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6 IN THE UNITED STATES DISTRICT COURT
7 FOR THE DISTRICT OF ARIZONA

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9 KnightBrook Insurance Company and
10 Knight Management Insurance Services,
11 LLC,

11 Plaintiffs,

12 v.

13 Payless Car Rental System, Inc.; PCR
14 Venture of Phoenix, LLC,

15 Defendants.

No. CV12-1671 PHX DGC

ORDER

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17 Plaintiffs have filed a motion for reconsideration. Doc. 264. The motion argues
18 that the Court's order dated September 3, 2014 (Doc. 261) misapprehended Bovre's
19 relationship with attorney Collins. It argues that Collins represented Travelers and not
20 Bovre, undercutting the basis for the Court's ruling. The Court will deny the motion in
21 part and require Defendants to respond to one issue.

22 Plaintiffs' only response to paragraphs 23 and 24 of Defendants' statement of facts
23 was an objection based on the attorney-client privilege. Doc. 224 at 14. Plaintiffs did not
24 dispute the substance of the paragraphs or the deposition testimony cited, which the Court
25 has read. *See* Doc. 224-2 at 77-79. The Court does not find Plaintiffs' privilege
26 objection well founded, both because Mr. Bovre testified freely about the subjects at
27 issue after being told that he did not need to reveal privileged communications (*id.*), and
28 because the Court doubts Plaintiffs' standing to assert Bovre's privilege. Paragraphs 23

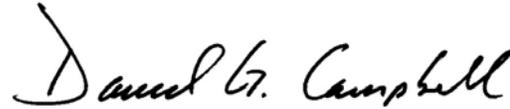
1 and 24 of Defendants' statement of facts assert that, before June 24, 2010, (1) Bovre
2 explained to Collins that he believed he should have received SLI coverage, and
3 (2) Bovre understood Collins represented him in pursuing such coverage. Doc. 224 at 14.
4 With Plaintiffs' privilege objection overruled, these facts are undisputed. In addition, it is
5 clear that Bovre knew by June 24, 2010 that the desk agent had failed to create a written
6 contract that clearly included SLI coverage. Given these undisputed facts, Bovre had
7 reason to know before June 24, 2010 that the desk agent had failed to document the SLI
8 coverage Bovre thought he was getting, and that Bovre had caused injuries to the McGills
9 far in excess of his other insurance coverage.

10 For the statute of limitations to be triggered, Bovre must have had knowledge
11 sufficient to identify that (1) a wrong occurred and (2) caused injury. *Walk v. Ring*, 44
12 P.3d 990, 996 (2002). By June 24, 2010, the first requirement was satisfied – Bovre
13 possessed knowledge sufficient to recognize that a wrong had occurred (the desk agent
14 had failed to document the SLI coverage, creating a significant problem for Bovre). The
15 Court will deny Plaintiffs' motion to reconsider on this issue.

16 The Court will require Defendants to respond to a second issue – whether Bovre
17 suffered appreciable, non-speculative harm before June 28, 2010. *See Commercial Union*
18 *Ins. Co. v. Lewis & Roca*, 902 P.2d 1354, 1358 (Ariz. 1995). Plaintiffs argued in their
19 response to Defendants' motion for summary judgment that harm did not occur until SLI
20 coverage was denied on July 1, 2010. The Court rejected this argument on the ground
21 that Bovre had been forced to hire counsel before that date. Doc. 261 at 6 n.2. Materials
22 identified in the motion to reconsider, and provided as part of the summary judgment
23 briefing, suggest that Collins was hired by Travelers, not Bovre.

1 Defendants shall address this issue in a response to the motion to reconsider, not to
2 exceed seven pages, by October 14, 2014. No reply shall be filed unless ordered.

3 Dated this 7th day of October, 2014.
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8 David G. Campbell
9 United States District Judge
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