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Attorneys for Defendants AMERICAN
NATIONAL PROPERTY AND CASUALTY
COMPANY, AEROSPACE INSURANCE
MANAGERS, INC., AND AEROSPACE
INSURANCE SERVICES

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF CALIFORNIA

WILLIAM G. CAVANAUGH,

Plaintiff,

vs.

AMERICAN NATIONAL PROPERTY AND
CASUALTY COMPANY, AEROSPACE
INSURANCE MANAGERS, INC.,
AEROSPACE INSURANCE SERVICES,

Defendants.

CASE NO. 1:15-CV-01177-TLN-SKO

**JOINT STIPULATION TO AMEND
PRETRIAL SCHEDULING ORDER TO
(1) PERMIT FILING OF THIRD-PARTY
COMPLAINT, AND (2) EXTEND
DISCOVERY CUT OFF**

Honorable Troy L. Nunley

Plaintiff William G. Cavanaugh (“Cavanaugh”) and defendants American National
Property and Casualty Company (“American National”), Aerospace Insurance Managers, Inc., and
Aerospace Insurance Services (“defendants”), through their respective counsel, stipulate as

1 follows:

2 1. Cavanaugh filed the present action on or about July 29, 2015, alleging three cause
3 of action: (a) to collect on a judgment entered in underlying litigation against its insured, Bill
4 Coulter (“Coulter”); (b) breach of contract as an assignee of Coulter’s rights under the American
5 National Airport Liability Insurance Policy at issue in this action based on defendants’ alleged
6 failure to defend, settle and indemnify Coulter in connection with the underlying action; and (c)
7 breach of the implied covenant of good faith and fair dealing (bad faith) based upon defendants’
8 conduct after Cavanaugh became a third party beneficiary of the insurance contract.

9 2. The underlying liability action sought damages for personal injuries sustained by
10 Cavanaugh when a helicopter he was piloting crashed as a result of the alleged negligence of
11 Coulter. A tender by Cavanaugh was denied. Cavanaugh obtained a judgment against Coulter
12 and an assignment of Coulter’s rights against his carrier. Defendants refused to pay the judgment
13 and the present action followed.

14 3. On February 1, 2016, this Court entered a Pretrial Scheduling Order. As of that
15 date, the order cut off the joinder of parties and amendment of pleadings without leave of court.
16 The Pretrial Scheduling Order also set the discovery cut off on February 2, 2017 and trial on
17 January 22, 2018.

18 4. On December 2, 2016, American National filed a motion for leave to amend the
19 Pretrial Scheduling Order to (1) permit the filing and service of a third-party complaint against
20 Cavanaugh and Coulter seeking to reform that policy to reflect what it alleges is the mutual
21 understanding of the contracting parties that coverage is afforded for “Airport Operations”, and (2)
22 adjust the deadlines set forth in the Pretrial Scheduling Order to allow additional time for
23 Cavanaugh and Coulter to address the reformation claim.

24 5. As set forth in detail by the motion to amend and the supporting declarations of
25 Warren J. Mueller and John R. Hanson, subsequent to the entry of the Pretrial Scheduling Order,
26 American National learned of what it contends is a scrivener’s error in its policy, which plaintiff
27 contends renders coverage illusory.

28

1 6 So as to avoid unnecessarily burdening the Court and to allow for the efficient
2 resolution of this action without the need to incur unnecessary expenses, the parties stipulate,
3 subject to approval of the Court, that:

4 a. American National’s motion to amend the Pretrial Scheduling Order be
5 GRANTED for good cause shown.

6 b. The Pretrial Scheduling Order entered on February 1, 2016, is modified to
7 allow the filing of American National’s proposed Third-Party Complaint for
8 Reformation of Insurance Policy (“Third-Party Complaint”), a copy of
9 which is attached hereto as Appendix A.

10 c. The Third-Party Complaint is deemed filed as of the date this stipulation is
11 “So Ordered” by the Court. Plaintiff shall have the normal period of time to
12 respond to the Third-Party Complaint after it is served on plaintiff’s
13 counsel.

14 d. The following deadlines set forth in Section IV of the Pretrial Scheduling
15 Order are modified:
16 Non Expert Discovery Cut-off: March 31, 2017
17 Expert Disclosure: May 19, 2017. Supplemental experts are to be
18 disclosed within 20 days after this date.
19 All other dates in the Scheduling Order remain the same.

20 e. Any depositions of American National taken pursuant to Rule 36(b)(6) of
21 the Federal Rules of Civil Procedure will be held at a location in San
22 Francisco that is mutually agreeable to the parties.

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DATED: December 21, 2016

LEWIS BRISBOIS BISGAARD & SMITH LLP

By: /s/ Stephen V. Kovarik
Rebecca R. Weinreich
Stephen V. Kovarik
Attorneys for Defendants American National
Property and Casualty Company, Aerospace
Insurance Managers, Inc., Aerospace Insurance
Services

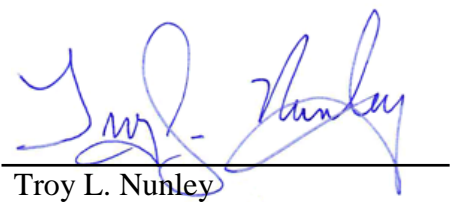
DATED: December 21, 2016

MANNION & LOWE

By: /s/ E. Gerard Mannion
 (as authorized on Dec. 21, 2016)
E. Gerard Mannion
Demian I. Oksenendler
Attorneys for Plaintiff William G. Cavanaugh

IT IS SO ORDERED.

Dated: December 27, 2016



Troy L. Nunley
United States District Judge