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Attorneys for J. MICHAEL HOPPER,
in his capacity as trustee of the bankruptcy
estate of defendant MARK SCOTT

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF CALIFORNIA
SACRAMENTO DIVISION

ZURICH AMERICAN INSURANCE
COMPANY; AMERICAN GUARANTEE AND
LIABILITY INSURANCE COMPANY; AND
AMERICAN ZURICH INSURANCE
COMPANY

Plaintiffs

vs.

TRANS CAL ASSOCIATES; TRANS CAL
INSURANCE ASSOCIATES, INC.;
SACRAMENTO SURPLUS LINES
INSURANCE BROKERS, INC.; MARK
SCOTT; GRAY SCOTT; and DOES 1-50,

Defendants.

Case No. 2:10-CV-01957-WBS-KJN
Chapter 7

**STIPULATION TO CONTINUE
HEARING ON PLAINTIFFS’
MOTION TO STRIKE
DEFENDANTS’ ANSWER AND
TRANS CAL’S CROSS COMPLAINT
AND ENTER DEFAULT**

Date: August 1, 2011
Time: 2.00 p.m.
Place: Courtroom 5, 14th Floor
501 “I” Street
Sacramento, CA 95814
Judge: William B. Shubb

J. MICHAEL HOPPER (“Trustee”), in his capacity as trustee of the bankruptcy estate of
defendant MARK SCOTT (“M. Scott”), on the one hand, and plaintiffs ZURICH AMERICAN
INSURANCE COMPANY; AMERICAN GUARANTEE AND LIABILITY INSURANCE
COMPANY; AND AMERICAN ZURICH INSURANCE COMPANY (collectively “Zurich”), on
the other hand, in support for their stipulation, recite that:

1 A. WHEREAS, David F. Anderson and Hefner, Stark and Marois, former counsel
2 for defendants TRANS CAL ASSOCIATES; TRANS CAL INSURANCE ASSOCIATES, INC.;
3 SACRAMENTO SURPLUS LINES INSURANCE BROKERS, INC.; M. Scott; and GRAY SCOTT
4 (“G. Scott”) (collectively “Defendants”), withdrew as counsel effective May 10, 2011.

5 B. WHEREAS, on May 18, 2011, Zurich filed a motion to strike the Answer filed by
6 defendants TRANS CAL ASSOCIATES; TRANS CAL INSURANCE ASSOCIATES, INC., and
7 SACRAMENTO SURPLUS LINES INSURANCE BROKERS, INC. (collectively “Entity
8 Defendants”) to Zurich’s First Amended Complaint and to strike TRANS CAL ASSOCIATES’
9 Cross-Complaint, and requesting entry of default against the Entity Defendants, on the basis that the
10 Entity Defendants do not have legal counsel, and therefore are unable to defend Zurich’s complaint
11 or prosecute a cross-complaint.

12 C. WHEREAS, on June 21, 2011, M. Scott filed a voluntary Chapter 7 bankruptcy
13 petition in the United State Bankruptcy Court, Eastern District of California, Sacramento Division,
14 in Case No. 11-35381-D-7.

15 D. WHEREAS, Trustee is the duly appointed trustee of M. Scott’s bankruptcy estate.

16 E. WHEREAS, on June 30, 2011, G. Scott filed a Chapter 13 bankruptcy petition in the
17 United State Bankruptcy Court, Eastern District of California, Sacramento Division, in Case No. 11-
18 36226-A-13.

19 F. WHEREAS, on June 30, 2011, this Court issued an order requesting briefing from
20 the non-bankrupt parties addressing the effect of the automatic stay provisions of 11 U.S.C. § 362
21 on further proceedings in this action and continuing the hearing on Zurich’s motion to strike, set for
22 July 5, 2011, to August 1, 2011 at 2:00 p.m.

23 G. WHEREAS, Trustee is informed that M. Scott is an officer, director, and controlling
24 shareholder in TRANS CAL INSURANCE ASSOCIATES, INC. and SACRAMENTO SURPLUS
25 LINES INSURANCE BROKERS, INC., and that TRANS CAL INSURANCE ASSOCIATES, INC.
26 and SACRAMENTO SURPLUS LINES INSURANCE BROKERS, INC. are the sole partners of
27 TRANS CAL ASSOCIATES.

28 H. WHEREAS, Trustee and Zurich are not aware of any legal counsel having been

1 retained on behalf of the Entity Defendants.

2 I. WHEREAS, Trustee has sought legal counsel to assist him in assessing the
3 bankruptcy estate's interest in the above-captioned proceeding, and for that purpose, Trustee and
4 Zurich have agreed to continue the hearing on Zurich's motion to strike.

5 **NOW, THEREFORE, IT IS HEREBY STIPULATED** by and between Trustee and
6 Zurich, as follows:

7 1. The hearing set for August 1, 2011 at 2:00 p.m., in Courtroom 5 in the above-
8 captioned Court, on Zurich's motion to strike the Entity Defendants' Answer to Zurich's First
9 Amended Complaint and TRANS CAL ASSOCIATES' Cross-Complaint and enter default, shall
10 be continued to September 12, 2011, at 2:00 p.m. in Courtroom 5 of the above-captioned Court to
11 allow Trustee an opportunity to assess the interest of the bankruptcy estate of M. Scott in the above-
12 captioned proceeding.

13
14 **GREENBERG TRAURIG, LLP**

15 DATED: July 25, 2011

16 By: /s/ MARC B. KOENIGSBERG (as authorized on 7/25/11)
17 **MARC B. KOENIGSBERG**
18 ZURICH AMERICAN INSURANCE COMPANY; AMERICAN
19 GUARANTEE AND LIABILITY INSTURANCE COMPANY;
20 AND AMERICAN ZURICH INSURANCE COMPANY

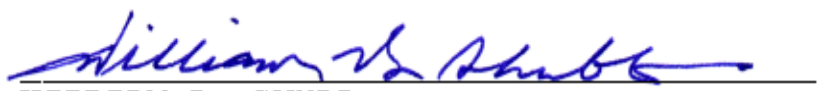
21 **DESMOND, NOLAN, LIVAICH & CUNNINGHAM**

22 DATED: July 25, 2011

23 By: /s/ J. LUKE HENDRIX
24 Attorneys for J. MICHAEL HOPPER, in his capacity as trustee of the
25 bankruptcy estate of MARK SCOTT

26 **IT IS SO ORDERED.**

27 DATED: **July 26, 2011**

28 
WILLIAM B. SHUBB
UNITED STATES DISTRICT JUDGE