

Detail of Pre-Trial Lost Income
Plaintiff: Robert L. Exemplar

Projected Earnings of the Plaintiff - Dismissal Date to Trial
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Annual Earnings of the Plaintiff Before the Damages Began: \$ 58,000

From	To	Occupation	Salary	Fringes	Growth*
03/02/2004	12/31/2004	Purchasing Agent	\$ 49,298	\$ 11,339	2.0%
01/01/2005	12/31/2005		60,994	14,029	3.1%
01/01/2006	12/31/2006		63,556	14,618	4.2%
01/01/2007	12/31/2007		65,908	15,159	3.7%
01/01/2008	11/03/2008		57,514	13,228	3.7%
Totals:			\$ 297,270	\$ 68,373	

* Growth rates of earnings are from the U. S. Department of Labor, Bureau of Labor Statistics in "Table B-4. Average hourly earnings of production or nonsupervisory workers on private nonfarm payrolls by industry sector and selected industry detail, seasonally adjusted, 1995 to 2007 data for All Private Firms. Actual rates may differ because of calculations and/or entries made while calculating these damages.

Actual Earnings of the Plaintiff - Dismissal Date to Trial

From	To	Occupation	Salary	Fringes
03/02/2004	12/31/2004	Bookkeeping, Accounting, and Auditing Clerks(433031)	\$	\$
01/01/2005	12/31/2005		25,500	5,381
01/01/2006	12/31/2006		26,571	5,606
01/01/2007	12/31/2007		27,554	5,814
01/01/2008	11/03/2008		24,046	5,074
Totals - Future Value:			\$ 103,671	\$ 21,875

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Evaluation of Pre-Trial Lost Income by Year

Year Ending	Lost Earnings	Present Value Lost Earnings	Lost Fringe Benefits	Present Value Lost Fringes
12/31/2004	\$ 49,298	\$ 59,922	\$ 11,339	\$ 13,783
12/31/2005	35,494	41,089	8,648	10,011
12/31/2006	36,985	40,776	9,012	9,936
12/31/2007	38,354	40,272	9,345	9,812
11/03/2008	33,468	33,468	8,154	8,154
Totals	\$ 193,599	\$ 215,527	\$ 46,498	\$ 51,696

Detail of Future Lost Income
Plaintiff: Robert L. Exemplar

What the Plaintiff Would Have Earned in the Future

From	To	Occupation	Annual Earnings	Fringe Benefits	Growth Rate	Discount Rate
11/03/2008	11/03/2013	Purchasing Agent	\$ 68,345	\$ 15,719	1.0%	3.0%

What the Plaintiff Will Now Earn in the Future

From	To	Occupation	Annual Earnings	Fringe Benefits	Growth Rate	Discount Rate
11/03/2008	11/03/2013	Bookkeeping, Accounting, and Auditing Clerks(433031)	\$ 28,574	\$ 6,029	25.0%	3.0%

Evaluation of Future Lost Income by Year
Plaintiff: Robert L. Exemplar

Year Ending	Plaintiff Would Have Earned		Plaintiff Will Earn Instead		Difference (Totals)	Present Value of Loss
	Earnings	Fringes	Earnings	Fringes		
11/03/2009	\$ 68,345	\$ 15,719	28,574	\$ 6,029	\$ 49,461	\$ 48,668
11/03/2010	69,028	15,876	35,718	7,536	41,650	39,773
11/03/2011	69,718	16,035	44,648	9,420	31,685	29,359
11/03/2012	70,415	16,195	55,810	11,775	19,025	17,107
11/03/2013	71,119	16,357	69,762	14,719	2,995	2,608
Totals	\$ 348,625	\$ 80,182	\$ 234,512	\$ 49,479	\$ 144,816	\$ 137,515

Detail of Other Damages
Plaintiff: Robert L. Exemplar

Other Pre-Trial Damages

Date	Description of Damages	Amount	Present Value
03/02/2004	Job Placement costs connected with termination	\$ 12,000	\$ 14,586
	Totals	\$ 12,000	\$ 14,586

Other Future Damages

From	To	Description of Damages	Annual Amount	Growth Rate	Discount Rate
11/03/2008	11/03/2009	Tuition	\$ 11,237	.0%	3.0%
11/03/2008	08/15/2051	Loss of 401(k)	4,273	.0%	3.0%

Evaluation of Other Future Damages by Year
Plaintiff: Robert L. Exemplar

Year Ending	Annual Expenses	Present Value
11/03/2009	\$ 31,020	\$ 31,020
11/03/2010	8,546	8,298
11/03/2011	8,546	8,056
11/03/2012	8,546	7,820
11/03/2013	8,546	7,594
11/03/2014	8,546	7,372
11/03/2015	8,546	7,158
11/03/2016	8,546	6,948
11/03/2017	8,546	6,746
11/03/2018	8,546	6,550
11/03/2019	8,546	6,360
11/03/2020	8,546	6,174
11/03/2021	8,546	5,994
11/03/2022	8,546	5,820
11/03/2023	8,546	5,650
11/03/2024	8,546	5,486
11/03/2025	8,546	5,326
11/03/2026	8,546	5,170
11/03/2027	8,546	5,020
11/03/2028	8,546	4,874
11/03/2029	8,546	4,732
11/03/2030	8,546	4,594
11/03/2031	8,546	4,460
11/03/2032	8,546	4,330
11/03/2033	8,546	4,204
11/03/2034	8,546	4,082
11/03/2035	8,546	3,962
11/03/2036	8,546	3,848
11/03/2037	8,546	3,736
11/03/2038	8,546	3,626
11/03/2039	8,546	3,520
11/03/2040	8,546	3,418
11/03/2041	8,546	3,318
11/03/2042	8,546	3,222
11/03/2043	8,546	3,128
11/03/2044	8,546	3,038
11/03/2045	8,546	2,948

Evaluation of Other Future Damages by Year
 Plaintiff: Robert L. Exemplar

Year Ending	Annual Expenses	Present Value
11/03/2046	\$ 8,546	\$ 2,862
11/03/2047	8,546	2,780
11/03/2048	8,546	2,698
11/03/2049	8,546	2,620
11/03/2050	8,546	2,544
11/03/2051	6,672	1,928
Totals	\$ 194,039	\$ 116,517

Occupations Catalog Selections
Plaintiff: Robert L. Exemplar

Occupation Beginning 1/1/2005

Occupation Name: Bookkeeping, Accounting, and Auditing Clerks(433031)

Base Wage Rate: \$ 25,500, the tenth percentile wage for all workers in this occupation*

* Wage information from Occupational Employment Statistics for San Francisco-Oakland-Fremont, CA from the Division of Occupational Employment Statistics, U.S. Bureau of Labor Statistics, May, 2006.

Fringe Benefits Choice Information
Plaintiff: Robert L. Exemplar

Value of Fringe Benefits Plaintiff Would Have Earned

Occupation	Purchasing Agent	
Job Date	03/02/2004	
Company Group	All Manufacturing	
Industry	Industrial Machinery & Equipment	
Fringe Benefit	Percent of Earnings*	Annual Value
Federally-Required Payroll Taxes	7.4%	\$ 3,648
Unemployment Compensation	.9%	444
Workers' Compensation Insurance	1.5%	739
Payments for Holidays		
Paid Breaks, Etc.		
Sick Leave Pay		
Payments for Vacations		
Paid Time Off		
Family and Medical Leave Pay		
STD, Sickness or Accident Insurance		
LTD or Wage Continuation		
Medical Insurance Premiums	9.9%	4,881
Dental Insurance Premiums	.6%	296
Vision Care		
Retiree Medical Insurance Premiums		
Life Insurance and Death	.3%	148
Prescription Drug Coverage		
Defined Benefit Pension Plan	1.6%	789
Cash Balance or Other Hybrid Plan		
401K and similar	.8%	394
Profit-Sharing		
Stock Bonus/ESOPs		
Severance Pay		
Child Care		
Employee Education Expenditures		
Discounts		
Administrative and Other		
Totals - Annual Value	23.0%	\$ 11,339

* Fringe Benefits information from "The Employee Benefits Study 2007", U.S. Chamber of Commerce, Statistics and Research Center.

Fringe Benefits Choice Information
Plaintiff: Robert L. Exemplar

Value of Fringe Benefits Plaintiff Will Now Earn
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Occupation	Bookkeeping, Accounting, and Auditing Clerks(433)	
Job Date	01/01/2005	
Company Group	All Manufacturing	
Industry	Industrial Machinery & Equipment	
Fringe Benefit	Percent of Earnings*	Annual Value
Federally-Required Payroll Taxes	7.4%	\$ 1,887
Unemployment Compensation	.9%	230
Workers' Compensation Insurance	1.5%	382
Payments for Holidays		
Paid Breaks, Etc.		
Sick Leave Pay		
Payments for Vacations		
Paid Time Off		
Family and Medical Leave Pay		
STD, Sickness or Accident Insurance		
LTD or Wage Continuation		
Medical Insurance Premiums	9.9%	2,525
Dental Insurance Premiums	.6%	153
Vision Care		
Retiree Medical Insurance Premiums		
Life Insurance and Death		
Prescription Drug Coverage		
Defined Benefit Pension Plan		
Cash Balance or Other Hybrid Plan		
401K and similar	.8%	204
Profit-Sharing		
Stock Bonus/ESOPs		
Severance Pay		
Child Care		
Employee Education Expenditures		
Discounts		
Administrative and Other		
Totals - Annual Value	21.1%	\$ 5,381

* Fringe Benefits information from "The Employee Benefits Study 2007", U.S. Chamber of Commerce, Statistics and Research Center.

Explanations and Assumptions
Plaintiff: Robert L. Exemplar

Mr. Exemplar signed up for a two-year bookkeeping/accounting course a year before the trial began.

Understanding This Report

Loss Calculations

The economic loss sustained by the plaintiff as the result of dismissal or discriminatory action is composed of the loss of income earned from his/her job or occupation and the lost fringe benefits that are part of that income stream, both before and after the trial. These losses are mitigated by the income earned (including fringe benefits), since the injury and income expected to be earned in the future. In addition, there may be medical costs, both past and future, and other damages or costs that have occurred or which can be predicted to occur in the future.

The Summary page of the report shows the results of the calculation of these damages. The Damages Summary is divided into Present Values and Future Values. Future values, to an economist, are the unadjusted, actual stream of payments (costs) stretching forward into the future or back into the past. The present value of each of the future payments is the amount it would take, if invested today with interest compounded, to equal the amount of the payment at the point it is to be made. Similarly, the present value of past payments is the amount it would have become had it been invested at the point it would have been made. These individual payment streams are then added to give the individual totals, which are added to give the past, future and grand totals.

Interest and Discount Rates

This report takes into account lost income and dismissal related costs for both the time between the injury and the trial or settlement (pre-trial or past) and for the time after the trial or settlement (future). Costs already incurred are compounded to the time of trial by the pre-trial loss compound rate, which is used to calculate the present value of past damages. This estimates a minimum value to the plaintiff of the earnings lost in the past.

The method used to project the future lost income and costs is called the "constant-dollar" method. In plain English, this means that the dollars to be received in the future are assumed to have the same average purchasing power as dollars received today. Although this will most likely not be the case in reality, there are certain advantages to ignoring the inflation that will probably take place.

The most important advantage is that we are spared the hopeless task of trying to predict future rates of inflation. These future inflation rates affect all the projected variables: namely, income, costs and interest rates. Although future inflation rates are unpredictable, inflation affects these other variables in roughly the same way. Consequently they all tend to move together. Thus, even though any one of the variables, considered alone, is difficult to predict, the relationship among the three variables is quite stable, and therefore, predictable.

On the page labeled "Evaluation of Future Damage to Income by Year", the second column lists the constant-dollar income the plaintiff would have had, growing at the rate shown in the "Growth" column of the page titled "Detail of Future Lost Income". This growth rate is the rate by which income growth is expected to exceed inflation, expressed in percentage points.

Understanding This Report (Continued)

In recent years, real earnings have grown an average of one to two percentage points per year faster than inflation; hence one percent is the program default value. Other costs are projected to increase at a rate equal to the rate of inflation, so the default value for the growth of other, non-medical costs is zero.

Now, since we have removed the inflation component from projected income and from projected costs, we must also remove the inflation component from the interest rate used to discount future dollars to present value.

While there is disagreement among economists concerning the "true" zero-inflation rate of interest, most would agree that it lies in the range of 2% to 4%. The default for the program uses the average between these figures. The "Present Value of Loss" column is calculated using the 3% rate.

The rate of growth of future income is estimated at 1%. This is a fairly conservative estimate of the rate of increase of productivity in the United States. Productivity is a measure of the ability of each worker to produce more this year than was possible last year. This rate has historically increased by 2 to 2.5% each year until the 1970s when it began to decline. The rate has recently begun to increase, so 1% per year still looks like a conservative value for this variable.