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6 **THRIVENT FINANCIAL FOR LUTHERANS**

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Defendant, in Propria Persona

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Defendant, in Propria Persona

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13 UNITED STATES DISTRICT COURT
14 EASTERN DISTRICT OF CALIFORNIA
15 FRESNO DIVISION

16 THRIVENT FINANCIAL FOR LUTHERANS,
17 Plaintiff,
18 v.
19 JAMES WALLACE, WILLIAM JONES, AND
ESTATE OF CHERIE LUCK,
20 Defendants.

Case No. 1:18-cv-00097-LJO-BAM

**JUDGMENT OF DISCHARGE IN
INTERPLEADER AND FOR
DISTRIBUTION OF FUNDS**

21
22 The stipulation by and between Plaintiff Thrivent Financial For Lutherans (“Thrivent”);
23 defendant James Wallace (“Wallace”), and defendant William Jones (“Jones”) (hereinafter Wallace
24 and Jones referred to collectively as “Defendants”)(hereinafter Thrivent and Defendants collectively
25 referred to as “the Parties”) came before this Court for consideration in due course. Having
26 reviewed and considered the stipulation, IT IS HEREBY ORDERED, ADJUDGED, AND
27 DECREED:

1 1. That, on or about August 3, 1986, Cherie D. Luck (“Decedent”), applied for life
2 insurance provided by Thrivent, formerly Aid Association for Lutherans. On the application,
3 decedent designated her parents Lonnie L. Chebret and Deona Chebret as primary beneficiaries;

4 2. That, on or about August 14, 1986, Thrivent issued universal life insurance to
5 Decedent under Certificate No. 6665XXX¹ (“the Certificate”), with a face value of \$150,000.00, in
6 the State of New Mexico. Decedent designated her parents Lonnie L. Chebret and Deona F. Chebret
7 as primary beneficiaries, and completed an “Assignment of Certificate” in their favor. The
8 Certificate also provided accidental death benefits in the event of an accidental death of a covered
9 person pursuant to the terms of the Certificate;

10 3. That, at the time of Decedent’s death, the life insurance proceeds under the Certificate
11 amounted to approximately \$135,503.00;

12 4. That, Thrivent received an Absolute Assignment of Contract dated August 9, 2006,
13 assigning the ownership of the Certificate back to Decedent;

14 5. That, on or about September 25, 2008, Thrivent issued Variable Annuity Contract No.
15 LC46XXXX5 to Decedent, with Wallace designated as primary beneficiary and Keith H. Luck,
16 “Parent”, as contingent beneficiary. At the time of Decedent’s death Annuity No. LC46XXXX5
17 provided a death benefit of \$97,994.54;

18 6. That, Thrivent issued a second annuity, Variable Annuity Contract No. LC48XXXX1
19 to Decedent on July 13, 2010 in the State of California with Wallace designated as primary
20 beneficiary on the application and Decedent’s children as contingent beneficiaries, in equal shares.
21 At the time of Decedent’s death, Annuity No. LC48XXXX1 provided a death benefit of \$31,389.57;

22 7. That, on or about July 13, 2010, Thrivent issued a third annuity, Variable Annuity
23 Contract No. LC48XXXX2 to Decedent, in the State of California with Wallace designated as the
24 primary beneficiary and Decedent’s children as contingent beneficiaries, in equal shares. At the time
25 of Decedent’s death, Annuity No. LC48XXXX2 provided a death benefit of \$3,389.57;²

26 _____
27 ¹ The Certificate number and the number of the Annuities have been redacted to preserve their financial integrity.
Should the Court desire to see un-redacted documents, Thrivent is agreeable to produce them for an *in camera* review.

28 ² Annuities Nos. LC46XXXX5, LC48XXXX1, and LC48XXXX2 are hereinafter referred to collectively as “the Annuities” and the Annuities and the Certificate are hereinafter referred to collectively as “the Accounts”.

1 8. That, on or about August 8, 2016, Decedent submitted a form entitled “Beneficiary
2 Designation Common” (hereinafter “Beneficiary Designation”), to Thrivent in an attempt to change
3 the beneficiaries of the Annuities and the Certificate, designating Jones as primary beneficiary,
4 whom Decedent identified as “Husband as of 8/1/2015” and designating “Trust of Deona F.
5 Chebret” as first contingent beneficiary, however, without a date of the trust;

6 9. That, after receipt of the Beneficiary Designation, Thrivent wrote to Decedent on or
7 about September 9, 2016 informing Decedent that when naming a trust as beneficiary, Thrivent
8 requires the date the trust was established and that the beneficiary designation will not change until
9 new form(s) are approved. Thrivent enclosed another Beneficiary Designation and highlighted the
10 section of the form where the date of the trust was to be provided;

11 10. That, Decedent died on or about September 10, 2017, and that at no time prior to
12 Decedent’s death did Thrivent receive a corrected Beneficiary Designation identifying the date of
13 the trust;

14 11. That, after Decedent’s death, Thrivent received a call from Jones stating he believed
15 he should be the beneficiary of record for Decedent’s accounts with Thrivent;

16 12. That, on or about December 10, 2017, Jones wrote to Thrivent stating it was his
17 position that he was the beneficiary of the Accounts;

18 13. That, at the time of Decedent’s death, pursuant to the terms of the Certificate
19 providing life insurance, Decedent had no named primary beneficiaries, and that the Certificate
20 provides: “Thrivent will pay the proceeds to your estate if you are the insured and upon your death
21 no beneficiary has been designated or survives you.”

22 14. That, that at a time prior to Decedent’s death, Decedent and Wallace were divorced;

23 15. That, by reason of Decedent’s death, the death benefit proceeds under the Accounts
24 became due and owing;

25 16. That, Defendants and each of them are persons or entities known to Thrivent to be
26 have some right, title, or interest in the death benefit proceeds payable under the Accounts, and
27 therefore there are conflicting actual demands upon Thrivent;

1 17. That, Thrivent was unable to determine with certainty the validity of the actual and
2 potential conflicting demands being made to the death benefit proceeds due under the Accounts
3 and/or which may have been made by Defendants herein as described above, and Thrivent could not
4 determine to whom to pay the death benefit proceeds due under the Accounts based on the death of
5 Decedent;

6 18. That, Thrivent possessed a real and reasonable fear of double liability or conflicting
7 claims related to the death benefit proceeds payable under the Accounts;

8 19. That, Thrivent may be exposed to multiple claims or liability should it make payment
9 of any, or all, of the death benefit proceeds due under the Accounts to an individual and/or entity not
10 entitled to the death benefit proceeds;

11 20. That, on January 19, 2018, Thrivent filed its complaint in interpleader in This Court;

12 21. That, on February 1, 2018, this Court issued an order permitting Thrivent to retain
13 and administer the Accounts until such time as the Court makes a determination as to the rightful
14 recipient of the death benefit proceeds under the Accounts;

15 22. That, neither Jones nor Wallace has filed a response to the Complaint;

16 23. That, Jones and Wallace submit to personal jurisdiction of this Court and agree that
17 this Court has subject matter jurisdiction;

18 24. That, Thrivent is a disinterested stakeholder and is indifferent to which defendant or
19 defendants are entitled to the death benefit proceeds payable under the Contract;

20 25. That, Thrivent properly filed the Complaint for Interpleader and Declaratory Relief in
21 this action and stated a proper cause for interpleader;

22 26. That, Wallace surrenders and disclaims any interest whatsoever in the death benefit
23 proceeds under the Accounts and agrees that all said death benefit proceeds under the Accounts be
24 paid to Jones;

25 27. That, Defendants agree that the life insurance proceeds payable under the Certificate
26 be paid to the Estate of Decedent;

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1 28. That, the pending examination to determine whether accidental death benefits are
2 payable under the Certificate due to Decedent's death remains ongoing, notwithstanding the
3 agreement to pay the life insurance benefits;

4 29. That, in the event accidental death benefits are payable, Defendants agree that said
5 proceeds shall be paid to Decedent's estate;

6 30. That, Thrivent is entitled to fees of \$10,177.50, and costs of \$490.06 for a total of
7 \$10,667.56 to be paid out of the life insurance proceeds and that Thrivent is entitled to withhold said
8 amount prior to distributing the life insurance proceeds;

9 31. That, having brought this action, Thrivent is hereby discharged from any and all
10 liability to Defendants and each of them as well as their representatives, agents, assigns, and/or
11 anyone action on their behalf, based upon and/or with respect to the terms of the Accounts and each
12 of them, the death benefit proceeds payable under the Accounts, the death of Decedent and/or
13 Defendants' actual and/or potential claims for the death benefit proceeds payable under the
14 Accounts;

15 32. That, Defendants and each of them as well as their representatives, agents, assigns,
16 and/or anyone action on their behalf are hereby permanently restrained and/or prohibited from
17 instituting or prosecuting any proceeding in any state court, United States Court or administrative
18 tribunal against Thrivent based upon and/or with respect to the terms of the Accounts, the death
19 benefit proceeds payable under the Accounts, Defendants' actual and/or potential claims for the
20 death benefit proceeds payable under the Accounts, and Thrivent's handling of the Accounts,
21 administration of the Accounts, or its handling of Defendants' actual and potential claims for the
22 death benefit proceeds;

23 33. That, notwithstanding the foregoing, this stipulation does not affect the right of Jones
24 to bring an action in the event of an adverse decision upon conclusion of the examination of the
25 accidental death claim;

26 34. That, within calendar 10 days of the entry of judgment of discharge, Jones shall
27 provide all documentation to Thrivent necessary for completing the examination of the accidental
28

1 death claim, including the Deceased's Information Statement for Life Contracts and Authorization
2 for Information, and the Authorization for Information Regarding a Deceased Person.

3 35. That, Thrivent is entitled to a judgment of discharge in interpleader in its favor in this
4 action as to all Defendants; and

5 36. That, except as set forth herein, all parties are to bear their own fees and costs with
6 respect to the litigation of this action, including with respect to this Stipulation and the Stipulated
7 Judgment entered thereon.

8
9 IT IS SO ORDERED.

10 Dated: May 7, 2018

/s/ Lawrence J. O'Neill
UNITED STATES CHIEF DISTRICT JUDGE