUBLICATION DATE OR  
3 ANYTHING THAT HAS RELEVANCE TO THIS MATTER.

4 MR. JENSEN: YOUR HONOR, I JUST PULLED IT  
5 OFF THE INTERNET IMMEDIATELY AFTER SHE SAID THERE'S  
6 ONLY ONE PUBLICATION ABOUT RECIPROCITY AVAILABLE.

7 MR. RIEGER: SO?

8 MR. JENSEN: YOU SEE THE CONTENT OF THIS  
9 PUBLICATION. FIRST OF ALL, IT'S IMPEACHMENT PURPOSE  
10 THAT OTHER INFORMATION IS AVAILABLE. AND SECOND OF  
11 ALL, IT IS CONTENT THAT DIRECTLY CONTRADICTS HER  
12 PRIOR TESTIMONY.

13 MR. RIEGER: MAY I BE HEARD?

14 THE COURT: IT'S A CURRENT DOCUMENT THAT'S  
15 ON CURRENTLY, WHICH IS WELL AFTER THE EVENTS IN  
16 QUESTION. SO HOW WILL THIS HELP ME WITH WHAT  
17 HAPPENED DURING THE RELEVANT TIME FRAMES?

18 MR. JENSEN: LET ME -- DO YOU WANT ME TO  
19 ADDRESS THAT THROUGH HER?

20 THE COURT: NO. I WANT YOU TO TELL ME  
21 RIGHT NOW.

22 MR. JENSEN: WELL, I THINK WHAT SHE'S  
23 SAYING IS THAT THESE PUBLICATIONS EXISTED OVER THIS  
24 WHOLE PERIOD OF TIME, AND THAT'S BEEN HER TESTIMONY,  
25 THAT THERE HAS BEEN ONLY ONE PUBLICATION ABOUT

1 RECIPROCITY AVAILABLE DURING THIS WHOLE PERIOD OF  
2 TIME.

3 THE COURT: WELL, FROM 2002 TO 2009, I  
4 THINK, WHICH IS THE TIME FRAME THAT I HAVE THE  
5 PUBLICATION SO --

6 MR. JENSEN: AND IF I CAN ADDRESS THIS  
7 QUESTION TO HER REGARDING THESE SIMILAR PUBLICATIONS  
8 WHICH ARE ALSO AVAILABLE AND THAT HAVE DIFFERENT  
9 INFORMATION ON IT.

10 THE COURT: OKAY. WELL, LET'S REFERENCE  
11 FROM '02 TO '09, WHICH SEEMS TO BE A RELEVANT TIME  
12 FRAME. IN TERMS OF WHAT'S HAPPENING NOW, THAT  
13 DOESN'T SEEM TO HELP.

14 MR. JENSEN: AND THAT'S FINE. I MEAN, THEY  
15 HAVE ENTERED IN THIS --

16 THE COURT: ALL RIGHT. SO THAT WAS MORE A  
17 DIRECTIVE, NOT A DISCUSSION POINT. SO YOU CAN ASK  
18 THE NEXT QUESTION, BUT LET'S FOCUS IT ON --

19 MR. JENSEN: SURE.

20 MR. RIEGER: YOUR HONOR, I WOULD LIKE TO  
21 IMPOSE A RELEVANCE OBJECTION. IT'S AN EVIDENCE CODE  
22 403 OBJECTION, IF I COULD BE HEARD ON THAT?

23 THE COURT: NO. IT'S NOTED. AND WE'LL  
24 KEEP THE TIME FRAME OF '02 TO '09. THEN IT'S  
25 RELEVANT, LIKELY, BUT WE DON'T NEED TO SPEND TOO MUCH

1 TIME ON IT.

2 MR. JENSEN: AND I WON'T.

3 THE COURT: ALL RIGHT. GO AHEAD.

4 BY MR. JENSEN:

5 Q. IN WHICH FORM IS THIS INFORMATION PROVIDED?

6 A. IT'S PROVIDED ON THE INTERNET.

7 Q. AND ARE YOU AWARE OF CALPERS' PRACTICES

8 WITH PROVIDING THESE MANUALS ON THE INTERNET?

9 MR. RIEGER: OBJECTION; VAGUE AS TO "THESE  
10 MANUALS."

11 THE COURT: SUSTAINED.

12 BY MR. JENSEN:

13 Q. CAN YOU TELL ME WHAT THIS MANUAL IS?

14 A. SO THIS IS A PAGE FROM THE CALPERS  
15 PROCEDURE MANUAL.

16 Q. AND WERE YOU AWARE WHETHER CALPERS HAD A  
17 PROCEDURE MANUAL BETWEEN THE TIME PERIOD OF 2002 AND  
18 2009?

19 A. YES.

20 Q. WERE YOU AWARE WHETHER THAT PUBLICATION WAS  
21 AVAILABLE ON THE INTERNET DURING THE PERIOD 2002 TO  
22 2009?

23 A. THE PROCEDURE MANUAL WAS AVAILABLE I KNOW  
24 IN 2009. I CAN'T -- I DON'T KNOW HOW EARLIER (SIC)  
25 THAN THAT IT WAS AVAILABLE.

1 Q. IN YOUR JOB, DID YOU -- DID YOU MAKE  
2 REFERENCE TO THE PROCEDURE MANUAL?

3 A. YES.

4 Q. DID YOU EVER REFER TO THE RECIPROCITY  
5 SECTIONS OF THE PROCEDURE MANUAL?

6 A. I DON'T RECALL THE RECIPROCITY. I RECALL  
7 THE MEMBERSHIP PORTION OF THE PROCEDURES MANUAL.

8 Q. WERE YOU IN -- DID YOU EVER HAVE  
9 REFERENCE -- IN YOUR CALPERS JOB, DID YOU REFER TO  
10 THIS SECTION OF THE MANUAL --

11 MR. RIEGER: OBJECTION; VAGUE.

12 BY MR. JENSEN:

13 Q. -- BETWEEN THE PERIOD OF 2002 THROUGH 2009?

14 MR. RIEGER: OBJECTION; VAGUE.

15 THE COURT: OVERRULED.

16 THE WITNESS: YES.

17 BY MR. JENSEN:

18 Q. IS THE PROCEDURE MANUAL ONLINE?

19 A. YES.

20 Q. AND WHY WOULD YOU NOT REFER TO THE  
21 PROCEDURE MANUAL IN YOUR POSITION?

22 MR. RIEGER: OBJECTION; INCOMPLETE  
23 HYPOTHETICAL.

24 THE COURT: SUSTAINED.

25 / / /

1 BY MR. JENSEN:

2 Q. DID YOU EVER REFER TO THE PROCEDURE MANUAL  
3 IN YOUR POSITION?

4 A. IN MY CURRENT POSITION?

5 Q. IN YOUR POSITION BETWEEN 2002 AND 2009.

6 A. THAT WAS WHILE I WAS -- UP UNTIL  
7 FEBRUARY '09, I WAS THE MANAGER OVER RETIREMENT  
8 ESTIMATES, AND I WOULD SAY NO.

9 Q. DID YOU EVER REFER ANYONE ELSE TO THE  
10 PROCEDURE MANUAL?

11 MR. RIEGER: OBJECTION; RELEVANCE.

12 THE COURT: ALL RIGHT. HOW IS THIS  
13 RELEVANT?

14 MR. JENSEN: IF SHE REFERRED THE EMPLOYER  
15 OR AN INDIVIDUAL TO THE PROCEDURE MANUAL, SHE'S USING  
16 THE AUTHORITY IN HER POSITION.

17 THE COURT: AUTHORITY FOR WHAT?

18 MR. JENSEN: AUTHORITY FOR -- SHE'S  
19 BASICALLY AUTHENTICATING AND USING IT AS AN  
20 AUTHORIZED PUBLICATION FOR OTHER PEOPLE TO RELY ON.

21 THE COURT: HOW IS THAT GOING TO HELP ME  
22 MAKE ANY FINDINGS OR COME TO ANY CONCLUSIONS HERE?

23 MR. JENSEN: WELL, THE ISSUE IS THEY'RE  
24 SAYING THERE'S ONLY ONE PUBLICATION ABOUT  
25 RECIPROCITY, AND THERE'S CLEARLY MORE THAN ONE.

1                   THE COURT:   OKAY.   SO YOU CAN SAY HERE'S  
2                   ANOTHER, AND YOU CAN ARGUE THAT POINT.   BUT I THINK  
3                   WE'RE SPENDING A LOT OF TIME ON SOMETHING THAT -- A  
4                   POINT THAT CAN BE MADE VERY EASILY.

5                   MR. JENSEN:   YEAH.   AND I DON'T WANT TO  
6                   BERATE THE WITNESS.

7                   CAN I TURN YOUR ATTENTION TO THE RETIREMENT  
8                   ESTIMATE OF 2003, WHICH IS IN EXHIBIT -- I BELIEVE  
9                   IT'S EXHIBIT 201.

10                  THE COURT:   DO YOU WANT YOUR IPAD BACK  
11                  OR --

12                  MR. JENSEN:   YEAH.   I DO WANT MY IPAD BACK.  
13                  CAN I APPROACH THE WITNESS?

14                  THE COURT:   YES, PLEASE.

15                  MR. JENSEN:   THANK YOU.   SORRY IT WAS SO  
16                  GRUBBY TOO, THE LENS.

17                  BY MR. JENSEN:

18                  Q.   YOU TESTIFIED THAT -- WELL, THIS LETTER OF  
19                  2003 REFERS TO A PUBLICATION, "WHEN YOU CHANGE  
20                  RETIREMENT SYSTEMS."   ARE YOU FAMILIAR ABOUT HOW  
21                  THOSE PUBLICATIONS ARE DISTRIBUTED?

22                  A.   THERE WERE VARIOUS METHODS IN WHICH TO  
23                  DISTRIBUTE THE PUBLICATIONS WITH CONTEXT TO THIS  
24                  LETTER.   IT SHOULD HAVE BEEN ENCLOSED WITH THE  
25                  LETTER.

1 Q. AND IN WHAT SIZE ENVELOPE WERE THOSE  
2 LETTERS MAILED OUT?

3 MR. RIEGER: OBJECTION; FOUNDATION,  
4 RELEVANCE.

5 THE WITNESS: IT'S A LITTLE BIT BIGGER THAN  
6 EIGHT-AND-A-HALF BY 11.

7 THE COURT: OKAY. OVERRULED.

8 MR. JENSEN: AND, YOUR HONOR, I JUST WANT  
9 TO SHOW THIS TO MR. RIEGER. THIS IS --

10 MR. RIEGER: YOU KNOW --

11 MR. JENSEN: YOU CAN TAKE IT FOR WHAT IT'S  
12 WORTH.

13 MR. RIEGER: WELL, IT'S NEVER BEEN  
14 DISCLOSED BEFORE. I OBJECT. I OBJECT TO A NEW -- A  
15 NEW EXHIBIT.

16 MR. JENSEN: AND THE ENVELOPE --

17 THE COURT: HOLD ON. LET HIM FINISH.

18 MR. RIEGER: I'M SORRY. I'D PROBABLY HAVE  
19 TO SEE IT AGAIN TO EXAMINE IT MORE CLOSELY, BUT --

20 MAY I?

21 THE COURT: YES. IF THERE'S AN OBJECTION.

22 MR. JENSEN: AND THIS WAS JUST PROVIDED TO  
23 ME TODAY --

24 THE COURT: HOLD ON. HOLD ON.

25 MR. RIEGER: SO WE HAVE -- WE HAVE -- WHAT

1 I'M LOOKING AT HERE IS ONE ENVELOPE FROM CALPERS,  
2 WHICH I THINK IS EMPTY, AND IN AND OF ITSELF I THINK  
3 IT'S PROBATIVE OF NOTHING.

4 BUT SECOND, YOU KNOW, IN ADDITION TO THAT,  
5 THIS HAS NEVER BEEN DISCLOSED BEFORE. I DON'T -- I  
6 DON'T EVEN UNDERSTAND WHAT VALUE IT HAS. I MEAN,  
7 I'LL LEAVE IT AT THAT. I OBJECT TO THE INTRODUCTION  
8 OF A NEW EXHIBIT.

9 MR. JENSEN: AND, YOUR HONOR, I RECEIVED IT  
10 THIS MORNING, AND IT'S PROBATIVE BASICALLY OF THE  
11 QUESTION ABOUT WHETHER HE RECEIVED THIS -- ACTUALLY,  
12 WHETHER CALPERS SENT THE DOCUMENT THAT'S IN  
13 EXHIBIT 6, WHICH IS A MULTIPAGE DOCUMENT BATES  
14 STAMPED -- IT'S NINE PAGES LONG WHICH THE WITNESS HAS  
15 JUST TESTIFIED BY HAND MOVEMENTS WAS ABOUT AN  
16 EIGHT-AND-A-HALF-BY-11 SIZE DOCUMENT THAT THIS WOULD  
17 BE SENT IN.

18 AND SO THERE WAS AN INDICATION THAT SHE  
19 BELIEVED THE DOCUMENT WAS TRANSMITTED, AND MR. GUIDO  
20 PROVIDED ME TODAY THE ENVELOPE WHICH IS STAMPED --  
21 IT'S A CALPERS -- CALIFORNIA PUBLIC EMPLOYEES'  
22 RETIREMENT SYSTEM ENVELOPE WHICH HAS A --

23 THE COURT: I'LL TAKE A LOOK AT IT.

24 DO YOU WANT TO SEE IT, MS. DANIEL, OR WEIGH  
25 IN ON THIS?

1 MS. DANIEL: YES. AND I'D JUST LIKE TO ADD  
2 ON TO THE OBJECTION. I MEAN, IT HASN'T BEEN -- IF  
3 HE'S OFFERING IT AS EVIDENCE, IT HASN'T BEEN  
4 AUTHENTICATED. NO ONE HAS SAID, OTHER THAN COUNSEL,  
5 TESTIFYING AS TO WHAT IT IS, WHAT IT IS.

6 SO TO THE EXTENT IT'S GOING TO BE OFFERED  
7 INTO EVIDENCE, THERE NEEDS TO BE SOME KIND OF  
8 AUTHENTICATION AS TO WHAT THE ACTUAL THING IS AND  
9 THAT IT WAS RECEIVED OR SENT BY -- RECEIVED BY  
10 MR. GUIDO OR SENT BY CALPERS. I JUST DON'T THINK AN  
11 EMPTY OFFERING BY COUNSEL IS SUFFICIENT.

12 MR. RIEGER: AND AGAIN, THERE'S NO --  
13 THE COURT: LET ME TAKE A LOOK AT IT WHEN  
14 YOU'RE DONE.

15 MR. RIEGER: I'D LIKE TO BE HEARD A LITTLE  
16 MORE AFTER YOU'VE HAD A CHANCE.

17 MS. DANIEL: YEAH. AND I CAN'T READ THE  
18 POSTMARK, SO I'M HAVING A PROBLEM WITH THE ACTUAL  
19 DATE.

20 THE COURT: OKAY. LET ME TAKE A LOOK AT  
21 IT.

22 ALL RIGHT. BASED ON WHAT I'VE HEARD SO  
23 FAR, IN TERMS OF IT NOT BEING DISCLOSED BEFORE, I  
24 THINK THIS IS PROPER REBUTTAL.

25 I DON'T THINK THE ISSUE ABOUT THE ENVELOPE

1 THAT THESE ITEMS CAME IN WAS REALLY CUED UP AT ISSUE  
2 WHEN YOU FOLKS WERE PUTTING YOUR EXHIBITS TOGETHER,  
3 SO I THINK THIS CAN BE PROPER REBUTTAL.

4 IN TERMS OF THE RELEVANCE, I THINK IT COULD  
5 BE RELEVANT WITH REGARD TO THE TESTIMONY AND EVIDENCE  
6 ON WHAT WAS INCLUDED IN EXHIBIT 201.

7 IN TERMS OF THE FOUNDATION, THOUGH, I DO  
8 HAVE A CONCERN WITH MS. DANIEL'S POINT, WHICH IS  
9 WE'RE GOING TO NEED SOME FOUNDATION OTHER THAN JUST  
10 AN ENVELOPE. SO WHAT WERE YOU PREPARED TO DO IN  
11 TERMS OF THAT?

12 MR. JENSEN: WELL, I MEAN, IT IS A BUSINESS  
13 RECORD. I MEAN, IT IS SENT IN THE COURSE OF  
14 BUSINESS. I THINK THESE ARE SELF-AUTHENTICATING. I  
15 MEAN, IT'S GOT A DATE STAMP ON IT. AND, I MEAN, IT'S  
16 REGULARLY RECEIVED, REGULARLY SENT IN THE COURSE OF  
17 BUSINESS.

18 WE CAN HAVE THE WITNESS TESTIFY WHETHER SHE  
19 BELIEVES IT'S, YOU KNOW, A CALPERS-GENERATED  
20 ENVELOPE. AS FAR AS THE -- THIS IS THE QUESTION. I  
21 MEAN, MR. GUIDO HAS ALREADY TESTIFIED HE DIDN'T  
22 RECEIVE THAT DOCUMENT. THEY'RE TRYING TO TESTIFY  
23 THAT THEY SENT IT.

24 SO, I MEAN, MR. GUIDO'S TESTIMONY -- IT'S  
25 CLEAR THAT HE DID NOT RECEIVE IT AND --

1 THE COURT: WELL, YOU'RE SAYING THAT WHAT  
2 HE'S SAYING IS THAT THIS IS WHAT EXHIBIT 201 CAME IN?

3 MR. JENSEN: THAT IS WHAT HE'S SAYING. AND  
4 WE CAN MATCH IT UP TO THE C.T.P., WHICH IS ANOTHER  
5 BUSINESS RECORD, AS BEING THE ONLY CORRESPONDENCE  
6 DURING THAT TIME PERIOD.

7 THE COURT: OKAY. IF HE'S MAKING A PROFFER  
8 THAT HE CAN SATISFY THE FOUNDATION WITH MR. GUIDO'S  
9 TESTIMONY, I THINK THAT CURES THE FOUNDATION.

10 SO FAR I DON'T SEE A PROBLEM WITH THIS, BUT  
11 I DON'T WANT TO SPEND A LOT OF TIME ON IT BECAUSE  
12 THIS IS NOT A TREMENDOUSLY HUGE POINT. BUT IT HAS  
13 SOME RELEVANCE.

14 MR. JENSEN: AND, YOU KNOW, I WAS NOT  
15 TRYING TO SURPRISE COUNSEL OR ANYTHING LIKE THAT.

16 THE COURT: OKAY. WAS THERE ANYTHING OTHER  
17 THAN WHAT YOU ALREADY TOLD ME, MR. RIEGER, THAT YOU  
18 WANTED TO SAY?

19 MR. RIEGER: I'LL JUST RESERVE MY ARGUMENTS  
20 FOR THE LEVEL OF RELEVANCE LATER.

21 THE COURT: OKAY.

22 MR. RIEGER: THANK YOU, YOUR HONOR.

23 THE COURT: OKAY. GO AHEAD.

24 MR. JENSEN: AND, YOUR HONOR, CAN I MARK IT  
25 AS, I GUESS --

1 THE COURT: YOUR NEXT IN ORDER WOULD BE  
2 227.

3 (RESPONDENT'S EXHIBIT NUMBER 227 WAS MARKED  
4 FOR IDENTIFICATION BY THE COURT.)

5 MR. JENSEN: YEAH. AND CAN I JUST PUT A  
6 STICKER ON THE BACK OF IT?

7 THE COURT: WELL, SO DO YOU WANT ME TO GET  
8 THE ORIGINAL OR ARE YOU KEEPING THE ORIGINAL?

9 MR. JENSEN: NO. I WANT TO KEEP THE  
10 ORIGINAL.

11 THE COURT: OKAY.

12 MR. JENSEN: I JUST DON'T WANT TO WRITE ON  
13 IT BECAUSE I DON'T WANT TO --

14 THE COURT: NO. I'LL PUT AN EXHIBIT TAG ON  
15 IT.

16 MR. JENSEN: GREAT.

17 THE COURT: BUT ONCE I GET THIS AND IT GOES  
18 IN THE RECORD, THEN IT'S GENERALLY GOING TO STAY IN  
19 THE RECORD. YOU'RE NOT GOING TO GET THIS BACK.

20 MR. JENSEN: DO YOU NEED THAT?

21 MR. GUIDO: I DON'T HAVE A FRAME FOR IT.

22 MS. DANIEL: MAY I BE HEARD FURTHER, YOUR  
23 HONOR?

24 THE COURT: YES.

25 MS. DANIEL: JUST FOR CLARIFICATION, IS

1 MR. JENSEN SAYING HE'S GOING TO AUTHENTICATE THAT  
2 THROUGH MR. GUIDO OR THAT HE HAS BECAUSE MR. GUIDO --

3 MR. JENSEN: I MEAN, IF I HAVE --

4 MS. DANIEL: MAY I FINISH.

5 -- BECAUSE MR. GUIDO HAS NOT TESTIFIED SO  
6 FAR THAT THAT ENVELOPE IS WHAT HE RECEIVED.

7 THE COURT: RIGHT. IF THERE'S AN OBJECTION  
8 TO FOUNDATION, I'LL LET HIM CALL --

9 MS. DANIEL: I'M RENEWING MY OBJECTION.

10 THE COURT: NO, NO. WHEN WE'RE DONE WITH  
11 THIS, IF HE WANTS TO RECALL MR. GUIDO AND HAVE  
12 MR. GUIDO TESTIFY AND LAY THE FOUNDATION, THAT'S  
13 FINE. I'M NOT GOING TO TRIP HIM UP ON A  
14 TECHNICALITY.

15 I JUST WANTED TO MAKE SURE THAT AS AN  
16 OFFICER OF THE COURT HIS PROFFER IS THAT MR. GUIDO IS  
17 SAYING THAT THIS IS THE ENVELOPE THAT IS LINKED TO  
18 EXHIBIT 201.

19 SO HE'S SAYING THAT'S WHAT THE EVIDENCE  
20 WOULD BE, AND IF HE WANTS TO DO THAT, I'LL LET HIM DO  
21 IT. AND THEN THAT WILL CURE THE FOUNDATION ISSUE,  
22 AND THEN WE'LL MOVE ON.

23 I UNDERSTAND YOUR OBJECTION IS THAT IT  
24 HASN'T BEEN DONE YET BUT --

25 MS. DANIEL: RIGHT.

1 THE COURT: -- WE MIGHT AS WELL JUST DEAL  
2 WITH THIS NOW, AND THEN HE CAN CALL MR. GUIDO WHEN  
3 WE'RE DONE WITH THIS.

4 MS. DANIEL: SURE. BUT IT'S NOT IN  
5 EVIDENCE; RIGHT? WE'RE JUST REFERRING TO IT. I JUST  
6 WANT TO MAKE SURE THAT --

7 THE COURT: RIGHT. CORRECT. I'VE MARKED  
8 IT, AND IF THERE CONTINUES TO BE AN OBJECTION  
9 REGARDING FOUNDATION, THEN I'LL LET HIM CALL  
10 MR. GUIDO AND HE CAN LAY THE FOUNDATION. AND IF  
11 THERE'S STILL A PROBLEM, THEN I'LL MAKE A RULING.

12 MR. JENSEN: WELL, YOUR HONOR, IS IT  
13 POSSIBLE WE CAN INTERRUPT MS. DE FLORES' TESTIMONY  
14 AND JUST LAY THE FOUNDATION RIGHT NOW?

15 THE COURT: NO. I MEAN, SHE'S HERE RIGHT  
16 NOW. LET'S --

17 MR. JENSEN: RIGHT. ALL RIGHT.

18 THE COURT: OKAY. SO THIS ENVELOPE HAS  
19 BEEN MARKED AS 227.

20 MR. JENSEN: OKAY. THANK YOU, YOUR HONOR.  
21 AND CAN I PRESENT IT TO THE WITNESS?

22 THE COURT: I'LL HAND IT TO HER.

23 THE WITNESS HAS 227.

24 MR. JENSEN: AND THEN JUST LET THE RECORD  
25 REFLECT IT'S A STANDARD BUSINESS-SIZE ENVELOPE WITH A

1 CLEAR, PLASTIC WINDOW.

2 THE COURT: ALL RIGHT. SO IF IT'S ADMITTED  
3 INTO EVIDENCE, THEN IT WILL BE IN EVIDENCE. IF IT'S  
4 NOT ADMITTED INTO EVIDENCE, WE DON'T NEED TO DESCRIBE  
5 ON THE RECORD WHAT IT IS. SO LET'S JUST CUT TO THE  
6 CHASE HERE.

7 MR. JENSEN: YEAH.

8 BY MR. JENSEN:

9 Q. MS. DE FLORES, ARE YOU FAMILIAR WITH  
10 CALPERS' MAILING PRACTICES?

11 A. YES.

12 Q. YOU HAVE AN ENVELOPE IN FRONT OF YOU. IS  
13 THIS AN ENVELOPE THAT CALPERS USES TO MAIL DOCUMENTS  
14 OUT?

15 A. BASED ON THE RETURN ADDRESS, YES.

16 Q. AND LET ME TURN YOUR ATTENTION TO --

17 THE COURT: LET ME TAKE THE ENVELOPE BACK.  
18 I'LL PUT IT HERE.

19 THANK YOU.

20 BY MR. JENSEN:

21 Q. LET ME TURN YOUR ATTENTION TO EXHIBIT 10 ON  
22 THAT PAGE FGUIDO 41.

23 WHEN IS THIS DOCUMENT PRESENTED TO THE  
24 MEMBER?

25 A. THIS DOCUMENT IS GENERATED WHEN A PERMANENT

1 SEPARATION IS ADDED TO A MEMBER'S RECORD.

2 Q. AND IN TYPICAL CASES, WHEN IS THAT?

3 A. IN NORMAL CASES, IT'S WHEN THE EMPLOYER  
4 SUBMITS THE PERMANENT SEPARATION DOCUMENT THAT  
5 IDENTIFIES THE DATE THEY'RE GOING TO BE SEPARATED.

6 Q. AND DOES THAT OCCUR OFTEN AFTER SOMEONE HAS  
7 FILED AN APPLICATION FOR SERVICE RETIREMENT?

8 MR. RIEGER: OBJECTION; ASSUMES FACTS NOT  
9 IN EVIDENCE.

10 THE COURT: SUSTAINED.

11 BY MR. JENSEN:

12 Q. DOES THE EMPLOYER SUBMIT THAT -- WHEN DOES  
13 THE EMPLOYER SUBMIT THAT SEPARATION WITH  
14 CONSIDERATION OF WHEN AN INDIVIDUAL IS RETIRING?

15 A. IN THE NORMAL COURSE OF BUSINESS WITHIN THE  
16 MONTH THAT THEY SEPARATED. BUT MY KNOWLEDGE -- WITH  
17 MY KNOWLEDGE AND EXPERIENCE, THAT ISN'T ALWAYS THE  
18 CASE.

19 SOMETIMES THOSE SEPARATIONS DO NOT GET ONTO  
20 OUR SYSTEM BECAUSE THE EMPLOYER HASN'T SUBMITTED  
21 THEM.

22 Q. AND IN YOUR KNOWLEDGE, WHEN IN THE TYPICAL  
23 SEQUENCE OF EVENTS DOES THE EMPLOYER SUBMIT THOSE  
24 SEPARATIONS IN -- WITH RESPECT TO THE TIME OF AN  
25 INDIVIDUAL FILING A SERVICE RETIREMENT APPLICATION?

1 MR. RIEGER: OBJECTION; ASSUMES FACTS NOT  
2 IN EVIDENCE, BUT IT'S ALSO VAGUE.

3 THE COURT: DO YOU UNDERSTAND WHAT HE'S  
4 ASKING?

5 THE WITNESS: NOT CLEARLY.

6 THE COURT: ALL RIGHT. CAN YOU REPHRASE.

7 MR. JENSEN: YEAH.

8 BY MR. JENSEN:

9 Q. IS THERE A TIME FRAME THAT CALPERS REQUESTS  
10 A MEMBER TO SUBMIT A RETIREMENT APPLICATION PRIOR TO  
11 THEIR RETIREMENT DATE?

12 A. THE PERIOD HAS CHANGED OVER THE YEARS FROM  
13 UP TO SIX MONTHS PRIOR TO RETIREMENT TO 90 DAYS PRIOR  
14 TO RETIREMENT.

15 Q. AND WHEN DO EMPLOYERS SUBMIT THEIR  
16 INFORMATION REGARDING THE SEPARATION OF SERVICE OF AN  
17 INDIVIDUAL?

18 MR. RIEGER: OBJECTION; VAGUE.

19 THE COURT: OVERRULED.

20 YOU CAN ANSWER.

21 THE WITNESS: NORMALLY AFTER THE EFFECTIVE  
22 DATE OF THEIR PERMANENT SEPARATION.

23 BY MR. JENSEN:

24 Q. AND SO IS IT NORMALLY THAT THIS FORM IN  
25 EXHIBIT 10 IS SENT AFTER THE EFFECTIVE DATE OF

1 RETIREMENT?

2 MR. RIEGER: OBJECTION; VAGUE.

3 THE COURT: OVERRULED.

4 THE WITNESS: YES.

5 MR. JENSEN: I JUST WANT TO CONSULT WITH

6 MR. GUIDO FOR A SECOND.

7 (WHEREUPON, THERE WAS A PAUSE IN THE

8 PROCEEDINGS)

9 MR. JENSEN: YOUR HONOR, NO FURTHER

10 QUESTIONS FOR MS. DE FLORES.

11 MR. RIEGER: NO REDIRECT.

12 THE COURT: ANY RECROSS?

13 MR. RIEGER: YEAH. NO RECROSS. THANK YOU.

14 THE COURT: MS. DANIEL, ANYTHING?

15 MS. DANIEL: NO, YOUR HONOR.

16 THE COURT: OKAY. THANK YOU,

17 MS. DE FLORES.

18 MR. JENSEN: THANK YOU, MS. DE FLORES. I

19 CALLED, SO I APPRECIATE YOU COMING AND TRAVELING DOWN

20 HERE.

21 I'D JUST LIKE TO CALL MR. GUIDO ABOUT THAT

22 ENVELOPE.

23 THE COURT: OKAY. COME TAKE A SEAT.

24 DID YOU WANT TO SAY SOMETHING?

25 MR. RIEGER: ABOUT WHAT?

1 THE COURT: I DON'T KNOW. YOU HAVE A LOOK  
2 LIKE YOU GOING TO SAY SOMETHING SO OKAY.

3 MR. RIEGER: NO. I THINK WE SHOULD PROCEED  
4 IN PUTTING MR. GUIDO ON THE STAND AGAIN.

5 THE COURT: ALL RIGHT. MR. GUIDO, YOU  
6 UNDERSTAND THAT YOU ARE STILL UNDER THE SAME OATH AS  
7 BEFORE?

8 THE WITNESS: YES.

9 THE COURT: OKAY. GIVE ME A MOMENT.

10 OKAY. WHEN YOU'RE READY, MR. JENSEN.

11

12

FRED GUIDO,

13

HAVING BEEN PREVIOUSLY DULY SWORN IN,

14

RESUMED THE STAND AND TESTIFIED

15

FURTHER AS FOLLOWS:

16

17

THE COURT: OKAY. MR. JENSEN.

18

MR. JENSEN: YES.

19

20

DIRECT EXAMINATION

21

BY MR. JENSEN:

22

Q. MR. GUIDO, I WOULD LIKE YOU TO TAKE A LOOK

23

AT THAT ENVELOPE THAT'S MARKED 227.

24

A. YES.

25

Q. DO YOU RECOGNIZE IT?

1 A. I DO.

2 Q. CAN YOU TELL ME WHAT IT IS?

3 A. IT'S A STANDARD-SIZE NUMBER 10 ENVELOPE.

4 Q. AND HOW DID YOU -- HOW DID IT COME IN --  
5 DID IT COME INTO YOUR POSSESSION?

6 A. IT DID.

7 Q. AND TELL US THE CIRCUMSTANCES OF WHEN IT  
8 CAME INTO YOUR POSSESSION?

9 A. I RECEIVED IN THIS ENVELOPE THIS LETTER  
10 DATED OCTOBER 6, 2003, FROM CALPERS.

11 Q. AND ACTUALLY, MR. GUIDO, CAN YOU REFER TO  
12 EXHIBITS THAT ARE IN EVIDENCE, PLEASE?

13 A. I DON'T HAVE THAT GOOD OF A MEMORY.

14 Q. IT'S PAGE 2 -- I THINK IT'S -- LOOK AND SEE  
15 IF IT'S EXHIBIT 201 OR 202.

16 THE COURT: LOOK IN THAT BLACK BINDER.

17 THE WITNESS: 201?

18 MR. JENSEN: 201 OR 202.

19 THE WITNESS: IT'S 201. I RECEIVED A  
20 LETTER DATED OCTOBER 6 IDENTIFIED IN THE NOTEBOOK AS  
21 EXHIBIT 201 AS WELL AS THE CALPERS RETIREMENT  
22 ALLOWANCE ESTIMATE REQUEST FORM COPY WITH IT IN THIS  
23 ENVELOPE, THE TWO PAGES.

24 BY MR. JENSEN:

25 Q. AND DO YOU RECOGNIZE WHERE THAT --

1 MR. JENSEN: I'M SORRY, YOUR HONOR. MAY I  
2 APPROACH THE WITNESS FOR A SECOND?

3 THE COURT: YES.

4 BY MR. JENSEN:

5 Q. JUST WITH REFERENCE TO THIS (INDICATING).

6 A. YES.

7 Q. AND WAS THERE ANYTHING ELSE IN THAT  
8 DOCUMENT -- IN THAT ENVELOPE WITH THOSE?

9 A. NO.

10 Q. DID YOU RECEIVE --

11 MR. JENSEN: WELL, ANYWAY. SO, YOUR HONOR,  
12 I'D LIKE TO OFFER INTO EVIDENCE EXHIBIT ENVELOPE 227  
13 AS THE ENVELOPE THAT CONTAINS THE DOCUMENT THAT'S IN  
14 201.

15 THE COURT: ALL RIGHT. ONE MOMENT.

16 THE WITNESS: 201 AND 203.

17 MR. JENSEN: 201 AND 203.

18 BY MR. JENSEN:

19 Q. AND, MR. GUIDO, CAN YOU TELL ME THE  
20 CIRCUMSTANCES OF WHY THIS BECAME IMPORTANT TO YOU?

21 A. WELL, YESTERDAY I -- SINCE THIS CAME UP IN  
22 MY TESTIMONY AND I WAS STRUGGLING WITH IT, I WENT  
23 THROUGH MY FILES LAST EVENING AND -- AND PULLED  
24 OUT -- WENT THROUGH MY FILES LAST NIGHT TO LOOK AT  
25 WHAT DOCUMENTS I HAD RECEIVED.

1                   AND I COULD NEVER RECALL RECEIVING THIS  
2           DOCUMENT, THIS "WHEN YOU CHANGE RETIREMENT SYSTEMS."

3                   SO I THOUGHT IT WAS IMPORTANT TO BRING IT  
4           TO YOUR ATTENTION BECAUSE AT THE TIME I REPRODUCED  
5           THESE DOCUMENTS FOR YOU, APPROXIMATELY  
6           TWO-AND-A-HALF, THREE YEARS AGO, I REMOVED ALL THE  
7           ENVELOPES THAT I GENERALLY ATTACH TO ALL MY BUSINESS  
8           CORRESPONDENCE LIKE THIS AND THOUGHT IT WAS RELEVANT  
9           BECAUSE I EVEN HAD THE NUMBER WHEN I PHOTOCOPIED IT  
10          PUT ON THE ENVELOPES AS WELL AS ON THE DOCUMENTS.

11           Q.     NOW, DO YOU OFTEN -- TELL US YOUR  
12          RECORDKEEPING -- YOUR RECORDKEEPING PRACTICES AT YOUR  
13          HOUSE.

14           A.     WELL, I CAN'T SPEAK FOR MY WIFE, BUT MY  
15          RECORD PRACTICES -- RECORDKEEPING PRACTICES ARE SUCH  
16          AS I WAS TAUGHT ABOUT 30 YEARS AGO BY AN OLD  
17          EXECUTIVE SECRETARY THAT SCHOOLED MY DEPARTMENT THAT  
18          ON ALL CONTRACTS AND MAIL THAT COME IN THAT YOU NEVER  
19          DISCARD THE ENVELOPES.

20                   YOU AFFIX THEM TO THE LETTER, STAMP THEM  
21          "RECEIVED," AND DATE STAMP, RECEIVED AND DATE STAMP.  
22          THAT POLICY HAS RESONATED WITH ME, AND I ALWAYS MADE  
23          A PRACTICE IN THE PAST 30-SOME YEARS TO DO THE SAME  
24          IN MY OWN HOUSE.

25           Q.     NOW, DO YOU KEEP ALL CORRESPONDENCE THAT

1 YOU RECEIVE?

2 A. NO, I DON'T KEEP ALL CORRESPONDENCE.

3 Q. HOW DO YOU DECIDE WHICH CORRESPONDENCE TO  
4 KEEP?

5 A. WELL, I THINK I KEEP ALL BUSINESS-RELATED  
6 CORRESPONDENCE THAT'S RELEVANT TO ME IN MY LIFE WITH  
7 REGARD TO TAX FORMS, INSURANCE PAPERS, ALL LEGAL  
8 DOCUMENTS THAT I RECEIVE THAT I THINK ARE RELEVANT  
9 FOR ME AND MY FAMILY.

10 Q. AND HOW DO YOU KEEP YOUR RECORDS?

11 A. I KEEP MY RECORDS, AS I INDICATED, BY DOING  
12 THIS. BUT THEN I HAND THEM OFF TO MY WIFE, SINCE  
13 SHE'S NOW THE CUSTODIAN OF OUR OFFICE, AND SHE FILES  
14 THEM ACCORDINGLY.

15 Q. AND HOW DID YOU RETRIEVE THESE FILES LAST  
16 NIGHT?

17 A. IN MY FILE CABINET.

18 Q. AND DID YOU FIND THEM AS YOU -- IN THE  
19 REGULAR -- DID YOU FIND THEM IN THE PLACE THAT YOU  
20 EXPECTED TO FIND THEM?

21 A. YES. BECAUSE I KIND OF KEPT THEM ALL  
22 TOGETHER. AFTER I REPRODUCED THESE DOCUMENTS, I  
23 NEVER REALLY REAFFIXED THE ENVELOPES TO THEM AGAIN.  
24 BUT I TOOK ALL THE ENVELOPES AND STUFFED THEM IN A  
25 BIG ENVELOPE JUST, YOU KNOW -- AND KEPT THEM FOR -- I

1 DON'T WANT TO SAY POSTERITY -- BUT FUTURE REFERENCE.

2 Q. SO HOW DO YOU KNOW THAT THAT ENVELOPE IS  
3 ASSOCIATED WITH THOSE DOCUMENTS?

4 A. BECAUSE IT -- I KNOW THAT THIS DOCUMENT IS  
5 ASSOCIATED WITH THESE DOCUMENTS BECAUSE AT THE TIME  
6 I --

7 MR. RIEGER: WHICH DOCUMENT IS HE REFERRING  
8 TO? "THESE DOCUMENTS"?

9 THE WITNESS: I'M SORRY. I KNOW THAT THIS  
10 ENVELOPE REFERS TO THESE DOCUMENTS, NAMELY DOCUMENTS  
11 NUMBERED EXHIBITS 201 AND 203, THAT WERE DETACHED  
12 FROM THIS ENVELOPE AT THE TIME I WENT TO KINKO'S TO  
13 REPRODUCE THOSE.

14 AND SO AS NOT TO GET THEM OUT OF ORDER, I  
15 NOTED THE NUMBER OF THE DOCUMENTS WITH THE ENVELOPE  
16 SO THAT I COULD REAFFIX THEM. I NEVER DID REAFFIX  
17 THEM TO THE ENVELOPE.

18 BY MR. JENSEN:

19 Q. AND, MR. GUIDO, DID YOU PREVIOUSLY PROVIDE  
20 ME WITH THAT ENVELOPE?

21 A. NO, I DID NOT.

22 Q. AND DID YOU RECEIVE ANY OTHER  
23 CORRESPONDENCE FROM CALPERS IN OCTOBER 2000 --

24 I'M SORRY. WHAT'S THE DATE OF THAT?

25 A. OCTOBER 6, 2003.

1 Q. DID YOU RECEIVE OTHER CORRESPONDENCE FROM  
2 CALPERS IN OCTOBER 2003?

3 A. I DON'T RECALL.

4 Q. BUT YOU -- CAN YOU TELL US WITH -- WHAT  
5 LEVEL OF CERTAINTY ARE YOU THAT THOSE ARE THE ONLY  
6 DOCUMENTS THAT CAME IN THAT ENVELOPE?

7 MR. RIEGER: OBJECTION; VAGUE.

8 THE COURT: OVERRULED.

9 YOU CAN ANSWER.

10 THE WITNESS: I CAN SAY WITH 100 PERCENT  
11 DEGREE OF CERTAINTY THAT THESE DOCUMENTS CAME IN THIS  
12 ENVELOPE.

13 MR. JENSEN: AND, YOUR HONOR, I WANT TO  
14 OFFER 227 IN AS A SUPPORTING -- INDEPENDENTLY --

15 THE COURT: ALL RIGHT. IT'S BEING OFFERED.  
16 ANY OBJECTION TO 227.

17 MR. RIEGER: I HAVE NO OBJECTIONS TO 227.

18 MS. DANIEL: IF I MAY INQUIRE, YOUR HONOR?

19 THE COURT: YES.

20 MS. DANIEL: MAY I EXAMINE THE ORIGINAL --

21 THE COURT: YES.

22 MS. DANIEL: -- DOCUMENT?

23 THE COURT: PLEASE.

24 HOLD ON. SHE'LL COME UP AND TAKE A LOOK.

25 SHE'LL COME UP AND TAKE A LOOK.

1 CROSS-EXAMINATION

2 BY MS. DANIEL:

3 Q. WE JUST WERE PROVIDED WITH COPIES. ARE  
4 THESE THE ORIGINAL DOCUMENTS FROM WHICH YOU MADE  
5 COPIES AND PROVIDED TO YOUR ATTORNEY IN CONNECTION  
6 WITH THIS ENVELOPE?

7 A. THIS HERE LOOKS LIKE A COPY. THIS LOOKS  
8 LIKE A COPY.

9 Q. DO YOU KNOW WHERE THE ORIGINAL WOULD BE?

10 A. PROBABLY AT HOME, GIVEN I MADE MULTIPLE  
11 COPIES.

12 MR. RIEGER: MAY I APPROACH AS WELL?

13 THE COURT: YES.

14 MR. RIEGER: I JUST WANT TO SEE WHAT WE'RE  
15 TALKING ABOUT.

16 MR. JENSEN: LET ME SEE TOO. WHAT IS THE  
17 ISSUE?

18 LET THE RECORD --

19 THE COURT: NO, NO. THEY'RE LOOKING.

20 MS. DANIEL IS QUESTIONING.

21 GO AHEAD.

22 BY MS. DANIEL:

23 Q. MR. GUIDO, YOU MENTIONED THAT YOU SEPARATE  
24 THE ENVELOPES FROM THE ORIGINALS AND MAKE NUMBERS,  
25 CORRESPONDING NUMBERS, ON THE ENVELOPES AND THE

1 ORIGINALS BEFORE YOU COPY THEM. IS THAT WHAT YOU  
2 INDICATED EARLIER?

3 A. I DIDN'T INDICATE THAT EXACTLY. I BELIEVE  
4 THE WAY I STATED WAS THAT WHEN I RECEIVE MAIL,  
5 BUSINESS MAIL THAT I THINK IS IMPORTANT, I GENERALLY  
6 STAPLE THE ENVELOPE TO THE LETTER.

7 AT THE TIME THIS HAD MANIFESTED -- THIS  
8 MANIFESTED ITSELF TO LEGAL STATUS, I THEN PROVIDED  
9 MR. JENSEN WITH COPIES OF THIS LETTER. EVEN PRIOR TO  
10 THAT, EVEN PRIOR TO THAT, WHEN I MET WITH  
11 MESSRS. HONG AND PELLMAN, I REPRODUCED COPIES.

12 AND SO I DETACHED THEM, AND I NOTED THE  
13 NUMBER OF THE LETTER WITH THE ENVELOPE AND THEN WITH  
14 THE INTENT TO REAFFIX THE ENVELOPE WITH THE LETTER.  
15 I NEVER -- I NEVER DID THAT.

16 BUT I KEPT ALL THE ENVELOPES. BUT THEY  
17 WERE CLEARLY MARKED WITH THE EXHIBIT NUMBER, IN THIS  
18 CASE EXHIBIT NUMBER RIGHT IN THE CORNER, AT THE TIME  
19 I REPRODUCED THEM, SO I COULD HAVE THEM TO PUT BACK  
20 TOGETHER, WHICH I NEVER DID.

21 I DON'T KNOW IF I ANSWERED THE QUESTION,  
22 BUT THAT WAS THE PROCESS.

23 MS. DANIEL: MAY I APPROACH AGAIN,  
24 YOUR HONOR?

25 THE COURT: YES.

1 MS. DANIEL: MAY I SEE THE ENVELOPE AGAIN?

2 BY MS. DANIEL:

3 Q. ARE YOU ABLE TO READ THE ACTUAL POSTMARK ON  
4 THAT ENVELOPE?

5 A. IT LOOKS LIKE OCTOBER 7. I DON'T HAVE MY  
6 GLASSES, BUT I DON'T KNOW IF I CAN DECIPHER THE '03  
7 OUT OF IT.

8 Q. ARE YOU GUESSING?

9 A. WITH THE YEAR, YES.

10 MR. JENSEN: WHY DON'T YOU GET YOUR  
11 GLASSES.

12 THE WITNESS: I THINK I LOST THEM YESTERDAY  
13 IN THE PARKING LOT, AND I BROUGHT THESE OLD ONES  
14 WHICH ARE BIFOCALS AND I CAN'T READ VERY WELL BUT  
15 I'LL TRY TO.

16 I HONESTLY CAN'T. I'M SORRY. I CAN'T MAKE  
17 OUT THE YEAR.

18 MS. DANIEL: THAT'S FINE.

19 THE WITNESS: I'M SORRY.

20 MS. DANIEL: THAT'S FINE. I JUST WANTED TO  
21 MAKE SURE IF IT'S JUST ME.

22 SO, YOUR HONOR, I WOULD LIKE TO RENEW MY  
23 OBJECTION. BASED ON THE WITNESS'S TESTIMONY ABOUT  
24 HIS RECORDKEEPING, THOSE DOCUMENT HE HAS IN FRONT OF  
25 HIM THAT HE SAYS HE DETACHED THE ENVELOPE FROM DO NOT

1 BEAR ANY STAPLE MARKS OR STAPLE REMOVAL HOLES OR DO  
2 NOT APPEAR TO BE FOLDED.

3 SO THE MATCHING OF THOSE TWO IN CONNECTION  
4 WITH HIS RECORDKEEPING IS NOT BORNE OUT BY HIS  
5 TESTIMONY OR THE RECORD.

6 THE COURT: OKAY. LET ME TAKE 227 BACK,  
7 JUST THE ENVELOPE.

8 THANK YOU.

9 OKAY. THE TECHNICAL RULES OF --

10 THE WITNESS: I MAY HAVE SOME RECORDS HERE.

11 THE COURT: THE TECHNICAL RULES OF EVIDENCE  
12 IN ADMINISTRATIVE PROCEDURES ARE GREATLY RELAXED, AND  
13 THERE'S ENOUGH FOUNDATION TO HAVE THIS ADMITTED.

14 THE CONCERNS THAT YOU ALL ARE EXPRESSING,  
15 I'LL CONSIDER THOSE IN TERMS OF THE WEIGHT THAT I'LL  
16 GIVE THIS. BUT SINCE ENOUGH FOUNDATION HAS BEEN  
17 PROVIDED, I'LL ADMIT 227.

18 THE WITNESS: I MAY EVEN HAVE --

19 THE COURT: NO, NO, NO. WE'RE DONE.

20 (RESPONDENT'S EXHIBIT NUMBER 227 WAS RECEIVED  
21 INTO EVIDENCE.)

22 THE COURT: SO ANYTHING FURTHER?

23 MR. JENSEN: NO. JUST EXCUSE MR. GUIDO.

24 MR. RIEGER: NO. NO.

25 THE COURT: ANY FOLLOW-UP QUESTIONS?

1 MR. RIEGER: I DO.

2 THE COURT: OKAY.

3

4 CROSS-EXAMINATION

5 BY MR. RIEGER:

6 Q. MR. GUIDO, IF YOU COULD PLEASE TURN BACK TO  
7 EXHIBIT 6, PAGE 3. IT'S DESIGNATED AS P.E.R.S. 75.

8 ACTUALLY, BEFORE I ASK YOU QUESTIONS ABOUT  
9 THIS, HAVE YOU RECEIVED OTHER LETTERS FROM CALPERS  
10 OVER THE YEARS?

11 A. YES.

12 Q. HAVE YOU RECEIVED OTHER LETTERS IN  
13 ENVELOPES THAT LOOK ESSENTIALLY THE SAME AS  
14 EXHIBIT 227?

15 A. YES.

16 Q. HAVE YOU RECEIVED DOCUMENTS FROM CALPERS  
17 OVER THE YEARS IN OTHER TYPES OF ENVELOPES?

18 A. I CAN'T RECALL. MOST OF THEM WERE  
19 BUSINESS-TYPE ENVELOPES THAT I WAS RECEIVING.

20 Q. YOU CAN'T RECALL ONE WAY OR THE OTHER?

21 A. NO.

22 Q. AND YOU SAID THAT YOU DO NOT SAVE ALL OF  
23 YOUR DOCUMENTS THAT YOU RECEIVE FROM CALPERS; IS THAT  
24 RIGHT?

25 A. ONES INVOLVING CORRESPONDENCE, I DO.

1 Q. BUT THERE'S OTHER DOCUMENTS YOU RECEIVE  
2 FROM CALPERS THAT YOU DON'T SAVE?

3 A. I CAN'T SAY THAT. I DON'T REMEMBER  
4 RECEIVING OTHER DOCUMENTS THAT WERE NOT RELATED TO  
5 CORRESPONDENCE.

6 Q. OKAY. TURNING YOUR ATTENTION TO EXHIBIT 6,  
7 YESTERDAY WE TALKED ABOUT THE RULES OF RECIPROCITY  
8 THAT ARE DISCUSSED HERE ON EXHIBIT 6. DO YOU RECALL  
9 THAT TESTIMONY?

10 A. YES.

11 Q. AND YOU TESTIFIED THAT YOU UNDERSTOOD THE  
12 RULES OF RECIPROCITY THAT APPEAR ON EXHIBIT 6,  
13 P.E.R.S. 75, IN OCTOBER 2003; IS THAT RIGHT?

14 A. RESTATE THE QUESTION.

15 Q. YESTERDAY YOU TESTIFIED THAT IN OCTOBER OF  
16 2003 YOU UNDERSTOOD THE RULES OF RECIPROCITY THAT  
17 APPEAR ON P.E.R.S. 75 OF EXHIBIT 6?

18 MR. JENSEN: OBJECTION; MISSTATES HIS  
19 TESTIMONY.

20 THE COURT: ALL RIGHT. DO YOU REMEMBER IF  
21 THAT WAS YOUR TESTIMONY YESTERDAY OR NOT?

22 THE WITNESS: I RECALL MY TESTIMONY AS  
23 SAYING THAT I DID READ AND WAS FAMILIAR WITH  
24 INFORMATION PERTAINING TO RECIPROCITY.

25 WHERE I OBTAINED IT WAS VAGUE -- WAS STILL

1 VAGUE TO ME IN RECALLING WHERE I OBTAINED IT,  
2 RECEIVED IT, OR READ IT, BUT I WAS AWARE OF THE  
3 RECIPROCITY REQUIREMENTS.

4 BY MR. RIEGER:

5 Q. OKAY. AND THE RECIPROCITY REQUIREMENTS  
6 THAT YOU WERE AWARE OF ARE THE SAME REQUIREMENTS THAT  
7 APPEAR ON P.E.R.S. 75 IN EXHIBIT 6?

8 MR. JENSEN: OBJECTION, YOUR HONOR. IT'S  
9 ASKING HIM TO INTERPRET EXHIBIT 75, WHICH HE HAS NOT  
10 SAID HE'S RECEIVED, AND HE SAID HE'S RECEIVED  
11 INFORMATION OTHERWISE.

12 THE COURT: EXHIBIT?

13 MR. JENSEN: OH, HE'S REFERRING TO  
14 EXHIBIT 6.

15 MR. RIEGER: P.E.R.S. 75.

16 THE COURT: OKAY. OVERRULED.

17 YOU CAN ANSWER.

18 THE WITNESS: THE LANGUAGE IS ESSENTIALLY  
19 THE SAME AS WHAT I READ AND KNEW REGARDING THE -- YOU  
20 KNOW, THE CONCURRENT EMPLOYMENT AS WELL AS THE  
21 SIX MONTHS' SEPARATION PROGRAM.

22 BY MR. RIEGER:

23 Q. OKAY. SO YOU READ THESE RULES SOMEWHERE  
24 BEFORE OCTOBER 2003?

25 A. WAS FAMILIAR WITH THEM; YES.

1 Q. I JUST WANT TO MAKE SURE THAT YOUR  
2 TESTIMONY ABOUT WHAT YOU BELIEVE WAS OR WAS NOT IN  
3 THAT ENVELOPE THAT WAS JUST ADMITTED AS 227, THAT  
4 TESTIMONY DOESN'T CHANGE OR ALTER ANY OF THE  
5 TESTIMONY YOU GAVE YESTERDAY ABOUT THE RULES OF  
6 RECIPROCITY?

7 A. OH, I UNDERSTAND THAT. I UNDERSTAND THAT.

8 Q. I WANT TO MAKE SURE YOU'RE NOT CHANGING  
9 YOUR TESTIMONY --

10 A. YEAH.

11 Q. -- ON THAT POINT.

12 IS THAT RIGHT?

13 A. YEAH. AND THE PURPOSE OF THE LETTER WAS TO  
14 MAKE SURE THAT MY VERACITY WASN'T IN QUESTION ABOUT  
15 RECEIVING THE DOCUMENT.

16 MR. RIEGER: I HAVE NO MORE QUESTIONS,  
17 YOUR HONOR.

18 THE COURT: OKAY. ANY QUESTIONS,  
19 MS. DANIEL?

20 MS. DANIEL: NO, YOUR HONOR.

21 THE COURT: ANY FOLLOW-UP TO MR. RIEGER?

22 MR. JENSEN: NO, YOUR HONOR.

23 THE COURT: OKAY. THANK YOU.

24 MR. RIEGER: YOUR HONOR, AT THIS POINT, I  
25 WOULD JUST ASK IF WE COULD JUST QUICKLY SUMMARIZE --

1 NOT SUMMARIZE BUT QUICKLY CONFIRM THE EXHIBITS THAT  
2 ARE IN EVIDENCE.

3 I BELIEVE THAT I WILL REST, BUT BEFORE  
4 FORMALLY RESTING, I JUST WANT TO MAKE SURE I DON'T  
5 NEED TO PUT MS. DE FLORES ON FOR MY CASE IN CHIEF TO  
6 GET A COUPLE MORE DOCUMENTS IN.

7 THE COURT: OKAY. MAKES SENSE.

8 MR. RIEGER: MAYBE WE SHOULD HEAR FROM  
9 MR. JENSEN, IF HE'S RESTING RIGHT NOW.

10 MR. JENSEN: YES, YOUR HONOR, I AM RESTING.

11 THE COURT: OKAY. SO YOU WILL NOT NEED THE  
12 L.A.C.E.R.A. PEOPLE?

13 MR. JENSEN: I'M NOT GOING TO CALL THE  
14 PERSON MOST KNOWLEDGEABLE FOR L.A.C.E.R.A. OR DON  
15 KNABE'S OFFICE OR THE PERSONNEL OF L.A. COUNTY.

16 THE COURT: OKAY. LET ME GO THROUGH THE  
17 EXHIBITS FROM BOTH SIDES AND LET YOU KNOW WHAT'S BEEN  
18 ADMITTED.

19 ALL RIGHT. SO LET ME START WITH  
20 MR. GUIDO'S EXHIBITS. EXHIBITS 201 THROUGH 211,  
21 THOSE HAVE ALL BEEN ADMITTED. 212 AND 213 WERE  
22 IDENTIFIED BUT NOT OFFERED. 214 HAS BEEN ADMITTED.

23 NO MENTION HAS BEEN MADE OF 215 SO IT'S NOT  
24 BEEN IDENTIFIED.

25 216 HAS BEEN ADMITTED. 217 WAS NOT

1 OFFERED. 218 THROUGH 222 -- I'M SORRY. 218 THROUGH  
2 220 HAVE BEEN ADMITTED. 222 WAS ADMITTED. 224 AND  
3 225 HAVE BEEN ADMITTED, AND 227 WAS JUST ADMITTED.

4 THERE WERE A COUPLE OTHER DOCUMENTS THAT  
5 WERE IDENTIFIED BUT NOT OFFERED.

6 SO IS THAT -- MR. JENSEN, ARE THOSE THE  
7 EXHIBITS THAT YOU WANTED ADMITTED, THOSE THAT I'VE  
8 ALREADY MENTIONED, OR WAS THERE ANYTHING ELSE?

9 MR. JENSEN: THAT'S IT, YOUR HONOR.

10 THE COURT: OKAY.

11 MR. JENSEN: AND I THINK WE DID ALSO  
12 IDENTIFY EXHIBIT 4 FROM CALPERS IN MY CASE IN CHIEF.

13 THE COURT: WE'RE GOING TO COVER THE  
14 COMPLAINANT'S EXHIBITS NOW.

15 SO 4 HAS BEEN ADMITTED. 6 HAS BEEN  
16 ADMITTED. 14 HAS BEEN ADMITTED. 26 AND 27 HAVE BEEN  
17 ADMITTED. 34 --

18 MR. RIEGER: I'M SORRY, YOUR HONOR. I  
19 REALLY APOLOGIZE. I'VE BEEN TRYING TO CORRESPOND.  
20 COULD WE JUST START OVER?

21 THE COURT: SURE.

22 MR. RIEGER: THANK YOU. I NEED A DIFFERENT  
23 SYSTEM HERE.

24 THE COURT: START OVER WITH --

25 MR. RIEGER: -- JUST THE CALPERS. JUST THE

1 CALPERS.

2 THE COURT: OKAY. SO NUMBER 4 AND 6 AND  
3 14, THOSE HAVE BEEN ADMITTED. 26 AND 27 HAVE BEEN  
4 ADMITTED. 34, 35, 36 HAVE BEEN ADMITTED. 42 AND 45  
5 HAVE BEEN ADMITTED.

6 A NUMBER OF OTHER DOCUMENTS WERE IDENTIFIED  
7 BUT NOT OFFERED.

8 MR. RIEGER: OKAY. IF I COULD JUST -- I'M  
9 SORRY. GO AHEAD.

10 THE COURT: NO, NO.

11 MR. RIEGER: IF I COULD JUST HAVE MAYBE  
12 FIVE MINUTES. I JUST WANT TO CROSS-REFERENCE MY  
13 EXHIBITS WITH HIS TO MAKE SURE I KNOW MY  
14 COMPREHENSIVE LIST, AND THEN I'LL BE READY TO  
15 PROBABLY REST.

16 THE COURT: ALL RIGHT. MS. DANIEL, DID YOU  
17 WANT TO OFFER ANY EVIDENCE?

18 MS. DANIEL: NO, YOUR HONOR.

19 THE COURT: OKAY. ALL RIGHT. SO WE'LL GO  
20 OFF THE RECORD FOR FIVE MINUTES, AND WHEN WE COME  
21 BACK, YOU'LL LET ME KNOW WHAT YOU WANT TO DO.

22 MR. RIEGER: OKAY. THANK YOU.

23 THE COURT: OKAY. WE'RE OFF THE RECORD.

24 (WHEREUPON, A RECESS WAS HELD  
25 FROM 11:48 A.M. TO 11:57 A.M.)

1 THE COURT: LET'S GO BACK ON THE RECORD.

2 OKAY. MR. RIEGER, WHERE DO WE STAND?

3 MR. RIEGER: I'M SORRY. JUST GIVE ME ONE

4 MORE MINUTE HERE.

5 THE COURT: OKAY.

6 MR. RIEGER: YOUR HONOR, WE REST. CALPERS

7 RESTS.

8 THE COURT: OKAY. THANK YOU.

9 ALL RIGHT. SO IF I'M UNDERSTANDING THIS,

10 ALL THREE PARTIES HAVE PRESENTED ALL THE EVIDENCE

11 THAT THEY WANT ME TO HAVE ACCESS TO.

12 MR. JENSEN: ALL THE EVIDENCE, YES,

13 YOUR HONOR.

14 THE COURT: MS. DANIEL?

15 MS. DANIEL: YES, YOUR HONOR.

16 THE COURT: MR. RIEGER JUST RESTED.

17 OKAY. SO THE NEXT THING TO DISCUSS IS HOW

18 WE'RE GOING TO DO THE CLOSING ARGUMENTS -- IS THAT

19 CORRECT? -- OR IS THERE ANYTHING ELSE THAT SOMEONE

20 WANTS TO DISCUSS?

21 MR. RIEGER: I THINK WE SHOULD DISCUSS

22 CLOSING ARGUMENTS.

23 THE COURT: OKAY. ANYTHING OTHER THAN

24 CLOSING ARGUMENTS TO DISCUSS?

25 MR. JENSEN: NO, YOUR HONOR.

1 THE COURT: MS. DANIEL?

2 MS. DANIEL: NO, YOUR HONOR.

3 THE COURT: LET'S GO OFF THE RECORD, THEN.

4 (WHEREUPON, A BRIEF DISCUSSION WAS  
5 HELD OFF THE RECORD.)

6 THE COURT: LET'S GO BACK ON THE RECORD.

7 WE'VE GOT SOME HOUSEKEEPING MATTERS FIRST.

8 THERE ARE TWO REDACTIONS THAT NEED TO BE DONE TO THE  
9 OFFICIAL RECORD.

10 EXHIBIT 225, PAGE 357, THERE'S A  
11 SCREENSHOT, AND THERE'S PERHAPS AN EMPLOYEE SOCIAL  
12 SECURITY IN THE IDENTIFIER VALUE BOX, AND I'VE  
13 REDACTED THAT AND INITIALED THAT ON MY COPY.

14 AND SIMILARLY, ON EXHIBIT 30, PAGE 357,  
15 WHICH IS A COPY OF THE SAME DOCUMENT, I'VE DONE THE  
16 SAME, REDACTED AND INITIALED IT. FOR THE -- LET'S  
17 SEE. IT LOOKS LIKE THE WITNESS BINDERS HAVE BEEN  
18 TAKEN BACK BY THE PARTIES.

19 AND, MR. RIEGER, DO YOU HAVE A REQUEST  
20 REGARDING THE OTHER COPIES OF THESE DOCUMENTS?

21 MR. RIEGER: WELL, FIRST OF ALL, I JUST  
22 WANT TO STATE THAT WE DO NEED TO DO MORE THAN ONE  
23 REDACTION. THERE'S WHAT LOOKS TO BE A SOCIAL  
24 SECURITY NUMBER IN THE IDENTIFIER VALUE BOX IN THE  
25 UPPER MIDDLE. THERE'S A BIRTH DATE ON THE FAR RIGHT,

1 NEAR THE TOP RIGHT-HAND CORNER.

2 AND THEN DOWN BELOW UNDER "PARTICIPANT  
3 ACCOUNT ACTIVITY," THE COPY IS NOT THAT GREAT, BUT  
4 THERE DOES APPEAR TO BE A MEMBER'S NAME, AGAIN A  
5 SOCIAL SECURITY NUMBER, AND AGAIN A BIRTH DATE.

6 THE COURT: OKAY. WHERE IS THAT?

7 MR. RIEGER: THERE'S ONE BOX AND THERE'S  
8 SORT OF ANOTHER BOX THAT IS WITHIN IT.

9 THE COURT: OH, RIGHT.

10 MR. RIEGER: SO THE LARGER BOX ON THE TOP  
11 HAS WHAT APPEARS TO BE A SOCIAL SECURITY NUMBER AND A  
12 BIRTH DATE.

13 THE SMALLER BOX APPEARS TO HAVE THE SAME  
14 SOCIAL SECURITY NUMBER AND THE SAME BIRTH DATE AND A  
15 MEMBER NAME. AND I THINK THAT WILL DO IT. I THINK  
16 IF WE REDACT THOSE FIVE THINGS, WE SHOULD BE GOOD.

17 AND SO I WOULD JUST REQUEST THAT THE COURT  
18 DO THAT IN THE COURT'S OFFICIAL COPY. I AM TAKING  
19 THE WITNESS BINDERS WITH ME. I WILL APPROPRIATELY  
20 PROCESS THOSE.

21 AND THEN I WOULD JUST REQUEST AGREEMENT  
22 FROM BOTH COUNSEL THAT THEY HAVE RETAINED ALL COPIES  
23 OF THESE DOCUMENTS AND WILL APPROPRIATELY DESTROY  
24 THEM OR REDACT THEM IN A WAY WHERE IT CAN'T BE  
25 UNDONE.

1 THE COURT: OKAY. I'VE DONE THAT ON  
2 EXHIBITS 30 AND 225.

3 AND, MR. JENSEN, WILL YOU DO WHAT'S  
4 REQUESTED?

5 MR. JENSEN: AND, YOUR HONOR, I HAVE  
6 STRICKEN FROM MY COPY THE PERSONALLY IDENTIFIABLE  
7 INFORMATION IN BOTH SETS OF EXHIBITS THAT I MAINTAIN.  
8 SO IT IS DONE ALREADY.

9 THE COURT: OKAY. THANK YOU.

10 MR. JENSEN, WHEN WE WERE OFF THE RECORD --

11 MR. RIEGER: AND, MS. DANIEL, AS WELL, IF I  
12 COULD JUST HAVE -- I KNOW SHE WILL, BUT IF I COULD  
13 JUST HAVE THAT CONFIRMATION?

14 THE COURT: YES.

15 MS. DANIEL: YES, YOUR HONOR. I'VE ALREADY  
16 REDACTED THE PERSONAL INFORMATION, BOTH SETS -- ON  
17 BOTH SETS OF EXHIBITS.

18 THE COURT: OKAY. THANK YOU.

19 OKAY. THE RESPONDENT GUIDO'S REQUEST FOR  
20 OFFICIAL AND JUDICIAL NOTICE, WE DISCUSSED THAT OFF  
21 THE RECORD.

22 MR. GUIDO HAS REASSERTED THAT I TAKE  
23 OFFICIAL NOTICE OF THIS. CALPERS OBJECTED. WE  
24 DISCUSSED IT, AND I INDICATED TO THE PARTIES THAT I  
25 WILL DECLINE TO TAKE OFFICIAL NOTICE OF THESE ITEMS.

1                   AND THE REASON FOR THAT IS I'VE JUST ASKED  
2           MR. JENSEN TO CITE WHATEVER LEGAL AUTHORITY CONTAINED  
3           IN THOSE BRIEFS THAT HE THINKS ARE PERTINENT TO THIS  
4           CASE, HE CAN JUST INCLUDE IN HIS CLOSING BRIEF, AND  
5           I'LL CERTAINLY CONSIDER THAT.

6                   REGARDING THE BRIEFING SCHEDULE, RESPONDENT  
7           GUIDO WILL SUBMIT THE FIRST CLOSING BRIEF AND HAS  
8           UNTIL THE CLOSE OF BUSINESS ON JANUARY 31. HE WILL  
9           HAVE A 60-PAGE LIMIT.

10                   COMPLAINANT CALPERS AND CO-RESPONDENT CITY  
11           OF CUDAHY WILL HAVE UNTIL MARCH 8, THE CLOSE OF  
12           BUSINESS, TO SUBMIT THEIR CLOSING BRIEFS, AND THEY  
13           SHALL HAVE 60 PAGES EACH FOR THOSE BRIEFS.

14                   RESPONDENT GUIDO SHALL FILE A REPLY BRIEF  
15           NO LATER THAN MARCH 22, AND THE PAGE LIMITATION IS  
16           20 PAGES. OBVIOUSLY, THE BRIEFS THAT WE'RE TALKING  
17           ABOUT ARE GOING TO BE DUE NEXT YEAR, 2013.

18                   I'VE REMINDED THE PARTIES THAT GIVEN THE  
19           TIMING OF THE BRIEFS AND THE CLOSING OF THIS RECORD  
20           AROUND THE TIME OF THE LAYOFF SEASON, DEPENDING ON  
21           OUR SCHEDULE, I MAY NOT HAVE A PROPOSED DECISION  
22           UNTIL MAY.

23                   AND SO THE PARTIES HAVE BEEN REMINDED THAT  
24           THIS BRIEFING SCHEDULE WILL SIGNIFICANTLY DELAY THE  
25           ULTIMATE RESOLUTION OF THIS MATTER. AND THEY HAVE

1 ACKNOWLEDGED THAT, AND NO ONE SEEMS TO HAVE VOICED AN  
2 OBJECTION OR CONCERN ABOUT THAT.

3 IS THAT CORRECT, MR. JENSEN?

4 MR. JENSEN: YES, YOUR HONOR. WE HAVE  
5 DISCUSSED IT, AND MY CLIENT HAS AGREED THAT THE  
6 BRIEFING SCHEDULE IS APPROPRIATE AND THAT HE IS  
7 WILLING TO DELAY THE FINAL DURATION OF THIS IN  
8 CONSIDERATION OF THIS SCHEDULE.

9 THE COURT: OKAY. MR. RIEGER, IS THAT  
10 CORRECT?

11 MR. RIEGER: THAT'S CORRECT.

12 THE COURT: ALL RIGHT. MS. DANIEL?

13 MS. DANIEL: THAT'S CORRECT, YOUR HONOR.

14 THE COURT: OKAY. IS THERE ANYTHING ELSE  
15 THAT WE NEED TO PUT ON THE RECORD WHILE WE'RE ALL  
16 HERE?

17 MR. RIEGER?

18 MR. RIEGER: NOPE.

19 THE COURT: MR. JENSEN?

20 MR. JENSEN: THERE'S NOTHING ELSE, YOUR  
21 HONOR.

22 THE COURT: OKAY. MS. DANIEL?

23 MS. DANIEL: NOTHING FURTHER TO ADD.

24 THE COURT: OKAY. THEN THANK YOU ALL VERY  
25 MUCH.

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WE'RE OFF THE RECORD.  
  
(WHEREUPON, AT THE HOUR OF  
12:29 P.M., THE PROCEEDINGS  
WERE CONCLUDED.)

-000-

1 STATE OF CALIFORNIA )  
 ) SS

2 COUNTY OF LOS ANGELES )

3

4 I, MAXINE MILLER, HEARING REPORTER FOR THE  
5 STATE OF CALIFORNIA, HEREBY CERTIFY:

6 THE FOREGOING PROCEEDINGS WERE TAKEN BEFORE ME  
7 AT THE TIME AND PLACE THEREIN SET FORTH;

8 THE PROCEEDINGS WERE RECORDED STENOGRAPHICALLY  
9 BY ME AND WERE THEREAFTER TRANSCRIBED;

10 THE FOREGOING TRANSCRIPT IS A TRUE AND CORRECT  
11 TRANSCRIPT OF MY SHORTHAND NOTES SO TAKEN;

12 I FURTHER CERTIFY THAT I AM NEITHER COUNSEL  
13 FOR NOR RELATED TO ANY PARTY TO SAID ACTION, NOR IN  
14 ANY WAY INTERESTED IN THE OUTCOME THEREOF.

15 IN WITNESS WHEREOF, I HAVE HEREUNTO SUBSCRIBED  
16 MY NAME THIS 9TH DAY OF DECEMBER, 2012.

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