

IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF CALIFORNIA

PAUL EVERT’S RV COUNTRY, INC.,
PAUL EVERT and CHARLES CURTIS,

Plaintiffs,

v.

UNIVERSAL UNDERWRITERS
INSURANCE COMPANY,

Defendant.

UNIVERSAL UNDERWRITERS
INSURANCE COMPANY,

Cross-Complainant,

v.

PAUL EVERT’S RV COUNTRY, INC.,
PAUL EVERT and CHARLES CURTIS,
AARON LYON and ROES 1-50, inclusive,

Cross-Defendants.

Case No. 1:15-cv-00124 WBS SKO

STIPULATED JUDGMENT

This matter arises out of the Superior Court’s judgment and award in the matter of *Fresno RV et al. v. Paul Evert’s RV Country Inc. et al.*, Fresno Superior Court Case No. 11-CE-CG-01433.

On January 17, 2014, the Superior Court awarded \$500,000 in compensatory damages (“the Compensatory Damage Award”); and \$3,000,000 in punitive damages against Paul Evert,

1 \$1,000,000 in punitive damages against Charles Curtis and \$80,000 in punitive damages against
2 Aaron Lyon (“the Punitive Damage Award”). The Superior Court’s award of compensatory and
3 punitive damages was reduced to a Judgment, and that Judgment is currently on appeal in *Fresno*
4 *RV, Inc. et al. v. Paul Evert's RV Country, Inc. et al.*, Court of Appeal Case Number F071783.

5 Plaintiffs brought this action for breach of contract and breach of the covenant of good faith
6 and fair dealing. Defendant filed a Counter-Complaint for Declaratory Relief against Plaintiffs and
7 Aaron Lyon.

8 Defendant moved for summary judgment or, in the alternative, partial summary judgment,
9 on all claims in the Complaint and Counter-Complaint. Plaintiffs filed a motion for partial
10 summary judgment on Plaintiffs’ Complaint. On November 18, 2016, this Court issued its Order
11 re: Cross-Motions for Summary Judgment, Docket No. 108. The Court’s Order granted partial
12 summary judgment for Defendant on the issue of whether Plaintiffs and Lyon may recover
13 damages from Defendant based on their liability for punitive damages in the underlying *Fresno RV*
14 action. The Court’s Order denied the remainder of the motions.

15 The Parties have reached an agreement that the November 18, 2016 Order should become
16 the Stipulated Judgment of the Court on the issue of whether Plaintiffs or Lyon may recover
17 damages from Defendant based on their liability for punitive damages in the underlying *Fresno RV*
18 action, subject to appeal. Plaintiffs stipulate to the dismissal with prejudice of each of Plaintiffs’
19 remaining claims for damages not based on the Punitive Damages Award. Defendant stipulates
20 that in the event that the Judgment is overturned on appeal, Plaintiffs may seek damages based on
21 Universal’s denial of coverage for the Punitive Damages Award under any theory whatsoever,
22 including but not limited to the contention that Defendant failed to provide a defense in the
23 underlying litigation.

24 Defendant stipulates to the dismissal with prejudice of its claim for declaratory relief
25 relating to insurance coverage for the Compensatory Damage Award. Defendant stipulates to the
26 dismissal of its claim for declaratory relief that it provided a defense in the underlying matter as
27 required by the Policy, without prejudice.

28 ///

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

The parties stipulate that each party shall bear its own costs and attorney's fees incurred in this matter.

DATED: January 27, 2017 WILKINS, DROLSHAGEN & CZESHINSKI LLP

By: /s/James Wilkins
James H. Wilkins
Attorneys for Paul Evert's RV Country, Inc.,
Paul Evert and Charles Curtis

DATED: January 27, 2017 LAW OFFICES OF PETER SEAN BRADLEY

By: /s/Peter Sean Bradley
Peter Sean Bradley
Attorneys for Aaron Lyon

DATED: January 27, 2017 MOUND COTTON WOLLAN & GREENGRASS LLP

By: /s/Jonathan Gross
Jonathan Gross
Attorneys for Universal Underwriters Insurance
Company

PURSUANT TO THE PARTIES' STIPULATION, AND GOOD CAUSE APPEARING, THE COURT ENTERS JUDGMENT AS FOLLOWS:

Judgment is entered for Defendant on the issue of whether Plaintiffs and Aaron Lyon may recover damages from Defendant based on the Punitive Damages Award, pursuant to the Court's ruling on that issue in its November 18, 2016 Order re: Cross-Motions for Summary Judgment, Docket No. 108.


All other claims in Plaintiffs' Complaint are dismissed with prejudice. This dismissal does not limit the relevant evidence that Plaintiffs may use to prove a claim for damages based on Universal's alleged breach of its duties relating to the Punitive Damages Award should they prevail on their appeal of this Judgment.

Defendant's claim for declaratory relief relating to the Compensatory Damage Award is dismissed with prejudice. Defendant's claim for declaratory relief that it provided a defense in the underlying matter as required by the Policy is dismissed without prejudice.

Each party shall bear its own costs and attorney's fees incurred in this matter.

IT IS SO ORDERED.

Dated: January 27, 2017


WILLIAM B. SHUBB
UNITED STATES DISTRICT JUDGE