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3
4 UNITED STATES DISTRICT COURT
5 NORTHERN DISTRICT OF CALIFORNIA
6

7 CRAIG YATES, et al.,

8 Plaintiffs,

No. C 09-1378 PJH

9 v.

ORDER DENYING STIPULATION

10
11 MARIE SAINT CLAIR,

12 Defendant.
13 _____/

14 Plaintiffs in the above-captioned case have filed a “stipulation for the entry of
15 judgment,” seeking to have the court enter judgment based on a stipulation that was signed
16 by the parties on April 19, 2011. Plaintiffs have also submitted a letter explaining their
17 delay in seeking a judgment. According to plaintiffs, a settlement was reached on April 19,
18 2011, the terms of which provided for defendant to make her first payment on September 1,
19 2011. After not receiving any payment, plaintiffs contacted defendant on October 12, 2011.
20 Defendant responded on October 27, 2011, requesting more time to make the payment.
21 As of January 9, 2012, plaintiffs still had not received any payment, so they again contacted
22 defendant, who again requested more time. According to plaintiffs, no payments have ever
23 been made. Thus, plaintiffs now submit a stipulated judgment for the court’s approval.

24 However, even though this stipulated judgment was signed by the parties on April
25 19, 2011, it had never been submitted to the court prior to June 11, 2013. In fact, the only
26 previous indication that the parties had settled was provided via a two-page “notice of
27 settlement,” filed on June 29, 2011, stating simply that “the parties in the above-captioned
28 matter have agreed to settlement terms” and that “[d]ismissal documents will be filed with
the court no later than sixty (60) days from the filing of this notice.” See Dkt. 16. No such

1 dismissal documents were ever filed, so the court instead entered its own conditional
2 dismissal order on November 7, 2011. See Dkt. 17. The court ordered the case dismissed
3 without prejudice, and gave the parties 90 days to vacate the dismissal by certifying that
4 the agreed consideration had not been delivered over. Id. Importantly, even though
5 plaintiffs were aware of defendant's failure to make payments before the expiration of those
6 90 days (which occurred on February 5, 2012), plaintiffs did not certify to the court that the
7 payments had not been made. As a result, after February 5, 2012, the dismissal of this
8 case was with prejudice.

9 By filing this April 2011 stipulation now, plaintiffs are essentially seeking to enforce
10 the settlement agreement that was entered into between the parties. However, "federal
11 courts do not have inherent or ancillary jurisdiction to enforce a settlement agreement
12 simply because the subject of that settlement was a federal lawsuit." O'Connor v. Colvin,
13 70 F.3d 530, 532 (9th Cir. 1995) (citing Kokkonen v. Guardian Life Insurance, 511 U.S. 375
14 (1994)). "When the initial action is dismissed, federal jurisdiction terminates," and a "motion
15 to enforce the settlement agreement" is "a separate contract dispute requiring its own
16 independent basis for jurisdiction." Id. The only exception would be if the settlement terms
17 are incorporated into the dismissal order, in which case "a violation of those terms would
18 amount to a violation of the court's order," giving the court "ancillary jurisdiction to 'vindicate
19 its authority.'" O'Connor at 532. In this case, the terms of the parties' settlement was not
20 incorporated into the dismissal order. In fact, the court was not aware of the settlement
21 terms until plaintiffs filed their stipulation on June 11, 2013. Thus, any attempt to enforce
22 the settlement agreement is a separate contract dispute, over which this court does not
23 appear to have jurisdiction. Accordingly, the "stipulation for the entry of judgment" is
24 DENIED.

25 **IT IS SO ORDERED.**

26 Dated: July 2, 2013

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PHYLLIS J. HAMILTON
United States District Judge