#### Case No. 78243

#### In the Supreme Court of Nevada

GARY LEWIS,

Petitioner,

vs.

THE EIGHTH JUDICIAL DISTRICT COURT OF THE STATE OF NEVADA, in and for the County of Clark; and THE HONORABLE ERIC JOHNSON, District Judge,

Respondents,

and

UNITED AUTOMOBILE INSURANCE COMPANY; and CHEYENNE NALDER,

Real Parties in Interest.

Electronically Filed Jul 10 2019 04:24 p.m. Elizabeth A. Brown Clerk of Supreme Court

# UNITED AUTOMOBILE INSURANCE COMPANY'S APPENDIX VOLUME 10 PAGES 2251-2500

District Court Case No. 07A549111, Consolidated with 18-A-772220

Daniel F. Polsenberg (sbn 2376) Joel D. Henriod (sbn 8492) Abraham G. Smith (sbn 13,250) Lewis Roca Rothgerber Christie Llp 3993 Howard Hughes Pkwy, Suite 600 Las Vegas, Nevada 89169 (702) 949-8200 THOMAS E. WINNER (SBN 5168)
MATTHEW J. DOUGLAS (SBN 11,371)
ATKIN WINNER & SHERROD
1117 South Rancho Drive
Las Vegas, Nevada 89102
(702) 243-7000

Attorneys for Real Party in Interest United Automobile Insurance Company

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13	UAIC's Opposition to Defendant's Motion to Strike Defendant's Motion for Relief from Judgment & Counter-Motion for Evidentiary Hearing for a Fraud Upon the Court or, Alternatively, for the Court to Vacate the 3/28/18 Amended Judgment on Its Own Motion	11/02/18	1	166–226
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	by Intervenor			
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	Affidavit of Lewis in Support of Same			
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	and/or Stay Proceedings Pen Appellate			
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	for Relief from Orders, and UAIC's			
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	Appeal			

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## Exhibit 2

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1 2	JMT DAVID A. STEPHENS, ESQ.	Electronically Filed 3/28/2018 3:05 PM Steven D. Grierson CLERK OF THE COURT
	Nevada Bar No. 00902	Stevent Strum
3	STEPHENS GOURLEY & BYWATER 3636 North Rancho Dr	
4	Las Vegas, Nevada 89130	
5	Attorneys for Plaintiff T: (702) 656-2355	•
6	F: (702) 656-2776 E: dstephens@sbglawfirm.com	
7	Attorney for Cheyenne Nalder	
8	DISTR	ICT COURT
9	CLARK CO	DUNTY, NEVADA
10	OZZANAK CO	
11		074549111
12	CHEYENNE NALDER,	CASE NO: A <del>549111</del> DEPT. NO: XXIX
13	Plaintiff,	DEL ITTO, MAIN
14	VS.	
15	GARY LEWIS,	
16	Defendant.	
17	AMEN	IDED JUDGMENT
18		
19	In this action the Defendant, Gary Lew	is, having been regularly served with the Summons
20	and having failed to appear and answer the Pl	aintiff's complaint filed herein, the legal time for
21	answering having expired, and no answer or o	lemurrer having been filed, the Default of said
22	Defendant, GARY LEWIS, in the premises, h	aving been duly entered according to law; upon
23	application of said Plaintiff, Judgment is here	by entered against said Defendant as follows:
24		
. 25	•••	
26		
27	•••	
. 20		•

Case: 13-17441, 01/29/2019, ID: 11171327, DktEntry: 52, Page 19 of 34

IT IS ORDERED THAT PLAINTIFF HAVE JUDGMENT AGAINST DEFENDANT in the \$3,434,444.63 sum of \$3,500,000.00, which consists of \$65,555.37 in medical expenses, and \$3,434,4444.63 in pain, suffering, and disfigurement, with interest thereon at the legal rate from October 9, 2007, until paid in full.

DATED this day of March, 2018.



Submitted by:

STEPHENS GOURLEY & BYWATER

DAVID A. STEPHENS, ESQ.

Nevada Bar No. 00902

STEPHENS GOURLEY & BYWATER

3636 North Rancho Dr

Las Vegas, Nevada 89130

Attorneys for Plaintiff

CERTIFIED COPY
DOCUMENT ATTACHED IS A
TRUE AND CORRECT COPY
OF THE ORIGINAL ON FILE

CLERK OF THE COURT

JAN 2 3 2019

### Exhibit 3

			·
			Electronically Filed 1/22/2019 1:10 PM
	1	mm G	Steven D. Grierson CLERK OF THE COURT
	2	JUDG E. BREEN ARNTZ, ESQ.	Stewns, Atrum
		Nevada Bar No. 3853	
	3	5545 Mountain Vista Ste. E Las Vegas, Nevada 89120	
	4	T: (702) 384-8000	
-	5	F: (702) 446-8164	
	6	breen@breen.com	
	7		ICT COURT UNTY, NEVADA
	8	. CLARK CO	ONTI, NE VADA
	9	1	<u>!</u> :
	10	JAMES NALDER, Plaintiff,	
	j.	i iangun,	CASE NO: 07A549111
	11	∀s.	DEPT. NO: XX
WENTS	12	GARY LEWIS and DOES I through V, inclusive	Consolidated with CASE NO: 18-A-772220
_	13		
3 -	]4	Defendants,	
) 			·
	15	UNITED AUTOMOBILE INSURANCE	·
	16	COMPANY,	·
	17	Intervenor,	
*		GARY LEWIS,  Third Party Plaintiff,	·
	18	vs.	
	19	UNITED AUTOMOBILE INSURANCE COMPANY, RANDALL TINDALL,	
	20	ESQ., and RESNICK & LOUIS, P.C.	and the second s
	21	And DOES I through V,	- Charles
		Third Party Defendants.	
	22		The state of the s
	23	JUDGMENT PURSUANT TO	NRCP 68 IN CASE NO 18-A-772220
	24	It appearing from the Notice of Acce	ptance of Offer of Judgment in the above-entitled
	25	matter that Chevenne Nalder has accepted the	e Offer of Judgment served by Gary Lewis pursuant
	26		
	27	to NRCP 68, therefore, Judgment shall be ent	ered as ionows:
	28	ll .	

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Judgment is hereby entered in favor of Plaintiff, Cheyenne Nalder, and against Defendant, 2 Gary Lewis, in the sum of five million six hundred ninety-six thousand eight hundred ten dollars 3 and forty-one cents, (\$5,696,810.41), plus interest at the legal rate from September 4, 2018. All 4 court costs and attorney's fees are included in this Judgment. 5 6 Dated this \_\_\_\_\_ day of January, 2019. STEVEN D. GRIERSON 7 CLERK OF THE COURT 8 9 10 07A549111... 1/23/2019 11 Michelle McCarthy Submitted b 12 13 E. BRÉEN ARNTZ, ÈS 14 Nevada Bar No. 3853 5545 Mountain Vista Ste. E 15 Las Vegas, Nevada 89120

16

T: (702) 384-8000

breen@breen.com

17 18

19

20 21

22

23 24

25

26 27

28

CERTIFIED COPY
DOCUMENT ATTACHED IS A
TRUE AND CORRECT COPY
OF THE ORIGINAL ON FILE

CLERK OF THE COURT

JAN 2.3 2019

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### Exhibit 4

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	SUPERIOR COURT OF CALIFORNIA, COU	NTY OF LOS ANGELES	Reserved for Clor's File Stemp
	COURTHOUSE ADDRESS	ITTE OF LUG ANGELES	Superior Court of California County of Los Angeles
	Pomona Courthouse, 400 Civic Center Plaza, P	omona CA 91766	
	PLAINTIFF/PETITIONER: James Nalder, individually and as Guardian ad	Litem for Cheyenne Nalder	JUL 24 2018
	DEFENDANTIRESPONDENT: Gary Lewis		Sherri R. Carter, Executive Officer/Clerk
•	Gary Bewis		CARPHOMBER O. Moreno Deputy
	JUDGMENT BASED ON SISTER-S		K\$021378
	(Code Civ. Proc., § 1710	0.25)	
	An application has been filed for entry of judgment bas Nevada	ed upon Judgment entered in th	e State of: BY FAX
	Pursuant to Gode of Civil Procedure section 1710.25, j creditor James Nalder, individually and as Guardian ad	•	
	james Naider, individually and as Guardian ad	Litem for Cheyenne walde	
	and against defendant/judgment debtor Gary Lewis		
			·
•	For the amount shown in the application remaining unp $3,485,000$ , together with interest on said	Judgment in the sum of \$ $2.17$	4,998.52 Los Angeles
	Superior Court filing fees in the sum of \$ 435	, costs in the sum of	\$ <u>()</u> , and
	Interest on said judgment accruing from the time of ent	ry of Judgment at the rate provi	ded by law.
		1	
		SHERRI R. CARTER, EXECU	live Officer/Clerk
		MK.	•
	Dated: <u>JUL 2 4 2018</u>	HV' / / · · V	R MARENO
		<u> </u>	and the state of t
	CERTIFICA	TE OF MAILING	
	I, the below named Executive Officer/Clerk of the abov cause herein, and that on this date I served the Judgm § 1710.26) upon each party or counsel named below b. California, one copy of the original file shown below with the postage thereon fully prepaid.	ent Based on Sister-State Ju y depositing in the United State	dgment (Code Civ. Proc., s mall at the counthouse in
	·		
	·		
	•	SHERRI R. CARTER, Execut	ive Officer/Clerk
	Product	n	
	Dated.	By:Dept	ıly Clerk
	LACIV 209 (Rev. 09/13) JUDGMENT BASED ON S LASC Approved (Code Clv. Pro For Optional Use	SISTER-STATE JUDGME oc., § 1710.25)	NT Code Clv. Proc., § 1716.25

Case: 13-17441, 01/29/2019, ID: 1117 1327, DktEntry: 52, Page 25 of 34

	•	1
Joshua M. Deitz (Stat	onney (Nov. 144685) mlinderma 15-456-282. dl. 15-956-282. dl. 267454) jdeitz@rjo.co 415-956-2828 San Francisco, California 94104	FOR COURY USE ONLY
NAME OF COURT: Superior STREET ADDRESS. 400 Civ.	ne Nalder, James Nalder Court of California, County of LEAGUE ED to Center Plaza  JUL 1 \$ 2018	Superior Court of California County of Los Angeles
CITY AND ZIP CODE. POMONA BRANCH NAME. POMONA	91766	JUL 24 2018
	er, individually and as Guardian ad Litem for Walder	Sherri R. Carler, Executive Officer/Clerk By Deputy Officer (Clerk)
NOTICE OF ENTRY	OF JUDGMENT ON SISTER-STATE JUDGMENT	CASE NUMBER* K\$021378
	(neme): Gary Lewis e, Glendora, CA 91740	BYFAX
2. YOU ARE NOTIFIED  a. Upon application of the (1) Judgment creditor (i	judgment creditor, a judgment against you has been entered name): James Nalder, individually and as Guardian	in this court as follows; ad Litem for Cheyenne Nalder
(2) Amount of judgment	entered In this court: \$ 5,660,433.52	
<ul><li>(1) Sister state (name):</li><li>(2) Sister-state court (n. 200 Lewis Ave,</li><li>(3) Judgment entered in</li></ul>	red based upon a sister-state judgment previously entered as Nevada  meme and tocation): Eighth Judicial District Court, Cla Las Vegas, NV. 89155 a sister state on (date): June 2, 2008 se number (specify): Nalder v. Lewis, Case No. A549	rk County, Nevada
the judgment in this	nent has been entered against you in a California court a court within 30 DAYS after service of this notice, this ju ar that a writ of execution or other enforcement may issu	dgment will be final.
could be taken with	out further warning from the court. edures have already been issued, the property levied of	
Dale: JUL 2 4 2018	SHERRI R. CARTER Clerk, by	G. MORENO, Deputy
<u></u>	4. NOTICE TO THE PERSON SERVED: You are a. as an individual judgment debtor. b. under the fictitious name of (specify):	skoved (
(SEAL)	c. on behalf of (specify);	•
COUNTY OF THE PROPERTY OF THE	Under:  CCP 416.10 (corporation)  CCP 416.20 (defunct corporation)  CCP 416.40 (association or partnershing) other:	CCP 416.60 (minor) CCP 416.70 (conservatee) CCP 416.90 (individual)
	(Proof of service on reverse)	
Form Approved by the Judgest Council of California	NOTICE OF ENTRY OF JUDGMENT ON SISTER-STATE JUDGMENT	CCP 1710,30, 1730 40 1710,45

14:29:38 2018-07-17

#### Case: 13-17441, 01/29/2019, ID: 11171327, DktEntry: 52, Page 26 of 34

### PROOF OF SERVICE (Use separate proof of service for each person served)

I served the Not     a. on judgment of	ice of Entry of Judgment on Sister- debtor <i>(name)</i> : GARY LEWIS	State Judgment as follows:
b. by serving	✓ judgment debtor	other (name and title or relationship to person served):
(1) date (2) time	rery v at home at bus at 2: 07/26/18 at 7:00 p.m. ress: 733 S. Minnesota Ave	ness
d. by mail (1) date (2) plac	<b>3</b> :	
2 Manner of service	e (check proper box):	
a. Person b. Substit leaving, charge	nal service. By personally delivering uted service on corporation, un during usual office hours, copies	copies. (CCP 415.10) incorporated association (including partnership), or public entity. By in the office of the person served with the person who apparently was in mail, postage prepaid) copies to the person served at the place where the
c. Substit	uted service on natural person usual place of abode, or usual plac ousehold or a person apparently in	, minor, conservatee, or candidate. By leaving copies at the dwelling e of business of the person served in the presence of a competent member charge of the office or place of business, at least 18 years of age, who was rs, and thereafter mailing (by first-class mail, postage prepaid) copies to the
person <i>stating</i>	served at the place where the cop acts relied on to establish reaso	rs, and thereafter mailing (by first-class mail, postage prepaid) copies to the less were left. (CCP 415.20(b)) (Attach separate declaration or affidavit nable diligence in first attempting personal service.)
d. Mail an served,	d acknowledgment service. By r together with two copies of the for	nalling (by first-class mail or airmail, postage prepaid) copies to the person m of notice and acknowledgment and a return envelope, postage prepaid, ttach completed acknowledgment of receipt.)
requirin	d or registered mail service. By r g a retum receipt) copies to the ce of actual delivery to the perso	nailing to an address outside California (by first-class mail, postage prepaid, person served. (CCP 415.40) (Attach signed return receipt or other in served.)
	specify code section);	
	Additional page is attached. e Person Served" was completed a	s follows:
	dividual judgment deblor.	
	erson sued under the fictitious nam	e of (specify):
c. on beha	alf of <i>(specify)</i> :	
under:	CCP 416.10 (corporation	· · · · · · · · · · · · · · · · · · ·
	CCP 416,20 (defunct con	or partnership) CCP 416.90 (individual)
	vice I was at least 18 years of age	and not a party to this action.
<ol><li>Fee for service: \$</li><li>Person serving:</li></ol>		
a, Californ	ia sheriff, marshal, or constable.	f. Name, address and telephone number and, if applicable,
	red California process server.	county of registration and number:
c. Employ	ee or independent contractor of a roomia process server.	Jorge Rivera (Reg# 4690 Los Angeles County) 52 Second Street, 3rd Floor
d. Not a re	gistered California process server.	San Francisco, California 94105
	from registration under Bus. & Pro 0(b).	
l declare under po State of California th	enalty of perjury under the laws of the la	(For California sheriff, marshal, or constable use only) I certify that the foregoing is true and correct.
Date: 07/27/18		Date:
1	75	
<b>A</b> -		10

#### Case: 13-17441, 01/29/2019, ID: 11171327, DktEntry: 52, Page 27 of 34

		TELEPHONE NO."	
	Mark J. Linderman (State Ba. No. 144685) mlinderma	in 415-956-28	•
	Joshua M. Deitz (State Bar No. 267454) jdeitz@rjo.cc	m 415-956-2828	
]	311 California Street San Francisco, California 94104		
		i	FILED
	Charlanna Maldan Jamas Maldan	-i	FILED
	ATTORNEY FOR (Name) Cheyenne Nalder, James Nalder		Superior Court of California County of Los Angeles
	NAME OF COURT: Superior Court of California, County of I	Los Angeles - V FU	Contrib of the wilderer
	STREET ADDRESS: 400 Civic Center Plaza	Hu derne	'n 11 4 W 0040 .
	MAILING ADDRESS:	JUL 1 \$ 2018	JUL 17 2018
	CITY AND ZIP CODE: Pomona 91766		
	BRANCH NAME: Pomona Courthouse	EAST DIG TALEBO	ri R. Carter, Executive Officer/Clerk
- 1			Deputy
-	PLAINTIFF: James Nalder, Individually and as Guardian a	Tricem for	Co. Moreno
1	Cheyenne Nalder		
1	defendant: Gary Lewis		
1	Ald		
N . M	Men.	CASE	NUMBER
MY	APPLICATION FOR ENTRY OF JUDGMENT ON SISTER-S		
11	<del></del>	i i	KS021378
	AND ISSUANCE OF WRIT OF EXECUTION OR OTHER EN		710001070
ļ	AND ORDER FOR ISSUANCE OF WRIT OR OTHER ENFO	RCEMENT	
	Judgment creditor applies for entry of a judgment based upon a sist	ne atata iudamant an fallassi	
	addition decitor applies for entry of a Jungition based upon a sist	er-state judgittent as ibilow	D77 174
	1. Judgment creditor (name and address):		BYFA
	James Nalder, individually and as Guardian ad Lite	Con Charlanda Naldu	
		m for Cheyenne Naide	ar
	5037 Sparkling Sky Avenue		
	Las Vegas, Novada, 89130		
	2. a. Judgment debtor (name): Gary Lowis		
	z. a. budgisen debiet (nome), daily bon in		
	6 77 An individual Anal Annua sections and decasts 722	C Minnesta Asia Ci	and CA 01740
	b. An individual (last known residence address): 733	S. Minnesota Ave, Gi	endora, CA 91/40
	· ·		
	c A corporation of (specify place of incorporation):		
	(1) Foreign corporation		
	qualified to do business in Californ		
	i i dualitied to do districts in Galifori		
	· · · · · · · · · · · · · · · · · · ·		
	not qualified to do business in Ca		
	not qualified to do business in Ca		
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	not qualified to do business in Ca		
	d. A partnership (specify principal place of business):  (1) Foreign partnership which	iifornia	
	d. A partnership (specify principal place of business):  (1) Foreign partnership which has filed a statement under Corp.	C 15700	
	d. A partnership (specify principal place of business):  (1) Foreign partnership which	C 15700	
	d. A partnership (specify principal place of business):  (1) Foreign partnership which has filed a statement under Corp.	C 15700	
	d. A partnership (specify principal place of business):  (1) Foreign partnership which has filed a statement under Corp has not filed a statement under Corp	C 15700	
	d. A partnership (specify principal place of business):  (1) Foreign partnership which has filed a statement under Corp.	C 15700	
	d. A partnership (specify principal place of business):  (1) Foreign partnership which has filed a statement under Corp has not filed a statement under Corp a. Sister state (name): Nevada	C 15700 Orp C 15700	,
	d. A partnership (specify principal place of business):  (1) Foreign partnership which has filed a statement under Corp has not filed a statement under Corp a. Sister state (name): Nevada b. Sister-state court (name and location): Eighth Judicial	C 15700 Orp C 15700	County, Nevada
	d. A partnership (specify principal place of business):  (1) Foreign partnership which has filed a statement under Corp has not filed a statement under Corp has not filed a statement under Corp state (name): Nevada  b. Sister-state court (name and location): Eighth Judicial 200 Lewis Ave, Las Vegas, NV. 89155	c 15700 orp C 15700 District Court, Clark C	County, Nevada
	d. A partnership (specify principal place of business):  (1) Foreign partnership which has filed a statement under Corp has not filed a statement under Corp has not filed a statement under Corp state (name): Nevada  b. Sister-state court (name and location): Eighth Judicial 200 Lewis Ave, Las Vegas, NV. 89155	c 15700 orp C 15700 District Court, Clark C	County, Nevada
	d. A partnership (specify principal place of business):  (1) Foreign partnership which has filed a statement under Corp has not filed a statement under Corp a. Sister state (name): Nevada b. Sister-state court (name and location): Eighth Judicial	c 15700 orp C 15700 District Court, Clark C	County, Nevada
	d. A partnership (specify principal place of business):  (1) Foreign partnership which has filed a statement under Corp has not filed a statement under Corp ha	C 15700 orp C 15700 District Court, Clark C	•
	d. A partnership (specify principal place of business):  (1) Foreign partnership which has filed a statement under Corp that has not filed a statement under	C 15700 orp C 15700 District Court, Clark C	•
	d. A partnership (specify principal place of business):  (1) Foreign partnership which has filed a statement under Corp that has not filed a statement under	C 15700 orp C 15700 District Court, Clark C	•
	d. A partnership (specify principal place of business):  (1) Foreign partnership which has filed a statement under Corp that has not filed a statement under	C 15700 orp C 15700 District Court, Clark C	•
	d. A partnership (specify principal place of business):  (1) Foreign partnership which has filed a statement under Corp that has not filed a statement under	C 15700 orp C 15700 District Court, Clark C ched to this application,	•
	d. A partnership (specify principal place of business):  (1) Foreign partnership which has filed a statement under Corp that has not filed a statement under	C 15700 orp C 15700 District Court, Clark C ched to this application,	•
	d. A partnership (specify principal place of business):  (1) Foreign partnership which has filed a statement under Corp that has not filed a statement under	C 15700 orp C 15700 District Court, Clark C ched to this application,	•
	d. A partnership (specify principal place of business):  (1) Foreign partnership which has filed a statement under Corp that has not filed a statement under	C 15700  Orp C 15700  District Court, Clark Coched to this application, 18%  RS 17,130	Include accrued interest on the
	d. A partnership (specify principal place of business):  (1) Foreign partnership which has filed a statement under Corp that has not filed a statement under	C 15700  Orp C 15700  District Court, Clark Couched to this application.  SS 17.130	Include accrued interest on the
	d. A partnership (specify principal place of business):  (1) Foreign partnership which has filed a statement under Corp of has not filed a statement under Corp of filed a sta	C 15700 C 15700 District Court, Clark Couched to this application.  SS 17.130 S 3,4 S 435	Include accrued interest on the
	d. A partnership (specify principal place of business):  (1) Foreign partnership which	C 15700  Orp C 15700  District Court, Clark Couched to this application.  SS 17.130  S 3,4  S 435  S 2,1	Include accrued interest on the 85,000 74,998.52
	d. A partnership (specify principal place of business):  (1) Foreign partnership which	C 15700  Orp C 15700  District Court, Clark Couched to this application.  SS 17.130  S 3,4  S 435  S 2,1	Include accrued interest on the 85,000
	d. A partnership (specify principal place of business):  (1) Foreign partnership which has filed a statement under Corp of has not filed a statement under Corp of filed a sta	C 15700  Orp C 15700  District Court, Clark Couched to this application.  SS 17.130  S 3,4  S 435  S 2,1	Include accrued interest on the 85,000
	d. A partnership (specify principal place of business):  (1) Foreign partnership which	2 15700 pp C 15700  District Court, Clark Couched to this application.  28 17.130	Include accrued interest on the 85,000 74,998.52

SHORT TITLE: Nalder v. Lewis	· CASE NUMBER:
SHORT THEE IVALUE V. LEWIS	KS021378
6. Judgment creditor also applies for issuance of a writ of execution or enforce of entry of judgment as follows:	ment by other means before service of notice
a. Under CCP 1710.45(b).	
•	· .
b. A court order is requested under CCP 1710.45(c). Facts showing the judgment creditor if issuance of the writ or enforcement by other means it	nat great or irreparable injury will result to s delayed are set forth as follows;
	·
· · · · · · · · · · · · · · · · · · ·	
•	
	·
	٠.
continued in attachment 6b.	
7. An action in this state on the sister-state judgment is not barred by the statute of limit	ations.
8. I am informed and believe that no stay of enforcement of the sister-state judgment is	
No action is pending and no judgment has previously been entered in any proceeding judgment.	
I declare under penalty of perjury under the laws of the State of California that the foregonatters which are stated to be upon information and belief, and as to those matters I believ Date:	oing is true and correct except as to those e them to be true.
	1
Joshua M. Deitz (1YPE OR PRINTI NAME) (SIGNALIE)	SEOF JUDGMENT CREDITOR OR ATTORNEY)

APPLICATION FOR ENTRY OF JUDGMENT ON SISTER-STATE JUDGMENT

Case: 13-17441, 01/29/2019, ID: 11171327, DktEntry: 52, Page 29 of 34

## EXHIBIT A

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			FILED	-7
Ì	1	JUDG	Aug 20	1
į	2	DAVID F. SAMPSON, ESQ., Nevada Bar #6811	Aug 26 11 00 AH '08	
į	3	THOMAS CHRISTENSEN, ESQ.,		
	3	Nevada Bar #2326	CLERK	
	4	1000 S. Valley View Blvd.	OLERK., Wish	
	5	Las Vegas, Nevada 89107		
	-	(702) 870-1000		
	6	Attorney for Plaintiff,		
	7	JAMES NALDER As Guardian Ad Litem for minor, CHEYENNE NALI	ממר	
Ì	•	Litem for millor, Che i Bivive IVALI	DISTRICT COURT	
1	8	CL	ARK COUNTY, NEVADA	
1	9	JAMES NALDER, individually	)	-
		and as Guardian ad Litem for		ļ
	10	CHEYENNE NALDER, a minor.	)	
	. 11	71		
		Plaintiffs,		
	12	vs.	) ) CASE NO: A549111	
j	13	γ3.	) DEPT. NO: VI	
1	14	GARY LEWIS, and DOES I	,	j
1	14	through V, inclusive ROES I	)	
1	15	through V	)	j
·	16	2 4 4		
I		Defendants.	)	
	17			
ļ	18	NOTICE O	F ENTRY OF JUDGMENT	
I			t a Judgment against Defendant, GARY LEWIS, wa	ıs
l	19			
1	20	entered in the above-entitled matter o	n June 2, 2008. A copy of said Judgment is attached	[
1	<b>~</b>			-
ŀ	<b>22</b> 21	hereto.		1
- 1	AUG AUG	DATED this day of Ju	nne, 2008.	
•	ANG 26 ZÜER  ANG 26 ZÜER  ANG 26 ZÜER	DATED tills day of it	nie, 2006.	
l	H 62'		CHRISTENSEN LAW OFFICES, LLC	
- 1	50 H	ħ	$\sim \mathcal{V}$	l
I	\(\frac{1}{2}\)	P	By: V SAMPSON, ESQ.	
- 1	<u> </u>		Nevada Bar #6811	
ł	26		THOMAS CHRISTENSEN, ESQ.,	1
1	27		Nevada Bar #2326	-
1	21		1000 S. Valley View Blvd.	
1	28		Las Vegas, Nevada 89107	
			Attorneys for Plaintiff	1
1				
. 1				
1	1		•	

	1 p = 4	
1		
	1	
	2	CERTIFICATE OF SERVICE
	3	CERTIFICITE OF BERTAGE
	4	Pursuant to NRCP 5(b), I certify that I am an employee of CHRISTENSEN LAW
	5	OFFICES, LLC., and that on this day of Warch, 2008, I served a copy of the
	6	
	7	foregoing NOTICE OF ENTRY OF JUDGMENT as follows:
	8	U.S. Mail—By depositing a true copy thereof in the U.S. mail, first class
	9	postage prepaid and addressed as listed below; and/or
	10	
	11	Facsimile—By facsimile transmission pursuant to EDCR 7.26 to the facsimile number(s) shown below and in the confirmation sheet filed herewith. Consent to
	12	service under NRCP 5(b)(2)(D) shall be assumed unless an objection to service by
	13	facsimile transmission is made in writing and sent to the sender via facsimile within 24 hours of receipt of this Certificate of Service; and/or
	14	
		Hand Delivery—By hand-delivery to the addresses listed below.
	15	Gary Lewis
i	16	5049 Spencer St. #D Las Vegas, NV 89119
	17	Las vegas, NV 89119
	18	An employee of CHRISTENSEN LAW
	19	OFFICES, LLC
	20	
	21	
	. 22	
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Case: 13-17441, 01/29/2019, ID: 11171327, DktEntry: 52, Page 32 of 34

ur.		
l 2	JMT THOMAS CHRISTENSEN, ESQ.,	COURT
3	DAVID F. SAMPSON, ESQ.,	PH '08
4	1000 S. Valley View Blvd.	
5	Las Vegas, Nevada 89107 (702) 870-1000 Attorney for Plaintiff,	D
7	·	
8	<u>DISTRICT COURT</u> <u>CLARK COUNTY, NEVADA</u>	
9	JAMES NALDER, )	
10	as Guardian ad Litem for ) CHEYENNE NALDER, a minor. )	
. 11	Plaintiffs, )	
12	vs. ) CASE NO: A549111	
14	) DEPT. NO: VI GARY LEWIS, and DOES I )	
15	through V, inclusive )	
16	Defendants. )	
17	JUDGMENT	
18	In this action the Defendant, GARY LEWIS, having been regularly se	ved with the
19 20	Summons and having failed to appear and answer the Plaintiff's complaint fi	LANGE CONTRACTOR OF THE PROPERTY OF THE PROPER
20 21	legal time for answering having expired, and no answer or demurrer having	ALL MANAGEMENT AND
22	Default of said Defendant, GARY LEWIS, in the premises, having been duly en	a in a constant of the constan
23	•	1
24	to law; upon application of said Plaintiff, Judgment is hereby entered against said	Detendant as
25	follows:	Line de de la constitución de la
26	•••	e de la constante de la consta
27	***	Fire A Bit Line A Bit
28	•••	Harding-hallow
	·	denilities and the
	ı	h-d-sieres states

Case: 13-17441,	01/20/2010	リロ・11171007	DitEntry	E2 Dage	くつつへもつん
CASE, 13-1/441,	, UTIZBIZUTB,	10, TTT1 TOC1	, DKLEHUY.	. JZ, Faye	33 01 34

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3		
	IT IS ORDERED THAT PLAINTIFF HAVE JUDGMENT AGAINST DEFENDANT in the	
2	sum of \$3,500,000.00, which consists of \$65,555.37 in medical expenses, and \$3,434,444.63 in	
3	pain, suffering, and disfigurement, with interest thereon at the legal rate from October 9, 2007,	
4 5	until paid in full.	
6	DATED THIS day of May, 2008.	•
7		
8		
9	DISTRICT JUDGE	
10		
13		•
12		
13	Submitted by: CHRISTENSEN LAW OFFICES, LLC.	
14		
15		
16	DAVID SAMPSON	
17	Nevada Bar #6811 1000 S. Valley View	
18	Las Vegas, Nevada 89107	
19	Attorney for Plaintiff	•
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27	Southern Control of the Control of t	
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Case: 13-17441, 01/29/2019, ID: 11171327, DktEntry: 52, Page 34 of 34

CERTIFIED COPY
DOCUMENT ATTACHED IS A
TRUE AND CORRECT COPY
OF THE ORIGINAL ON FILE
CLERK OF THE COURT 2-25-2010

## EXHIBIT "R"

#### **CERTIFICATE OF MAILING**

OF ORDERS SIGNED 2/11/2019, MOTION FOR HEARING, AND MOTION FOR RELIEF

I hereby certify that service of this JOINDER IN MOTION FOR RECONSIDERATION

2

3

4 FROM ORDERS was made this day of March, 2019, by depositing a copy thereof in the U.S.

5 Mail, first class postage prepaid, addressed to:

Thomas F. Christensen, Esq. Christensen Law Offices 1000 S. Valley View Blvd. Las Vegas, NV 89109

Matthew J. Douglas, Esq.

1117 S. Rancho Drive Las Vegas, NV 89102

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E. Breen Arntz, Esq. 4454 Mountain Vista, #E Las Vegas, NV 89120

An Employee of Stephens & Bywater, P.C

2 3 4 5	JOIN (CIV) David A. Stephens, Esq. Nevada Bar No. 00902 STEPHENS & BYWATER, P.C. 3636 North Rancho Drive Las Vegas, Nevada 89130 Telephone: (702) 656-2355 Facsimile: (702) 656-2776 Email: dstephens@sgblawfirm.com Attorney for Cheyenne Nalder	Electronically Filed 0( 3/19/2019 11:11 AM Steven D. Grierson CLERK OF THE COURT	2272
6	DIST	TRICT COURT	
7	CLARK (	COUNTY, NEVADA	
8	CHEYENNE NALDER,	) CASE NO.: 07A549111	
9	DI=14186	DEPT NO.: XX	
10	Plaintiff,	Consolidated with A-18-772220-C	
11   12	vs. GARY LEWIS and DOES I through V,		
13	inclusive,		
14	Defendants.	\ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \	^
15	AND OTHER RELATED CLAIMS.		072270
16 17	SIGNED 2/11/2019, M	R RECONSIDERATION OF ORDERS IOTION FOR HEARING, AND RELIEF FROM ORDERS	
18	Date	: April 10, 2019	
19		2: 8:30 a.m.	
20	•	er attorneys, Stephens and Bywater, P.C., hereby joins	
21		Signed 2/11/2019, Motion for Hearing, and Motion for	
22	Relief from Orders.		
23	Dated this <u>D</u> day of March 2019.		
24		Dansage	
25		David A. Stephens, Esq. Nevada Bar No. 00902	
26		Stephens & Bywater, P.C. 3636 N. Rancho Drive	
27		Las Vegas, NV 89130 Attorney for Plaintiff	
28			
		I	

CE	KI	III	CAI	Ŀ	Uľ	MAI	LIN	ľ
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I hereby certify that service	of this <b>JOINDER</b>	IN MOTION	FOR RECONS	SIDERATION
OF ORDERS SIGNED 2/11/2019	, MOTION FOR	HEARING, A	AND MOTION	FOR RELIEF

FROM ORDERS was made this day of March, 2019, by depositing a copy thereof in the U.S.

Mail, first class postage prepaid, addressed to:

Thomas F. Christensen, Esq. Christensen Law Offices 1000 S. Valley View Blvd. Las Vegas, NV 89109

Matthew J. Douglas, Esq. 1117 S. Rancho Drive Las Vegas, NV 89102 E. Breen Arntz, Esq. 4454 Mountain Vista, #E Las Vegas, NV 89120

An Employee of Stephens & Bywater, P.C.

**Electronically Filed** 

4/4/2019 5:57 PM 1 Steven D. Grierson **RPLY CLERK OF THE COURT** Thomas Christensen, Esq. 2 Nevada Bar No. 2326 3 1000 S. Valley View Blvd. Las Vegas, Nevada 89107 4 T: (702) 870-1000 F: (702) 870-6152 5 courtnotices@injuryhelpnow.com Attorney for Third Party Plaintiff 6 7 DISTRICT COURT CLARK COUNTY, NEVADA 8 JAMES NALDER, 9 Plaintiff, 10 CASE NO: 07A549111 DEPT. NO: XX VS. 11 GARY LEWIS and DOES I through V, 12 inclusive (consolidated with 18-772220) 13 Defendants, 14 REPLY IN SUPPORT OF MOTION FOR 15 UNITED AUTOMOBILE INSURANCE RECONSIDERATION, MOTION **FOR** COMPANY, 16 HEARING AND MOTION FOR RELIEF FROM ORDER AND REPLY IN SUPPORT Intervenor. 17 OF MOTION FOR RECONSIDERATION OF ORDERS SIGNED 2/11/19, MOTION 18 FOR HEARING AND MOTION FOR RELIEF FROM ORDERS 19 GARY LEWIS, 20 Third Party Plaintiff, VS. 21 UNITED AUTOMOBILE INSURANCE 22 COMPANY, And DOES I through V, Third Party Defendants. 23 24 25 Third party Plaintiff, Gary Lewis, by and through his counsel, Thomas Christensen, Esq., 26 hereby presents this Reply in support of Motion for Reconsideration, Motion for Hearing and 27

Motion for Relief from Order and this Reply in Support of Motion for Reconsideration of Orders signed 2/11/19, Motion for Hearing and Motion for Relief from Orders. UAIC continues to confuse issues and misstate the facts and the law in an effort to gain advantage over its insured, Gary Lewis. UAIC opposes the Motions for Reconsideration on only four grounds, each of which is not based in fact or law. UAIC admits, contrary to its statement, (1) that the Court ruled on its motion prior to any opposition or hearing in the case. This is, by definition, "ex-parte" and an appalling breach of the constitutional protection of Due Process. Contrary to UAIC's basis for its objection number (2), the only thing tentatively stayed at the January 9, 2019 hearing was the Court's ruling on UAIC's motion to dismiss claim one of Plaintiff's complaint. The Court specifically stated that ruling on striking the settlement agreement was still to be heard on January 23, 2019, along with the other motions set for January 23, 2019, which included Nalder's motion for summary judgment against Lewis on claim one. In addition, the Court stated, on the record, it was going to look at the *Dangberg* case again, as it related to UAIC, seeing as how UAIC is in the case as an intervenor. Further proof, not that further proof is required, is that the Court didn't stay the action until a January 22, 2019 minute order rendered (without a hearing), delivered to counsel when they all appeared ready for oral argument on the various motions. If the case was "conclusively" stayed on January 9th, 2019, why did all counsel appear for a hearing and what was the purpose of the Court's January 22, 2019 minute order?

Lewis does not take "umbrage" with this appalling procedure by the Court, as is alleged by UAIC, but instead is "OUTRAGED." Lewis agrees with UAIC's objection (3), ground that it is immaterial when any stay was made by the Court, but this fact has the opposite result. The parties always have the ability to settle cases, even when a stay is in place. This is obvious from the Supreme Court Settlement program to common sense principles of judicial administration.

The only reason this Court can't see this clearly in this case is because the Court continues to cling to the improper ruling allowing intervention by UAIC, which is a complete stranger to the action between Nalder and Lewis. The Court should not continue to force litigants, who have long settled their dispute, to engage in litigation and incur fees and costs at the request of a non-party insurance company that breached its contract. Finally, UAIC has no standing but certainly Gary Lewis has standing even in his capacity as third party plaintiff. UAIC's basis number (4) prevents UAIC's motion because it is UAIC who does not have standing to force these two litigants to continue to incur fees and costs at no expense to UAIC. UAIC's lack of standing is yet another reason for the Court to void its erroneous appalling order. These four grounds, while insufficient to justify the order standing, do controvert the main factual and legal support of the order. Therefore, the order must be voided. Because UAIC's four points do not justify the order and UAIC did not contest the other points made by Lewis, the order must be voided and the judgment must be reinstated and stand.

As to UAIC's other opposition, it admits the Court did not enter a proper order that reflects the ruling denying UAIC's motion for relief from the amended judgment. In addition, UAIC admits that no findings of fact and conclusions of law supporting the court's decision were placed in the order. Instead, UAIC now refers to the transcript, which is also devoid of supporting basis in law and fact. Finally, UAIC sets up the straw man that these actions are substantially related to the Ninth Circuit Appeal. As is clearly explained below, that is simply not the issue. Of course the matters are substantially related. The parties have always admitted the relationship. That is not news. What the Court has mistakenly concluded is that the issue before the Supreme court is the same issue in these cases. That is not true. UAIC did not contest, in its lengthy brief, that the Supreme Court is not deciding whether Nalder can bring an action on the judgment under

Mandelbaum. The Supreme Court is deciding the legal issue of whether a claim against an insurer can continue if the underlying judgment has not been renewed pursuant to NRS 17.214 the renewal statute. The Mandelbaum analysis on appeal has to do with the case against UAIC, not an action on the judgment against Lewis. This distinction must be acknowledged by the Court so that the Court can make the correct rulings in reconsidering.

## I. <u>FACTS</u>

The Court is well aware of the factual posture of this case, but has adopted some inaccurate facts put forth by UAIC. Because UAIC wants the court to continue with its slanted view of the facts in this case, UAIC does not contest any individual fact, but instead claims the facts cited to the record recitation is somehow slanted because the truth does not line up with UAIC's previous pronouncements which have been adopted by the Court. The most important fact for this motion is what issue is and, more importantly, is not before the Nevada Supreme Court. UAIC contested the following paragraphs regarding the question before the Supreme Court. The Nevada Supreme Court is **NOT deciding if the judgment is expired** as UAIC claims. Rather, it is deciding a very narrow question of law regarding just renewing a judgment statutorily pursuant to NRS 17.214:

In an action against an insurer for breach of the duty to defend its insured, can the plaintiff continue to seek consequential damages in the amount of a default judgment obtained against the insured when the judgment against the insured was not renewed and the time for doing so expired while the action against the insurer was pending?

This is the way the question is phrased.

By definition of a certified question, the Nevada Supreme Court is answering **only** the narrow **question of law** as set forth in the above question, as phrased by the certifying court, which is the Ninth Circuit Court of Appeals. It is obvious that the Nevada Supreme Court *is not* 

ruling on the factual question of whether or not the time for renewal has passed; instead, that is assumed in the hypothetical question. It is also obvious that the question does not even address the timing of an action on the judgment. And, certainly the certified question does not say anything about an "expired judgment" or "void judgment" as UAIC would have the Court believe. The factual assumption in the question is that the time for filing a renewal has passed. The Ninth Circuit made that factual assumption in phrasing the question. The trial court, where issues of fact are necessarily decided, like the Federal District Court on remand, or this court, which has jurisdiction over the parties to the judgment, will ultimately have to determine the factual basis of this question.

The question presented *in this case* is whether a party can bring an action on a judgment if there are applicable tolling statutes that toll the statute of limitations. **This is not a renewal of the judgment**. An action on a judgment results in a new judgment, not a renewed judgment. The issue in this case is not being dealt with in the certified question.

The certified question came about after UAIC's argument to the Ninth Circuit that Nalder should have taken action to renew the judgment during the pendency of the appeal. Nalder then took action through new counsel, David A. Stephens, to obtain a new judgment during the appeal. Nalder did this at UAIC's suggestion, in an abundance of caution. Now, UAIC has been allowed to improperly intervene and get this Court to forstall entry of the new judgment so that its own position that "Nalder did nothing to preserve the action" can be used against the insured, Lewis, and Nalder. This would be to the benefit UAIC. This action, by definition, is a new breach of the covenant of good faith and fair dealing. It is also a breach of the principle of claim preclusion.

Also, Attached to the motion as Exhibit 2 was the transcript from the January 9, 2019 hearing. This was the only hearing that has been held in this case. The transcript clearly demonstrates that

this court *did not completely stay* this action, even orally, on the 9th of January, 2019. The Court specifically says, regarding issues surrounding the settlement agreement of Nalder and Lewis, that the Court will deal with that at the January 23, 2019 hearing. The Offer of Judgment was made on January 11, 2019. It was accepted, filed and judgment entered on January 22, 2019. The Court then issued a minute order to stay the cases and vacate the January 23, 2019 hearing. This Order was not reduced to a written, enforceable **order until February 11, 2019.** It was not served on the parties until February 15, 2019.

## III. ISSUES PRESENTED

Can this Court, or any Court, rule on an ex-parte motion denying the parties the opportunity to be heard and void a judgment entered by the clerk, without having issued an order staying the proceedings.

## IV. ARGUMENT

Nalder served an Offer of Judgment on Lewis on January 11, 2019. This offer was accepted and judgment was entered by the Court Clerk pursuant to NRCP 68 on January 22, 2019. The only written order staying anything in these consolidated cases was not signed until February 11, 2019 and it was thereafter served on February 15, 2019. The Court's ex-parte ruling on February 14, 2019, that the judgment was void because the case was stayed at the time judgment was entered is clearly erroneous and void. This type of error allows for relief pursuant to NRCP 60. Until a written order is entered, the case could not have been stayed. The Nevada Supreme Court has stated, "Consequently, we hold that dispositional court orders that are not

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administrative in nature, but deal with the procedural posture or merits of the underlying controversy, must be written, signed, and filed before they become effective. State, Div. Child Fam. Servs. v. Dist. Ct., 120 Nev. 445, 92 P.3d 1239 (Nev. 2004). The reasons for that are many. "Prior to the entry of a final judgment, the district court remains free to reconsider and issue a written judgment different from its oral pronouncement." Rust v. Clark County School Dist., 747 P. 2d 1380 - Nev: Supreme Court 1987 citing Tener v. Babcock, 97 Nev. 369, 632 P.2d 1140 (1981); Lagrange Constr. v. Del E. Webb Corp., 83 Nev. 524, 435 P.2d 515 (1967); See also Rae v. All American Life & Cas. Co., 95 Nev. 920, 605 P.2d 196 (1979).

Even if the case was stayed, which it clearly was not, the parties can still settle and resolve the case during a stay. In fact, third party plaintiff Lewis and third party Defendant Tindall resolved and dismissed their claims during this same time frame. The case, *Westside Chtr. Serv. v. Gray Line Tours*, 99 Nev. 456 (Nev. 1983), which has been cited by UAIC as authority for interfering with the parties settlement of the claims, is totally inapplicable to this situation. That case involved administrative action while a prior written judgment had been entered by a reviewing court and that judgment was on appeal to the Nevada Supreme Court.

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## V. <u>CONCLUSION</u>

The Court must vacate its order and reinstate the judgment reached by the parties, or in the alternative, vacate its order, allow for briefing and set a hearing to provide an opportunity to be heard. The Court should also give appropriate relief from the orders signed 2/11/19.

DATED this 4th day of April , 2019.

THOMAS F. CHRISTENSEN, ESQ.
Nevada Bar 2326
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courtnotices@injuryhelpnow.com

Attorney for third party plaintiff Gary Lewis

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1	CERTIFICATE OF SERVICE		
2	Pursuant to NRCP 5(b), I certify that I am an employee of CHRISTENSEN LAW		
3 4	OFFICES, LLC and that on this $\frac{4\text{th}}{2}$ day of $\frac{\text{April}}{2}$ , 2019, I served a copy of the foregoing		
5	MOTION FOR RECONSIDERATION, MOTION FOR HEARING AND MOTION FOR		
6	RELIEF FROM ORDER AND REPLY IN SUPPORT OF MOTION FOR		
7	RECONSIDERATION OF ORDERS SIGNED 2/11/19, MOTION FOR HEARING AND		
8	MOTION FOR RELIEF FROM ORDERS as follows:		
9	☐ U.S. Mail—By depositing a true copy thereof in the U.S. mail, first class postage prepaid and addressed as listed below; and/or		
11	XX E-Served through the Court's e-service system.		
12	E. BREEN ARNTZ, ESQ.		
13	Nevada Bar No. 3853 5545 Mountain Vista Ste. E		
14	Las Vegas, Nevada 89120		
15	T: (702) 384-8000 F: (702) 446-8164		
16	breen@breen.com		
17	David A. Stephens, Esq.		

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An employee of CHRISTENSEN LAW OFFICES, LLC.

07A549111

# DISTRICT COURT CLARK COUNTY, NEVADA

Negligence - Auto

O7A549111

James Nalder
vs
Gary Lewis

COURT MINUTES

April 10, 2019

April 10, 2019 08:30 AM All Pending Motions

HEARD BY: Johnson, Eric COURTROOM: RJC Courtroom 12A

COURT CLERK: Skinner, Linda RECORDER: Calvillo, Angie

REPORTER:

PARTIES PRESENT:

David Allen Stephens Attorney for Plaintiff

Matthew J Douglas Attorney for Intervenor, Third Party

Defendant

### **JOURNAL ENTRIES**

THIRD PARTY PLAINTIFF'S MOTION FOR RECONSIDERATION OF ORDERS SIGNED 2/11/19, MOTION FOR HEARING AND MOTION FOR RELIEF FROM ORDERS...THIRD PARTY PLAINTIFF'S MOTION FOR RECONSIDERATION, MOTION FOR HEARING AND MOTION FOR RELIEF FROM ORDER...PLAINTIFF'S JOINDER IN MOTION FOR RECONSIDERATION OF ORDERS SIGNED 2/11/12019, MOTION FOR HEARING, AND MOTION FOR RELIEF FROM ORDERS

Also present, Thomas Christensen, representing Third Party Plaintiff.

Arguments by Mr. Christensen in support of his position. Statements by Mr. Stephens and Mr. Douglas. Following, COURT ORDERED, all Motions are DENIED. Colloquy as to the Supreme Court decision. Following, COURT ORDERED, status check date of 10/23 is MOVED UP to the end of August.

8/28/19 10:30 AM STATUS CHECK: SUPREME COURT DECISION

Prepared by: Linda Skinner

**Electronically Filed** 7/8/2019 1:44 PM Steven D. Grierson CLERK OF THE COURT **TRAN** 1 2 3 DISTRICT COURT 4 CLARK COUNTY, NEVADA 5 6 7 JAMES NALDER, CASE NOS. 07A549111 A-18-772220-C 8 Plaintiff, DEPT. XX 9 VS. 10 GARY LEWIS, 11 Defendant. 12 13 BEFORE THE HONORABLE ERIC JOHNSON, DISTRICT COURT JUDGE 14 WEDNESDAY, APRIL 10, 2019 15 TRANSCRIPT OF HEARING 16 **ALL PENDING MOTIONS** 17 **APPEARANCES:** 18 19 For the Plaintiff: DAVID ALLEN STEPHENS, ESQ. 20 For the Defendant: THOMAS F. CHRISTENSEN, ESQ. 21 MATTHEW J. DOUGLAS, ESQ. For the Intervenor: 22

RECORDED BY: ANGIE CALVILLO, COURT RECORDER

TRANSCRIBED BY: MANGELSON TRANSCRIBING

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Las Vegas, Nevada, Wednesday, April 10, 2019 1 2 3 [Case called at 8:58 a.m.] THE COURT: All right. James Nalder versus Gary Lewis, 4 Case Number 07 -- oh, excuse me -- A5 -- thrown off here. A549111. 5 Counsel, please note your appearances for the record. 6 7 MR. CHRISTENSEN: Tom Christensen for Third Party Plaintiff, Gary Lewis. 8 MR. STEPHENS: David Stephens, Plaintiff James Nalder. THE COURT: Okay. 10 MR. DOUGLAS: Matthew Douglas for Defendant, United 11 Auto. 12 13 THE COURT: All right. We're here on Third Party Plaintiff's Motion for Reconsideration of Orders Signed on 2/11/19. And Third 14 15 Party Plaintiff's Motion for Reconsideration, Motion for Hearing, Motion for Relief from Order. And Plaintiff's Joinder. 16 So I got in the motions, got in the Oppositions, got the Reply. 17 Let's see, this is essentially -- looks like your ballgame, Mr. Christensen, 18 I mean, do you -- what else would you like to add to the record at this 19 point in time? 20 21 MR. CHRISTENSEN: I don't have anything thing to add. I

MR. CHRISTENSEN: I don't have anything thing to add. I would be interested in responding to any questions that the Court might have. I think we fully briefed the issues.

THE COURT: No, I -- I mean, the paperwork is very good, both sides, with substantial exhibits that I do appreciate. But -- I mean, I

don't have any particular questions, Mr. Christensen. Let me tell you where I'm sort of looking at in terms of the motions. As -- you know, my general perspective is I Stayed the proceedings as it related to the Motions for Summary Judgment, Motion to Dismiss, and as to -- and made clear that we weren't going to move forward with any separate settlement, pending either -- the end of the Stay in the case.

When I've learned that you had moved through Rule 68 to -- and had gone through the Clerk's office or you -- not you -- I guess the -- I apologize. Although the lady's motions and everything keep getting filed in this, Mr. Christensen, it's often hard to tell who you actually represent on this.

But I mean, when I found that through 68, there had been a judgment entered, essentially I acted, both I think appropriately under 60(b), but also my ability to ensure that substantial justice is in the case to essentially go back and void, I guess you'd say, the Clerk's entry of the judgment and put us back to where we were at the time that we had the last hearing on this matter. So I'm generally comfortable with that at this point in time.

I have gone back, I've looked at the -- I know you feel that we shouldn't be holding things up for the Supreme Court to consider the certified question. I do think it is relevant in terms of how this Court would potentially resolve a number of the issues that I anticipate coming up in this case, so I don't have an issue with that.

I guess the biggest concern I have is how long it's been up at the Supreme Court. And I went back and looked and apparently the

question was certified and accepted up there January of 2018. So I have some concerns about how long the Supreme Court may take, so I do think it is important to move the litigation on below here. So I am looking at the question of how long I want to let the Stay stay in place.

But at the moment I'm generally comfortable with what I've done so far. So that's where I'm starting out today so I'll be glad to hear further from you.

MR. CHRISTENSEN: And that -- even though the action that you took, setting aside the settlement between the real parties in interest was done ex parte, you're okay with that?

THE COURT: I'm generally okay with that because what I wanted to do was to put us back. I think I was fairly clear because the stipulation for a judgment was presented to me and I said that I wasn't going to sign it for specific reasons that I had Stayed consideration of issues here pending the Supreme Court's decision relating to the certified question.

And so yeah, I essentially acted, in my opinion, to put us back to where I thought I clearly had indicated I wanted us to be.

MR. CHRISTENSEN: Okay. Well then the only other -- well, you know, we respectfully disagree with that --

THE COURT: Yeah. And Mr. Christensen, I've read -- MR. CHRISTENSEN: And --

THE COURT: -- your paperwork and I have no issues -- I mean, your points were well taken, don't get me wrong. I mean, we got to -- but I feel very comfortable in terms of what I've done and so that's

where I'm leaning at this point in time, at the end of this today.

MR. CHRISTENSEN: Right. And I understand that and I accept that. I just want to make it clear on the record that that is directly beneficial to UAIC because any delays here is what they are interested in doing, preventing you from doing your judicial duties in ruling on this issue. And from my perspective with -- regarding to representing Gary Lewis as the Third Party Plaintiff against UAIC, all he wants is a ruling one way or the other --

THE COURT: And I appreciate that.

MR. CHRISTENSEN: -- as opposed to a, I'm not going to rule because he believes this is the proper court to make those rulings, not the Supreme Court. Nor does he believe that the Supreme Court is ruling on this issue that's before this court. So by delaying it, you're just supporting UAIC's oppression against their insured, Gary Lewis.

But -- and having said that, at the very least -- so I'm not going to argue against going forward, although I don't agree with it, but --

THE COURT: No, I appreciate that.

MR. CHRISTENSEN: -- that's fine. But at the very least then, UAIC -- this action by UAIC, setting aside the offer of judgment settlement that occurred here is the same as rejecting the offer of judgment. And so for two reasons, UAIC should be held liable -- if this all plays out as I expect it will and that is Nalder will end up with a judgment against Gary Lewis -- enforceable judgment against Gary Lewis, more than the amount that they could have had with regard to the settlement and more than they could have had with regard to the settle---

the previous settlement the Court has refused to sign at the request of UAIC, again.

And so all of those fees that are incurred on both sides of this litigation, that's Nalder and Lewis, are going to be UAIC's responsibility, both through the offer of judgment process, from the offer of judgment that Nalder has given, and also because of the improper intervention, which, you know, it's now a Writ --

THE COURT: No, I --

MR. CHRISTENSEN: -- and the Supreme Court has requested a response from UAIC.

THE COURT: Nope, I saw that.

MR. CHRISTENSEN: And so when that comes down, as I expect it will in our favor and UAIC will no longer be intervening and their intervention will have been improper, under the intervention statute, they're responsible for all the fees that they cost.

THE COURT: And I think you've got a very -- I mean --

MR. CHRISTENSEN: Okay.

THE COURT: -- Mr. Christensen, I think you got a very -- I mean --

MR. CHRISTENSEN: That's okay.

THE COURT: -- I'll be frank, you know, I think UAIC was idiotic in not just simply paying -- you know, doing what they should have done 11 years ago. It certainly would have been much cheaper for UAIC 11 years ago than what it's looking at now.

MR. CHRISTENSEN: Okay.

THE COURT: No, I think you've got --

MR. CHRISTENSEN: Okay.

THE COURT: -- very good -- I'm not ruling on that today.

MR. CHRISTENSEN: Okay.

THE COURT: Obviously that's not here today. But I think you got a -- you know, if it plays out like you say we'll see what happens with the Writ. I saw the report and I -- and we've dis -- I know you don't think I was as clear as I should have been in reference to that but I mean, we did discuss it at the last hearing. And I see your point and I -- on a surface position I think, you know, you have a very good point.

I did, as I said, consider this to be a materially different situation than those cases which, you know, precluded intervention after entry of the judgment in view of the issues surrounding the continued validity of the judgment, but -- you know -- so that's why I reached my decision in terms of the intervention.

You know, if I'm wrong on that then that sets a precedent for everyone and I'll be the first one, Mr. Christensen, to admit that I'm wrong. And you know I can be wrong as you know -- and I -- as we've talked about the Kansas Supreme Court liquor by the drink decision, which you got me the subsequent case law on. I don't know if you remember that about four years ago. Either you -- you may not --

MR. CHRISTENSEN: I'm old.

THE COURT: You're a -- but we had some case where something came up where we were discussing the Kansas liquor by the drink law versus the constitutional amendment and I remember the

statute creating a redefinition of saloon and -- in terms of discussing the argument and then you went back and I think right before you went on your mission sent me a case law where the Supreme Court had struck down the statute. So anyway.

No, in any case what I'm saying is I see where you're coming from and if -- you know, I think, you know, the insurance company -- I think this is litigation, I'm going to follow it. If you get -- if the intervention comes back wrong, I'll be the first to admit it and we'll move quick -- I assure you I will move quickly in terms of dealing with it at that point in time.

MR. CHRISTENSEN: Thank you, Your Honor.

THE COURT: All right. Do you want to add anything --

MR. STEPHENS: I just want to factually --

THE COURT: -- since you joined?

MR. STEPHENS: Yeah, I do. Factually I served an offer to accept judgment on Mr. Arntz, who represents Mr. Lewis and that's the offer to accept -- just factually so it's clear who did that part but --

THE COURT: That was my understanding.

MR. STEPHENS: Right.

THE COURT: I mean, the -- that's --

MR. STEPHENS: Yes.

THE COURT: -- probably a quarter of the insurance company's response to the motion.

MR. STEPHENS: Right. Anyway, I have nothing to add beyond that. I just wanted to make that representation.

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1	MR. DOUGLAS: Just trying to make a record, Your Honor.
2	THE COURT: Okay. No, no, I mean, that's what everybody's
3	doing. So I have no issue with that.
4	Do you want to add anything? I'm you're essentially winning
5	at this point in time
6	MR. DOUGLAS: Yeah.
7	THE COURT: but if you want to
8	MR. DOUGLAS: Well which motion
9	THE COURT: If you want to put anything on the record I'll be
10	glad to
11	MR. DOUGLAS: No, I would just obviously say I you know,
12	all the little exchange you and Mr. Christensen, I mean, all of those
13	issues are ifs, that's why
14	THE COURT: I'm not ruling on them today.
15	MR. DOUGLAS: Right.
16	THE COURT: I think he's got a I think he has good points
17	that I'm ruling against today, but I mean, I'm not rule I think he's got I
18	mean, I think, you know, you all you set yourself up in this mess a long
19	time ago and, you know, we'll see how it plays out. I'm not so I think
20	you got that's why I did let you intervene, I think you have your own
21	good points in this and we'll see how that's segregated from the other
22	cases, we'll see how it plays out but.
23	MR. DOUGLAS: Thank you, Your Honor. That's all I wanted
24	to make clear. I mean, both sides, that's why we have wise minds of the
25	Supreme Court that we have

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1	THE COURT: Well, we'll see. We'll see if Mr. Christensen	
2	agrees with their wise minds or I agree with them. We'll see at the end.	
3	MR. DOUGLAS: The only thing I would say, Your Honor, I	
4	don't know that was I think we were mostly just discussing the	
5	Motion to Reconsider your February 14 <sup>th</sup> Order. There was also a	
6	second Motion for Reconsideration filed. I so I'm assuming where	
7	the so we're all clear for the order	
8	MR. CHRISTENSEN: Yes.	
9	MR. DOUGLAS: as we stand right now, Your Honor is	
10	denying Third Party Plaintiffs Motion to Reconsider your February 14 <sup>th</sup> ,	
11	2019 Order, is that correct?	
12	THE COURT: Right.	
13	MR. DOUGLAS: And then there was a second motion filed	
14	which wanted you to reconsider two orders signed February 11 <sup>th</sup> , so I	
15	didn't know where you were on that?	
16	THE COURT: I was essentially I'm not reconsidering, so	
17	l'm	
18	MR. DOUGLAS: Okay.	
19	THE COURT: denying that.	
20	MR. DOUGLAS: All right. So we're denying both motions for	
21	Reconsideration today?	
22	THE COURT: Right.	
23	MR. CHRISTENSEN: Just one	
24	THE COURT: You sure.	
25	MR. CHRISTENSEN: housekeeping matter then because	

1	there was one aspect of the February 11 <sup>th</sup> is that what we February
2	11 <sup>th</sup> ?
3	MR. DOUGLAS: Yeah
4	THE COURT: Okay.
5	MR. CHRISTENSEN: One aspect of that and that's the denial
6	of the of UAIC's Motion to Set Aside the Judgment in this case, the
7	in the 2009 case. And basically they've admitted that they failed to
8	include that in the order and that we should submit a separate order for
9	that. And so I'll submit that but
10	MR. DOUGLAS: That's fine with me. That's what I was going
11	to say, Your Honor, I mean, the way it worked when I since they had
12	prevailed on that particular motion I'd assumed they had done an order.
13	I admitted from the joint the order that we hope would be joint. But if
14	you want to propose something and send it over I think we can just take
15	care of it
16	MR. CHRISTENSEN: Okay.
17	MR. DOUGLAS: by subsequent order.
18	THE COURT: One you'll do that
19	MR. CHRISTENSEN: Okay.
20	THE COURT: Mr. Christensen?
21	MR. CHRISTENSEN: Okay.
22	MR. DOUGLAS: Okay.
23	THE COURT: Okay.
24	MR. CHRISTENSEN: Thank you.
25	THE COURT: All right. Let me I do I have a status check

1	on the Stay set yet? Anything?
2	MR. STEPHENS: I don't believe so, Your Honor.
3	MR. CHRISTENSEN: Well
4	THE CLERK: You have a status check
5	MR. CHRISTENSEN: way in October.
6	MR. STEPHENS: Yes.
7	THE CLERK: on the Supreme Court decision.
8	THE COURT: On the Supreme Court decision.
9	MR. DOUGLAS: I thought we set one in October.
10	THE CLERK: It's October 23 <sup>rd</sup> .
11	MR. CHRISTENSEN: Yeah.
12	THE COURT: Yeah, I mean, like I said I went back and
13	looked at when this hit the Supreme Court. When did the when did
14	you all finish your briefing to the
15	MR. DOUGLAS: February
16	THE COURT: Supreme Court?
17	MR. DOUGLAS: January.
18	THE COURT: Of this year?
19	MR. DOUGLAS: Yes.
20	MR. CHRISTENSEN: January.
21	MR. DOUGLAS: There was
22	THE COURT: I was going to say, the like I said, I looked
23	and this thing was certified January of 2018. So.
24	MR. DOUGLAS: There was a there were a number of
25	delays and then there was some additional briefing done because of the

Writs --

new case that came down in December. So I think we're now fully briefed. It's been fully briefed for about two months.

THE COURT: The Supreme Court, that's -- well let's give them nine months to do something with it. I looked at other cases with certified questions and generally they got them out within a year. That's why I'm sort of surprised that there wasn't something here. So let's move this up to the end -- something in the end of August and we'll take a -- we'll talk about whether or not we think there's going to be a decision soon or --

MR. DOUGLAS: Okay.

THE COURT: -- what will happen then.

So I don't want --

MR. CHRISTENSEN: Well and --

THE COURT: I don't want this to go on forever either.

MR. CHRISTENSEN: Well and obviously if they rule on the

THE COURT: If they rule --

MR. CHRISTENSEN: -- then we'll be back here for --

THE COURT: The Writ -- if you -- contact my office and we'll move forward -- we'll consider it -- if they rule on the Writ, come -- you know, I'll know. We'll be setting a hearing and we can discuss the issue of the Stay at that hearing.

MR. CHRISTENSEN: Right.

THE COURT: But for right now, I don't want to let this just --

MR. CHRISTENSEN: Right.

1	THE COURT: devolve into nothingness
2	MR. DOUGLAS: Sure.
3	THE COURT: because I it is an old case as you point
4	you got your client's interest and your client, obviously this has been an
5	albatross around his neck for a long, long time. And as I like to tell the
6	juries, there is no part of government that will touch on a more personal
7	basis than the justice department. So it's been touched for a long, long
8	time. Not the justice department, the you know, the third branch
9	judicial system. So he's been touched a long, long time. So I don't want
10	this to fall.
11	So we'll set it for end of August. If we get a decision on the
12	Writ, we'll take a look at it we'll have another hearing at that point and
13	take a look at the Stay at that point in time. All right?
14	MR. STEPHENS: Thank you, Your Honor.
15	MR. CHRISTENSEN: Thank you, Your Honor.
16	THE COURT: All right.
17	THE CLERK: August 28 <sup>th</sup> at 10:30. And that's will be the
18	Supreme Court decision
19	THE COURT: Right.
20	THE CLERK: Okay.
21	THE COURT: That's well yeah, it's
22	MR. DOUGLAS: Thank you.
23	THE COURT: to see the status of the Supreme Court
24	decision.
25	MR. DOUGLAS: Should we put that in the order for today or

1	will you issue an order?
2	THE COURT: Well we'll put it in the minute order. I mean, I
3	don't care if you put it in the order or not.
4	MR. DOUGLAS: Thank you, Your Honor.
5	MR. CHRISTENSEN: Thank you, Your Honor.
6	THE COURT: All right. Thank you.
7	[Proceeding concluded at 9:16 a.m.]
8	* * * * *
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21	ATTEST: I do hereby certify that I have truly and correctly transcribed
22	the audio/video proceedings in the above-entitled case to the best of my ability.
23	$m \rightarrow H \sim m$
24	Battylang
25	Brittany Mangelson Independent Transcriber

**Electronically Filed** 002299 4/3/2018 3:07 PM Steven D. Grierson CLERK OF THE COURT **COMP** David A. Stephens, Esq. Nevada Bar No. 00902 STEPHENS, GOURLEY & BYWATER 3636 North Rancho Drive Las Vegas, Nevada 89130 Telephone: (702) 656-2355 Facsimile: (702) 656-2776 Email: dstephens@sgblawfirm.com Attorney for Cheyenne Nalder 6 **DISTRICT COURT** 7 **CLARK COUNTY, NEVADA** 8 CASE NO.: A549111 A-18-772220-C 9 CHEYENNE NALDER, 10 DEPT NO.: XXXX Department 29 Plaintiff, 11 VS. 12 GARY LEWIS and DOES I through V, 13 inclusive, 14 Defendants. 15 **COMPLAINT** 16 Date: n/a 17 Time: n/a COMES NOW the Plaintiff, CHEYENNE NALDER, by and through Plaintiff's attorney, 18 19 DAVID A. STEPHENS, ESQ., of STEPHENS & BYWATER, and for a cause of action against the 20 Defendants, and each of them, alleges as follows: 21 1. Upon information and belief, that at the time of the injury the Defendant, GARY LEWIS, was a resident of Las Vegas, Clark County, Nevada, and that on or about December 2008 2.2 2.3 GARY LEWIS moved out of state and has not been present or resided in the jurisdiction since that 24 time. 25 2. That Plaintiff, CHEYENNE NALDER, was at the time of the accident, a resident of the County of Clark, State of Nevada 26 27 3. That the true names or capacities, whether individual, corporate, associate or

002299

otherwise, of Defendants names as DOES 1 through V, inclusive, are unknown to Plaintiff, who

therefore sues said Defendant by such fictitious names. Plaintiff is informed and believes and thereon alleges that each of the Defendants designated herein as DOE is responsible in some manner for the events and happenings referred to and caused damages proximately to Plaintiff as herein alleged, and that Plaintiff will ask leave of this Court to amend this Complaint to insert the true names and capacities of DOES I through V, when the names have been ascertained, and to join such Defendants in this action.

- 4. Upon information and belief, Defendant, Gary Lewis, was the owner and operator of a certain 1996 Chevy Pickup (hereafter referred as "Defendant vehicle") at all times relevant to this action.
- 5. On the 8<sup>th</sup> day of July, 2007, Defendant, Gary Lewis, was operating the Defendant's vehicle on private property located in Lincoln County, Nevada; that Plaintiff, Cheyenne Nalder, was playing on the private property; that Defendant, did carelessly and negligently operate Defendant's vehicle so to strike the Plaintiff, Cheyenne Nalder, and that as a direct and proximate result of the aforesaid negligence of Defendant, Gary Lewis, and each of the Defendants, Plaintiff, Cheyenne Nalder, sustained the grievous and serious personal injuries and damages as hereinafter more particularly alleged.
- 6. At the time of the accident herein complained of, and immediately prior thereto, Defendant, Gary Lewis, in breaching a duty owed to Plaintiffs, was negligent and careless, inter alia, in the following particulars:
  - A. In failing to keep Defendant's vehicle under proper control;
  - B. In operating Defendant's vehicle without due care for the rights of the Plaintiff;
  - C. In failing to keep a proper lookout for plaintiffs
- D. The Defendant violated certain Nevada Revised Statutes and Clark County Ordinances, and the Plaintiff will pray leave of Court to insert the exact statutes or ordinances at the time of trial.
- 7. By reason of the premises, and as a direct and proximate result of the aforesaid negligence and carelessness of Defendants, and each of them, Plaintiff, Cheyenne Nalder, sustained a broken leg and was otherwise injured in and about her neck, back, legs, arms, organs, and

systems, and was otherwise injured and caused to suffer great pain of body and mind, and all or some of the same is chronic and may be permanent and disabling, all to her damage in an amount in excess of \$10,000.00

- 8. By reason of the premises, and as a direct and proximate result of the aforesaid negligence and carelessness of the Defendants, and each of them, Plaintiff, Cheyenne Nalder, has been caused to expend monies for medical and miscellaneous expenses as of this time in excess of \$41,851.89, and will in the future be caused to expend additional monies for medical expenses and miscellaneous expenses incidental thereto, in a sum not yet presently ascertainable, and leave of Court will be requested to include said additional damages when the same have been fully determined.
- 9. Prior to the injuries complained of herein, Plaintiff, Cheyenne Nalder, was an able-bodied female, capable of being gainfully employed and capable of engaging in all other activities for which Plaintiff was otherwise suited. By reason of the premises, and as a direct and proximate result of the negligence of the said Defendants, and each of them, Plaintiff, Cheyenne Nalder, was caused to be disabled and limited and restricted in her occupations and activities, and/or suffered a diminution of Plaintiff's earning capacity and future loss of wages, all to her damage in a sum not yet presently ascertainable, the allegations of which Plaintiff prays leave of Court to insert here when the same shall be fully determined.
- 10. That James Nalder as guardian ad litem for Plaintiff, Cheyenne Nalder, obtained judgment against Gary Lewis.
- 11. That the judgment is to bear interest at the legal rate from October 9, 2007 until paid in full.
- 12. That during Cheyenne Nalder's minority which ended on April 4, 2016 all statutes of limitations were tolled.
- 13. That during Gary Lewis' absence from the state of Nevada all statutes of limitations have been tolled and remain tolled.
- 14. That the only payment made on the judgment was \$15,000.00 paid by Lewis's insurer on February 5, 2015. This payment extends any statute of limitation.

- 15. After reaching the age of majority an amended judgment was entered in Cheyenne Nalder's name.
- 16. Plaintiff, in the alternative, now brings this action on the judgment to obtain a judgment against Gary Lewis including the full damages assessed in the original judgment plus interest and minus the one payment made.
- 17. In the alternative Plaintiff requests declaratory relief regarding when the statutes of limitations on the judgments expire.
- 18. Plaintiff has been required to retain the law firm of STEPHENS & BYWATER to prosecute this action, and is entitled to a reasonable attorney's fee.

## CLAIM FOR RELIEF;

- 1. General damages in an amount in excess of \$10,000.00;
- Special damages for medical and miscellaneous expenses in excess of \$41,851.89, plus future medical expenses and the miscellaneous expenses incidental thereto in a presently unascertainable amount;
- 3. Special damages for loss of wages in an amount not yet ascertained an/or diminution of Plaintiff's earning capacity, plus possible future loss of earning and/or diminution of Plaintiff's earning capacity in a presently unascertainable amount;
- 4. Judgment in the amount of \$3,500,000 plus interest through April 3, 2018 of \$2,112,669.52 minus \$15,000.00 paid for a total judgment of \$5,597,669.52.
- 5. A declaration that the statute of limitations on the judgment is still tolled as a result of the Defendant's continued absence from the state.
  - 4. Costs of this suit;
- 5. Attorney's fees; and

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6. For such other and further relief as to the Court may seem just and proper in the premises.

DATED this 3<sup>rd</sup> day of April, 2018.

STEPHENS GOURLEY & BYWATER

/s David A. Stephens
David A. Stephens, Esq.
Nevada Bar No. 00902
3636 North Rancho Drive
Las Vegas, Nevada 89130
Attorneys for Plaintiff

-5-

		Electronically Filed 9/13/2018 12:26 PM Steven D. Grierson	
1	OTDI (CII)	CLERK OF THE COURT	
2	STPJ (CIV) David A. Stephens, Esq.	Column, 2	
3	Nevada Bar No. 00902 Stephens & Bywater		
4	3636 North Rancho Drive Las Vegas, Nevada 89130		
5	Telephone: (702) 656-2355 Facsimile: (702) 656-2776		
6	Email: dstephens@sgblawfirm.com Attorney for Cheyenne Nalder		
7	DIST	RICT COURT	
8	CLARK C	OUNTY, NEVADA	
9	CHEYENNE NALDER,	)	
10	Plaintiff,	) Case No. A-18-772220-C	
11	vs.	) Dept. No. XXIX	
12	GARY LEWIS,		
13	Defendant.		
14	STIPULATION TO ENTER JUDGMENT		
15		Date: n/a	
16		Fime: n/a	
17	Gary Lewis, through his attorney, E. I	Breen Arntz, Esq., and Cheyenne Nalder, through her	
18	attorney, David A. Stephens, Esq., to hereby	stipulate as follows:	
19	1. Gary Lewis has been continuously	absent from the State of Nevada since at least 2010.	
20	2. Gary Lewis has not been subject to	service of process in Nevada since at least 2010 to the	
21	present.		
22	3. Gary Lewis has been a resident and	d subject to service of process in California from 2010	
23	to the present.		
24	4. Plaintiff obtained a judgment against GARY LEWIS which was entered on August 26		
25	2008. Because the statute of limitations on the 2008 judgment had been tolled as a result of GARY		
26	LEWIS' absence from the State of Nevada pursuant to NRS 11.300, Plaintiff obtained an amended		

5. Plaintiff filed an action on the judgment under Mandlebaum v. Gregovich, 50 P. 849, 851

judgment that was entered on May 18, 2018.

27

does not want to incur greater fees or damages.

(Nev. 1897), in the alternative, with a personal injury action should the judgment be invalid.

6. Gary Lewis does not believe there is a valid statute of limitations defense and Gary Lewis

7. Cheyenne Nalder is willing to allow judgment to enter in the amount of the judgment plus

The parties stipulate to a judgment in favor of Cheyenne Nalder in the sum of

interest minus the payment of \$15,000.00 and without additional damages, attorney fees or costs.

Plaintiff is also willing to accept the judgment so calculated as the resulting judgment of the

\$3,500,000.00, plus interest through September 4, 2018 of \$2,211,820.41 minus \$15,000.00 paid for

a total judgment of \$5,696,820.41, with interest thereon at the legal rate from September 4, 2018, until

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The attached judgment may be signed and entered by the Court.

alternatively pled injury claim. Plaintiff will not seek additional attorney fees from Defendant.

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paid in full.

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     JMT (CIV)
    David A. Stephens, Esq.
 2
    Nevada Bar No. 00902
    Stephens & Bywater, P.C.
 3
     3636 North Rancho Drive
    Las Vegas, Nevada 89130
 4
    Telephone: (702) 656-2355
    Facsimile: (702) 656-2776
 5
    Email: dstephens@sgblawfirm.com
     Attorney for Cheyenne Nalder
 6
                                        DISTRICT COURT
 7
                                   CLARK COUNTY, NEVADA
 8
    CHEYENNE NALDER,
 9
                         Plaintiff,
                                                           Case No. A-18-772220-C
10
    VS.
                                                           Dept. No. XXIX
11
    GARY LEWIS,
12
                         Defendant.
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14
                                           JUDGMENT
15
                                             Date: n/a
                                             Time: n/a
16
           Pursuant to the stipulation of the parties, and good cause appearing therefore,
17
           IT IS HEREBY ORDERED, ADJUDGED AND DECREED, that Plaintiff Cheyenne Nalder
18
    have and recover judgment from Defendant Gary Lewis in the sum of three million five hundred
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    thousand dollars, ($3,500,000.00), plus prejudgment interest through September 4, 2018 in the sum
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    of two million two hundred eleven thousand eight hundred twenty and 41/100 dollars,
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    ($2,211,820.41), minus fifteen thousand dollars, ($15,000.00), previously paid to Cheyenne Nalder,
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1	for a total judgment of five million six hundred ninety six thousand eight hundred twenty and 41/100
2	dollars, (\$5,696,820.41), with interest thereon at the legal rate from September 4, 2018, until paid in
3	full.
4	DATED this day of September, 2018.
5	
6	
7	
8	DISTRICT JUDGE
9	Submitted by:
10	STEPHENS & BYWATER, P.C.
11	
12	DAVID A. STEPHENS, ESQ.
DAVID A. STEPHENS, ESQ. Nevada Bar No. 00902 3636 North Rancho Drive	Nevada Bar No. 00902 3636 North Rancho Drive
14	Las Vegas, Nevada 89130 Attorneys for Plaintiff
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	9/17/2018 11:14 AM Steven D. Grierson CLERK OF THE COURT	2308					
$\begin{bmatrix} 1 \\ 2 \end{bmatrix}$	OPPS (CIV) David A. Stephens, Esq.						
$\begin{bmatrix} 2 \\ 3 \end{bmatrix}$	David A. Stephens, Esq. Nevada Bar No. 00902 Stephens & Bywater						
4	3636 North Rancho Drive Las Vegas, Nevada 89130 Telephone: (702) 656-2355 Facsimile: (702) 656-2776 Email: dstephens@sgblawfirm.com Attorney for Cheyenne Nalder						
5							
6	Attorney for Cheyenne Nalder						
7	DISTRICT COURT						
8	CLARK COUNTY, NEVADA						
9	CHEYENNE NALDER,						
10	Plaintiff, Case No. A-18-772220-C						
11	vs. Dept. No. XXIX						
12	GARY LEWIS,						
13	Defendant.						
14	PLAINTIFF'S OPPOSITION TO MOTION TO INTERVENE	002308					
15 16	Date: 9/19/2018 Time: Chambers						
17	Cheyenne Nalder, through her attorney, David A. Stephens, Esq., opposes the Motion						
18	to Intervene filed by United Automobile Insurance Company, as follows:						
19	POINTS AND AUTHORITIES						
20	I. INTRODUCTION						
21	Counsel for Plaintiff apologizes for the lateness in filing of this opposition to the						
22	motion to intervene. Counsel first learned of this motion to intervene on September 10, 2018.						
23	Counsel then contacted Matthew J. Douglas, Esq., by email requesting an extension of time						
24	to respond to the motion in that he had never received the motion to intervene. <sup>1</sup>						
25							
26							
27 28	<sup>1</sup> Counsel for Plaintiff does not mean to imply, by this statement, that counsel for UAIC did not serve the motion properly. He can only represent that he did not receive the motion. He does not know the reason why it was not received. It may have been because he was not yet registered for eservice when the motion was filed.						

Mr. Douglas responded by stating that the motion to intervene was eserved on August 16, 2018 on Counsel's email.<sup>2</sup> Counsel for Plaintiff indicated that it had not been received. Mr. Douglas then indicated that he needed to know the grounds for opposing the motion before he could agree to an extension. Thus, it became easier to do the research and file an opposition than do the research on the grounds for the opposition than to get an extension of time to file an opposition. Thus, this opposition is being filed late.

Additionally, the motion to intervene was never served on Mr. Lewis or his attorneys, which would be required in that he is a party and has not been defaulted. (See proof of service on Motion to Intervene).

### II. FACTS

On the 8<sup>th</sup> day of July, 2007, Defendant, Gary Lewis, ("Lewis"), ran over Cheyenne Nalder, ("Cheyenne"), while he was driving his vehicle on private property located in Lincoln County, Nevada.

Cheyenne was a minor at the time of the accident.

The negligence of Gary Lewis was the cause of the accident.

Cheyenne suffered serious injuries due to this accident.

On June 3, 2008, Cheyenne, with her father as her guardian ad litem, obtained a default judgment against Lewis for \$3,500,00.00.

At the time the judgment was entered Cheyenne was represented by Christensen Law Offices.<sup>3</sup>

None of that judgment has ever been paid, with the exception of \$15,000.00, which was later paid by United Auto Insurance Company, ("UAIC"), as a result of a suit filed against UAIC, which was alleged to be the insurer for Lewis at the time of the accident, for bad faith,

<sup>&</sup>lt;sup>2</sup> Mr. Stephens is not sure when he set up eservice on him in this matter, but he believes that it was in early September, 2018, which was after the date the motion was filed and eserved.

<sup>&</sup>lt;sup>3</sup> It is counsel's understanding that Cheyenne is represented by Tom Christensen, Esq., and Dennis Prince, Esq., in the litigation and pending appeals involving UAIC.

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failure to defend, and other claims for relief.

Out of an abundance of caution, upon learning that UAIC was maintaining that her judgment against Lewis had expired, Cheyenne filed this suit through Stephens & Bywater, P.C.

By filing this suit, Cheyenne is not seeking a double recovery, which would be impossible because she has never recovered anything, except the \$15,000.00 payment from UAIC. Cheyenne will credit that payment against any judgment she receives in this suit.

# III. UAIC SHOULD NOT BE ALLOWED TO INTERVENE IN THIS MATTER NRCP 24 states:

- (a) Intervention of Right. Upon timely application anyone shall be permitted to intervene in an action: (1) when a statute confers an unconditional right to intervene; or (2) when the applicant claims an interest relating to the property or transaction which is the subject of the action and the applicant is so situated that the disposition of the action may as a practical matter impair or impede the applicant's ability to protect that interest, unless the applicant's interest is adequately represented by existing parties.
- **(b) Permissive Intervention.** Upon timely application anyone may be permitted to intervene in an action: (1) when a statute confers a conditional right to intervene; or (2) when an applicant's claim or defense and the main action have a question of law or fact in common. In exercising its discretion the court shall consider whether the intervention will unduly delay or prejudice the adjudication of the rights of the original parties.
- **(c) Procedure**. A person desiring to intervene shall serve a motion to intervene upon the parties as provided in Rule 5. The motion shall state the grounds therefor and shall be accompanied by a pleading setting forth the claim or defense for which intervention is sought. The same procedure shall be followed when a statute

gives a right to intervene.

UAIC does not argue for permissive intervention under NRCP 24(b), so the opposition will focus on NRCP 24(a).

#### A. UAIC HAS NO INTEREST TO PROTECT

UAIC does not point to any statute that gives it an unconditional right to intervene.

Thus, to intervene, UAIC must claim "an interest relating to the property or transaction which is the subject of the action and the applicant is so situated that the disposition of the action may as a practical matter impair or impede the applicant's ability to protect that interest." (NRCP 24(a)(2)).

What is the interest that UAIC seeks to protect? That interest is ill-defined, at best.

UAIC does not have a direct interest in the claims at issue. Neither it nor its employees were involved in the accident. Thus, it has no direct liability for the accident.

It did not defend Lewis when Cheyenne initially filed suit against him in 2007 following the accident. UAIC denied that Lewis was covered by a UAIC policy at the time of the accident. When the US District Court found that there may have been coverage due to an ambiguity, UAIC still did not move to reopen the case in order to attempt to set aside the default judgment Cheyenne obtained against Lewis in 2008. It simply tendered the \$15,000.00 policy limits to Cheyenne. Having paid Cheyenne the policy limits of the insurance policy which insured Lewis, UAIC has no risk under the insurance policy itself.

What UAIC appears to be worried about is some contingent and unliquidated liability, based on allegations of breach of the duty to defend or tort liability arising out of that same failure to defend in the original suit filed in 2007. Those issues are being litigated in US District Court and the Ninth Circuit. They are not plead in this matter. If UAIC is not willing to pay any judgment that might be awarded in this matter, then UAIC has no interest to protect in this suit and it should not be allowed to intervene. If intervention is allowed, then UAIC must consent to be liable for any judgment ultimately entered in this action.

### B. ANY CLAIMED UAIC INTERESTS ARE ADEQUATELY REPRESENTED

UAIC has misread or misconstrued the language of Exhibit H<sup>4</sup>, attached to the moving papers. UAIC argues that in Exhibit H, Mr. Christensen prohibits UAIC from appearing in this matter. However, that is not what Exhibit H states. In Exhibit H, Mr. Christensen advises Mr. Rogers that Lewis does not want Mr. Rogers to take positions that are frivolous, not well supported, and might result in increased damages against Mr. Lewis unless UAIC is willing to be responsible for those increased damages and for any judgment ultimately entered against Mr. Lewis. This request makes sense. Why should Lewis consent to carte blanche representation by UAIC if the only person benefitting from the representation is UAIC, and UAIC's approach may cause greater harm to Lewis if UAIC's position is found to be frivolous? If Lewis is an insured of UAIC, it must put his interests equal to its own interests. There is no exhibit attached to the motion which explains why UAIC representing Lewis benefits Lewis. If there was such a communication, Plaintiff believes that it would have been attached to the motion to intervene. Apparently, rather than explaining to Lewis how the UAIC representation could benefit him and getting consent to represent him, UAIC has decided to just attempt to intervene.

## III. CHEYENNE IS RENEWING THE JUDGMENT IN THE ONLY WAY THAT IS CURRENTLY AVAILABLE

UAIC implies that there is some perfidy on the part of Cheyenne in filing this suit. However, nothing could be further from the truth. Statutes of limitation wait for no man, or woman, or for that matter appellate court decisions. Due to Cheyenne reaching the age of majority she has a risk that certain statutes of limitation may expire. She has every right to file suit to protect the loss of a right due to the running of any applicable statutes of limitation. She is not required to sit on her hands and

consented to such disclosure. See NRS 49.095.

communication between Tom Christensen, Esq., and Stephen Rogers, Esq., who were both representing Mr. Lewis at the time the letter was written, discussing the best litigation strategy for Mr.

Lewis as to this lawsuit. Thus, it should be privileged from disclosure unless Mr. Lewis has

While the privilege is not Cheyenne's to claim, this letter appears to be a confidential

patiently await for an appellate decision which may not be issued before statutes run.

In the alternative, Cheyenne is renewing her judgment in the only way that is currently available to her an action on the judgment pursuant to *Mandlebaum v. Gregovich*, 50 P. 849, 24 Nev. 154 (Nev. 1897). This is the only avenue clearly available to renew because NRS 17.214, the judgment renewal statute, allows for renewal "within 90 days before the date the judgment expires by limitation." The six-year statute of limitations on the judgment was tolled by three separate tolling statutes and is still tolled today by NRS 11.300 because Mr. Lewis has been continually absent from the State of Nevada and not capable of service of process in the state since at least 2010. Thus a renewal under NRS 17.214 would be unnecessary, and even worse it could be invalid because it is too early.

As Plaintiff understands it, the issue certified to the Nevada Supreme Court, and accepted by them, is whether consequential damages based on a judgment that was not renewed are recoverable against an insurance carrier. That issue is much more narrow than the issues in this case. One of the issues plead in this case is whether the statute of limitation on the judgment was even running such that she needed to renew the judgment. If the judgment did not have to be renewed because the six-year statute was not running, or was tolled, then the issue certified to the Nevada Supreme Court is actually moot because the judgment is still valid. At minimum that issue is not before the Nevada Supreme Court.

#### IV. UAIC'S MOTION IS NOT TIMELY

It is difficult to see what interest UAIC has that needs protection in this lawsuit that is not adequately represented by Lewis. Apparently, UAIC, at some point prior to March 14, 2017, (the date UAIC filed to dismiss the Nalder & Lewis v. UAIC federal court lawsuit), came to the flawed conclusion that the statute of limitations on the Nalder judgment against Lewis had expired. UAIC did not attempt to test that hypothesis for the benefit of Lewis by filing a declaratory relief action on his behalf or attempting to intervene to assert the statute of limitations as a defense on Lewis' behalf. UAIC instead filed a motion to dismiss the Nalder & Lewis federal lawsuit against

1	UAIC which had been pending for nearly eight years had two judgments entered, two appeals
2	argued and one certified question to the Nevada Supreme Court. Waiting to "protect" Lewis for
3	over a year is not timely.
4	For these reasons the motion to intervene must be denied.
5	Dated this 17 <sup>th</sup> day of September, 2018
6	
7	s/ David A Stephens
8	David A. Stephens, Esq. Nevada Bar No. 00902
9	Stephens & Bywater, P.C. 3636 North Rancho Drive
10	Las Vegas, Nevada 89130 Attorney for Cheyenne Nalder
11	Tuothey for encycline reader
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1		CERTIFICATE OF SERVICE
2	І НЕІ	REBY CERTIFY that on this 17 <sup>th</sup> day of September, 2018, I served the following
3	document: P	LAINTIFF'S OPPOSITION TO MOTION TO INTERVENE
4		
5	•	VIA ELECTRONIC FILING; (N.E.F.R. 9(b))
6 7		Matthew J. Douglas, Esq. Atkin Winner & Sherrod 117 S. Rancho Drive Las Vegas, NV 89102
8		VIA ELECTRONIC SERVICE (N.E.F.R. 9)
9	_	
10	-	BY MAIL: by placing the documents(s) listed above in a sealed envelope, postage prepaid in the U. S. Mail at Las Vegas, Nevada, addressed as set forth below:
11		E. Breen Arntz, Esq. 5545 Mountain Vista, Suite E
12		Las Vegas, NV 89120 Attorney for Gary Lewis
13	_	BY FAX: by transmitting the document(s) listed above via telefacsimile to the fax
14	_	number(s) set forth below. A printed transmission record is attached to the file copy of this document(s).
15		E. Breen Arntz, Esq., 702-446-8164
16		BY HAND DELIVER: by delivering the document(s) listed above to the person(s)
17		at the address(es) set forth below.
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19		s/ David A Stephens An Employee of Stephens & Bywater
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Page 1 of 12

# MEMORANDUM OF POINTS AND AUTHORITIES IN SUPPORT OF REPLY IN SUPPORT OF MOTION FOR INTERVENTION

I.

### Response to Plaintiff's Fact Section

UAIC notes that it has set forth the factual background in regards to this matter in its initial motion and refers the Court to same. However, UAIC must also briefly respond to Plaintiff's fact section.

Plaintiff notes that the original judgment in this case was filed August 26, 2008. What Plaintiff fails to mention, however, is that, thereafter, Plaintiff failed to renew this 2008 judgment against Lewis pursuant to Nevada law. Specifically, as this Court is aware, under N.R.S. 11.190(1)(a) the limitation for action to execute on such a judgment would be six (6) years, unless renewed under N.R.S. 17.214. Accordingly, the date to renew said judgment would have been, by the latest, August 26, 2014. This was never done and, as such, Plaintiff's judgment in this matter expired as a matter of law in 2014. Accordingly, Plaintiff's ex parte attempts to amend this judgment without advising the Court of same was improper.

Additionally, Plaintiff agrees she filed suit against UAIC alleging bad faith for failure to defend Lewis, but fails to note that two United States District court judges found and, the Ninth Circuit for the U.S. Court of Appeals has affirmed, that UAIC committed no bad faith in the handling of Plaintiff's claims against Lewis. However, the Court also found, in late 2013, that UAIC had a duty to defend Lewis. Initially, in late 2013, there was no active need to defend Lewis as, this suit had gone to judgment and, the time to vacate this judgment under N.R.C.P. 60 had passed. Only after the completely opaque attempt to try an 'end around' the expiration of this judgment and, the jurisdiction of the Nevada Supreme Court and Ninth Circuit, by Plaintiff's amendment of the judgment here, did a 'new' controversy arise for which UAIC believes its duty to defend has again been triggered. Of course, as set forth in UAIC's initial Motion, its initial

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attempt to retain counsel for Mr. Lewis to defend him and seek relief from this alleged 'amended judgment' has been thwarted by Plaintiff's own counsel who claims he also represents Lewis and has attempted to forbid any action on his behalf.

Indeed, UAIC must note that Plaintiff's counsel admits in his response that Mr. Christensen continues to represent his client on this original judgment and in the ongoing Appellate matters. Accordingly, for Plaintiff's co-counsel in this case, Mr. Stephens, to allege he was merely seeking to amend the judgment for Cheyenne upon reaching majority, while ignoring Mr. Christensen's continued representation of her and, apparently, the judgment-debtor, Mr. Lewis – as well as the ongoing appellate matters – stretches the bounds of reality. As will be set forth in detail below, we see an attempt of fraud upon the court which should not be countenanced.

П.

### ARGUMENT

It is clear from Plaintiff's Opposition that it is late and, as such, this Court may disregard it and grant UAIC's Motion. Alternatively, should this Court consider the merits of the Opposition it is also clear that Plaintiff does not dare dispute that UAIC has properly followed the procedure for intervention pursuant to NRCP 24(a)(2) nor, that UAIC does not have an interest which will negatively impacted should its intervention be denied as it is not adequately represented herein. Rather, the Plaintiff's sole argument appears to be a technical one – that as judgment has been entered, UAIC can no longer intervene. However, UAIC will note that the cases cited by Plaintiff are distinguishable and, more importantly, what Plaintiff is attempting is a fraud upon the court which should overcome the normal prohibition against such an intervention. Accordingly, UAIC asks this Court to grant its Motion to intervene. Alternatively, that this Court may vacate or set aside the Amended Judgment on its own Motion.

### A. Plaintiff's Opposition is clearly late and, as such, should be stricken or disregarded.

As this Court knows, E.D.C.R. 2.20(e) requires any Opposition to be a Motion to be filed within 10 days of service. Here, as the present Motion was filed and served August 16, 2018, allowing 3 days for mailing, the Opposition was due no later than September 4, 2018. As the present Opposition was filed on September 14, 2018 it is technically late and this Court may disregard it and grant UAIC's Motion.

E.D.C.R. 2.20(e) states, as follows:

(e) Within 10 days after the service of the motion, and 5 days after service of any joinder to the motion, the opposing party must serve and file written notice of nonopposition or opposition thereto, together with a memorandum of points and authorities and supporting affidavits, if any, stating facts showing why the motion and/or joinder should be denied. Failure of the opposing party to serve and file written opposition may be construed as an admission that the motion and/or joinder is meritorious and a consent to granting the same. (emphasis added).

As this Court can see, Plaintiff's Opposition is clearly late pursuant to rule. Moreover, Plaintiff, while alleging she did not receive the Motion, makes no argument that it was not properly served. As such, this Court can exercise its discretion and choose to disregard this Opposition.

Given the lateness of the Opposition and lack of valid excuse justifying same, UAIC asks this Court to disregard the late Opposition and instead construe the failure to timely file an Opposition as an admission the Motion is meritorious and grant same.

B. Alternatively, Plaintiff's Opposition that UAIC is not Entitled to Intervene is Based on Distinguishable Case Law and, in any event, this Court should Exercise its Equitable Authority and Allow said Intervention Based upon Fraud Upon the Court.

For her Opposition, Plaintiff essentially makes one argument — that as this case involves a recently amended judgment which Plaintiff argues is "final" and, thus, UAIC is "too late" to intervene. However, some of the cases cited are distinguishable and, additionally, UAIC argues this involves a 'fraud upon the court' and, as such, this Court may exercise its discretion and allow this Intervention or, vacate the Amended Judgment on the Court's own Motion.

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First, Plaintiff cites to the case of SFPP, LP v District Court, 123 Nev. 608 (2007) for the proposition that, generally, a court loses jurisdiction of a case after entry of a final judgment. However, as Plaintiff's own brief notes, the Court in SFPP clearly noted an exception to this rule when a party seeks "to alter, set aside, or vacate its judgment in conformity with the Nevada Rules of Civil Procedure." Id. Here, UAIC has sought this intervention so as to file just such a Motion, under NRCP 60, and seek relief from a final judgment. Attached to UAIC's Initial Motion, as Exhibit "I", is a copy of UAIC's proposed responsive pleading to this action, a Motion for Relief from the Judgment pursuant to N.R.C.P. 60. As UAIC seeks a Motion for relief from judgment under Rule 60, it falls into the exception outlined by the Court in SPFF and, accordingly, that case serves as no bar to UAIC's Motion.

Similarly, Plaintiff relies upon Lee v GNLV Corp., 116 Nev. 424 (2000), for the general proposition that a final judgment is one that disposes of all the issues in this case. In so ruling, the court in Lee was explaining that the Respondent's motion to dismiss the appeal, which the Appellant therein had filed on the judgment, because a post-judgment motion (regarding costs was still pending) was not well taken because the post-judgment proceeding on fees did delay enforcement of the judgment. Accordingly, the rule set forth in Lee only concerns the appealability of a final order has absolutely nothing to do with the separate concerns of a Rule 60 Motion for Relief from judgment. As such, like the SPFF case discussion above, the present matter is distinguishable because UAIC seeks to intervene to file a timely and good faith Motion, under NRCP 60, seeking relief from a final judgment. As such, the Lee case also serves as no bar to Plaintiff's Motion.

Finally, Plaintiff relies on Lopez v Merit Ins. Co., 109 Nev. 553 (1993), for its main argument that NRS 12.130 does not permit entry intervention subsequent to entry of a final judgment. First, UAIC would like to point out that this case is distinguishable from the standpoint that Lopez dealt with a situation where an insurer was seeking to intervene in a case

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filed by its insured against an alleged tortfeasor and, not as here, where UAIC is seeking to intervene to protect its insured from a judgment on a suit filed by a claimant. As this Court is likely aware, the case of Allstate Ins. Co. v Pietrosh, 454 P.2d 106 (1969), provides generally that an insurer is bound by judgments in favor of its insured against a torfeasor, when it fails to intervene, for purposes of any Underinsured Motorist claim made by its insured. Accordingly, the Court in Lopez was dealing with a completely different situation than the case at bar in that, in Lopez, the insurer was seeking intervention after judgment to potentially alleviate its Underinsured motorist obligations on a judgment in favor of its insured and against a tortfeasor where it had an affirmative obligation to intervene before judgment to do so.

Quite simply, that is not the situation here. UAIC not Plaintiff's insurer and, more importantly, UAIC had no such opportunity to intervene prior to entry of this 'amended judgment.' As discussed in UAIC's initial Motion, Plaintiff failed to renew the original, 2008, judgment in this case pursuant to Nevada law. Specifically, as this Court is aware, under N.R.S. 11.190(1)(a) the limitation for action to execute on such a judgment would be six (6) years, unless renewed under N.R.S. 17.214. Upon realizing the judgment had never been timely renewed, UAIC filed a Motion to Dismiss the Appeal for Lack of Standing with the Ninth Circuit (in the sister litigation on appeal, which is also set forth in UAIC's initial Motion) on March 14, 2017. Thereafter, on February 23, 2018 the Nevada Supreme Court issued an order accepting this second certified question and ordered Appellants to file their Opening brief within 30 days, or by March 26, 2018. A copy of the Order accepting the second certified question was attached as Exhibit 'B' to UAIC's initial Motion. In accepting the certified question, the Nevada Supreme Court rephrased the question as follows:

In an action against an insurer for breach of the duty to defend its insured, can the plaintiff continue to seek consequential damages in the amount of a default judgment obtained against the insured when the judgment against the insured was not renewed and the time for doing so expired while the action against the insurer was pending?

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On August 2, Plaintiff (Appellant therein) filed her Opening Brief on this question and, UAIC has yet to file its Response Brief and, accordingly, the above-quoted question and, issue, remains pending before the Nevada Supreme Court. Despite the above, in what appears to be a clear case of forum shopping, Plaintiff retained additional Counsel (Plaintiff's Counsel herein) who filed an ex parte Motion before this Court on March 22, 2018 seeking to "amend" the 2008 expired judgment to be in the name of Cheyenne Nalder individually. A copy of the Ex Parte Motion is attached to UAIC's initial Motion as Exhibit 'C.' Thereafter, this Court, obviously not having been informed of the above-noted Nevada Supreme Court case, entered the amended judgment and same was filed with a notice of entry on May 18, 2018. A copy of the filed Amended Judgment is attached to UAIC's initial Motion as Exhibit 'D.' Upon learning of this "amended judgment" and "new" action (the sister case A-18-772220-C), on July 19, 2018<sup>1</sup>, and, given the prior United States District Court's ruling that Gary Lewis is an insured under an implied UAIC policy for the loss belying these judgments, UAIC immediately sought to engage counsel to appear on Lewis' behalf in the present action. A copy of the Judgment of the U.S. District Court finding coverage and implying an insurance policy is attached to UAIC's initial Motion as Exhibit 'G." Following retained defense Counsel's attempts to communicate with Mr. Lewis to defend him in this action and, potentially, vacate this improper amendment to an expired judgment – retained defense counsel was sent a letter by Tommy Christensen, Esq. – the other Counsel for Plaintiff judgment-creditor herein and in the above-referenced appeal - stating in no uncertain terms that Counsel could not communicate with Mr. Lewis, nor appear and defend him in this action and take action to get relief from this amended judgment. A copy of Tommy Christensen's letter of August 13, 2018 is attached to UAIC's initial Motion as Exhibit 'H."

<sup>&</sup>lt;sup>1</sup> UAIC was only informed of this alleged 'amended judgment' when it received a 3 day notice of intent to take default against Gary Lewis in the 'new' action filed by Nalder on the amended judgment on July 19, 2018.

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In this way, the case at bar is simply not analogous to *Lopez* as UAIC simply never had a duty to intervene prior to this amended judgment, much less ability to do so. That is, the original 2008 judgment was expired and only by Plaintiff's improper attempt to file this 'amended judgment' earlier this year did a need to intervene arise. Moreover, UAIC never even knew of these surreptitious actions on the expired judgment until July 2018 and, thus, intervening prior to that date would have been an impossibility. Accordingly, given the circumstances – Plaintiff attempting to improperly amend an expired judgment while such issues were on appeal in another matter - this Court should use its equitable and discretionary authority to allow such intervention here even if technically 'after judgment.'

Additionally, UACI argues that the circumstances set forth above also offer additional reasons to allow UAIC's intervention in this circumstance. That is, the clear conflict of interest and attempts at perpetrating a fraud upon the court by Plaintiff. As noted above, Plaintiff is represented by Mr. Christensen. Mr. Christensen also purports to be counsel for Lewis and has informed UAIC's first retained counsel for Lewis that he may not appear and attempt to vacate this judgment. Now, after learning of this and trying to intervene itself to protect Lewis and, its own interests, UAIC is told by Plaintiff it cannot intervene. So, per Plaintiff, UAIC's retained defense counsel cannot move to vacate this amended judgment and – UAIC cannot either. This is clearly an attempt at a fraud upon the court solely to benefit Plaintiff and her counsel - and same should not be tolerated.<sup>2</sup>

In NC-DSH, Inc. v Garner, 125 Nev. 647 (2009) the Nevada Supreme Court set forth the definition of a fraud upon the Court in considering motion for relief from judgment under NRCP 60. In NC-DSH, Inc. the lawyer for a plaintiff's malpractice case forged settlement documents and disappeared with the settlement funds. Id. In allowing the Plaintiff's Rule 60 motion to set aside the dismissal (and settlement) the Court set forth the following definition for such a fraud,

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Id at 654.

In the case at bar it seems clear that Plaintiff's counsel (Mr. Christensen) is attempting just such a fraud. That is, besides the original judgment being expired and, the effect of its expiration on appeal before both the Nevada Supreme Court and the U.S. Court of Appeals for the Ninth Circuit, Plaintiff still attempted this 'amendment of judgment'. Moreover, Mr. Christensen (Plaintiff's additional Counsel) represents both the judgment-creditor and judgment-debtor. Further, in his role as counsel for Plaintiff and Defendant, Mr. Christensen is attempting, as an officer of the court, to prevent UAIC from exercising its contractual and legal duty to defend Mr. Lewis and vacate this farce of a judgment by telling UAIC's first retained counsel to not file the motion for relief from this judgment. Additionally, Plaintiff is now seeking to deny UAIC a chance to intervene. UAIC pleads this clearly a fraud perpetrated by officers of the court so that the judicial machinery cannot perform in the usual manner its impartial task of adjudging cases. In other words, Mr. Christensen, Counsel for Plaintiff, is seeking on the one hand to enforce an invalid judgment and, with the other, prevent anyone from contesting it – by representing both sides. This is the definition of a conflict of interest. After all, Plaintiff's is attempting to improperly "fix" an expired multi-million judgment, while at the same time Counsel for Plaintiff is also claiming to represent the judgment-debtor (Lewis) and arising retained counsel not to vacate the amended judgment. How could this possibly benefit Mr. Lewis? Is having a multi-million dollar judgment against him which had expired be resurrected by an improper amendment of the judgment to his benefit? Is preventing anyone

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<sup>(</sup>Cont.) <sup>2</sup> Indeed, perhaps this should be reported to the State bar.

from vacating or setting aside this improper amended judgment to his benefit? In short, it does not — it only benefits Plaintiff and her counsel. UAIC argues this is clear fraud and collusive conduct and, at the very least, the Court should therefore exercise its equitable power and allow UAIC's intervention and, thereafter, hold an evidentiary hearing on this fraud.

Should this Court decline to allow UAIC to intervene, UAIC further pleads, in the alternative, that this Court vacate the 2018 "amended judgment" on its own Motion given the clear fraud that appears to have been perpetrated and is set forth herein. As this Court is aware, District Courts have the inherent power to set aside judgments procured by extrinsic fraud. *Lauer v District Court*, 62 Nev. 78, 140 P.2d 953. In the case at bar the potential extrinsic fraud abounds. Besides the inherent conflict of interest of Plaintiff's Counsel, it also true that Plaintiff failed to advise this court that 1) the 2008 judgment had expired and, 2) that the issue over the effect of same expired judgment was before both the Nevada Supreme Court and the U.S. Court of Appeals for the Ninth Circuit when it filed its *ex parte* Motion to amend this judgment. Extrinsic fraud is usually found when conduct prevents a real trial on the issues or, prevents the losing party from having a fair opportunity of presenting his/her defenses. *Murphy v Murphy*, 65 Nev. 264 (1948). The Court may vacate or set aside a judgment under Rule 60 on its own Motion. *A-Mark Coin Co. v. Estate of Redfield*, 94 Nev. 495 (1978).

Given the fairly egregious attempt to prevent UAIC from vacating the improper attempt to amend an expired judgment, when such judgment was procured without notice, while these issues were on appeal and, with Plaintiff's counsel representing both sides – UAIC pleads with this Court to exercise its own discretion and authority to vacate the amended judgment based on all of the above.

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III.

### CONCLUSION

Based on the foregoing, UAIC asks this Court grant it leave to intervene in this matter to protect its interests and LEWIS'. Alternatively, that this court exercise its inherent authority and discretion to vacate or set aside the improperly obtained amended judgment for the reasons set forth above.

day of SEPTEMBER, 2018.

Matthew Douglas, Esq. Nevada Bar No. 11371 1117 S. Rancho Drive Las Vegas, Nevada 89102

Attorneys for UAIC

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ATKIN WINNER & SHERROD NEVADA LAW CERTIFICATE OF SERVICE

I certify that on this day of September, 2018, the foregoing UAIC's REPLY IN SUPPORT OF MOTION TO INTERVENE was served on the following by | Electronic Service pursuant to NEFR 9 M Electronic Filing and Service pursuant to NEFR 9 [] hand delivery [] overnight delivery [] fax [] fax and mail [] mailing by depositing with the U.S. mail in Las Vegas, Nevada, enclosed in a sealed envelope with first class postage prepaid, addressed as follows:

### PLAINTIFFS' COUNSEL

David A. Stephens, Esq. STEPHENS, GOURLEY & BYWATER 3636 N. Rancho Dr. Las Vegas, Nevada 89130

> An employee of ATKIN WINNER & SHERROD

### DISTRICT COURT CLARK COUNTY, NEVADA

Negligence - Auto COURT MINUTES September 19, 2018

07A549111 James Nalder
vs
Gary Lewis

September 19, 2018 3:00 AM Motion to Intervene

**HEARD BY:** Jones, David M **COURTROOM:** Chambers

**COURT CLERK:** Haly Pannullo

**RECORDER:** Melissa Murphy-Delgado

### **JOURNAL ENTRIES**

- There being no opposition, COURT ORDERED, Motion GRANTED.

CLERK'S NOTE: This Minute Order was electronically served by Courtroom Clerk, Haly Pannullo, to all registered parties for Odyssey File & Serve hvp/9/26/18

PRINT DATE: 09/26/2018 Page 1 of 1 Minutes Date: September 19, 2018

**Electronically Filed** 

9/21/2018 11:24 AM 1 Steven D. Grierson **OPPM** CLERK OF THE COURT 2 E. Breen Arntz Nevada Bar #3853 3 5545 S. Mountain Vista Street, Suite F Las Vegas, NV 89120 4 breen@breen.com 5 **DISTRICT COURT** 6 7 **CLARK COUNTY, NEVADA** 8 CHEYENNE NALDER, 9 Plaintiff, Case No. A-18-772220-C 10 Dept. No. XXIX 11 VS. 12 GARY LEWIS, Date: 9/19/2018 Time: 3am Chambers 13 Defendant. 14 15 DEFENDANT'S OPPOSITION TO MOTION TO INTERVENE AND JOINDER TO PLAINTIFF'S OPPOSITION TO MOTION TO INTERVENE 16 17 Gary Lewis, through his attorney, E. Breen Arntz, Esq., opposes the Motion to Intervene 18 filed by United Automobile Insurance Company (UAIC). UAIC's Motion should be denied 19 because it was not served on Defendant, UAIC has no interest to be protected, any alleged 20 21 interest is adequately protected by Lewis' counsel, is not timely, and UAIC's statute of 22 limitations defense is frivolous. Defendant joins in the opposition filed by David A. Stephens,

### I. FACTS

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Esq., counsel for Cheyenne Nalder.

On the 8<sup>th</sup> day of July, 2007, Defendant, Gary Lewis, ("Lewis"), ran over Cheyenne Nalder, ("Cheyenne"), while he was driving his vehicle on private property located in Lincoln County, Nevada.

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1	Cheyenne was a minor at the time of the accident.
3	The negligence of Gary Lewis was the cause of the accident.
4	Cheyenne suffered serious injuries due to this accident.
5	On June 3, 2008, Cheyenne, with her father as her guardian ad litem, obtained a default
6	judgment against Lewis for \$3,500,000.00.
7	At the time the judgment was entered Cheyenne was represented by Christensen Law
8	Offices. It is counsel's understanding that Cheyenne Lewis are still represented by Thomas
9	Christensen, Esq., and Dennis Prince, Esq., in the litigation and pending appeals involving UAIC.
10	None of that judgment has ever been paid, with the exception of \$15,000.00, which was
12	later paid by United Auto Insurance Company, ("UAIC"), as a result of a suit filed by Nalder and
13	Lewis against UAIC, which was the insurer for Lewis at the time of the accident, for bad faith,
14	failure to defend, and other claims for relief.
15	UAIC never approached Lewis with the idea that the judgment had expired. UAIC never
16	gathered any facts regarding Lewis' absence from the State of Nevada since 2010. UAIC never
17 18	gathered any facts regarding Lewis not being subject to service of process in the State of Nevada
19	since 2010 to the present. UAIC never attempted to defend Lewis and have the statute of
20	limitations on the judgment declared expired. Upon learning that UAIC was maintaining that
21	Nalder's judgment against Lewis had expired, Cheyenne filed this suit through Stephens &
22	Bywater, P.C.
23	UAIC attempted to mislead various defense counsel to interpose a frivolous defense on
24	behalf of Gary Lewis without his knowledge or consent. UAIC misused information obtained

ivolous defense on formation obtained from Mr. Lewis to attempt to intervene in this action without notifying Mr. Lewis.

II. UAIC SHOULD NOT BE ALLOWED TO INTERVENE IN THIS MATTER NRCP 24 states:

(a) Intervention of Right. Upon timely application anyone shall be permitted to
intervene in an action: (1) when a statute confers an unconditional right to intervene; or
(2) when the applicant claims an interest relating to the property or transaction which is
the subject of the action and the applicant is so situated that the disposition of the action
may as a practical matter impair or impede the applicant's ability to protect that interest,
unless the applicant's interest is adequately represented by existing parties.

- **(b) Permissive Intervention**. Upon timely application anyone may be permitted to intervene in an action: (1) when a statute confers a conditional right to intervene; or (2) when an applicant's claim or defense and the main action have a question of law or fact in common. In exercising its discretion the court shall consider whether the intervention will unduly delay or prejudice the adjudication of the rights of the original parties.
- (c) Procedure. A person desiring to intervene shall serve a motion to intervene upon the parties as provided in Rule 5. The motion shall state the grounds therefor and shall be accompanied by a pleading setting forth the claim or defense for which intervention is sought. The same procedure shall be followed when a statute gives a right to intervene.

UAIC does not argue for permissive intervention under NRCP 24(b), so the opposition will focus on NRCP 24(a).

UAIC does not point to any statute that gives it an unconditional right to intervene.

### III. UAIC HAS NO INTEREST TO PROTECT

Thus, to intervene, UAIC must claim "an interest relating to the property or transaction which is the subject of the action and the applicant is so situated that the disposition of the action may as a practical matter impair or impede the applicant's ability to protect that interest." (NRCP 24(a)(2)). UAIC does not have an interest in the claims at issue. Neither it nor its employees

were involved in the accident. Thus, it has no direct liability for the accident. In addition, UAIC has paid their policy limits and contend that they are not liable for any other payments to or on behalf of Lewis.

UAIC did not defend Lewis when Cheyenne Nalder initially filed suit against him in 2007 following the accident. UAIC denied that Lewis was covered by a UAIC policy at the time of the accident. When the Federal District Court found there was coverage, UAIC still did not move to set aside the default judgment Cheyenne obtained against Lewis in 2008. It simply tendered the \$15,000.00 policy limits to Cheyenne.

What UAIC appears to be worried about is some contingent and unliquidated liability, based on allegations of breach of the duty to defend or tort liability arising out of that same failure to defend in the original suit filed in 2007. If UAIC is not willing to pay any part of any judgment that might be awarded against Lewis, then UAIC has no interest to protect in this suit and it should not be allowed to intervene. If intervention is allowed, then UAIC has consented to be liable for any judgment against Lewis ultimately entered in this action.

### IV. ANY CLAIMED UAIC INTERESTS ARE ADEQUATELY REPRESENTED

UAIC has misread or misconstrued the language of Exhibit H<sup>1</sup>, attached to the moving papers. UAIC argues that in Exhibit H, Mr. Christensen prohibits UAIC from appearing in this matter. However, that is not what Exhibit H states. In Exhibit H, Mr. Christensen advises Mr. Rogers that Lewis does not want Mr. Rogers to take positions that are frivolous, not well supported, and might result in increased damages against Mr. Lewis unless UAIC is willing to be responsible for those increased damages and for any judgment ultimately entered against Mr. Lewis. This request makes sense. Why should Lewis consent to cart blanch representation by

This letter is a confidential communication between Tom Christensen, Esq., and Stephen Rogers, Esq., who were both representing Mr. Lewis at the time, discussing the best litigation strategy for Mr. Lewis as to this lawsuit. Thus, it is privileged from disclosure and Mr. Lewis objects to its disclosure and suggests this indicates that UAIC is using its "duty to defend" to harm Mr. Lewis. See NRS 49.095.

UAIC if the only person benefiting from the representation is UAIC, and the approach may cause greater harm to Lewis if UAIC's position is found to be frivolous? There is no exhibit attached to the motion which explains why UAIC representing Lewis in this suit is a benefit to Lewis. There is no exhibit attached to the motion which explains why the statute of limitations on the judgment is not tolled by Mr. Lewis' absence from the State of Nevada. This is because no such letter exists. Rather than showing Mr. Lewis how the representation could benefit him and getting consent to represent him, UAIC has decided to just attempt to intervene.

### V. UAIC'S STATUTE OF LIMITATIONS DEFENSE IS FRIVOLOUS

UAIC claims the statute of limitations on judgments is the only statute of limitations that is not tolled by the various tolling statutes. This defense is frivolous. UAIC implies that there is some perfidy on the part of Cheyenne in filing this suit. However, nothing could be further from the truth. Statutes of limitation wait for no man, or woman, or for that matter appellate court decisions. Due to Cheyenne reaching the age of majority she has a risk that certain statutes of limitation may expire. She has every right to file suit to protect the loss of a right due to the running of any applicable statutes of limitation. She is not required to sit on her hands and patiently await for an appellate decision which may not be issued before statutes run. In the alternative, Cheyenne is renewing her judgment in the only way that is currently available to her -- an action on the judgment pursuant to Mandlebaum v. Gregovich, 50 P. 849, 24 Nev. 154 (Nev. 1897). This is the only avenue clearly available to renew because NRS 17.214 the renewal statute allows for renewal "within 90 days before the date the judgment expires by limitation." The 6 year statute of limitations on the judgment was tolled by three separate tolling statutes and is still tolled today by NRS 11.300. This is because Mr. Lewis has been continually absent from the state of Nevada and not capable of service of process in the state since at least 2010 through the present. Thus a renewal under NRS 17.214 would be unnecessary or may be invalid because

it is too early. No such time frame applies to an action on a judgment which Cheyenne brought in the alternative.

### VI. UAIC'S MOTION IS NOT TIMELY

It is difficult to see what interest UAIC has that needs protection in this lawsuit that is not adequately represented by Lewis. Apparently, UAIC at some point prior to March 14, 2017 (the date UAIC filed to dismiss the Nalder & Lewis v. UAIC federal court lawsuit) came to the flawed conclusion that the statute of limitations on the Nalder judgment against Lewis had expired. UAIC did not attempt to test that hypothesis for the benefit of Lewis by asking Lewis if he would like to file a declaratory relief action or attempt to invalidate the judgment as a result of the expiration of the statute of limitations. UAIC instead filed a motion to dismiss the Nalder & Lewis federal lawsuit against UAIC which had been pending for nearly eight years had two judgments entered, two appeals argued, one reversal, and one certified question to the Nevada Supreme Court. This would have left Lewis with a valid judgment and no claim against UAIC for abandoning their insured. Waiting to "protect" Lewis for over a year is not timely. Maintaining a frivolous defense does not protect Lewis either.

### VII. CONCLUSION

Based upon the foregoing, UAIC's motion to intervene should be denied.

Dated this 21 day of September, 2018

/s/ E. Breen Arntz
E. Breen Arntz
Nevada Bar #3853
5545 S. Mountain Vista Street, Suite F
Las Vegas, NV 89120
breen@breen.com

### 1 **CERTIFICATE OF SERVICE** 2 I HEREBY CERTIFY that on this 21 day of September, 2018, I served the following 3 document: DEFENDANT'S OPPOSITION TO MOTION TO INTERVENE & JOINDER 4 TO PLAINTIFF'S OPPOSITION TO MOTION TO INTERVENE 5 6 7 VIA ELECTRONIC FILING; 8 X VIA ELECTRONIC SERVICE 9 BY MAIL: by placing the documents(s) listed above in a sealed envelope, postage prepaid in the U. S. Mail at Las Vegas, Nevada, addressed as set forth below: 10 11 Matthew J. Douglas, Esq. David A. Stephens Atkin Winner & Sherrod 3636 North Rancho Drive 12 Las Vegas, NV 89130 117 S. Rancho Drive Las Vegas, NV 89102 13 14 BY FAX: by transmitting the document(s) listed above via telefacsimile to the fax number(s) set forth below. A printed transmission record is attached to the file copy of this 15 document(s). 16 Matthew J. Douglas, Esq., 702-243-7059 David A. Stephens, Esq., 702-656-2776 17 18 BY HAND DELIVER: by delivering the document(s) listed above to the person(s) at the address(es) set forth below. 19 20 /s/ Breen Arntz 21 Employee of Breen Arntz, Esq. 22 23 24 25 26 27 28

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CLERK OF THE COURT

MATTHEW J. DOUGLAS Nevada Bar No. 11371 ATKIN WINNER & SHERROD 1117 South Rancho Drive Las Vegas, Nevada 89102 Phone (702) 243-7000 Facsimile (702) 243-7059 mdouglas@awslawyers.com

Attorneys for Intervenor United Automobile Insurance Company

### EIGHTH JUDICIAL DISTRICT COURT

### CLARK COUNTY, NEVADA

CHEYANNE NALDER,

Plaintiff,

VS.

GARY LEWIS and DOES I through V, inclusive,

Defendants,

UNITED AUTOMOBILE INSURANCE COMPANY,

Intervenor.

CASE NO.: A-18-772220-C DEPT. NO.: XXIX

UAIC'S MOTION TO DISMISS PLAINTIFF'S COMPLAINT & MOTION FOR COURT TO DENY STIPULATION TO ENTER JUDGMENT BETWEEN PLAINTIFF AND LEWIS AND/OR, IN THE ALTERNATIVE TO STAY SAME PENDING HEARING ON MOTION TO **DISMISS** 

COMES NOW, UNITED AUTOMOBILE INSURANCE COMPANY (hereinafter referred to as "UAIC"), by and through its attorney of record, ATKIN WINNER & SHERROD and hereby brings its Motion to Dismiss Plaintiff's Complaint in its entirety and Motion for Court to Deny Entry of Stipulation to Enter Judgment as between Plaintiff and Lewis and/or, in the alternative, to Stay same pending hearing on the instant Motion. Plaintiff's personal injury claims have been previously litigated, and judgment entered. Plaintiff's request for a second amended judgment should be dismissed because the original judgment expired in 2014, was not properly renewed, and cannot be revived via an amended judgment more than four years after it expired. Moreover, Plaintiff and Lewis' collusive attempt to enter a stipulated judgment should be denied or, alternatively, stayed, pending resolution of this Motion as UAIC has standing to oppose this Complaint and stipulation as intervenor.

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Case Number: A-18-772220-C

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This Motion s made and based upon the papers and pleadings on file herein, the Memorandum of Points and Authorities attached hereto, and such oral argument as the Court may permit.

DATED this

\_\_\_\_, 2018

ATKIN WINNER & SHERROD

Matthew J. Douglas Nevada Bar No. 11371 1117 South Rancho Drive Las Vegas, Nevada 89102 Attorneys for Intervenor UAIC

#### NOTICE OF MOTION

TO: ANY AND ALL PARTIES AND THEIR COUNSEL OF RECORD:

day of VOTOBER

YOU, AND EACH OF YOU, WILL PLEASE TAKE NOTICE that the undersigned will bring the foregoing Motion to Dismiss and Motion to Deny Stipulated Judgment and/or, stay same stipulated judgment, for hearing before the above-entitled Court Department 29 on the 12 day of December \_\_\_\_\_, 2018, at the hour of 9:00 a. \_\_\_\_.m. in the forenoon of said date, or as soon thereafter as counsel can be heard.

DATED this day of Actober, 2018.

ATKIN WINNER & SHERROD

Matthew Douglas, Esq. Nevada Bar No. 11371 117 South Rancho Drive Las Vegas, Nevada 89102 Attorneys for Intervenor UAIC

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#### MEMORANDUM OF POINTS AND AUTHORITIES IN SUPPORT OF **MOTION TO DISMISS**

I.

#### INTRODUCTION

Cheyenne Nalder, ("Cheyenne") alleges in her Complaint that she was injured in an accident in 2007. Cheyenne was 11 years old at the time. She did not wait until she reached the age of majority to pursue her claim for damages against the alleged at-fault driver, Gary Lewis ("Lewis"). Guardian ad litem, James Nalder, was appointed to pursue her claim. He did so, filing a complaint on her behalf and obtaining a Judgment for \$3.5 million. Nalder filed suit against UAIC (as Lewis' insurer), eventually obtained an assignment from Lewis and ultimately received Lewis' \$15,000 auto policy limit on the Judgment. That case remains on Appeal before the United States Court of Appeals for the Ninth Circuit and, the Nevada Supreme Court on a certified question of law wherein the viability of said expired judgment is before those courts. It is unknown what efforts James Nalder made to enforce the Judgment prior to this action, if any. What is known is that he did not renew the Judgment before it expired in 2014 while Cheyenne was still a minor.

Despite the fact that Lewis' liability for any injuries Cheyenne may have sustained in the 2007 accident have already been adjudicated and judgment entered. Cheyenne now re-asserts those claims in the instant Complaint. Those claims are subject to dismissal pursuant to the doctrine of claim preclusion.

Cheyenne also seeks a second amended judgment from the Court. Seeking an amended judgment is not a cause of action; rather; it is a motion. Cheyenne's request for a second amended judgment should be dismissed and she should be directed to file a motion.

Finally, Cheyenne seeks a declaration from the court that the statute of limitations to enforce an Amended Judgment (and the second amended judgment she seeks in her Complaint)

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was tolled because she was a minor and Lewis resides in California. Declaratory Relief is not appropriate in this matter because there is no justiciable controversy and the issues upon which Cheyenne requests declaratory relief are unripe. In addition, since the Amended Judgment should not have been issued. The original judgment expired in 2014 and was not subject to revival, there is nothing for Cheyenne to enforce.

In summary, the court should dismiss the Complaint as there are no facts under which Cheyenne is entitled to relief. UAIC has intervened as the insurer for Lewis, per a 2013 Federal Court order finding an implied policy of insurance existed between Lewis and UAIC for the above-noted loss and, as it appears Lewis is attempting to collude with Plaintiff in this action, UAIC has an interest to protect.

Moreover, as this Court can plainly see, in a collusive attempt to try and prevent UAIC from contesting this action, Plaintiff and Lewis filed, on September 13, 2018, a stipulation to enter judgment. See Exhibit "F." UAIC had previously filed its Motion to Intervene in this cause nearly a month prior, on August 16, 2018, and, thus, this sham stipulation was obviously filed in attempt to pre-empt UAIC's Motion to dismiss this action by filing same before UAIC intervention had been granted. The court should see through this sham and deny the stipulation or, in the alternative, stay same pending resolution of this Motion and other issues as UAIC has standing and, an interest, as Lewis insurer, to contest this matter.

II.

#### STATEMENT OF FACTS

This case involves a July 8, 2007 accident, Cheyenne Nalder, ("Cheyenne") who was then a minor, alleged injuries. On October 9, 2007, Cheyenne's guardian ad litem, James Nalder, filed a Complaint against Gary Lewis ("Lewis"). See Complaint attached hereto as Exhibit "A."

UAIC, the putative insurer for Lewis, initially denied coverage due to a lapse in

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coverage<sup>1</sup>. Lewis did not respond to the Complaint and a default was taken against him. *Id.* On June 3, 2008, a judgment was entered against him in the amount of \$3.5 million with a Notice of Entry filed August 26, 2018.<sup>2</sup> See Judgment attached hereto as Exhibit "B." James Nalder as guardian ad litem for Cheyenne was the judgment creditor. Id. NRS 11.190(1)(a) provides that a judgment expires in six (6) years, unless it is timely renewed. As such, the Judgment expired on June 3, 2014 as no timely renewal was filed.

On March 22, 2018 nearly 10 years after the Judgment was entered, and nearly four (4) years after it expired, Cheyenne filed an "Ex Parte Motion to Amend Judgment in the Name of Chevenne Nalder, Individually" ("Ex Parte Motion") in her personal injury case, Case No. A-07-54911-C, which is also assigned to this Court. See Exhibit "C." Her Motion did not advise the Court that the Judgment she sought to amend had expired. Id. The Court granted Cheyenne's Ex Parte Motion and issued an Amended Judgment on March 28, 2018. See Exhibit "D." Contemporaneous with the filing of the instant motion, UAIC will be moving, in the original case, Case No. A-07-549111-C, for Motion for Relief from Judgment, detailing the reasons the Court should void the Amended Judgment.

On April 3, 2018, one day before the statute of limitations ran for Cheyenne to file a personal injury claim (but ten years after she already obtained a judgment), she filed a Complaint alleging identical injuries from the same accident. See Exhibit "A," the 2007 Complaint, and the 2018 Complaint, attached as Exhibit "E." In the 2018 Complaint, she does not explain why she believes she is entitled to damages for the same injuries for which she received a judgment in

<sup>&</sup>lt;sup>1</sup> Later, during the subsequent action against UAIC (which remains on appeal in the Ninth Circuit for the U.S. Court of Appeals and, currently, on a 2<sup>nd</sup> certified question to the Nevada Supreme Court) the Court found an ambiguity in the renewal statement for Lewis' policy and, accordingly, implied a policy of insurance for Lewis' \$15,000 policy limits in December 2013. Importantly, the Ninth Circuit has affirmed their was no "bad faith" on the part of UAIC. Regardless, per the orders of the Federal District Court and Ninth Circuit, UAIC has now been found to be Lewis' insurer, under this implied policy.

<sup>&</sup>lt;sup>2</sup> Judgments are entered when filed, not when a Notice of Entry is made. NRCP 58(c).

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2008. See Exhibit "E." However, the 2018 Complaint does acknowledge that she already received a judgment against Lewis. *Id.* At p.3,11.10-11.

Finally, the 2018 Complaint seeks an amended judgment to add interest to the 2008 judgment, and declaratory relief that the statute of limitations to enforce the judgment was tolled because she was a minor and Lewis was a resident of California.

As the judgment had expired and an Amended Judgment could not be issued to revive it and this action is improper. UAIC brings the instant Motion to dismiss, as it has now been found to be the insurer of Lewis under an implied policy and, thus, has an interest in this matter, and seeks to avoid the Amended Judgment and declare that the original Judgment has expired.

#### III.

#### MOTION TO DISMISS STANDARD

A party is entitled to dismissal when a plaintiff fails "to state a claim up which relief can be granted." NRCP 12(b)(5). The Nevada Supreme Court has Declared that the dismissal of a complaint is appropriate where "it appears beyond a doubt that [the plaintiff] could prove no set of facts which, if true, would entitle [the plaintiff] to relief Bra Stew, LLC v. City of N. Las Vegas, 124 Nev. 224, 228, 181 P. 3d 670,672 (2008).

In evaluating a motion to dismiss, courts primarily focus on the allegations in the complaint. Id. As the Nevada Supreme Court held in Baxter v. Dignity Health, 131 Nev Adv. Op. 76,357 P 3d at 930 (2015) "the court is not limited to the four corners of the complaint." Citing 5B Charles Alan Wright & Arthur Miller, Federal Practice & Procedure: Civil § 1357, at 376 (3d ed. 2004). The Baxter Court also held that courts "may also consider unattached evidence on which the complaint necessarily relies if (1) the complaint refers to the document; (2) the document is central to the plaintiff's claim; and (3) no party questions the authenticity of the document." Id., citing United States v. Corinthian Colleges 655 F. 3d 984, 999 (9th Cir. 2011) (internal quotation omitted). The Baxter Court continued "while presentation of matters outside

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the pleadings will convert the motion to dismiss to a motion for summary judgment, Fed.R.Civ.P. 12(d); NRCP 12 (b), such conversion is not triggered by a court's consideration of matters incorporated by reference or integral to the claim," *Id.* Citing 5B Wright & Miller, supra, §1357, at 376.

While Intervenor's Motion to Dismiss does rely on certain documents which were not attached to the Complaint, those documents are either incorporated by reference (the Judgment and Amended Judgment) or integral to the claim (the Complaint in the 2007 case). Therefore, this Court should consider this matter a motion to dismiss and not convert it to a motion for summary judgment. As discussed below, the re is no doubt that there are no facts pursuant to which Cheyenne is entitled to the relief her 2018 Complaint seeks.

#### IV.

#### **ARGUMENT**

#### A. The Doctrine of Claim Preclusion Mandates Dismissal of Plaintiff's Claims Related to the July 8, 2007 Accident

The October 9, 2007 Complaint filed by Cheyenne's guardian ad litem, James Nalder, alleged personal injuries caused by the July 8, 2007 accident. See Complaint attached hereto as Exhibit "A." When Lewis did not respond to that Complaint, a Default was entered against him. On June 3, 2008, a Judgment in the amount of \$3.5 million was entered against Lewis. See Judgment, attached hereto as Exhibit "B." Plaintiff acknowledged this in Paragraph 10 of her 2018 Complaint. Because the personal injury claims in the 2018 Complaint have already been litigated, it should be dismissed.

Cheyenne's claims should be dismissed pursuant to the doctrine of claim preclusion. In 2008, the Nevada Supreme Court set forth a three-part test to be applied to determine when claim preclusion applies. Five Star Capital Corp. v. Ruby, 124 Nev. 1048,1054-55, 194 P.3d 709,713 (2008), holding modified by Weddell v Sharp 151 Nev. Adv. Op.28, 3520 P.3d 80 (2015)( the

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modification is not applicable to this case); (2) the final judgment is valid; and (3) the new action is based on the same claims that were or could have been brought in the first action. Cheyenne's claims for personal injury in the instant (2018) suit clearly meet the Five Star factors for dismissal under the doctrine of claim preclusion.

First, the parties are the same. The only difference between the 2007 suit and the 2018 suits is that Chevenne is now an adult, so her claims need not ne litigated via a guardian ad litem.

Second, the final judgment is valid. There is no question that the Judgment issued in 2008 was valid until it expired in 2014. It could have been renewed, and if so, would have still been valid today. However, it was not renewed. Cheyenne's (or rather her guardian ad litem's) failure to fully execute on the Judgment while it was valid does not open the door for her to re-litigate her claims.

Third, the same claims are involved in both actions. A review of the 2008 Complaint and the 2018 Complaint reveal that the personal injury claims are identical.

As the Five Star Court noted, public policy support claims preclusion in situations such as this. The Five Star Court cited Restatement (Second) of Judgments section 19, comment (a), noting that "the purposes of claim preclusion are 'based largely on the ground that fairness to the defendant, and sound judicial administration require that at some point litigation over the particular controversy come an end; and that such reasoning may apply ;even though the substantive issues have not been tried ... Id. At 1058, 194 P..3d at 715, These policy reasons are applicable here. Lewis and UAIC are entitled to finality. A Judgment was already entered against Lewis. Renewing the Judgment was not Lewis' responsibility-that was the responsibility of Chevenne's guardian ad litem, James Nalder. Lewis should not be exposed to judgment being entered against him a second time due to Nalder's failure to act.

Chevenne's personal injury claims are the very type to which claims preclusion applies. The public policy considerations supporting claims preclusion cited with approval the court in

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Five Star apply to this action. The claims for personal injuries alleged in the Complaint should be dismissed.

#### B. Plaintiff's Request for A Second Amended Judgment Should Be Dismissed Because it is not a Cause of Action

Regarding Chevenne's request that the Court enter another amended judgment, adding interest accrued through April 3, 2018, it is unclear why this was included in a Complaint. Seeking to amend judgment is not a cause of action. Cheyenne has demonstrated that she knows how to properly petition the Court to amend a judgment, as she has already done so once. This claim is inappropriately included in the Complaint, and should be dismissed.

#### C. Cheyenne's Request for Declaratory Relief Should Be Dismissed.

Cheyenne does not ask for relief relative to enforcing an amended judgment, which is a cause of action. Rather, she asks the Court to declare that the statute of limitations on her original judgment was tolled because she was a minor and because the judgment debtor lived in another State: California. Presumably, Plaintiff means the statute of limitations to enforce the judgment, but that is not clear.

Declaratory relief is only available if: "(1) a justiciable controversy exists between persons with adverse interests, (2) the party seeking declaratory relief has a legally protectable interest in the controversy, and (3) the issue is ripe for judicial determination." City. Of Clark, ex rel. Univ. Med. Ctr. v. Upchurch, 114 Nev. 749, 752, 961 P.2d, 764, 756 (1998), citing Knittle v. Progressive Casualty Ins. Co., 112 Nev. 8,10,908 P. 2d,724,725 (1996). Here, declaratory relief is not available because the issue as to whether the Amended Judgment or any future amended judgment is enforceable, or whether the statute of limitations has expired, is not ripe.

The conditions under where a justiciable controversy exists were addressed by the Nevada Supreme Court in Kress v Corey, 65 Nev. 1, 189 P,2d 352 (1948), where the Court noted a justiciable controversy does not exist, where damage "... is merely apprehended or feared..." Id.

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At 28-29, 189 P.2d at 366. As the Court in *Doe v Bryan*, 102 Nev.523.728 P.2d 433 (1986) noted, "the requirement of an actual controversy has been construed as requiring a concrete dispute admitting of an immediate and definite determination of the parties' rights." Id. At 526, 728 P.2d at 444. Cheyenne's concern that any effort to enforce the Amended Judgment will be thwarted by a determination that the applicable statute of limitations bars such action is "apprehended or feared" but not existing presently, because she has not taken any action to enforce the Amended Judgment.

Likewise, there is no "concrete dispute' that the statute of limitations would bar an attempt by Cheyenne to collect on the Amended Judgment because she has not tried. Unless and until Chevenne actually tried to enforce the Amended Judgment, there is no 'immediate' need for a "definite" determination of the parties' rights. Therefore, there is no justiciable controversy regarding Cheyenne's ability to seek to enforce the Amended Judgment at this time.

"Ripeness focuses on the timing of the action rather than on the party bringing the action... The factors to be weighed in deciding whether a case is ripe for judicial review include: (1) the hardship of the parties of withholding judicial review, and (2) the suitability of the issues for review." Herbst Gaming, Inc. v, Heller, 122 Nev. 887, 887, 141 P.3d 1244, 1230-31 (2006)(alteration in original)(quoting *In re T.R.*, 119 Nev. 646, 651, 80 P.3d 1276, 1279 (2003). In the unpublished decision in Cassady v. Main, 2016 WL412835, a copy of which is attached hereto as Exhibit "E." the Nevada Supreme Court noted that the plaintiff in that case would suffer no harm if declaratory relief were not considered, because he could file a complaint seeking direct redress for complaints. Id. At \*2. Similarly here, Cheyenne could seek to have a court address her statute of limitations concerns in an action to execute on the Amended Judgment. There is no need for such a determination at this time.

Regardless as to whether Cheyenne's request for declaratory relief is appropriate at this juncture, Cheyenne's request for declaratory relief should be dismissed because there is no valid

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judgment to enforce. The original Judgment issued on June 3, 2008 expired on June 3, 2014. No effort to renew the Judgment was undertaken prior to its expiration. Cheyenne obtained an Amended Judgment, entered on March 28, 2018. As demonstrated in Intervenor's Motion for Relief From Judgment Pursuant to NRCP 60, the Court should not have entered and Amended Judgment, and no other amended judgments should be entered. Nevada law does not permit renewal of expired judgments by amendment.

Nor is the deadline to file the appropriate documents to renew a judgment tolled by any statute or rule. The time limit to renew the Judgment was not tolled by Cheyenne's minority because her guardian ad litem, and adult, was the judgment creditor. The time limit to renew the Judgment was not tolled by the judgment creditor's absence from the state because the requirement that a judgment be renewed is not a cause of action to which such tolling provisions might apply. Because no valid judgment exists, Cheyenne's request for declaratory relief regarding the tolling of the time to enforce a judgment should be dismissed as a matter of law.

#### V.

#### MOTION TO DENY THE STIPULATION TO ENTER JUDGMENT AND OR, IN THE ALTERNATIVE, TO STAY SAME

As this Court knows, an Intervenor is allowed to come in and contest a matter where it has interest to protect. Here, UAIC, as the insurer for Lewis, has an interest in preventing a new judgment from being entered against him and/or having declarations made about the validity of an expired judgment which is currently on appeal before the Ninth Circuit and the Nevada Supreme Court on a second certified question. See UAIC's Motion to Intervene herein, with attached exhibits, Exhibit "G." Despite filing its Motion to Intervene on August 16, 2018, Plaintiff and Lewis attempted to enter a collusive and sham "stipulation to enter judgment, which they filed on September 13, 2018. See Exhibits "F" and "G." This clear attempt to pre-empt

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UAIC's right to contest this action should be denied or, alternatively, stayed.

NRCP 24(a)(2) provides for the intervention of right under the following circumstances:

Upon timely application anyone shall be permitted to intervene an action: . . . (2) when the applicant claims an interest relating to the property or transaction which is the subject of the action and he is so situated that the disposition of the action may as a practical matter impair or impede his ability to protect that interest, unless the applicant's interest is adequately represented by existing parties.

Once a party intervenes, said party is afforded all the rights of a party to the action. Las Vegas Police Protective Ass'n Metro, Inc. v Eight Jud. Dist. Court, 122 Nev. 230, 130 P.2d 182 (2006).

UAIC has been granted intervention. Moreover, it is clear UAIC has an interest to protect and has all the rights afforded to it of any party – including the right to contest any judgment on the action. Accordingly, UAIC has the right to contest this action with the present Motion to dismiss. As such, Plaintiff and Lewis sham attempt to try and quickly enter a "stipulated judgment" prior to UAIC's intervention should be seen for what it is – a ruse intended to deny UAIC the right to contest this action. Accordingly, as UAIC filed its Motion to intervene prior to this attempted "stipulated judgment", UAIC prays this court deny same stipulation or, alternatively, stay same pending resolution.

VI.

UAIC also asks this Court to consider, based on all of the above, that there has been an attempt at a fraud upon the Court and hold an evidentiary hearing on this issue.

UAIC argues that the circumstances set forth in this matter show clear conflict of interest and attempts at perpetrating a fraud upon the court by Plaintiff. Plaintiff is represented by Mr. Christensen. Mr. Christensen also purports to be counsel for Lewis and has informed UAIC's first retained counsel for Lewis that he may not appear and attempt to defend this action. Indeed, Breen Arntz, Esq. has stated to retained defense counsel and, this office, that Mr. Christensen retained him to defend Lewis. Now, after learning of all of this and trying to intervene to protect

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In NC-DSH, Inc. v Garner, 125 Nev. 647 (2009) the Nevada Supreme Court set forth the definition of a fraud upon the Court in considering motion for relief from judgment under NRCP 60. In NC-DSH, Inc. the lawyer for a plaintiff's malpractice case forged settlement documents and disappeared with the settlement funds. Id. In allowing the Plaintiff's Rule 60 motion to set aside the dismissal (and settlement) the Court set forth the following definition for such a fraud, as follows:

"The most widely accepted definition, which we adopt, holds that the concept embrace[s] only that species of fraud which does, or attempts to, subvert the integrity of the court itself, or is a fraud perpetrated by officers of the court so that the judicial machinery cannot perform in the usual manner its impartial task of adjudging cases ... and relief should be denied in the absence of such conduct.

Id at 654.

In the case at bar it seems clear that Plaintiff's counsel (Mr. Christensen) is attempting just such a fraud. That is, besides the original judgment being expired and, the effect of its expiration on appeal before both the Nevada Supreme Court and the U.S. Court of Appeals for the Ninth Circuit, Plaintiff still attempted this 'amendment of judgment' and, then, filed this new action. Moreover, Mr. Christensen (Plaintiff's additional Counsel) represents both the Plaintiff/judgment-creditor and Defendant/judgment-debtor. Further, in his role as counsel for Plaintiff and Defendant, Mr. Christensen is attempting, as an officer of the court, to prevent UAIC from exercising its contractual and legal duty to defend Mr. Lewis and defend this farce of

<sup>&</sup>lt;sup>3</sup> Indeed, perhaps this should be reported to the State bar.

## A NBVADA LAW FIRM

lawsuit by telling UAIC's first retained counsel to not to appear or file anything to defend Lewis. Additionally, Plaintiff has sought to deny UAIC a chance to intervene and, now, MR. Artnz is retained for Lewis and he and Plaintiff file a "stipulation for judgment." UAIC pleads this clearly a fraud perpetrated by officers of the court so that the judicial machinery cannot perform in the usual manner its impartial task of adjudging cases. In other words, Mr. Christensen, Counsel for Plaintiff, is seeking on the one hand to enforce an invalid judgment and, with the other, prevent anyone from contesting it - by representing both sides. This is the definition of a conflict of interest. After all, Plaintiff's is attempting to improperly "fix" an expired multimillion judgment, while at the same time Counsel for Plaintiff is also claiming to represent the judgment-debtor (Lewis) and arising retained counsel not to vacate the amended judgment or contest this action. How could this possibly benefit Mr. Lewis? Is having a multi-million dollar judgment against him which had expired be resurrected by an improper amendment of the judgment to his benefit? Is preventing anyone from vacating or setting aside this improper amended judgment to his benefit? In short, it does not - it only benefits Plaintiff and her counsel. UAIC argues this is clear fraud and collusive conduct and, at the very least, the Court should therefore exercise its equitable power and allow UAIC's intervention and, thereafter, hold an evidentiary hearing on this fraud. 111

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VII.

#### CONCLUSION

In her 2018 Complaint, Plaintiff sets forth no facts which, if true, would entitle her to the relief she seeks. Her Complaint should be dismissed in its entirety. Additionally, UAIC seeks an order denying Plaintiff and Lewis' "stipulation for entry of judgment" and/or, alternatively, staying same.

DATED this

2018.

ATKIN WINNER & SHERROD

Matthew Douglas, Esq. Nevada Bar No. 11371 1117 S. Rancho Drive Las Vegas, Nevada 89102 Attorneys for UAIC

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#### CERTIFICATE OF SERVICE

I certify that on this 19 day of October, 2018, the foregoing UAIC'S MOTION TO DISMISS PLAINTIFF'S COMPLAINT & MOTION FOR COURT TO DENY STIPULATION TO ENTER JUDGMENT BETWEEN PLAINTIFF AND LEWIS AND/OR, IN THE ALTERNATIVE TO STAY SAME PENDING HEARING ON MOTION TO DISMISS was served on the following by [ ] Electronic Service pursuant to NEFR 9 [A] Electronic Filing and Service pursuant to NEFR 9 [ ] hand delivery [ ] overnight delivery [ ] fax [ ] fax and mail [ ] mailing by depositing with the U.S. mail in Las Vegas, Nevada, enclosed in a sealed envelope with first class postage prepaid, addressed as follows:

David Stephens, Esq. STEPHENS & BYWATER, P.C. 3636 North Rancho Drive Las Vegas, NV 89130

Randall Tindall, Esq. Carissa Christensen, Esq. RESNICK & LOUIS, P.C. 8925 West Russell Road Suite 220 Las Vegas, NV 89148

E. Breen Arntz, Esq. 5545 S. Mountain Vista Street, Suite F Las Vegas, NV 89120

An employee of ATKIN WINNER & SHERROD

#### **EXHIBIT "A"**

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	•	COM THOMAS CHRISTENSEN, ESQ. Nevada Bar No. 2326 DAVID F. SAMPSON, ESQ. Nevada Bar No. 6811			
	1	COM			
	2	THOMAS CHRISTENSEN, ESQ.			
	2	Nevada Bar No. 2326 DAVID F. SAMPSON, ESQ.			
	3	Nevada Bar No. 6811			
	4	CHRISTENSEN LAW OFFICES, LLC  1000 S. Valley View Blvd.  Las Vegas Nevada 80107			
		Las Vegas, Nevada 89107			
	5	Attorneys for Plaintiffs			
	. 6	<u>DISTRICT COURT</u> <u>CLARK COUNTY, NEVADA</u>			
			•		
	,	JAMES NALDER, Guardian Ad Litem for minor ) Cheyanne Nalder, real party in interest, and )			
	8	GARY LEWIS, Individually;			
•	9	Plaintiffs, ) Case No. A-09-590964.	-(		
		) Dept No.:			
EI Z	10	vs.			
S	11	UNITED AUTOMOBILE INSURANCE CO,			
E 422	12.	DOES I through V, and ROE CORPORATIONS ) I through V, inclusive			
THE STATE OF		j			
	13	Defendants.			
	14				
Ü	15	COMPLAINT			
	. •				
	16	COME NOW the Plaintiffs, James Nalder, Guardian Ad Litem for minor, Cheyanne			
	17	Nalder, real party in interest in this matter, and Gary Lewis, by and through their attorneys of			
-	18				
		record, DAVID SAMPSON, ESQ., of the law firm of CHRISTENSEN LAW OFFICES, LLC,			
	19	and for Plaintiffs' Complaint against the Defendants, and each of them, allege as follows:			
	20	1. That Plaintiff, James Nalder, Guardian Ad Litem for minor, Cheyanne Nalder real party			
	21	in interest, was at all times relevant to this action a resident of the County of Clark, State of			
	20	Nevada.			
	23				
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Case 2:09-44-01348-RCJ-GWF Document 89-9 Filed 03/26/18 a Rage B 20f 20f

2. That Plaintiff, Gary Lewis, was at all times relevant to this action a resident of the County of Clark, State of Nevada.

- 3. That Defendant, United Automobile Insurance Co. (hereinafter "UAI"), was at all times relevant to this action an automobile insurance company duly authorized to act as an insurer in the State of Nevada and doing business in Clark County, Nevada.
- 4. That the true names and capacities, whether individual, corporate, partnership, associate or otherwise, of Defendants, DOES I through V and ROE CORPORATIONS I through V, are unknown to Plaintiffs, who therefore sue said Defendants by such fictitious names. Plaintiffs are informed and believe and thereon allege that each of the Defendants designated herein as DOE or ROE CORPORATION is responsible in some manner for the events and happenings referred to and caused damages proximately to Plaintiffs as herein alleged, and that Plaintiffs will ask leave of this Court to amend this Complaint to insert the true names and capacities of DOES I through V and ROE CORPORATIONS I through V, when the same have been ascertained, and to join such Defendants in this action.
- 5. That, at all times relevant hereto, Gary Lewis was the owner of a certain 1996 Chevy Silverado with vehicle identification number 1GCEC19M6TE214944 (hereinafter "Plaintiff's Vehicle").
- 6. That Gary Lewis had in effect on July 8, 2007, a policy of automobile insurance on the Plaintiff's Vehicle with Defendant, UAI (the "Policy"); that the Policy provides certain benefits to Cheyanne Nalder as specified in the Policy; and the Policy included liability coverage in the amount of \$15,000.00/\$30,000.00 per occurrence (hereinafter the "Policy Limits").

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That Gary Lewis paid his monthly premium to UAI for the policy period of June 30, 2 2007 through July 31, 2007.

- 8. That on July 8, 2007 on Bartolo Rd in Clark County Nevada, Cheyenne Nalder was a pedestrian in a residential area, Plaintiff's vehicle being operated by Gary Lewis when Gary Lewis drove over top of Cheyanne Nalder causing serious personal injuries and damages to Cheyanne Nalder.
- 9. That Cheyanne Nalder made a claim to UAI for damages under the terms of the Policy due to her personal injuries.
- 10. That Cheyanne Nalder offered to settle his claim for personal injuries and damages against Gary Lewis within the Policy Limits, and that Defendants, and each of them, refused to settle the claim of Cheyanne Nalder against Gary Lewis within the Policy Limits and in fact denied the claim all together indicating Gary Lewis did not have coverage at the time of the accident.
- 11. That Plaintiff, Gary Lewis has duly performed all the conditions, provisions and terms of the Policy relating to the loss sustained by Plaintiff, Cheyanne Nalder, and has furnished and delivered to the Defendants, and each of them, full and complete particulars of said loss and have fully complied with all of the provisions of the Policy relating to the giving of notice of said loss, and have duly given all other notices required to be given by the Plaintiffs under the terms of the Policy, including paying the monthly premium.
- 12. That Plaintiff, Cheyanne Nalder, is a third party beneficiary under the Policy as well as a Judgment Creditor of Gary Lewis and is entitled to pursue action against the Defendants directly under Hall v. Enterprise Leasing Co., West, 122 Nev. 685, 137 P.3d 1104, 1109 (2006), as well as Denham v. Farmers Insurance Company, 213 Cal.App.3d 1061, 262 Cal.Rptr. 146 (1989).



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- 1 13. That Cheyanne Nalder conveyed to UAI her willingness to settle her claim against Gary
- 2 Lewis at or within the policy limits of \$15,000.00 provided they were paid in a commercially
- 3 reasonable manner.
- 4 14. That Cheyanne Nalder and Gary Lewis cooperated with UAI in its investigation
- 5 | including but not limited to providing a medical authorization to UAI on or about August 2,
- 6 2007.

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- 7 15. That on or about August 6, 2007 UAI mailed to Plaintiff, Cheyanne Nalders' attorney,
- 8 Christensen Law Offices, a copy of "Renewal Policy Declaration Monthly Nevada Personal
- 9 Auto Policy" for Gary Lewis with a note that indicated "There was a gap in coverage".
  - 16. That on or about October 10, 2007 UAI mailed to Plaintiff, Cheyanne Nalders' attorney, Christensen Law Offices, a letter denying coverage.
    - 17. That on or about October 23, 2007, Plaintiff, Cheyanne Nalder provided a copy of the complaint filed against UAI's insured Gary Lewis.
    - 18. That on or about November 1, 2007, UAI mailed to Plaintiff, Cheyanne Nalders' attorney, Christensen Law Offices, another letter denying coverage.
- 16 19. That UAI denied coverage stating Gary Lewis had a "lapse in coverage" due to non-
- 17 payment of premium.
- 18 20. That UAI denied coverage for non-renewal.
- 19 21. That UAI mailed Gary Lewis a "renewal statement" on or about June 11, 2007 that
- 20 indicated UAI's intention to renew Gary Lewis' policy.
- 21 22. That upon receiving the "renewal statement", which indicated UAI's intention to renew
- 22 Gary Lewis' policy, Gary Lewis made his premium payment and procured insurance coverage
- 23 with UAI.

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- 23. That UAI was required under the law to provide insurance coverage under the policy
- 2 Gary Lewis had with UAI for the loss suffered by Cheyenne Nalder, and was under an
- 3 | obligation to defend Gary Lewis and to indemnify Gary Lewis up to and including the policy
- 4 | limit of \$15,000.00, and to settle Cheyyene's claim at or within the \$15,000.00 policy limit
- 5 when given an opportunity to do so.
- 6 24. That UAI never advised Lewis that Nalder was willing to settle Nalder's claim against
- 7 Lewis for the sum of \$15,000.00.
- 8 25. UAI did not timely evaluate the claim nor did it tender the policy limits.

services of an attorney to pursue his rights under her claim against Lewis.

- 26. Due to the dilatory tactics and failure of UAI to protect their insured by paying the policy limits when given ample opportunity to do so, Plaintiff, Nalder, was forced to seek the
- 27. Due to the dilatory tactics as
- 12 27. Due to the dilatory tactics and failure of UAI to protect their insured by paying the
- policy limits when given ample opportunity to do so, Plaintiff, Cheyanne Nalder, was forced to
- 14 | file a complaint on October 9, 2007 against Gary Lewis for her personal injuries and damages
- 15 | suffered in the July 8, 2007 automobile accident.
- 16 . 28. The filing of the complaint caused additional expense and aggravation to both
- 17 | Cheyanne Nalder and Gary Lewis.
- 18 29. Cheyanne Nalder procured a Judgment against Gary Lewis in the amount of
- 19 \\$3,500,000.00.
- 20 30. UAI refused to protect Gary Lewis and provide Gary Lewis with a legal defense to the
- 21 lawsuit filed against Gary Lewis by Cheyanne Nalder.
- 22 31. That Defendants, and each of them, are in breach of contract by their actions which
- 23 include, but are not limited to:

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	. 1	a. Unreasonable conduct in investigating the loss;
	2	b. Unreasonable failure to provide coverage for the loss;
	3	c. Unreasonable delay in making payment on the loss;
	4	d. Failure to make a prompt, fair and equitable settlement for the loss;
	5	e. Unreasonably compelling Plaintiffs to retain an attorney before making payment
	6	on the loss.
	7	32. As a proximate result of the aforementioned breach of contract, Plaintiffs have suffered
	8	and will continue to suffer in the future, damages in the amount of \$3,500,000.00 plus
	9	continuing interest.
Z	10	33. As a further proximate result of the aformentioned breach of contract, Plaintiffs have
SN	11	suffered anxiety, worry, mental and emotional distress, and other incidental damages and out of
The state of the s	12 -	pocket expenses, all to their general damage in excess of \$10,000.00.
To the	13	34. As a further proximate result of the breach of contract, Plaintiffs were compelled to
H R	14	retain legal counsel to prosecute this claim, and Defendants, and each of them, are liable for
S	15	their attorney's fees reasonably and necessarily incurred in connection therewith.
	16	35. That Defendants, and each of them, owed a duty of good faith and fair dealing implied
	17	in every contract.
	18	36. That Defendants, and each of them, were unreasonable by refusing to cover the true
	19	value of the claim of Cheyanne Nalder, wrongfully failing to settle within the Policy Limits
	20	when they had an opportunity to do so, and wrongfully denying coverage.
	21	37. That as a proximate result of the aforementioned breach of the implied covenant of
	22	good faith and fair dealing, Plaintiffs have suffered and will continue to suffer in the future,
	23	damages in the amount of \$3,500,000.00 plus continuing interest.

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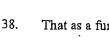


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That as a further proximate result of the aformentioned breach of the implied covenant of good faith and fair dealing, Plaintiffs have suffered anxiety, worry, mental and emotional distress, and other incidental damages and out of pocket expenses, all to their general damage in excess of \$10,000.00.

That as a further proximate result of the aforementioned breach of the implied covenant of good faith and fair dealing, Plaintiffs were compelled to retain legal counsel to prosecute this claim, and Defendants, and each of them, are liable for their attorney's fees reasonably and necessarily incurred in connection therewith.

40. That Defendants, and each of them, acted unreasonably and with knowledge that there was no reasonable basis for its conduct, in its actions which include but are not limited to: wrongfully refusing to cover the value of the claim of Cheyanne Nalder, wrongfully failing to settle within the Policy Limits when they had an opportunity to do so and wrongfully denying the coverage.

That as a proximate result of the aforementioned bad faith, Plaintiffs have suffered and 41. will continue to suffer in the future, damages in the amount of \$3,500,000.00 plus continuing interest.

That as a further proximate result of the aformentioned bad faith, Plaintiffs have 42. suffered anxiety, worry, mental and emotional distress, and other incidental damages and out of pocket expenses, all to their general damage in excess of \$10,000.00.

43. That as a further proximate result of the aforementioned bad faith, Plaintiffs were compelled to retain legal counsel to prosecute this claim, and Defendants, and each of them, are liable for their attorney's fees reasonably and necessarily incurred in connection therewith.

#### Document 89-9 Filed 03/26/13 Page 9 of 11

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That Defendants, and each of them, violated NRS 686A.310 by their actions, including but not limited to: wrongfully refusing to cover the value of the claim of Cheyanne Nalder, wrongfully failing to settle within the Policy Limits when they had an opportunity to do so and wrongfully denying coverage.

That NRS 686A.310 requires that insurance carriers conducting business in Nevada adopt and implement reasonable standards for the prompt investigation and processing of claims arising under insurance policies, and requires that carriers effectuate the prompt, fair and equitable settlements of claims in which liability of the insurer has become reasonably clear.

That UAI did not adopt and implement reasonable standards for the prompt 46, investigation and processing of claims arising under its insurance policies, and did not effectuate the a prompt, fair and/or equitable settlement of Nalder's claim against Lewis in which liability of the insurer was very clear, and which clarity was conveyed to UAI.

47. That NAC 686A.670 requires that an insurer complete an investigation of each claim within 30 days of receiving notice of the claim, unless the investigation cannot be reasonably completed within that time.

That UAI received notice of Nalder's claim against Lewis, at the very latest, on or 48: before August 6, 2007. That it was more than reasonable for UAI to complete its investigation of Nalder's claim against Lewis well within 30 days of receiving notice of the claim.

49. That UAI did not offer the applicable policy limits.

50. That UAI did failed to investigate the claim at all and denied coverage.

51. That as a proximate result of the aforementioned violation of NRS 686A.310, Plaintiffs have suffered and will continue to suffer in the future, damages in the amount of \$3,500.000.00 plus continuing interest.

#### Case 2:09-cv-01348-RCJ-GWF Document 89-9 Filed 03/26/13 Page 10 of 11

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- 1 52. That as a further proximate result of the aforementioned violation of NRS 686A.310,
- 2 Plaintiffs have suffered anxiety, worry, mental and emotional distress, and other incidental
- damages and out of pocket expenses, all to their general damage in excess of \$10,000.00.
- 4 53. That as a further proximate result of the aforementioned violation of NRS 686A.310,
- 5 Plaintiffs were compelled to retain legal counsel to prosecute this claim, and Defendants, and
- 6 | each of them, are liable for their attorney's fees reasonably and necessarily incurred in
- 7 | connection therewith.

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That the Defendants, and each of them, have been fraudulent in that they have stated that they would protect Gary Lewis in the event he was found liable in a claim. All of this was done in conscious disregard of Plaintiffs' rights and therefore Plaintiffs are entitled to punitive damages in an amount in excess of \$10,000.00.

WHEREFORE, Plaintiffs, pray for judgment against Defendants, and each of them, as follows:

- 1. Payment for the excess verdict rendered against Lewis which remains unpaid in an amount in excess of \$3,500,000.00;
- General damages for mental and emotional distress and other incidental damages in an amount in excess of \$10,000.00;
  - 3. Attorney's fees and costs of suit incurred herein; and
  - 4. Punitive damages in an amount in excess of \$10,000.00;

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Case 2:09-CV-01348-RCJ-GWF Document 89-9 Filed 03/26/13 Page 11 of 11 07-21-2009 5. For such other and further relief as this Court deems just and proper. DATED this day of April, 2009. CHRISTENSEN AW OFFICES, LLC. Ву: Thomas Christensen, Esq. David F Sampson, Esq. Nevada Bar No. 6811 1000 South Valley View Blvd Las Vegas, Nevada 89107 Attorneys for Plaintiffs 1,1 . 21 

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#### **EXHIBIT "B"**

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Case 2:09-cv-01348-RCJ-GWF Document 88-2 Filed 03/04/13 Page 2 of 5
                                                      1
    JUDG
    DAVID F. SAMPSON, ESQ.,
2
    Nevada Bar #6811
                                                   Aug. 26
                                                           11 00 M '08
    THOMAS CHRISTENSEN, ESQ.,
3
    Nevada Bar #2326
    1000 S. Valley View Blvd.
    Las Vegas, Nevada 89107
5
    (702) 870-1000
    Attorney for Plaintiff,
6
    JAMES NALDER As Guardian Ad
7
    Litem for minor, CHEYENNE NALDER
                                     DISTRICT COURT
8
                                 CLARK COUNTY, NEVADA
    JAMES NALDER, individually
9
    and as Guardian ad Litem for
10
    CHEYENNE NALDER, a minor.
11
        Plaintiffs,
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                                       CASE NO: A549111
13
                                       DEPT. NO: VI
    GARY LEWIS, and DOES I
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    through V, inclusive ROES I
    through V
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        Defendants.
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                         NOTICE OF ENTRY OF JUDGMENT
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          PLEASE TAKE NOTICE that a Judgment against Defendant, GARY LEWIS, was
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    entered in the above-entitled matter on June 2, 2008. A copy of said Judgment is attached
20
21
    hereto.
22
                            day of June, 2008.
23
                                          CHRISTENSEN LAW OFFICES, LLC
24
                                          By:
25
                                                 DAVID F. SAMPSON, ESQ.
                                                 Nevada Bar #6811
26
                                                 THOMAS CHRISTENSEN, ESQ.,
                                                 Nevada Bar #2326
27
                                                 1000 S. Valley View Blvd.
28
                                                 Las Vegas, Nevada 89107
                                                 Attorneys for Plaintiff
```

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Case 2:09-cv-01348-RCJ-GWF Document 88-2 Filed 03/04/13 Page 4 of 5
1
    JMT
    THOMAS CHRISTENSEN, ESQ.,
    Nevada Bar #2326
    DAVID F. SAMPSON, ESQ.,
3
                                                                       1 52 PM '08
    Nevada Bar #6811
    1000 S. Valley View Blvd.
    Las Vegas, Nevada 89107
                                                                   (702) 870-1000
    Attorney for Plaintiff,
6
7
                                       DISTRICT COURT
                                  CLARK COUNTY, NEVADA
8
    JAMES NALDER,
9
    as Guardian ad Litem for
10
    CHEYENNE NALDER, a minor.
11
        Plaintiffs,
12
                                       CASE NO: A549111
    vs.
13
                                       DEPT. NO: VI
    GARY LEWIS, and DOES I
14
    through V, inclusive
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         Defendants.
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17
                                            JUDGMENT
18
      In this action the Defendant, GARY LEWIS, having been regularly served with the
19
    Summons and having failed to appear and answer the Plaintiff's complaint filed herein, the
20
21
    legal time for answering having expired, and no answer or demurrer having been filed, the
22
    Default of said Defendant, GARY LEWIS, in the premises, having been duly entered according
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    to law; upon application of said Plaintiff, Judgment is hereby entered against said Defendant as
24
    follows:
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j:	Case 2:09-cv-01348-RCJ-GWF Document 88-2 Filed 03/04/13 Page 5 of 5						
1	IT IS ORDERED THAT PLAINTIFF HAVE JUDGMENT AGAINST DEFENDANT in the						
2	sum of \$3,500,000.00, which consists of \$65,555.37 in medical expenses, and \$3,434,444.63 in						
3							
4	pain, suffering, and disfigurement, with interest thereon at the legal rate from October 9, 2007,						
5	until paid in full.						
6	DATED THIS day of May, 2008.						
7	·						
8							
9	DISTRICT JUDGE						
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12							
13	Submitted by: CHRISTENSEN LAW OFFICES, LLC.						
14							
15	BY:						
16	DAVID SAMPSON						
17	Nevada Bar #6811 1000 S. Valley View						
18	Las Vegas, Nevada 89107 Attorney for Plaintiff						
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#### **EXHIBIT "C"**

**Electronically Filed** 3/22/2018 11:15 AM Steven D. Grierson CLERK OF THE COURT MTN 1 David A. Stephens, Esq. Nevada Bar No. 00902 STEPHENS, GOURLEY & BYWATER 3636 North Rancho Drive 3 Las Vegas, Nevada 89130 Telephone: (702) 656-2355 Facsimile: (702) 656-2776 5 Email: dstephens@sgblawfirm.com Attorney for Cheyenne Nalder 6 DISTRICT COURT 7 **CLARK COUNTY, NEVADA** 8 07-A-549111 CASE NO .: -A549111 9 CHEYENNE NALDER, 10 DEPT NO.: XXIX Plaintiff, 11 VS. 12 GARY LEWIS, 13 **Defendants** 14 EX PARTE MOTION TO AMEND JUDGMENT IN THE NAME OF 15 CHEYENNE NALDER, INDIVIDUALLY 16 Date: N/A 17 Time: N/A 18 NOW COMES Cheyenne Nalder, by and through her attorneys at STEPHENS, GOURLEY 19 & BYWATER and moves this court to enter judgment against Defendant, GARY LEWIS, in her 20 21 name as she has now reached the age of majority. Judgment was entered in the name of the 22 guardian ad litem. (See Exhibit 1) Pursuant to NRS 11.280 and NRS 11.300, Cheyenne now moves this court to issue the judgment in her name alone (See Exhibit 2) so that she may pursue 23 24 collection of the same. Cheyenne turned 18 on April 4, 2016. In addition, Defendant Gary Lewis, 25 has been absent from the State of Nevada since at least February 2010. 26 27

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Therefore, Cheyenne Nalder hereby moves this court to enter the judgment in her name of \$3,500,000.00, with interest thereon at the legal rate from October 9, 2007, until paid in full.

Dated this 19 day of March, 2018.

STEPHENS GOURLEY & BYWATER

David A. Stephens, Esq. Nevada Bar No. 00902 3636 North Rancho Drive Las Vegas, Nevada 89130 Attorneys for Plaintiff

### EXHIBIT "1"

**JMT** THOMAS CHRISTENSEN, ESQ., Nevada Bar #2326 DAVID F. SAMPSON, ESQ., 1 52 PM '08 Nevada Bar #6811 1000 S. Valley View Blvd. FILED Las Vegas, Nevada 89107 (702) 870-1000 Attorney for Plaintiff, 7 DISTRICT COURT CLARK COUNTY, NEVADA 8 JAMES NALDER, as Guardian ad Litem for 10 CHEYENNE NALDER, a minor. 11 Plaintiffs, 12 CASE NO: A549111 ٧S، 13 DEPT. NO: VI GARY LEWIS, and DOES I through V, inclusive 15 Defendants. 16 17 **JUDGMENT** 18 In this action the Defendant, GARY LEWIS, having been regularly served with the 19 Summons and having failed to appear and answer the Plaintiff's complaint filed herein, the 20 legal time for answering having expired, and no answer or demurrer having been filed, the 21 22 Default of said Defendant, GARY LEWIS, in the premises, having been duly entered according 23 to law; upon application of said Plaintiff, Judgment is hereby entered against said Defendant as 24 follows: 25 26 27 28

The state of the s

IT IS ORDERED THAT PLAINTIFF HAVE JUDGMENT AGAINST DEFENDANT in the sum of \$3,500,000.00, which consists of \$65,555.37 in medical expenses, and \$3,434,444.63 in pain, suffering, and disfigurement, with interest thereon at the legal rate from October 9, 2007, until paid in full.

DATED THIS 2 day of May, 2008.

Harris Ha



Submitted by: CHRISTENSEN LAW OFFICES, LLC.

BY:

DAVID SAMPSON

Nevada Bar # 6811

1000 S. Valley View

Las Vegas, Nevada 89107

Attorney for Plaintiff

# EXHIBIT "2"

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      JMT
2
     DAVID A. STEPHENS, ESQ.
     Nevada Bar No. 00902
3
     STEPHENS GOURLEY & BYWATER
     3636 North Rancho Dr
4
     Las Vegas, Nevada 89130
     Attorneys for Plaintiff
5
     T: (702) 656-2355
     F: (702) 656-2776
ĥ
     E: dstephens@sbglawfirm.com
7
     Attorney for Cheyenne Nalder
8
                                     DISTRICT COURT
9
                                 CLARK COUNTY, NEVADA
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11
                                                  CASE NO: A549111
        CHEYENNE NALDER,
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                                                  DEPT. NO: XXIX
                           Plaintiff,
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        vs.
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        GARY LEWIS,
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                           Defendant.
16
                                     AMENDED JUDGMENT
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[1] 数据的设置的第三人称: [45.44] 数据数据数据 [44.44] [44.44]

In this action the Defendant, Gary Lewis, having been regularly served with the Summons and having failed to appear and answer the Plaintiff's complaint filed herein, the legal time for answering having expired, and no answer or demurrer having been filed, the Default of said Defendant, GARY LEWIS, in the premises, having been duly entered according to law; upon application of said Plaintiff, Judgment is hereby entered against said Defendant as follows:
...

IT IS ORDERED THAT PLAINTIFF HAVE JUDGMENT AGAINST DEFENDANT in the sum of \$3,500,000.00, which consists of \$65,555.37 in medical expenses, and \$3,434,4444.63 in pain, suffering, and disfigurement, with interest thereon at the legal rate from October 9, 2007, until paid in full. DATED this \_\_\_\_\_ day of March, 2018. District Judge

STEPHENS GOURLEY & BYWATER

DAVID A. STEPHENS, ESQ. STEPHENS GOURLEY & BYWATER Las Vegas, Nevada 89130

# **EXHIBIT "D"**

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**CERTIFICATE OF MAILING** 

I hereby certify that I am an employee of the law office of STEPHENS & BYWATER, and that on the Island day of May, 2018, I served a true copy of the foregoing NOTICE OF ENTRY OF AMENDED JUDGMENT, by depositing the same in a sealed envelope upon which first class postage was fully prepaid, and addressed as follows:

Gary Lewis 733 S. Minnesota Ave. Glendora, California 91740

An employee of Stephens & Bywate

Electronically Filed 3/28/2018 3:05 PM Steven D. Grierson CLERK OF THE COURT

JMT DAVID A. STEPHENS, ESQ. 2 Nevada Bar No. 00902 3 STEPHENS GOURLEY & BYWATER 3636 North Rancho Dr 4 Las Vegas, Nevada 89130 Attorneys for Plaintiff 5 T: (702) 656-2355 F: (702) 656-2776 6 E: dstephens@sbglawfirm.com 7 Attorney for Cheyenne Nalder 8

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### DISTRICT COURT

### CLARK COUNTY, NEVADA

CHEYENNE NALDER,

Plaintiff,

vs.

GARY LEWIS,

Defendant.

### AMENDED JUDGMENT

In this action the Defendant, Gary Lewis, having been regularly served with the Summons and having failed to appear and answer the Plaintiff's complaint filed herein, the legal time for answering having expired, and no answer or demurrer having been filed, the Default of said Defendant, GARY LEWIS, in the premises, having been duly entered according to law; upon application of said Plaintiff, Judgment is hereby entered against said Defendant as follows:

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      JMT
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      DAVID A. STEPHENS, ESQ.
      Nevada Bar No. 00902
3
      STEPHENS GOURLEY & BYWATER
      3636 North Rancho Dr
4
      Las Vegas, Nevada 89130
      Attorneys for Plaintiff
5
      T: (702) 656-2355
      F: (702) 656-2776
6
      E: dstephens@sbglawfirm.com
7
      Attorney for Cheyenne Nalder
8
                                        DISTRICT COURT
9
                                    CLARK COUNTY, NEVADA
10
11
                                                                  074549111
                                                      CASE NO: A549111
         CHEYENNE NALDER,
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                                                      DEPT. NO: XXIX
                             Plaintiff,
13
         vs.
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         GARY LEWIS,
15
                             Defendant.
16
                                        AMENDED JUDGMENT
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18
            In this action the Defendant, Gary Lewis, having been regularly served with the Summons
19
      and having failed to appear and answer the Plaintiff's complaint filed herein, the legal time for
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      answering having expired, and no answer or demurrer having been filed, the Default of said
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      Defendant, GARY LEWIS, in the premises, having been duly entered according to law; upon
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      application of said Plaintiff, Judgment is hereby entered against said Defendant as follows:
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		00230
1	IT IS ORDERED THAT PLAINTIFF HAVE JUDGMENT AGAINST DEFENDANT in the \$ 3,434,444.63	ne
2	sum of \$3,500,000.00, which consists of \$65,555.37 in medical expenses, and \$3,434,4444.63	
3	in pain, suffering, and disfigurement, with interest thereon at the legal rate from October 9,	
4	2007, until paid in full.	
5	$\wedge$ /	•
6	DATED this day of March, 2018.	
7		¥.
8		•
9		
10	District Judge	
11	Submitted by:	: 1 - 1 - 2
12	STEPHENS GOURLEY & BYWATER	•
13		
14	DAVID A. STEPHENS, ESQ.	
15	Nevada Bar No. 00902 STEPHENS GOURLEY & BYWATER	
16	3636 North Rancho Dr	
17	Las Vegas, Nevada 89130 Attorneys for Plaintiff	
18		#
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## **EXHIBIT "E"**

**Electronically Filed** 

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4/3/2018 3:07 PM Steven D. Grierson CLERK OF THE COURT COMP David A. Stephens, Esq. Nevada Bar Ño. 00902 STEPHENS, GOURLEY & BYWATER 3636 North Rancho Drive Las Vegas, Nevada 89130 Telephone: (702) 656-2355 Facsimile: (702) 656-2776 Email: dstephens@sgblawfirm.com Attorney for Cheyenne Nalder 6 DISTRICT COURT 7 CLARK COUNTY, NEVADA 8 CASE NO.: A<del>5491</del>+1 A-18-772220-C CHEYENNE NALDER, 9 DEPT NO .: XXXX Department 29 10 Plaintiff, 11 12 GARY LEWIS and DOES I through V, inclusive, 13 Defendants. 14 15 **COMPLAINT** 16 Date: n/a Time: n/a 17 COMES NOW the Plaintiff, CHEYENNE NALDER, by and through Plaintiff's attorney, 18 DAVID A. STEPHENS, ESQ., of STEPHENS & BYWATER, and for a cause of action against the 19 Defendants, and each of them, alleges as follows: 20 Upon information and belief, that at the time of the injury the Defendant, GARY 1. 21 LEWIS, was a resident of Las Vegas, Clark County, Nevada, and that on or about December 2008 22 GARY LEWIS moved out of state and has not been present or resided in the jurisdiction since that 23 time. 24

- That Plaintiff, CHEYENNE NALDER, was at the time of the accident, a resident of 2. the County of Clark, State of Nevada
- That the true names or capacities, whether individual, corporate, associate or 3. otherwise, of Defendants names as DOES 1 through V, inclusive, are unknown to Plaintiff, who

therefore sues said Defendant by such fictitious names. Plaintiff is informed and believes and thereon alleges that each of the Defendants designated herein as DOE is responsible in some manner for the events and happenings referred to and caused damages proximately to Plaintiff as herein alleged, and that Plaintiff will ask leave of this Court to amend this Complaint to insert the true names and capacities of DOES I through V, when the names have been ascertained, and to join such Defendants in this action.

- 4. Upon information and belief, Defendant, Gary Lewis, was the owner and operator of a certain 1996 Chevy Pickup (hereafter referred as "Defendant vehicle") at all times relevant to this action.
- 5. On the 8<sup>th</sup> day of July, 2007, Defendant, Gary Lewis, was operating the Defendant's vehicle on private property located in Lincoln County, Nevada; that Plaintiff, Cheyenne Nalder, was playing on the private property; that Defendant, did carelessly and negligently operate Defendant's vehicle so to strike the Plaintiff, Cheyenne Nalder, and that as a direct and proximate result of the aforesaid negligence of Defendant, Gary Lewis, and each of the Defendants, Plaintiff, Cheyenne Nalder, sustained the grievous and serious personal injuries and damages as hereinafter more particularly alleged.
- 6. At the time of the accident herein complained of, and immediately prior thereto, Defendant, Gary Lewis, in breaching a duty owed to Plaintiffs, was negligent and careless, inter alia, in the following particulars:
  - A. In failing to keep Defendant's vehicle under proper control;
  - B. In operating Defendant's vehicle without due care for the rights of the Plaintiff;
  - C. In failing to keep a proper lookout for plaintiffs
- D. The Defendant violated certain Nevada Revised Statutes and Clark County Ordinances, and the Plaintiff will pray leave of Court to insert the exact statutes or ordinances at the time of trial.
- 7. By reason of the premises, and as a direct and proximate result of the aforesaid negligence and carelessness of Defendants, and each of them, Plaintiff, Cheyenne Nalder, sustained a broken leg and was otherwise injured in and about her neck, back, legs, arms, organs, and

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systems, and was otherwise injured and caused to suffer great pain of body and mind, and all or some of the same is chronic and may be permanent and disabling, all to her damage in an amount in excess of \$10,000.00

- By reason of the premises, and as a direct and proximate result of the aforesaid 8. negligence and carelessness of the Defendants, and each of them, Plaintiff, Cheyenne Nalder, has been caused to expend monies for medical and miscellaneous expenses as of this time in excess of \$41,851.89, and will in the future be caused to expend additional monies for medical expenses and miscellaneous expenses incidental thereto, in a sum not yet presently ascertainable, and leave of Court will be requested to include said additional damages when the same have been fully determined.
- Prior to the injuries complained of herein, Plaintiff, Cheyenne Nalder, was an able-9. bodied female, capable of being gainfully employed and capable of engaging in all other activities for which Plaintiff was otherwise suited. By reason of the premises, and as a direct and proximate result of the negligence of the said Defendants, and each of them, Plaintiff, Cheyenne Nalder, was caused to be disabled and limited and restricted in her occupations and activities, and/or suffered a diminution of Plaintiff's earning capacity and future loss of wages, all to her damage in a sum not yet presently ascertainable, the allegations of which Plaintiff prays leave of Court to insert here when the same shall be fully determined.
- 10. That James Nalder as guardian ad litem for Plaintiff, Cheyenne Nalder, obtained judgment against Gary Lewis.
- 11. That the judgment is to bear interest at the legal rate from October 9, 2007 until paid in full.
- 12. That during Cheyenne Nalder's minority which ended on April 4, 2016 all statutes of limitations were tolled.
- 13. That during Gary Lewis' absence from the state of Nevada all statutes of limitations have been tolled and remain tolled.
- 14. That the only payment made on the judgment was \$15,000.00 paid by Lewis's insurer on February 5, 2015. This payment extends any statute of limitation.

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1	6. For such other and further relief as to the Court may seem just and proper in the
2	premises.
3	DATED this 3 <sup>rd</sup> day of April, 2018.
4	STEPHENS GOURLEY & BYWATER
5	
6	/s David A. Stephens
7	Nevada Bar No. 00902
8	/s David A. Stephens David A. Stephens, Esq. Nevada Bar No. 00902 3636 North Rancho Drive Las Vegas, Nevada 89130 Attorneys for Plaintiff
9	Attorneys for Flamtin
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## **EXHIBIT "F"**

David A. Stephens, Esq.
Nevada Bar No. 00902
Stephens & Bywater
3636 North Rancho Drive
Las Vegas, Nevada 89130
Telephone: (702) 656-2355
Facsimile: (702) 656-2776
Email: dstephens@sgblawfirm.

Email: dstephens@sgblawfirm.com Attorney for Cheyenne Nalder

#### DISTRICT COURT

### CLARK COUNTY, NEVADA

CHEYENNE NALDER,

Plaintiff,

Case No. A-18-772220-C

) Dept. No. XXIX

GARY LEWIS,

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VS.

Defendant.

#### STIPULATION TO ENTER JUDGMENT

Date: n/a Time: n/a

Gary Lewis, through his attorney, E. Breen Arntz, Esq., and Cheyenne Nalder, through her attorney, David A. Stephens, Esq., to hereby stipulate as follows:

- 1. Gary Lewis has been continuously absent from the State of Nevada since at least 2010.
- 2. Gary Lewis has not been subject to service of process in Nevada since at least 2010 to the present.
- 3. Gary Lewis has been a resident and subject to service of process in California from 2010 to the present.
- 4. Plaintiff obtained a judgment against GARY LEWIS which was entered on August 26, 2008. Because the statute of limitations on the 2008 judgment had been tolled as a result of GARY LEWIS' absence from the State of Nevada pursuant to NRS 11.300, Plaintiff obtained an amended judgment that was entered on May 18, 2018.
  - 5. Plaintiff filed an action on the judgment under Mandlebaum v. Gregovich, 50 P. 849, 851

(Nev. 1897), in the alternative, with a personal injury action should the judgment be invalid. 1 2 3 4 6 8 9 10 11 paid in full. 12 13 14 15 16 Stephens & Bywater 17 18 19 20 21 22 23 24 .25 26 27 28

6. Gary Lewis does not believe there is a valid statute of limitations defense and Gary Lewis does not want to incur greater fees or damages.

- 7. Cheyenne Nalder is willing to allow judgment to enter in the amount of the judgment plus interest minus the payment of \$15,000.00 and without additional damages, attorney fees or costs. Plaintiff is also willing to accept the judgment so calculated as the resulting judgment of the alternatively pled injury claim. Plaintiff will not seek additional attorney fees from Defendant.
- The parties stipulate to a judgment in favor of Cheyenne Nalder in the sum of \$3,500,000.00, plus interest through September 4, 2018 of \$2,211,820.41 minus \$15,000.00 paid for a total judgment of \$5,696,820.41, with interest thereon at the legal rate from September 4, 2018, until
  - The attached judgment may be signed and entered by the Court.

Dated this 12 day of September, 2018

Stephens, Esq. Nevada Bar No. 00902

3636 North Rancho Drive

Las Vegas, Nevada 89130

Attorney for Cheyenne Nalder

Nevada Bar No. 03853 5545 Mountain Vista, #E Las Vegas, NV 89120 Attorney for Gary Lewis

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1
    JMT (CIV)
    David A. Stephens, Esq.
2
    Nevada Bar Ño. 00902
    Stephens & Bywater, P.C.
3
    3636 North Rancho Drive
    Las Vegas, Nevada 89130
    Telephone: (702) 656-2355
    Facsimile: (702) 656-2776
5
    Email: dstephens@sgblawfirm.com
    Attorney for Cheyenne Nalder
6
                                        DISTRICT COURT
7
                                   CLARK COUNTY, NEVADA
8
    CHEYENNE NALDER,
9
                                                           Case No. A-18-772220-C
                         Plaintiff,
10
                                                           Dept. No. XXIX
    vs.
11
    GARY LEWIS,
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                         Defendant.
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14
                                           JUDGMENT
15
                                             Date: n/a
                                             Time: n/a
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           Pursuant to the stipulation of the parties, and good cause appearing therefore,
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           IT IS HEREBY ORDERED, ADJUDGED AND DECREED, that Plaintiff Cheyenne Nalder
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     have and recover judgment from Defendant Gary Lewis in the sum of three million five hundred
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     thousand dollars, ($3,500,000.00), plus prejudgment interest through September 4, 2018 in the sum
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     of two million two hundred eleven thousand eight hundred twenty and 41/100 dollars,
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     ($2,211,820.41), minus fifteen thousand dollars ,($15,000.00), previously paid to Cheyenne Nalder,
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1	for a total judgment of five million six hundred ninety six thousand eight hundred twenty and 41/100	
2	dollars, (\$5,696,820.41), with interest thereon at the legal rate from September 4, 2018, until paid in	
3	full.	
4	DATED this day of September, 2018.	
5		
6		
7	DISTRICT JUDGE	
8		
9	Submitted by:	
10	STEPHENS & BYWATER, P.C.	
11		
12	DAVID A. STEPHENS, ESQ. Nevada Bar No. 00902	
13	3636 North Rancho Drive Las Vegas, Nevada 89130 Attorneys for Plaintiff	
14	Attorneys for Plaintiff	
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<ul><li>21</li><li>22</li></ul>		
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## **EXHIBIT "G"**

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8/16/2018 5:19 PM
Steven D. Grierson
CLERK OF THE COURT
Atomb. Du

MATTHEW J. DOUGLAS
Nevada Bar No. 11371
ATKIN WINNER & SHERROD
1117 South Rancho Drive
Las Vegas, Nevada 89102
Phone (702) 243-7000
Facsimile (702) 243-7059
mdouglas@awslawyers.com

5

Attorneys for Proposed Intervenor United Automobile Insurance Company

#### EIGHTH JUDICIAL DISTRICT COURT

#### CLARK COUNTY, NEVADA

CHEYANNE NALDER,

Plaintiff,

Vs.

CASE NO.: A-18-772220-C
DEPT. NO.: 29

UAIC'S MOTION TO INTERVENE

GARY LEWIS and DOES I through V, inclusive,

COMES NOW, UNITED AUTOMOBILE INSURANCE COMPANY (hereinafter referred to as "UAIC"), by and through its attorney of record, ATKIN WINNER & SHERROD and hereby submits this Motion to Intervene in the present action, pursuant to the attached Memorandum of Points and Authorities, all exhibits attached hereto, all papers and pleadings on file with this Court and such argument this Court may entertain at the time of hearing.

DATED this / day of /

Defendants.

ATKIN WINNER & SHERROD

Matthew J. Douglas Nevada Bar No. 11371/ 1117 South Rancho Drive Las Vegas, Nevada 89102 Attorneys for Intervenor

Page 1 of 9
Case Number: A-18-772220-C

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### NOTICE OF MOTION

TO: ANY AND ALL PARTIES AND THEIR COUNSEL OF RECORD:

YOU, AND EACH OF YOU, WILL PLEASE TAKE NOTICE that the undersigned will bring the foregoing Motion to Intervene for hearing before the above-entitled Court on the 19 day of September \_\_\_\_\_, 2018, at the hour of \_\_\_\_\_\_\_.m. in the forenoon of said date, or as soon thereafter as counsel can be heard.

DATED this Way of AUNT, 2018.

ATKIN WINNER & SHERROD

Matthew Douglas, Esq. Nevada Bar No. 11371 117 South Rancho Drive Las Vegas, Nevada 89102 Attorneys for Intervenor

## MEMORANDUM OF POINTS AND AUTHORITIES IN SUPPORT OF MOTION FOR INTERVENTION

I.

## Introduction & Factual Background

Although this action was only recently filed, this matter actually has a long history that dates back eleven (11) years, to July 2007 when the loss underlying this action occurred. Proposed Intervenor will not re-state the entire history as it is adequately set forth in Order Certifying a Second Question to the Nevada Supreme Court by United States Court of Appeals for the Ninth Circuit, which was filed on January 11, 2018. A copy of the Order certifying the second question of law is attached hereto as Exhibit 'A.' Rather, the salient points are that Plaintiff's causes of action are premised on a judgment which had been entered against Gary

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Lewis on August 26, 2008. After obtaining the judgment, Counsel for Plaintiff<sup>1</sup> then filed an action against Mr. Lewis' insurer, United Automobile Insurance Company ("UAIC"), Proposed Intervenor herein. Despite the prohibition against direct actions against an insurer, Plaintiff failed to obtain an assignment prior to filing that action against UAIC and, only later, during the litigation obtained an assignment from Lewis.

In any event, that action - on coverage for the 2008 judgment by Nalder against UAIC has proceeded in the United States District Court for the District of Nevada and, the United States Court of Appeals for the Ninth Circuit, since 2009. During the pendency of those appeals it was observed that Plaintiff had failed to renew her 2008 judgment against Lewis pursuant to Nevada law. Specifically, as this Court is aware, under N.R.S. 11.190(1)(a) the limitation for action to execute on such a judgment would be six (6) years, unless renewed under N.R.S. 17.214. Upon realizing the judgment had never been timely renewed, UAIC filed a Motion to Dismiss the Appeal for Lack of Standing with the Ninth Circuit on March 14, 2017. On December 27, 2017 the Ninth Circuit certified a second question to the Nevada Supreme Court – specifically certifying the following question:

"Under Nevada law, if a plaintiff has filed suit against an insurer seeking damages based on a separate judgment against its insured, does the insurer's liability expire when the statute of limitations on the judgment runs, notwithstanding that the suit was filed within the six-year life of the judgment?"

On February 23, 2018 the Nevada Supreme Court issued an order accepting this second certified question and ordered Appellants to file their Opening brief within 30 days, or by March 26, 2018. A copy of the Order accepting the second certified question is attached hereto as Exhibit 'B.' In accepting the certified question, the Nevada Supreme Court rephrased the question as follows:

At that time, in 2008, Ms. Nalder was a minor so the judgment was entered in favor of her through her Guardian Ad Litem and, father, James Nalder.

In an action against an insurer for breach of the duty to defend its insured, can the plaintiff continue to seek consequential damages in the amount of a default judgment obtained against the insured when the judgment against the insured was not renewed and the time for doing so expired while the action against the insurer was pending?

On August 2, Plaintiff (Appellant therein) filed her Opening Brief on this question and, UAIC has yet to file its Response Brief an, accordingly, the above-quoted question and, issue, <u>remains</u> pending before the Nevada Supreme Court.

Despite the above, in what appears to be a clear case of forum shopping, Plaintiff retained additional Counsel (Plaintiff's Counsel herein) who filed an *ex parte* Motion before this Court on March 22, 2018 seeking, innocently enough, to "amend" the 2008 expired judgment to be in the name of Cheyenne Nalder individually. *A copy of the Ex Parte Motion is attached hereto as Exhibit 'C.*' Thereafter, this Court obviously not having been informed of the above-noted Nevada Supreme Court case, entered the amended judgment and same was filed with a notice of entry on May 18, 2018. *A copy of the filed Amended Judgment is attached hereto as Exhibit 'D.'* 

Furthermore, Plaintiff then initiated this "new" action in a thinly veiled attempt to have this Court rule on issues pending before the Nevada Supreme Court and "fix" their expired judgment. This intent appears clearly evidenced by paragraph five (5) of Plaintiff's prayer for relief herein which states Plaintiff is seeking this Court to make "a declaration that the statute of limitations on the judgment on the judgment is still tolled as a result of Defendant's continued absence from the state." A copy of Plaintiff's Complaint is attached hereto as Exhibit 'E." Plaintiff then apparently served Lewis and, on July 17, 2018, sent a letter to UAIC's counsel with a copy of a "three Day notice to Plead", and, as such, threatening default of Lewis on this "new" action. A copy of Plaintiff's letter and three day notice is attached hereto as Exhibit 'F.'

Upon learning of this new action and, given the United States District Court's ruling that Gary Lewis is an insured under an *implied* UAIC policy for the loss belying these judgments and, present action, UAIC immediately sought to engage counsel to appear on Lewis' behalf in

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the present action. A copy of the Judgment of the U.S. District Court finding coverage and implying an insurance policy is attached hereto as Exhibit 'G." Following retained defense Counsel's attempts to communicate with Mr. Lewis to defend him in this action and, potentially, vacate this improper amendment to an expired judgment - retained defense counsel was sent a letter by Tommy Christensen, Esq. – the Counsel for Plaintiff judgment-creditor in the abovereferenced action and appeal - stating in no uncertain terms that Counsel could not communicate with Mr. Lewis, nor appear and defend him in this action. A copy of Tommy Christensen's letter of August 13, 2018 is attached hereto as Exhibit 'H."

Despite the apparent contradiction of counsel representing both the judgment-creditor and judgment-debtor in the same action, it is also clear that Mr. Christensen's letter has caused the need for UAIC to intervene in the present action and, this Motion follows.

#### II.

#### ARGUMENT

A. The insurer UAIC must be permitted to intervene in this action because it has an interest to protect given UAIC's duty to defend LEWIS per the October 30, 2013 Order of the U.S. District court.

NRCP 24(a)(2) provides for the intervention of right under the following circumstances:

Upon timely application anyone shall be permitted to intervene an action: ...(2) when the applicant claims an interest relating to the property or transaction which is the subject of the action and he is so situated that the disposition of the action may as a practical matter impair or impede his ability to protect that interest, unless the applicant's interest is adequately represented by existing parties.

The named Defendant LEWIS has been found to be an insured per the United States District Court Order under an implied policy of insurance with UAIC policy at the time of the accident underlying the judgments for which Plaintiff seeks relief in the present action. Exhibit 'G." When UAIC became informed of the present action and attempted to retain counsel to defend LEWIS, UAIC was informed by Counsel for Plaintiff that he would not allow retained defense

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Intervention is governed by NRCP 24 and NRS 12.130. Although strikingly similar, NRCP 24 requires "timely application" to intervene whereas NRS 12.130 merely requires intervention at the district court level. Stephens v. First National Bank, 64 Nev. 292, 182 P.2d 146 (1947). NRS 12.130(1)(c), however, specifically provides that intervention may be made as provided by the Nevada Rules of Civil Procedure. As such, given this mandate, the procedural rule will be specifically addressed in the instant Motion.

NRCP 24(a)(2) imposes four (4) requirements for the intervention of right: (1) the application must be timely; (2) it must show an interest in the subject matter of the action; (3) it must show that the protection of the interest may be impaired by the disposition of the action; and (4) it must show that the interest is not adequately represented by an existing party. State Indus. Ins. Sys. v. Eighth Judicial Dist. Court, 111 Nev. 28, 888 P.2d 911 (1995). 2

When determining the timeliness of an application for intervention, it is not the length of the delay by the intervenor that is of primary importance, per se, but the extent of prejudice to the rights of existing parties resulting from the delay. Lawler v. Ginochio, 94 Nev. 623, 584 P.2d 667 (1978). This determination is, of course, within the sound discretion of the court. Id. Here, this

<sup>&</sup>lt;sup>2</sup> The Rule specifically reads: (a) Intervention of Right. Upon timely application anyone shall be permitted to intervene in an action: (1) when a statute confers an unconditional right to intervene; or (2) when the applicant claims an interest relating to the property or transaction which is the subject of the action and he is so situated that the disposition of the action may as a practical matter impair or impede his ability to protect that interest, unless the applicant's interest is adequately represented by existing parties.

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Furthermore, as outlined above, it is clear that UAIC's Petition meets the other three requirements for intervention as of right based upon the clear fact that UAIC has a significant interest in the action as the insurer for LEWIS under the aforenoted U.S. District Court Order. By dint of this fact UAIC could potentially be responsible for any damages LEWIS is found liable for. This substantial interest serves to satisfy the two remaining requirements as protection of the interest will be impaired by disposition of this action as any judgment entered against LEWIS - without his ability to defend it -would necessarily impair UAIC. Finally, that as there is currently no defendant defending this cause – UAIC's interest is not sufficiently protected.

Moreover, it also true that these very issues - the validity of the 2008 judgment against Lewis – are also at issue in a case involving UAIC before the Nevada Supreme Court, as set for above. The fact that Plaintiff now seeks this Court to make declarations about the validity to the 2008 judgment not only would appear to infringe upon issues before the Nevada Supreme Court and, Ninth Circuit, but also may directly affect UAIC's interests, adding further good cause to show UAIC is an interested third party whom should be allowed to intervene.

The final requirement under N.R.C.P. 24(c) is that the Motion to intervene "shall be accompanied by a pleading setting forth the claim or defense for which intervention is sought. Accordingly, attached hereto as Exhibit "I", is a copy of UAIC's proposed responsive pleading to this action, a Motion to Dismiss.

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///

A NEVADA LAW FIRM

III.

### **CONCLUSION**

Based on the foregoing, it is necessary for UAIC to intervene in this matter to protect its interests and LEWIS'.

DATED this day of 4009, 2018.

ATKIN WINNER & SHERROD

Matthew Douglas, Esq. Nevada Bar No. 11371 1117 S. Rancho Drive Las Vegas, Nevada 89102 Attorneys for UAIC

## **CERTIFICATE OF SERVICE**

I certify that on this 16th day of August, 2018, the foregoing MOTION TO <u>INTERVENE</u> was served on the following by [\[ \] Electronic Service pursuant to NEFR 9 \[ \] Electronic Filing and Service pursuant to NEFR 9 [] hand delivery [] overnight delivery [] fax [ ] fax and mail [] mailing by depositing with the U.S. mail in Las Vegas, Nevada, enclosed in a sealed envelope with first class postage prepaid, addressed as follows:

### PLAINTIFFS' COUNSEL

David A. Stephens, Esq. STEPHENS, GOURLEY & BYWATER 3636 N. Rancho Dr. Las Vegas, Nevada 89130

## **EXHIBIT "A"**

## FILED

JAN 1 1 2018

CLERK OF SUPREME COURT

CHIEF DEPUTY CLERK

#### FOR PUBLICATION

## UNITED STATES COURT OF APPEALS FOR THE NINTH CIRCUIT

No. 70504

JAMES NALDER, Guardian
Ad Litem on behalf of
Cheyanne Nalder; GARY
LEWIS, individually,
Plaintiffs-Appellants,

No. 13-17441

D.C. No. 2:09-cv-01348-RCJ-GWF

UNITED AUTOMOBILE
INSURANCE COMPANY,

Defendant-Appellee.

٧.

ORDER CERTIFYING QUESTION TO THE NEVADA SUPREME COURT

Appeal from the United States District Court for the District of Nevada Robert Clive Jones, District Judge, Presiding

Argued and Submitted January 6, 2016 San Francisco, California

Filed December 27, 2017

Before: Diarmuid F. O'Scannlain and William A. Fletcher, Circuit Judges.\*

<sup>\*</sup> This case was submitted to a panel that included Judge Koziński, who recently retired.



#### Certified Question to Nevada Supreme Court

The panel certified the following question of law to the Nevada Supreme Court:

Under Nevada law, if a plaintiff has filed suit against an insurer seeking damages based on a separate judgment against its insured, does the insurer's liability expire when the statute of limitations on the judgment runs, notwithstanding that the suit was filed within the six-year life of the judgment?

#### ORDER

Pursuant to Rule 5 of the Nevada Rules of Appellate Procedure, we certify to the Nevada Supreme Court the question of law set forth in Part II of this order. The answer to this question may be determinative of the cause pending before this court, and there is no controlling precedent in the decisions of the Nevada Supreme Court or the Nevada Court of Appeals.

Further proceedings in this court are stayed pending receipt of an answer to the certified question. Submission remains withdrawn pending further order. The parties shall notify the Clerk of this court within one week after the

<sup>\*\*</sup> This summary constitutes no part of the opinion of the court. It has been prepared by court staff for the convenience of the reader.

Plaintiffs-appellants, James Nalder, guardian ad litem for Cheyanne Nalder, and Gary Lewis will be the appellants-before the Nevada Supreme Court. Defendant-appellee, United Automobile Insurance Company ("UAIC"), a Florida corporation with its principal place of business in Florida, will be the respondent.

The names and addresses of counsel for the parties are as follows:

Thomas Christensen, Christensen Law Offices, LLC, 1000 South Valley View Boulevard, Las Vegas, Nevada 89107, and Dennis M. Prince, Eglet Prince, 400 South Seventh Street, Suite 400, Las Vegas, Nevada 89101, for appellants.

Thomas E. Winner, Susan M. Sherrod and Matthew J. Douglas, Atkin Winner & Sherrod, 1117 South Rancho Drive, Las Vegas, Nevada 89102, for respondent.

 $\Pi$ 

The question of law to be answered is:

Under Nevada law, if a plaintiff has filed suit against an insurer seeking damages based on a separate judgment against its insured, does the insurer's liability expire when the

#### NALDER V. UNITED AUTO INS. CO.

statute of limitations on the judgment runs, notwithstanding that the suit was filed within the six-year life of the judgment?

The Nevada Supreme Court may rephrase the question as it deems necessary.

Ш

A

This is the second order in this case certifying a question to the Nevada Supreme Court. We recount the facts essentially as in the first order.

On July 8, 2007, Gary Lewis ran over Cheyanne Nalder. Lewis had taken out an auto insurance policy with UAIC, which was renewable on a monthly basis. Before the accident, Lewis had received a statement instructing him that his renewal payment was due by June 30, 2007. The statement also specified that "[t]o avoid lapse in coverage, payment must be received prior to expiration of your policy." The statement listed June 30, 2007, as the policy's effective date and July 31, 2007, as its expiration date. Lewis did not pay to renew his policy until July 10, 2007, two days after the accident.

James Nalder ("Nalder"), Cheyanne's father, made an offer to UAIC to settle her claim for \$15,000, the policy limit. UAIC rejected the offer, arguing Lewis was not covered at the time of the accident because he did not renew the policy by June 30. UAIC never informed Lewis that Nalder was willing to settle.

Nalder sued Lewis in Nevada state court and obtained a. \$3.5 million default judgment. Nalder and Lewis then filed the instant suit against UAIC in state court, which UAIC removed to federal court. Nalder and Lewis alleged breach of contract, breach of the implied covenant of good faith and fair dealing, bad faith, fraud, and breach of section 686A.310 of the Nevada Revised Statutes. UAIC moved for summary judgment on the basis that Lewis had no insurance coverage on the date of the accident. Nalder and Lewis argued that Lewis was covered on the date of the accident because the renewal notice was ambiguous as to when payment had to be received to avoid a lapse in coverage, and that this ambiguity had to be construed in favor of the insured. The district court found that the contract could not be reasonably interpreted in favor of Nalder and Lewis's argument and granted summary judgment in favor of UAIC.

We held that summary judgment "with respect to whether there was coverage" was improper because the "[p]laintiffs came forward with facts supporting their tenable legal position." Nalder v. United Auto. Ins. Co., 500 F. App'x 701, 702 (9th Cir. 2012). But we affirmed "[t]he portion of the order granting summary judgment with respect to the [Nevada] statutory arguments." Id.

On remand, the district court granted partial summary judgment to each party. First, the court found the renewal statement ambiguous, so it construed this ambiguity against UAIC by finding that Lewis was covered on the date of the accident. Second, the court found that UAIC did not act in bad faith because it had a reasonable basis to dispute coverage. Third, the court found that UAIC breached its duty to defend Lewis but awarded no damages "because [Lewis] did not incur any fees or costs in defending the underlying

action" as he took a default judgment. The court ordered UAIC "to pay Cheyanne Nalder the policy limits on Gary Lewis's implied insurance policy at the time of the accident." Nalder and Lewis appeal.

В

Nalder and Lewis claim on appeal that they should have been awarded consequential and compensatory damages resulting from the Nevada state court judgment because UAIC breached its duty to defend. Thus, assuming that UAIC did not act in bad faith but did breach its duty to defend Lewis, one question before us is how to calculate the damages that should be awarded. Nalder and Lewis claim they should have been awarded the amount of the default judgment (\$3.5 million) because, in their view, UAIC's failure to defend Lewis was the proximate cause of the judgment against him. The district court, however, denied damages because Lewis chose not to defend and thus incurred no attorneys' fees or costs. Because there was no clear state law and the district court's opinion in this case conflicted with another decision by the U.S. District Court for the District of Nevada on the question of whether liability for breach of the duty to defend included all losses consequential to an insurer's breach, we certified that question to the Nevada Supreme Court in an order dated June 1, 2016. In that order, we also stayed proceedings in this court pending resolution of the certified question by the Nevada Supreme Court.

After that certified question had been fully briefed before the Nevada Supreme Court, but before any ruling or oral argument, UAIC moved this court to dismiss the appeal for lack of standing. UAIC argues that the six-year life of the default judgment had run and that the judgment had not been renewed, so the judgment is no longer enforceable. Therefore, UAIC contends, there are no longer any damages above the policy limit that Nalder and Lewis can seek because the judgment that forms the basis for those damages has lapsed. For that reason, UAIC argues that the issue on appeal is moot because there is no longer any basis to seek damages above the policy limit, which the district court already awarded.

In a notice filed June 13, 2017, the Nevada Supreme Court stayed consideration of the question already certified in this case until we ruled on the motion to dismiss now pending before us.

IV

In support of its motion to dismiss, UAIC argues that under Nev. Rev. Stat. § 11.190(1)(a), the six-year statute of limitations during which Nalder could enforce his default judgment against Lewis expired on August 26, 2014, and Nalder did not renew the judgment. Therefore, says UAIC, the default judgment has lapsed, and because it is no longer enforceable, it no longer constitutes an injury for which Lewis or Nalder may seek damages from UAIC.

In response, Nalder and Lewis do not contest that the sixyear period of the statute of limitations has passed and that they have failed to renew the judgment, but they argue that UAIC is wrong that the issue of consequential damages is mooted. First, they make a procedural argument that a lapse in the default judgment, if any, may affect the amount of damages but does not affect liability, so the issue is inappropriate to address on appeal before the district court has evaluated the effect on damages. Second, they argue that their suit against UAIC is itself "an action upon" the default judgment under the terms of Nev. Rev. Stat: § 11.190(1)(a) and that because it was filed within the six-year life of the judgment it is timely. In support of this argument, they point out that UAIC has already paid out more than \$90,000 in this case, which, they say, acknowledges the validity of the underlying judgment and that this suit is an enforcement action upon it.

Neither side can point to Nevada law that definitively answers the question of whether plaintiffs may still recover consequential damages based on the default judgment when six years passed during the pendency of this suit. Nalder and Lewis reach into the annals of Nevada case law to find an opinion observing that at common law "a judgment creditor may enforce his judgment by the process of the court in which he obtained it, or he may elect to use the judgment, as an original cause of action, and bring suit thereon, and prosecute such suit to final judgment." Mandlebaum v. Gregovich, 50 P. 849, 851 (Nev. 1897); see also Leven v. Frey, 168 P.3d 712, 715 (Nev. 2007) ("An action on a judgment or its renewal must be commenced within six years." (emphasis added)). They suggest they are doing just this, "us[ing] the judgment, as an original cause of action," to recover from UAIC. But that precedent does not resolve whether a suit against an insurer who was not a party to the default judgment is, under Nevada law, an "action on" that judgment.

UAIC does no better. It also points to Leven for the proposition that the Nevada Supreme Court has strictly construed the requirements to renew a judgment. See Leven, 168 P.3d at 719. Be that as it may, Nalder and Lewis do not

rely on any laxity in the renewal requirements and argue instead that the instant suit is itself a timely action upon the judgment that obviates any need for renewal. UAIC also points to Nev. Rev. Stat. § 21.010, which provides that "the party in whose favor judgment is given may, at any time before the judgment expires, obtain the issuance of a writ of execution for its enforcement as prescribed in this chapter. The writ ceases to be effective when the judgment expires." That provision, however, does not resolve this case because Nalder and Lewis are not enforcing a writ of execution, which is a direction to a sheriff to satisfy a judgment. See Nev. Rev. Stat. § 21.020.

Finally, apart from Nalder and Lewis's argument that it is inappropriate to address on appeal the effect of the statute of limitations on the size of damages they may collect, neither side squarely addresses whether the expiration of the judgment in fact reduces the consequential damages for UAIC's breach of the duty to defend. Does the judgment's expiration during the pendency of the suit reduce the consequential damages to zero as UAIC implies, or should the damages be calculated based on when the default judgment was still enforceable, as it was when the suit was initiated? Neither side provides Nevada law to answer the question, nor have we discovered it.

ν

It appears to this court that there is no controlling precedent of the Nevada Supreme Court or the Nevada Court of Appeals with regard to the issue of Nevada law raised by the motion to dismiss. We thus request the Nevada Supreme Court accept and decide the certified question. "The written opinion of the [Nevada] Supreme Court stating the law

governing the question[] certified... shall be res judicata as to the parties." Nev. R. App. P. 5(h).

If the Nevada Supreme Court accepts this additional certified question, it may resolve the two certified questions in any order it sees fit, because Nalder and Lewis must prevail on both questions in order to recover consequential damages based on the default judgment for breach of the duty to defend.

The clerk of this court shall forward a copy of this order, under official seal, to the Nevada Supreme Court, along with copies of all briefs and excerpts of record that have been filed with this court.

#### IT IS SO ORDERED.

Respectfully submitted, Diarmuid F. O'Scannlain and William A. Fletcher, Circuit Judges.

Diarmuid F. O'Scannlain

Circuit Judge

## **EXHIBIT "B"**

#### IN THE SUPREME COURT OF THE STATE OF NEVADA

JAMES NALDER, GUARDIAN AD
LITEM ON BEHALF OF CHEYANNE
NALDER; AND GARY LEWIS,
INDIVIDUALLY,
Appellants,
vs.
UNITED AUTOMOBILE INSURANCE
COMPANY,
Respondent.

No. 70504

FILED

FEB 23 2018

ELIZABETH A BROWN CLERK OF SUPREME COURT BY 5. YOUALA DEPUTY CLERK

### ORDER ACCEPTING SECOND CERTIFIED QUESTION AND DIRECTING SUPPLEMENTAL BRIEFING

The United States Ninth Circuit Court of Appeals previously certified a legal question to this court under NRAP 5, asking us to answer the following question:

Whether, under Nevada law, the liability of an insurer that has breached its duty to defend, but has not acted in bad faith, is capped at the policy limit plus any costs incurred by the insured in mounting a defense, or is the insurer liable for all losses consequential to the insurer's breach?

Because no clearly controlling Nevada precedent answers that legal question and the answer could determine part of the federal case, we accepted that certified question and directed the parties to file briefs addressing that question. After briefing had been completed, respondent United Automobile Insurance Company informed this court that it had filed a motion to dismiss in the federal case. We then stayed our consideration of the certified question because a decision by the Ninth Circuit granting the motion to dismiss would render the question before this court advisory.

SUPREME COURT OF NEVADA

(O) 1947A **(D)** 

18-07125

The Ninth Circuit has now certified another legal question to this court under NRAP 5. The new question, which is related to the motion to dismiss pending in the Ninth Circuit, asks us to answer the following:

Under Nevada law, if a plaintiff has filed suit against an insurer seeking damages based on a separate judgment against its insured, does the insurer's liability expire when the statute of limitations on the judgment runs, notwithstanding that the suit was filed within the six-year life of the judgment?

That question is focused on the insurer's liability, but elsewhere in the Ninth Circuit's certification order, it makes clear that the court is concerned with whether the plaintiff in this scenario can continue to seek the amount of the separate judgment against the insured as consequential damages caused by the insurer's breach of the duty to defend its insured when the separate judgment was not renewed as contemplated by NRS 11.190(1)(a) and NRS 17.214 during the pendency of the action against the insurer. We therefore choose to accept the Ninth Circuit's invitation to "rephrase the question as [we] deem necessary." Consistent with language that appears elsewhere in the certification order, we rephrase the question as follows:

In an action against an insurer for breach of the duty to defend its insured, can the plaintiff continue to seek consequential damages in the amount of a default judgment obtained against the insured when the judgment against the insured was not renewed and the time for doing so expired while the action against the insurer was pending?

As no clearly controlling Nevada precedent answers this legal question and the answer may determine the federal case, we accept this certified question as rephrased. See NRAP 5(a); Volvo Cars of N. Am., Inc. v. Ricci, 122 Nev. 746, 749-51, 137 P.3d 1161, 1163-64 (2006).

SUPREME COURT OF NEVADA

(O) 1947A CO

Appellants shall have 30 days from the date of this order to file and serve a supplemental opening brief. Respondent shall have 30 days from the date the supplemental opening brief is served to file and serve a supplemental answering brief. Appellants shall then have 20 days from the date the supplemental answering brief is served to file and serve any supplemental reply brief. The supplemental briefs shall be limited to addressing the second certified question and shall comply with NRAP 28, 28.2, 31(c), and 32. See NRAP 5(g)(2). To the extent that there are portions of the record that have not already been provided to this court and are necessary for this court to resolve the second certified question, the parties may submit a joint appendix containing those additional documents. See NRAP 5(d). Given the relationship between the two certified questions, we lift the stay as to the first certified question.

It is so ORDERED.<sup>1</sup>

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<sup>&</sup>lt;sup>1</sup>As the parties have already paid a filing fee when this court accepted the first certified question, no additional filing fee will be assessed at this time.

The Honorable Ron D. Parraguirre, Justice, voluntarily recused himself from participation in the decision of this matter.

cc:

**Eglet Prince** 

Christensen Law Offices, LLC

Atkin Winner & Sherrod Cole, Scott & Kissane, P.A.

Lewis Roca Rothgerber Christie LLP/Las Vegas

Pursiano Barry Bruce Lavelle, LLP

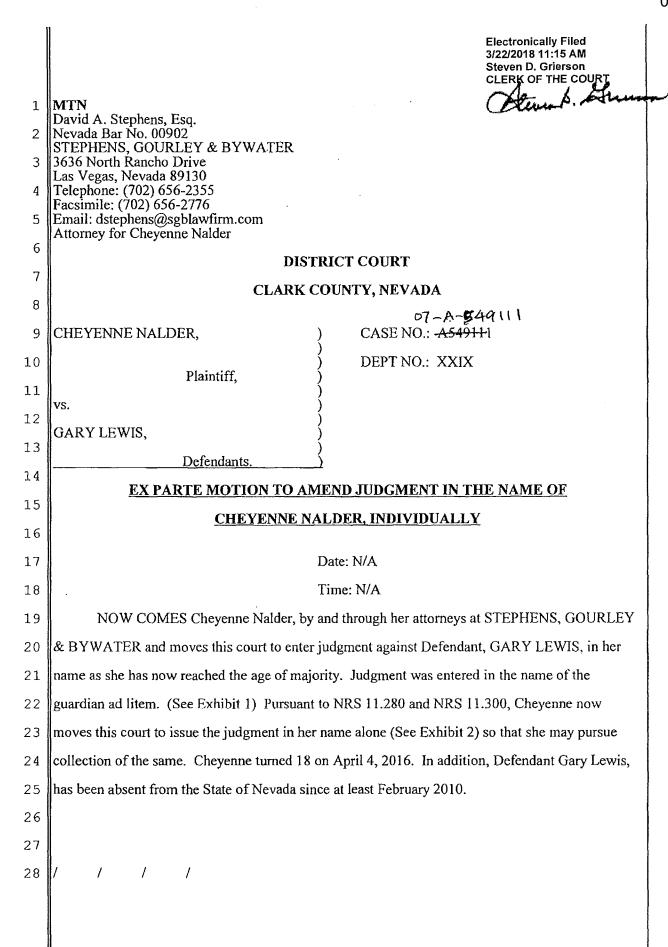
Laura Anne Foggan Mark Andrew Boyle Matthew L. Sharp, Ltd.

Clerk, United States Court of Appeals for the Ninth Circuit

SUPREME COURT OF NEVADA

(O) 1947A re

## EXHIBIT "C"



Therefore, Cheyenne Nalder hereby moves this court to enter the judgment in her name of \$3,500,000.00, with interest thereon at the legal rate from October 9, 2007, until paid in full.

Dated this 19 day of March, 2018.

STEPHENS GOURLEY & BYWATER

David A. Stephens, Esq. Nevada Bar No. 00902 3636 North Rancho Drive Las Vegas, Nevada 89130 Attorneys for Plaintiff

## EXHIBIT "1"

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JMT
    THOMAS CHRISTENSEN, ESQ.,
    Nevada Bar #2326
    DAVID F. SAMPSON, ESQ.,
 3
                                                                        1 52 PM '08
    Nevada Bar #6811
    1000 S. Valley View Blvd.
    Las Vegas, Nevada 89107
                                                                    FILED
5
    (702) 870-1000
    Attorney for Plaintiff,
 6
 7
                                        DISTRICT COURT
                                   CLARK COUNTY, NEVADA
 8
    JAMES NALDER,
9
    as Guardian ad Litem for
10
    CHEYENNE NALDER, a minor.
11
         Plaintiffs,
12
    ٧S,
                                        CASE NO: A549111
13
                                        DEPT. NO: VI
    GARY LEWIS, and DOES I
14
    through V, inclusive
15
         Defendants.
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17
                                            JUDGMENT
18
       In this action the Defendant, GARY LEWIS, having been regularly served with the
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    Summons and having failed to appear and answer the Plaintiff's complaint filed herein, the
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    legal time for answering having expired, and no answer or demurrer having been filed, the
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    Default of said Defendant, GARY LEWIS, in the premises, having been duly entered according
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    to law; upon application of said Plaintiff, Judgment is hereby entered against said Defendant as
24
    follows:
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IT IS ORDERED THAT PLAINTIFF HAVE JUDGMENT AGAINST DEFENDANT in the sum of \$3,500,000.00, which consists of \$65,555.37 in medical expenses, and \$3,434,444.63 in pain, suffering, and disfigurement, with interest thereon at the legal rate from October 9, 2007, until paid in full. June day of May, 2008. DATED THIS \_ Submitted by: CHRISTENSEN LAW OFFICES, LLC. BY: DAVID SAMPSON Nevada Bar # 6811 1000 S. Valley View Las Vegas, Nevada 89107 Attorney for Plaintiff

## EXHIBIT "2"

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J
      JMT
2
      DAVID A. STEPHENS, ESQ.
      Nevada Bar No. 00902
3
      STEPHENS GOURLEY & BYWATER
      3636 North Rancho Dr
4
      Las Vegas, Nevada 89130
      Attorneys for Plaintiff
5
      T: (702) 656-2355
6
      F: (702) 656-2776
      E: dstephens@sbglawfirm.com
7
      Attorney for Cheyenne Nalder
8
                                        DISTRICT COURT
9
                                    CLARK COUNTY, NEVADA
10
11
                                                      CASE NO: A549111
         CHEYENNE NALDER,
12
                                                      DEPT. NO: XXIX
                             Plaintiff,
13
         VS.
14
         GARY LEWIS,
15
                             Defendant.
16
                                         AMENDED JUDGMENT
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18
            In this action the Defendant, Gary Lewis, having been regularly served with the Summons
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      and having failed to appear and answer the Plaintiff's complaint filed herein, the legal time for
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      answering having expired, and no answer or demurrer having been filed, the Default of said
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22
      Defendant, GARY LEWIS, in the premises, having been duly entered according to law; upon
23
      application of said Plaintiff, Judgment is hereby entered against said Defendant as follows:
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IT IS ORDERED THAT PLAINTIFF HAVE JUDGMENT AGAINST DEFENDANT in the
sum of \$3,500,000.00, which consists of \$65,555.37 in medical expenses, and \$3,434,4444.63
in pain, suffering, and disfigurement, with interest thereon at the legal rate from October 9,
2007, until paid in full.
DATED this day of March, 2018.
District Judge
Submitted by: STEPHENS GOURLEY & BYWATER
~ · A -
DAVID A. STEPHENS, ESQ.
Nevada Bar No. 00902
STEPHENS GOURLEY & BYWATER 3636 North Rancho Dr
Las Vegas, Nevada 89130
Attorneys for Plaintiff

## **EXHIBIT "D"**

1 2 3 4 5 6	ROE David A. Stephens, Esq. Nevada Bar No. 00902 Stephens & Bywater 3636 North Rancho Drive Las Vegas, Nevada 89130 Telephone: (702) 656-2355 Facsimile: (702) 656-2776 Email: dstephens@sgblawfirm.com Attorney for Cheyenne Nalder
7	DISTRICT COURT
8	CLARK COUNTY, NEVADA
9 10 11 12 13 14	CHEYENNE NALDER,  Plaintiff,  vs.  GARY LEWIS  Defendant.
15	NOTICE OF ENTRY OF AMENDED JUDGMENT
16	NOTICE IS HEREBY GIVEN that on the 26th day of March, 2018, the Honorable David
17	M. Jones entered an <b>AMENDED JUDGMENT</b> , which was thereafter filed on March 28, 2018, in
18	the above entitled matter, a copy of which is attached to this Notice.
19	Dated this day of May, 2018.
20	STEPHENS & BYWATER
21	
22	David A. Stephens, Esq.
23   24	Nevada Bar No. 00902 3636 North Rancho Drive
25	Las Vegas, Nevada 89130 Attorney for Brittany Wilson
26	
27	
28	

#### **CERTIFICATE OF MAILING**

I hereby certify that I am an employee of the law office of STEPHENS & BYWATER, and that on the day of May, 2018, I served a true copy of the foregoing NOTICE OF ENTRY OF AMENDED JUDGMENT, by depositing the same in a sealed envelope upon which first class postage was fully prepaid, and addressed as follows:

Gary Lewis 733 S. Minnesota Ave. Glendora, California 91740

An employee of Stephens & Bywater

1 JMT 2 DAVID A. STEPHENS, ESQ. Nevada Bar No. 00902 3 STEPHENS GOURLEY & BYWATER 3636 North Rancho Dr 4 Las Vegas, Nevada 89130 Attorneys for Plaintiff 5 T: (702) 656-2355 6 F: (702) 656-2776 E: dstephens@sbglawfirm.com 7 Attorney for Cheyenne Nalder 8 9

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Electronically Filed 3/28/2018 3:05 PM Steven D. Grierson CLERK OF THE COURT

#### DISTRICT COURT

#### CLARK COUNTY, NEVADA

CHEYENNE NALDER,

Plaintiff,

vs.

GARY LEWIS,

Defendant.

#### AMENDED JUDGMENT

In this action the Defendant, Gary Lewis, having been regularly served with the Summons and having failed to appear and answer the Plaintiff's complaint filed herein, the legal time for answering having expired, and no answer or demurrer having been filed, the Default of said Defendant, GARY LEWIS, in the premises, having been duly entered according to law; upon application of said Plaintiff, Judgment is hereby entered against said Defendant as follows:
...

Case Number: 07A549111

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     JMT
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     DAVID A. STEPHENS, ESQ.
     Nevada Bar No. 00902
3
     STEPHENS GOURLEY & BYWATER
     3636 North Rancho Dr
4
     Las Vegas, Nevada 89130
     Attorneys for Plaintiff
5
     T: (702) 656-2355
     F: (702) 656-2776
6
     E: dstephens@sbglawfirm.com
7
     Attorney for Cheyenne Nalder
8
                                    DISTRICT COURT
9
                                CLARK COUNTY, NEVADA
10
11
                                                            074549111
                                                  CASE NO: A549111
        CHEYENNE NALDER,
12
                                                 DEPT. NO: XXIX
                          Plaintiff,
13
        vs.
14
        GARY LEWIS,
15
                           Defendant.
16
                                     AMENDED JUDGMENT
17
18
```

In this action the Defendant, Gary Lewis, having been regularly served with the Summons and having failed to appear and answer the Plaintiff's complaint filed herein, the legal time for answering having expired, and no answer or demurrer having been filed, the Default of said Defendant, GARY LEWIS, in the premises, having been duly entered according to law; upon application of said Plaintiff, Judgment is hereby entered against said Defendant as follows:
...

•	·	
1	IT IS ORDERED THAT PLAINTIFF HAVE JUDGMENT AGAINST DEFENDANT in the \$3,434,444.63	^
3	sum of \$3,500,000.00, which consists of \$65,555.37 in medical expenses, and \$3,434,4444.63	
4	in pain, suffering, and disfigurement, with interest thereon at the legal rate from October 9,	
5	2007, until paid in full.	
6	DATED this day of March, 2018.	
7		
8		
9		
10	District Judge	
11	Submitted by:	
12	STEPHENS GOURLEY & BYWATER	
13	The AA	
14	DAVID A. STEPHENS, ESQ.	
15	Nevada Bar No. 00902 STEPHENS GOURLEY & BYWATER	
16 17	3636 North Rancho Dr Las Vegas, Nevada 89130	
18	Attorneys for Plaintiff	
19		
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## EXHIBIT "E"

Electronically Filed 4/3/2018 3:07 PM Steven D. Grierson CLERK OF THE COURT COMP David A. Stephens, Esq. Nevada Bar No. 00902 STEPHENS, GOURLEY & BYWATER 3636 North Rancho Drive Las Vegas, Nevada 89130 Telephone: (702) 656-2355 Facsimile: (702) 656-2776 5 Email: dstephens@sgblawfirm.com Attorney for Cheyenne Nalder 6 DISTRICT COURT 7 CLARK COUNTY, NEVADA 8 CASE NO.: A-5491+1 A-18-772220-C 9 CHEYENNE NALDER, DEPT NO .: XXXX Department 29 10 Plaintiff, 11 12 GARY LEWIS and DOES I through V, 13 inclusive, Defendants. 14 15 **COMPLAINT** 16 Date: n/a Time: n/a 17 COMES NOW the Plaintiff, CHEYENNE NALDER, by and through Plaintiff's attorney, 18 DAVID A. STEPHENS, ESQ., of STEPHENS & BYWATER, and for a cause of action against the 19 Defendants, and each of them, alleges as follows: 20 Upon information and belief, that at the time of the injury the Defendant, GARY 21 1. LEWIS, was a resident of Las Vegas, Clark County, Nevada, and that on or about December 2008 22 GARY LEWIS moved out of state and has not been present or resided in the jurisdiction since that 23 24 time. That Plaintiff, CHEYENNE NALDER, was at the time of the accident, a resident of 2. 25 the County of Clark, State of Nevada 26 That the true names or capacities, whether individual, corporate, associate or 3. 27 otherwise, of Defendants names as DOES 1 through V, inclusive, are unknown to Plaintiff, who 28

therefore sues said Defendant by such fictitious names. Plaintiff is informed and believes and thereon alleges that each of the Defendants designated herein as DOE is responsible in some manner for the events and happenings referred to and caused damages proximately to Plaintiff as herein alleged, and that Plaintiff will ask leave of this Court to amend this Complaint to insert the true names and capacities of DOES I through V, when the names have been ascertained, and to join such Defendants in this action.

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- 4. Upon information and belief, Defendant, Gary Lewis, was the owner and operator of a certain 1996 Chevy Pickup (hereafter referred as "Defendant vehicle") at all times relevant to this action.
- 5. On the 8th day of July, 2007, Defendant, Gary Lewis, was operating the Defendant's vehicle on private property located in Lincoln County, Nevada; that Plaintiff, Cheyenne Nalder, was playing on the private property; that Defendant, did carelessly and negligently operate Defendant's vehicle so to strike the Plaintiff, Cheyenne Nalder, and that as a direct and proximate result of the aforesaid negligence of Defendant, Gary Lewis, and each of the Defendants, Plaintiff, Cheyenne Nalder, sustained the grievous and serious personal injuries and damages as hereinafter more particularly alleged.
- 6. At the time of the accident herein complained of, and immediately prior thereto, Defendant, Gary Lewis, in breaching a duty owed to Plaintiffs, was negligent and careless, inter alia, in the following particulars:
  - A. In failing to keep Defendant's vehicle under proper control;
  - B. In operating Defendant's vehicle without due care for the rights of the Plaintiff;
  - C. In failing to keep a proper lookout for plaintiffs
- D. The Defendant violated certain Nevada Revised Statutes and Clark County Ordinances, and the Plaintiff will pray leave of Court to insert the exact statutes or ordinances at the time of trial.
- 7. By reason of the premises, and as a direct and proximate result of the aforesaid negligence and carelessness of Defendants, and each of them, Plaintiff, Cheyenne Nalder, sustained a broken leg and was otherwise injured in and about her neck, back, legs, arms, organs, and

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systems, and was otherwise injured and caused to suffer great pain of body and mind, and all or some of the same is chronic and may be permanent and disabling, all to her damage in an amount in excess of \$10,000.00

- 8. By reason of the premises, and as a direct and proximate result of the aforesaid negligence and carelessness of the Defendants, and each of them, Plaintiff, Cheyenne Nalder, has been caused to expend monies for medical and miscellaneous expenses as of this time in excess of \$41,851.89, and will in the future be caused to expend additional monies for medical expenses and miscellaneous expenses incidental thereto, in a sum not yet presently ascertainable, and leave of Court will be requested to include said additional damages when the same have been fully determined.
- 9. Prior to the injuries complained of herein, Plaintiff, Cheyenne Nalder, was an able-bodied female, capable of being gainfully employed and capable of engaging in all other activities for which Plaintiff was otherwise suited. By reason of the premises, and as a direct and proximate result of the negligence of the said Defendants, and each of them, Plaintiff, Cheyenne Nalder, was caused to be disabled and limited and restricted in her occupations and activities, and/or suffered a diminution of Plaintiff's earning capacity and future loss of wages, all to her damage in a sum not yet presently ascertainable, the allegations of which Plaintiff prays leave of Court to insert here when the same shall be fully determined.
- 10. That James Nalder as guardian ad litem for Plaintiff, Cheyenne Nalder, obtained judgment against Gary Lewis.
- 11. That the judgment is to bear interest at the legal rate from October 9, 2007 until paid in full.
- That during Cheyenne Nalder's minority which ended on April 4, 2016 all statutes of limitations were tolled.
- 13. That during Gary Lewis' absence from the state of Nevada all statutes of limitations have been tolled and remain tolled.
- 14. That the only payment made on the judgment was \$15,000.00 paid by Lewis's insurer on February 5, 2015. This payment extends any statute of limitation.

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1	15. After reaching the age of majority an amended judgment was entered in Cheyenne	
2	Nalder's name.	
3	16. Plaintiff, in the alternative, now brings this action on the judgment to obtain a judgment	
4	against Gary Lewis including the full damages assessed in the original judgment plus interest and	
5	minus the one payment made.	
6	17. In the alternative Plaintiff requests declaratory relief regarding when the statutes of	
7	limítations on the judgments expire.	
8	18. Plaintiff has been required to retain the law firm of STEPHENS & BYWATER to	
9	prosecute this action, and is entitled to a reasonable attorney's fee.	
10	CLAIM FOR RELIEF;	
11	1. General damages in an amount in excess of \$10,000.00;	
12	2. Special damages for medical and miscellaneous expenses in excess of \$41,851.89, plus	
13	future medical expenses and the miscellaneous expenses incidental thereto in a presently	
14	unascertainable amount;	
15	3. Special damages for loss of wages in an amount not yet ascertained an/or diminution of	
16	Plaintiff's earning capacity, plus possible future loss of earning and/or diminution of Plaintiff's	
17	earning capacity in a presently unascertainable amount;	
18	4. Judgment in the amount of \$3,500,000 plus interest through April 3, 2018 of	
19	\$2,112,669.52 minus \$15,000.00 paid for a total judgment of \$5,597,669.52.	
20	5. A declaration that the statute of limitations on the judgment is still tolled as a result of	
21	the Defendant's continued absence from the state.	
22	4. Costs of this suit;	
23	5. Attorney's fees; and	
24	///	
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26	///	
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28	111	

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## EXHIBIT "F"

## Stephens & Bywater, P.C.

ATTORNEYS AT LAW

David A. Stephens email: dstephens@sgblawfirm.com

Gordon E. Bywater email: gbywater@sgblawfirm.com

July 17, 2018

VIA REGULAR U.S. MAIL Thomas E. Winner, Esq. Atkin Winner & Sherrod 1117 S. Rancho Drive Las Vegas, Nevada 89102

RE: Cheyenne Nalder vs. Gary Lewis

Dear Tom:

I am enclosing with this letter a Three Day Notice to Plead which I filed in the above entitled matter.

I recognize that you have not appeared in this matter. I served Mr. Lewis some time ago and he has never filed an answer. Thus, as a courtesy to you, who, I understand to be representing Mr. Lewis in related cases, I am providing this Three Day Notice to you in addition to Mr. Lewis.

Lappreciate your consideration.

Sincerely,

STEPHENS & BYWATER

David A. Stephens, Esq.

DAS:mlg enclosure

3636 N. Rancho Drive, Las Vegas, Nevada 89130 Telephone: (702) 656-2355 | Facsimile: (702) 656-2776 Website: www.sgblawfirm.com





1	TDNP (CIV)	Electronically Filed 7/18/2018 3:54 PM Steven D. Grierson CLERK OF THE COURT
	David A. Stephens, Esq. Nevada Bar No. 00902	
	STEPHENS, GOURLEY & BYWATER 3636 North Rancho Drive	
4	Las Vegas, Nevada 89130 Telephone: (702) 656-2355	
5	Facsimile: (702) 656-2776 Email: dstephens@sgblawfirm.com Attorney for Cheyenne Nalder	
6	DIS	STRICT COURT
7	CLARK	COUNTY, NEVADA
8		
9	CHEYENNE NALDER,	) CASE NO.: A-18-772220-C
10	Plaintiff,	) DEPT NO.: XXIX )
11	vs.	) )
12 13	GARY LEWIS and DOES I through V, inclusive,	<b>)</b>
14	Defendants.	) }
15	тирге п	AY NOTICE TO PLEAD
16	THREE D.	Date: n/a
17		Time: n/a
18	To: Gary Lewis, Defendant	
19	PLEASE TAKE NOTICE that the	Plaintiff intends to take a default and default judgment
20	against you if you have not answered or ot	herwise filed a response of pleading within three (3) days
21	of the date of this notice.	
22	Dated this <u>17</u> day of July 2018.	
23		
24		David a A
25		David A. Stephens, Esq. Nevada Bar No. 00902
26		Stephens Gourley & Bywater 3636 N. Rancho Drive
27		Las Vegas, NV 89130 Attorney for Plaintiff
28		into incy for riuminis

#### **CERTIFICATE OF MAILING**

2	I hereby certify that service of this THREE DAY NOTICE TO PLEAD was made this
3	day of July, 2018, by depositing a copy thereof in the U.S. Mail, first class postage prepaid,

4 addressed to:

5	Gary Lewis 733 Minnesota Avenue Glendora, CA 91740
6	Glendora, CA 91740

Thomas E. Winner, Esq. Atkin Winner Shorrod 1117 S. Rancho Drive Las Vegas, NV 89102

An Employee of Stephens Gourley & Bywater

# **EXHIBIT "G"**

SAO450 (Rev. 5/85) Judgment in a Civil Case

AO450 (Rev. 5/85) Sudgment in a Civil Case

Output

Description

Output

Description

UNITED ST	ATES DIST	RICT COURT
	DISTRICT OF	Nevada
Nalder et al.,		
Plaintiffs, V.		JUDGMENT IN A CIVIL CASE
United Automobile Insurance Company,		Case Number: 2:09-cv-01348-RCJ-GWF
Defendant.		
Jury Verdict. This action came before the Courendered its verdict.	art for a trial by jur	y. The issues have been tried and the jury has
Decision by Court. This action came to trial or decision has been rendered.	hearing before the	e Court. The issues have been tried or heard and a
Notice of Acceptance with Offer of Judgment case.	. A notice of acce	ptance with offer of judgment has been filed in this
IT IS ORDERED AND ADJUDGED		
The Court grants summary judgment in favor of Na ambiguity and, thus, the statement is construed in summary judgment on Nalder's remaining bad-faith	favor of coverage	the insurance renewal statement contained an during the time of the accident. The Court denies
The Court grants summary judgment on all extractions are court directs Defendant to pay Cheyanne Nato of the accident.	ontractual claims a der the policy limits	and/or bad faith claims in favor of Defendant. s on Gary Lewis's implied insurance policy at the time
October 30, 2013		Lance S. Wilson
Date	Cler	k Summer Rivera
	(By	) Deputy Clerk

# EXHIBIT "H"

August 13, 2018

Stephen H. Rogers, Esq. ROGERS, MASTRANGELO, CARVALHO & MITCHELL 700 S. Third Street Las Vegas, Nevada 89101

Re: Gary Lewis

#### Dear Stephen:

I am in receipt of your letter dated Friday, August 10, 2018. I was disappointed that you have chosen to disregard my request that you communicate with me and not directly with my client. You say you have "been retained to defend Mr. Lewis with regard to Ms. Nalder's 2018 actions." Would you be so kind as to provide me with all communications written or verbal or notes of communications you have had with UAIC, their attorneys and/or Mr. Lewis from your first contact regarding this matter to the present?

VIA Fax: (702)384-1460

Email: srogers@rmcmlaw.com

Please confirm that UAIC seeks now to honor the insurance contract with Mr. Lewis and provide a defense for him and pay any judgment that may result? This is the first indication I am aware of where UAIC seeks to defend Mr. Lewis. I repeat, please do not take any actions, including requesting more time or filing anything on behalf of Mr. Lewis without first getting authority from Mr. Lewis through me. Please only communicate through this office with Mr. Lewis. If you have already filed something or requested an extension without written authority from Mr. Lewis, he requests that you immediately reverse that action. Please also only communicate with UAIC that any attempt by them to hire any other attorneys to take action on behalf of Mr. Lewis must include notice to those attorneys that they must first get Mr. Lewis' consent through my office before taking any action including requesting extensions of time or filing any pleadings on his behalf.

Regarding your statement that Mr. Lewis would not be any worse off if you should lose your motions. That is not correct. We agree that the validity of the judgment is unimportant at this stage of the claims handling case. UAIC, however, is arguing that Mr. Lewis' claims handling case should be dismissed because they claim the judgment is not valid. If you interpose an insufficient improper defense that delays the inevitable entry of judgment against Mr. Lewis and the Ninth Circuit dismisses the appeal then Mr. Lewis will have a judgment against him and no claim against UAIC. In addition, you will cause additional damages and expense to both parties for which, ultimately, Mr. Lewis would be responsible.

Could you be mistaken about your statement that "the original Judgment expired and cannot be revived?" I will ask your comment on just one legal concept -- Mr. Lewis' absence from the state. There are others but this one is sufficient on its own. There are three statutes applicable to this narrow issue: NRS 11.190; NRS 11.300 and NRS 17.214.

NRS 11.190 Periods of limitation. ... actions .. may only be commenced as follows:

1. Within 6 years:

(a) ... an action upon a judgment or decree of any court of the United States, or of any state or territory within the United States, or the renewal thereof.

NRS 11.300 Absence from State suspends running of statute. If, ... after the cause of action shall have accured the person (defendant) departs from the State, the time of the absence shall not be part of the time prescribed for the commencement of the action.

NRS 17.214 Filing and contents of affidavit; recording affidavit; notice to judgment debtor; successive affidavits.

- 1. A judgment creditor or a judgment creditor's successor in interest may renew a judgment which has not been paid by:
- (a) Filing an affidavit with the clerk of the court where the judgment is entered and docketed, within 90 days before the date the judgment expires by limitation.

These statutes make it clear that both an action on the judgment or an optional renewal is still available through today because Mr. Lewis has been in California since late 2008. If you have case law from Nevada contrary to the clear language of these statutes please share it with me so that I may review it and discuss it with my client.

Your prompt attention is appreciated. Mr. Lewis does not wish you to file any motions until and unless he is convinced that they will benefit Mr. Lewis -- not harm him and benefit UAIC. Mr. Lewis would like all your communications to go through my office. He does not wish to have you copy him on correspondence with my office. Please do not communicate directly with Mr. Lewis.

Very truly yours,

Tommy Christensen

CHRISTENSEN LAW OFFICE, LLC

TKIN WINNER & SHERROD

Electronically Filed 002450 10/19/2018 12:06 PM Steven D. Grierson CLERK OF THE COURT

MATTHEW J. DOUGLAS
Nevada Bar No. 11371
ATKIN WINNER & SHERROD
1117 South Rancho Drive
Las Vegas, Nevada 89102
Phone (702) 243-7000
Facsimile (702) 243-7059
mdouglas@awslawyers.com
Attorneys for Intervenor United Automobile Ins. Co.

### EIGHTH JUDICIAL DISTRICT COURT

#### CLARK COUNTY, NEVADA

JAMES NALDER,

Plaintiff,

CASE NO.: 07A549111

DEPT. NO.: XXIX

GARY LEWIS and DOES I through V, inclusive,

Defendants.

VS.

NOTICE OF ENTRY OF ORDER ON INTERVENOR UNITED AUTOMOBILE INSURANCE COMPANY'S MOTION TO INTERVENE

TO ALL PARTIES AND THEIR COUNSEL OF RECORD:

YOU WILL PLEASE TAKE NOTICE that the attached **ORDER ON INTERVENOR UNITED AUTOMOBILE INSURANCE COMPANY'S MOTION TO INTERVENE** was entered by the Court on the 19<sup>th</sup> day of October, 2018.

DATED this 19th day of October, 2018.

ATKIN WINNER & SHERROD

Matthew J. Douglas
Nevada Bar No. 11371
1117 South Rancho Drive
Las Vegas, Nevada 89102

Attorneys for Intervenor United Automobile Ins. Co.

Page 1 of 2

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NEVADA LAW

# CERTIFICATE OF SERVICE

I certify that on this 19<sup>th</sup> day of October, 2018, the foregoing NOTICE OF ENTRY OF ORDER ON INTERVENOR UNITED AUTOMOBILE INSURANCE COMPANY'S MOTION TO INTERVENE was served on the following by [] Electronic Service pursuant to NEFR 9 [X] Electronic Filing and Service pursuant to NEFR 9 - to all counsel on the service list [] hand delivery [] overnight delivery [] fax [] fax and mail [X] mailing by depositing with the U.S. mail in Las Vegas, Nevada, enclosed in a sealed envelope with first class postage prepaid, addressed as follows:

David Stephens, Esq. STEPHENS & BYWATER, P.C. 3636 North Rancho Drive Las Vegas, NV 89130

Randall Tindall, Esq. Carissa Christensen, Esq. RESNICK & LOUIS, P.C. 8925 West Russell Road Suite 220 Las Vegas, NV 89148

An employee of ATKIN WINNER & SHERROD

LAW

NEVADA

Electronically Filed 10/19/2018 9:52 AM Steven D. Grierson CLERK OF THE COURT

MATTHEW J. DOUGLAS
Nevada Bar No. 11371
ATKIN WINNER & SHERROD
1117 South Rancho Drive
Las Vegas, Nevada 89102
Phone (702) 243-7000
Facsimile (702) 243-7059
mdouglas@awslawyers.com

Attorneys for Intervenor United Automobile Insurance Company

#### EIGHTH JUDICIAL DISTRICT COURT

CLARK COUNTY, NEVADA

Dames CHEYANNE NALDER,

CASE NO.: 07A549111 DEPT. NO.: 29

Plaintiff,

VS.

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GARY LEWIS and DOES I through V, inclusive,

Defendants.

# ORDER

Intervenor UNITED AUTOMOBILE INSURANCE COMPANY'S Motion to Intervene came on for hearing on the Chambers Calendar before the Honorable Judge David Jones, on September 19, 2018, and upon review of and consideration of the proceedings and circumstances of this matter, the papers and pleadings on file, and for good cause appearing, and the Court's minute order stating there being no Opposition,

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Page I of 2

Case Number: 07A549111

IT IS HEREBY ORDERED, ADJUDGED AND DECREED that Intervenor UNITED AUTOMBILE INSURANCE COMPANY'S Motion to Intervene is GRANTED;

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Intervenor UNITED AUTOMBILE INSURANCE COMPANY'S shall file its responsive pleading within seven (7) days from the date of entry of this Order.

DATED this day of October 2018

DISTRICT COURT JUDGE

Submitted by:

ATKIN WINNER & SHERROD

Matthew J. Douglas Nevada Bar No.11371 1117 South Rancho Drive Las Vegas, Nevada 89102 Attorneys for Intervenor UNITED

AUTOMOBILE INSURANCE COMPANY

**Electronically Filed** 10/24/2018 1:38 PM Steven D. Grierson 1 CLERK OF THE COURT **TPC** 2 Thomas Christensen, Esq. Nevada Bar No. 2326 3 1000 S. Valley View Blvd.

Las Vegas, Nevada 89107

courtnotices@injuryhelpnow.com Attorney for Third Party Plaintiff

T: (702) 870-1000 F: (702) 870-6152

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#### CLARK COUNTY, NEVADA

DISTRICT COURT

Cheyenne Nalder Plaintiff, CASE NO. A-18-772220-C DEPT NO. XXIX VS. Gary Lewis, Defendant. United Automobile Insurance Company, Intervenor, Gary Lewis, Third Party Plaintiff, VS. United Automobile Insurance Company, Randall Tindall, Esq. and Resnick & Louis, P.C, and DOES I through V, Third Party Defendants.

#### THIRD PARTY COMPLAINT

Comes now Cross-claimant/Third-party Plaintiff, GARY LEWIS, by and through his attorney, Thomas Christensen, Esq. and for his Cross-Claim/Third party complaint against the cross-defendant/third party defendants, United Automobile Insurance Co., Randall Tindall, Esq., and Resnick & Louis, P.C., for acts and omissions committed by them and each of them,

Ý

as a result of the finding of coverage on October 30, 2013 and more particularly states as follows:

- 1. That Gary Lewis was, at all times relevant to the injury to Cheyenne Nalder, a resident of the County of Clark, State of Nevada. That Gary Lewis then moved his residence to California at the end of 2008 and has had no presence for purposes of service of process in Nevada since that date.
- 2. That United Automobile Insurance Company, hereinafter referred to as "UAIC", was at all times relevant to this action an insurance company doing business in Las Vegas, Nevada.
- 3. That third-party defendant, Randall Tindall, hereinafter referred to as "Tindall," was and is at all times relevant to this action an attorney licensed and practicing in the State of Nevada. At all times relevant hereto, third-party Defendant, Resnick & Louis, P.C. was and is a law firm, which employed Tindall and which was and is doing business in the State of Nevada.
- 4. That the true names and capacities, whether individual, corporate, partnership, associate or otherwise, of Defendants, DOES I through V, are unknown to cross-claimant, who therefore sues said Defendants by such fictitious names. cross-claimant is informed and believes and thereon alleges that each of the Defendants designated herein as DOE is responsible in some manner for the events and happenings referred to and caused damages proximately to cross-claimant as herein alleged, and that cross-claimant will ask leave of this Court to amend this cross-claim to insert the true names and capacities of DOES I through V, when the same have been ascertained, and to join such Defendants in this action.
- 5. Gary Lewis ran over Cheyenne Nalder (born April 4, 1998), a nine-year-old girl at the time, on July 8, 2007.
  - 6. This incident occurred on private property.

7.	Lewis m	aintained	an	auto	insurance	policy	with	United	Auto	Insurance
Company ("UA	AIC"), which	h was rene	wat	ole on	a monthly	basis.				
8.	Before the	subject in	icide	ent, L	ewis receiv	ed a sta	temer	nt from U	JAIC :	instructing

- 9. The renewal statement also instructed Lewis that he remit payment prior to the expiration of his policy "[t]o avoid lapse in coverage."
  - 10. The statement provided June 30, 2007 as the effective date of the policy.
  - 11. The statement also provided July 31, 2007 as the expiration date of the policy.
- 12. On July 10, 2007, Lewis paid UAIC to renew his auto policy. Lewis's policy limit at this time was \$15,000.00.
- 13. Following the incident, Cheyenne's father, James Nalder, extended an offer to UAIC to settle Cheyenne's injury claim for Lewis's policy limit of \$15,000.00.
  - 14. UAIC never informed Lewis that Nalder offered to settle Cheyenne's claim.
  - 15. UAIC never filed a declaratory relief action.

him that his renewal payment was due by June 30, 2007.

- 16. UAIC rejected Nalder's offer.
- 17. UAIC rejected the offer without doing a proper investigation and claimed that Lewis was not covered under his insurance policy and that he did not renew his policy by June 30, 2007.
- 18. After UAIC rejected Nalder's offer, James Nalder, on behalf of Cheyenne, filed a lawsuit against Lewis in the Nevada state court.
- 19. UAIC was notified of the lawsuit but declined to defend Lewis or file a declaratory relief action regarding coverage.
- 20. Lewis failed to appear and answer the complaint. As a result, Nalder obtained a default judgment against Lewis for \$3,500,000.00.

- 21. Notice of entry of judgment was filed on August 26, 2008.
- 22. On May 22, 2009, Nalder and Lewis filed suit against UAIC alleging breach of contract, an action on the judgment, breach of the implied covenant of good faith and fair dealing, bad faith, fraud, and violation of NRS 686A.310.
- 23. Lewis assigned to Nalder his right to "all funds necessary to satisfy the Judgment." Lewis left the state of Nevada and located in California prior to 2010. Neither Mr. Lewis nor anyone on his behalf has been subject to service of process in Nevada since 2010.
- 24. Once UAIC removed the underlying case to federal district court, UAIC filed a motion for summary judgment as to all of Lewis's and Nalder's claims, alleging Lewis did not have insurance coverage on the date of the subject collision.
- 25. The federal district court granted UAIC's summary judgment motion because it determined the insurance contract was not ambiguous as to when Lewis had to make payment to avoid a coverage lapse.
- 26. Nalder and Lewis appealed to the Ninth Circuit. The Ninth Circuit reversed and remanded the matter because Lewis and Nalder had facts to show the renewal statement was ambiguous regarding the date when payment was required to avoid a coverage lapse.
- 27. On remand, the district court entered judgment in favor of Nalder and Lewis and against UAIC on October 30, 2013. The Court concluded the renewal statement was ambiguous and therefore, Lewis was covered on the date of the incident because the court construed this ambiguity against UAIC.
- 28. The district court also determined UAIC breached its duty to defend Lewis, but did not award damages because Lewis did not incur any fees or costs in defense of the Nevada state court action.

- 29. Based on these conclusions, the district court ordered UAIC to pay the policy limit of \$15,000.00.
- 30. UAIC made three payments on the judgment: on June 23, 2014; on June 25, 2014; and on March 5, 2015, but made no effort to defend Lewis or relieve him of the judgment against him.
- 31. UAIC knew that a primary liability insurer's duty to its insured continues from the filing of the claim until the duty to defend has been discharged.
- 32. UAIC did an unreasonable investigation, did not defend Lewis, did not attempt to resolve or relieve Lewis from the judgment against him, did not respond to reasonable opportunities to settle and did not communicate opportunities to settle to Lewis.
- 33. Both Nalder and Lewis appealed to the Ninth Circuit, which ultimately led to certification of the first question to the Nevada Supreme Court, namely, whether an insurer that breaches its duty to defend is liable for all foreseeable consequential damages to the breach.
- 34. After the first certified question was fully briefed and pending before the Nevada Supreme Court, UAIC embarked on a new strategy puting their interests ahead of Lewis's in order to defeat Nalder's and Lewis's claims against UAIC.
- 35. UAIC mischaracterized the law and brought new facts into the appeal process that had not been part of the underlying case. UAIC brought the false, frivolous and groundless claim that neither Nalder nor Lewis had standing to maintain a lawsuit against UAIC without filing a renewal of the judgment pursuant to NRS 17.214.
- 36. Even though UAIC knew at this point that it owed a duty to defend Gary Lewis, UAIC did not undertake to investigate the factual basis or the legal grounds or to discuss this with Gary Lewis, nor did it seek declaratory relief on Lewis's behalf regarding the statute of limitations on the judgment.

- 37. All of these actions would have been attempts to protect Gary Lewis.
- 38. UAIC, instead, tried to protect themselves and harm Lewis by filing a motion to dismiss Gary Lewis' and Nalder's appeal with the Ninth Circuit for lack of standing.
- 39. This was not something brought up in the trial court, but only in the appellate court for the first time.
- 40. This action could leave Gary Lewis with a valid judgment against him and no cause of action against UAIC.
- 41. UAIC ignored all of the tolling statutes and presented new evidence into the appeal process, arguing Nalder's underlying \$3,500,000.00 judgment against Lewis is not enforceable because the six-year statute of limitation to institute an action upon the judgment or to renew the judgment pursuant to NRS 11.190(1)(a) expired.
- 42. As a result, UAIC contends Nalder can no longer recover damages above the \$15,000.00 policy limit for breach of the contractual duty to defend. UAIC admits the Nalder judgment was valid at the time the Federal District Court made its decision regarding damages.
- 43. The Ninth Circuit concluded the parties failed to identify Nevada law that conclusively answers whether a plaintiff can recover consequential damages based on a judgment that is over six years old and possibly expired.
- 44. The Ninth Circuit was also unable to determine whether the possible expiration of the judgment reduces the consequential damages to zero or if the damages should be calculated from the date when the suit against UAIC was initiated, or when the judgment was entered by the trial court.
- 45. Both the suit against UAIC and the judgment against UAIC entered by the trial court were done well within even the non-tolled statute of limitations.

- 46. Even though Nalder believed the law is clear that UAIC is bound by the judgment, regardless of its continued validity against Lewis, Nalder took action in Nevada and California to demonstrate the continued validity of the underlying judgment against Lewis.
- 47. These Nevada and California state court actions are further harming Lewis and Nalder but were undertaken to demonstrate that UAIC has again tried to escape responsibility by making misrepresentations to the Federal and State Courts and putting their interests ahead of their insured's.
  - 48. Cheyenne Nalder reached the age of majority on April 4, 2016.
- 49. Nalder hired David Stephens to obtain a new judgment. First David Stephens obtained an amended judgment in Cheyenne's name as a result of her reaching the age of majority.
- 50. This was done appropriately by demonstrating to the court that the judgment was still within the applicable statute of limitations.
- 51. A separate action was then filed with three distinct causes of action pled in the alternative. The first, an action on the amended judgment to obtain a new judgment and have the total principal and post judgment interest reduced to judgment so that interest would now run on the new, larger principal amount. The second alternative action was one for declaratory relief as to when a renewal must be filed base on when the statute of limitations, which is subject to tolling provisions, is running on the judgment. The third cause of action was, should the court determine that the judgment is invalid, Cheyenne brought the injury claim within the applicable statute of limitations for injury claims 2 years after her majority.
- 52. Nalder also retained California counsel, who filed a judgment in California, which has a ten year statute of limitations regarding actions on a judgment. Nalder maintains that all of these actions are unnecessary to the questions on appeal regarding UAIC's liability for the

judgment; but out of an abundance of caution and to maintain the judgment against Lewis, she brought them to demonstrate the actual way this issue should have been litigated in the State Court of Nevada, not at the tail end of an appeal.

- 53. UAIC did not discuss with its insured, GARY LEWIS, his proposed defense, nor did it coordinate it with his counsel Thomas Christensen, Esq.
- 54. UAIC hired attorney Stephen Rogers, Esq. to represent GARY LEWIS, misinforming him of the factual and legal basis of the representation. This resulted in a number of improper contacts with a represented client.
- 55. Thomas Christensen explained the nature of the conflict and Lewis's concern regarding a frivolous defense put forth on his behalf. If the state court judge is fooled into an improper ruling that then has to be appealed in order to get the correct law applied damage could occur to Lewis during the pendency of the appeal.
- 56. A similar thing happened in another case with a frivolous defense put forth by Lewis Brisbois. The trial judge former bar counsel, Rob Bare, dismissed a complaint erroneously which wasn't reversed by the Nevada Supreme Court until the damage from the erroneous decision had already occured.
- 57. UAIC's strategy of delay and misrepresentation was designed to benefit UAIC but harm GARY LEWIS.
- 58. In order to evaluate the benefits and burdens to Lewis and likelihood of success of the course of action proposed by UAIC and each of the Defendants, Thomas Christensen asked for communication regarding the proposed course of action and what research supported it. It was requested that this communication go through Thomas Christensen's office because that was Gary Lewis's desire, in order to receive counsel prior to embarking on a course of action.

- 59. Christensen informed Stephen Rogers, Esq. that when Gary Lewis felt the proposed course by UAIC was not just a frivolous delay and was based on sound legal research and not just the opinion of UAIC's counsel, that it could be pursued.
  - 60. Stephen Rogers, Esq. never adequately responded to requests.
- 61. Instead, UAIC obtained confidential client communications and then misstated the content of these communications to the Court. This was for UAIC's benefit and again harmed Gary Lewis.
- 62. UAIC, without notice to Lewis or any attorney representing him, then filed two motions to intervene, which were both defective in service on the face of the pleadings.
- 63. In the motions to intervene, UAIC claimed that they had standing because they would be bound by and have to pay any judgment entered against Lewis.
- 64. In the motions to intervene, UAIC fraudulently claimed that Lewis refused representation by Stephen Rogers.
- 65. David Stephens, Esq., counsel for Nalder in her 2018 action, through diligence, discovered the filings on the court website. He contacted Matthew Douglas, Esq., described the lack of service, and asked for additional time to file an opposition.
  - 66. These actions by UAIC and counsel on its behalf are a violation of NRPC 3.5A.
- 67. David Stephens thereafter filed oppositions and hand-delivered courtesy copies to the court. UAIC filed replies. The matter was fully briefed before the in chambers "hearing," but the court granted the motions citing in the minuted order that "no opposition was filed."
- 68. The granting of UAIC's Motion to Intervene after judgment is contrary to NRS 12.130, which states: Intervention: Right to intervention; procedure, determination and costs; exception. 1. Except as otherwise provided in subsection 2: (a) **Before the trial** ...

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69.	These actions by State Actor David Jones ignore due process, the law, the United
States and 1	Nevada constitutional rights of the parties. The court does the bidding of insurance
defense cou	unsel and clothes defense counsel in the color of state law in violation of 42 USCA
section 1983	3.

- 70. David Stephens and Breen Arntz worked out a settlement of the action and signed a stipulation. This stipulation was filed and submitted to the court with a judgment prior to the "hearing" on UAIC's improperly served and groundless motions to intervene.
- 71. Instead of signing the judgment and ending the litigation, the court asked for a wet signed stipulation as a method of delaying signing the stipulated judgment.
- 72. This request was complied with prior to the September 19, 2018 "hearing" on the Motion to Intervene. The judge, without reason, failed to sign the judgment resolving the case.
- 73. Instead, the judge granted the Motion to Intervene, fraudulently claiming, in a minute order dated September 26, 2018, that no opposition had been filed.
- 74. Randall Tindall, Esq. filed unauthorized pleadings on behalf of Gary Lewis on September 26, 2018.
- 75. UAIC hired Tindall to further its strategy to defeat Nalder and Lewis' claims. Tindall agreed to the representation despite his knowledge and understanding that this strategy amounted to fraud and required him to act against the best interests of his "client" Lewis.
- 76. Tindall mischaracterized the law and filed documents designed to mislead the Court and benefit UAIC, to the detriment of Gary Lewis.
- 77. These three filings by Randall Tindall, Esq. are almost identical to the filings proposed by UAIC in their motion to intervene.
  - 78. Gary Lewis was not consulted and he did not consent to the representation.
  - 79. Gary Lewis did not authorize the filings by Randall Tindall, Esq.

	80.	Gary	Lewis	himself	and	his	attorneys,	Thomas	Christensen,	Esq.	and	E.	Breen
Arntz,	Esq.,	have re	questec	d that Tir	ıdall	witl	ndraw the p	oleadings	filed fraudul	ently	by Ti	ind	all.

- 81. Tindall has refused to comply and continues to violate ethical rules regarding Gary Lewis.
- 82. Gary Lewis filed a bar complaint against Tindall, but State Actors Daniel Hooge and Phil Pattee dismissed the complaint claiming they do not enforce the ethical rules if there is litigation pending.
- 83. This is a false statement as Dave Stephens was investigated by this same state actor Phil Pattee while he was currently representing the client in ongoing litigation.
- 84. The court herein signed an order granting intervention while still failing to sign the judgment resolving the case.
- 85. UAIC, and each of the defendants, and each of the state actors, by acting in concert, intended to accomplish an unlawful objective for the purpose of harming Gary Lewis.
- 86. Gary Lewis sustained damage resulting from defendants' acts in incurring attorney fees, litigation costs, loss of claims, delay of claims, judgment against him and as more fully set forth below.
- 87. Defendants and each of them acting under color of state law deprived plaintiff of rights, privileges, and immunities secured by the Constitution or laws of the United States.
- 88. Gary Lewis has duly performed all the conditions, provisions and terms of the agreements or policies of insurance with UAIC relating to the claim against him, has furnished and delivered to UAIC full and complete particulars of said loss and has fully complied with all the provisions of said policies or agreements relating to the giving of notice as to said loss, and has duly given all other notices required to be given by Gary Lewis under the terms of such policies or agreements.

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89. That Gary Lewis had to sue UAIC in order to get protection under the policy. That UAIC, and each of them, after being compelled to pay the policy limit and found to have failed to defend its insured, now fraudulently claims to be defending him when in fact it is continuing to delay investigating and processing the claim; not responding promptly to requests for settlement; doing a one-sided investigation, and have compelled Gary Lewis to hire counsel to defend himself from Nalder, Tindall and UAIC. All of the above are unfair claims settlement practices as defined in N.R.S. 686A.310 and Defendant has been damaged in an amount in excess of Ten Thousand Dollars (\$10,000.00) as a result of UAIC's delay in settling and fraudulently litigating this matter.

- 90. That UAIC failed to settle the claim within the policy limits when given the opportunity to do so and then compounded that error by making frivolous and fraudulent claims and represented to the court that it would be bound by any judgment and is therefore responsible for the full extent of any judgment against Gary Lewis in this action.
- 91. UAIC and Tindall's actions have interfered with the settlement agreement Breen Arntz had negotiated with David Stephens and have caused Gary Lewis to be further damaged.
- 92. The actions of UAIC and Tindall, and each of them, in this matter have been fraudulent, malicious, oppressive and in conscious disregard of Gary Lewis' rights and therefore Gary Lewis is entitled to punitive damages in an amount in excess of Ten Thousand Dollars (\$10,000.00).
- 93. Upon information and belief, at all times relevant hereto, that all Defendants, and each of them, whether individual, corporate, associate or otherwise, were the officers, directors, brokers, agents, contractors, advisors, servants, partners, joint venturers, employees and/or alter-egos of their co-Defendants, and were acting within the scope of their authority as such

agents,	contractors,	advisors,	servants,	partners,	joint	venturers,	employees	and/or	alter-egos
with the	e permission	and conse	nt of their	co-Defen	dant.				

- 94. That during their investigation of the claim, UAIC, and each of them, threatened, intimidated and harassed Gary Lewis and his counsel.
- 95. That the investigation conducted by UAIC, and each of them, was done for the purpose of denying coverage and not to objectively investigate the facts.
- 96. UAIC, and each of them, failed to adopt and implement reasonable standards for the prompt investigation and processing of claims.
- 97. That UAIC, and each of them, failed to affirm or deny coverage of the claim within a reasonable time after proof of loss requirements were completed and submitted by Gary Lewis.
- 98. That UAIC, and each of them, failed to effectuate a prompt, fair and equitable settlement of the claim after liability of the insured became reasonably clear.
- 99. That UAIC, and each of them, failed to promptly provide to Gary Lewis a reasonable explanation of the basis in the Policy, with respect to the facts of the Nalder claim and the applicable law, for the delay in the claim or for an offer to settle or compromise the claim.
- 100. That because of the improper conduct of UAIC, and each of them, Gary Lewis was forced to hire an attorney.
- 101. That Gary Lewis has suffered damages as a result of the delayed investigation, defense and payment on the claim.
- 102. That Gary Lewis has suffered anxiety, worry, mental and emotional distress as a result of the conduct of UAIC, and each of the Defendants.

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- The conduct of UAIC, and each of the Defendants, was oppressive and malicious 103. and done in conscious disregard for the rights of Gary Lewis.
- UAIC, and each of them, breached the contract existing between UAIC and Gary 104. Lewis by their actions set forth above which include but are not limited to:
  - Unreasonable conduct in investigating the loss;
  - Unreasonable failure to affirm or deny coverage for the loss;
  - Unreasonable delay in making payment on the loss;
  - d. Failure to make a prompt, fair and equitable settlement for the loss;
  - Unreasonably compelling Gary Lewis to retain an attorney before affording coverage or making payment on the loss;
  - Failing to defend Gary Lewis;
  - Fraudulent and frivolous litigation tactics;
  - h. Filing false and fraudulent pleadings;
  - Conspiring with others to file false and fraudulent pleadings;
- As a proximate result of the aforementioned breach of contract, Gary Lewis has 91. suffered and will continue to suffer in the future damages as a result of the delayed payment on the claim in a presently unascertained amount. Gary Lewis prays leave of the court to insert those figures when such have been fully ascertained.
- As a further proximate result of the aforementioned breach of contract, Gary 92. Lewis has suffered anxiety, worry, mental and emotional distress, and other incidental damages and out of pocket expenses, all to their general damage in excess of \$10,0000.
- As a further proximate result of the aforementioned breach of contract, Gary 93. Lewis was compelled to retain legal counsel to prosecute this claim, and UAIC, and each of them, are liable for attorney's fees reasonably and necessarily incurred in connection therewith.

- 94. That UAIC, and each of them, owed a duty of good faith and fair dealing implied in every contract.
- 95. That UAIC, and each of the them, breached the covenant of good faith and fair dealing by their actions which include but are not limited to:
  - a. Unreasonable conduct in investigating the loss;
  - b. Unreasonable failure to affirm or deny coverage for the loss;
  - c. Unreasonable delay in making payment on the loss;
  - d. Failure to make a prompt, fair and equitable settlement for the loss;
  - e. Unreasonably compelling Gary Lewis to retain an attorney before affording coverage or making payment on the loss;
  - f. Failing to defend Gary Lewis;
  - g. Fraudulent and frivolous litigation tactics;
  - h. Filing false and fraudulent pleadings;
  - i. Conspiring with others to file false and fraudulent pleadings;
- 96. As a proximate result of the aforementioned breach of the covenant of good faith and fair dealing, Gary Lewis has suffered and will continue to suffer in the future damages as a result of the delayed payment on the claim in a presently unascertained amount. Gary Lewis prays leave of the court to insert those figures when such have been fully ascertained.
- 97. As a further proximate result of the aforementioned breach of the covenant of good faith and fair dealing, Gary Lewis has suffered anxiety, worry, mental and emotional distress, and other incidental damages and out of pocket expenses, all to their general damage in excess of \$10,0000.
- 98. As a further proximate result of the aforementioned breach of the covenant of good faith and fair dealing, Gary Lewis was compelled to retain legal counsel to prosecute this

claim, and UAIC, and each of them, are liable for their attorney's fees reasonably and necessarily incurred in connection therewith.

- 99. The conduct of UAIC, and each of the Defendants, was oppressive and malicious and done in conscious disregard for the rights of Gary Lewis, and Gary Lewis is therefore entitled to punitive damages.
- 100. That UAIC, and each of the Defendants, acted unreasonably and with knowledge that there was no reasonable basis for their conduct, in their actions which include but are not limited to:
  - a. Unreasonable conduct in investigating the loss;
  - b. Unreasonable failure to affirm or deny coverage for the loss;
  - c. Unreasonable delay in making payment on the loss;
  - d. Failure to make a prompt, fair and equitable settlement for the loss;
  - e. Unreasonably compelling Gary Lewis to retain an attorney before affording coverage or making payment on the loss;
  - f. Failing to defend Gary Lewis;
  - g. Fraudulent and frivolous litigation tactics;
  - h. Filing false and fraudulent pleadings;
  - i. Conspiring with others to file false and fraudulent pleadings;
- 101. As a proximate result of the aforementioned breach of the covenant of good faith and fair dealing, Gary Lewis has suffered and will continue to suffer in the future damages as a result of the delayed payment on the claim in a presently unascertained amount. Gary Lewis prays leave of the court to insert those figures when such have been fully ascertained.
- 102. As a further proximate result of the aforementioned breach of the covenant of good faith and fair dealing, Gary Lewis has suffered anxiety, worry, mental and emotional

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distress, and other incidental damages and out of pocket expenses, all to their general damage in excess of \$10,0000.

- 103. As a further proximate result of the aforementioned breach of the covenant of good faith and fair dealing, Gary Lewis was compelled to retain legal counsel to prosecute this claim, and UAIC, and each of them, are liable for their attorney's fees reasonably and necessarily incurred in connection therewith.
- 104. The conduct of UAIC, and each of the Defendants, was oppressive and malicious and done in conscious disregard for the rights of Gary Lewis, and Gary Lewis is therefore entitled to punitive damages.
- 105. That UAIC, and each of them, violated NRS 686A.310 by their actions which include but are not limited to:
  - a. Unreasonable conduct in investigating the loss;
  - b. Unreasonable failure to affirm or deny coverage for the loss;
  - c. Unreasonable delay in making payment on the loss;
  - d. Failure to make a prompt, fair and equitable settlement for the loss;
  - e. Unreasonably compelling Gary Lewis to retain an attorney before affording coverage or making payment on the loss;
  - f. Failing to defend Gary Lewis;
  - g. Fraudulent and frivolous litigation tactics;
  - h. Filing false and fraudulent pleadings;
  - i. Conspiring with others to file false and fraudulent pleadings;
- 106. As a proximate result of the aforementioned violation of NRS 686A.310, Gary Lewis has suffered and will continue to suffer in the future damages as a result of the delayed

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payment on the claim in a presently unascertained amount. Gary Lewis prays leave of the court to insert those figures when such have been fully ascertained.

- 107. As a further proximate result of the aforementioned violation of NRS 686A.310, Gary Lewis has suffered anxiety, worry, mental and emotional distress, and other incidental damages and out of pocket expenses, all to his general damage in excess of \$10,0000.
- 108. As a further proximate result of the aforementioned violation of NRS 686A.310, Gary Lewis was compelled to retain legal counsel to prosecute this claim, and UAIC, and each of them, are liable for their attorney's fees reasonably and necessarily incurred in connection therewith.
- 109. The conduct of UAIC, and each of them, was oppressive and malicious and done in conscious disregard for the rights of Gary Lewis, and Gary Lewis is therefore entitled to punitive damages.
- 110. That UAIC, and each of them, had a duty of reasonable care in handling Gary Lewis' claim.
- 111. That at the time of the accident herein complained of, and immediately prior thereto, UAIC, and each of them, in breaching its duty owed to Gary Lewis, was negligent and careless, inter alia, in the following particulars:
  - a. Unreasonable conduct in investigating the loss;
  - b. Unreasonable failure to affirm or deny coverage for the loss;
  - c. Unreasonable delay in making payment on the loss;
  - d. Failure to make a prompt, fair and equitable settlement for the loss;
  - e. Unreasonably compelling Gary Lewis to retain an attorney before affording coverage or making payment on the loss;
  - f. Failing to defend Gary Lewis;

- g. Fraudulent and frivolous litigation tactics;
- h. Filing false and fraudulent pleadings;
- i. Conspiring with others to file false and fraudulent pleadings;
- and will continue to suffer in the future damages as a result of the delayed payment on the claim in a presently unascertained amount. Plaintiff prays leave of the court to insert those figures when such have been fully ascertained.
- 113. As a further proximate result of the aforementioned negligence, Gary Lewis has suffered anxiety, worry, mental and emotional distress, and other incidental damages and out of pocket expenses, all to his general damage in excess of \$10,0000.
- 114. As a further proximate result of the aforementioned negligence, Gary Lewis was compelled to retain legal counsel to prosecute this claim, and UAIC, and each of them, is liable for his attorney's fees reasonably and necessarily incurred in connection therewith.
- 115. The conduct of UAIC, and each of them, was oppressive and malicious and done in conscious disregard for the rights of Gary Lewis, and Gary Lewis are therefore entitled to punitive damages.
- 116. The aforementioned actions of UAIC, and each of them, constitute extreme and outrageous conduct and were performed with the intent or reasonable knowledge or reckless disregard that such actions would cause severe emotional harm and distress to Gary Lewis.
- 117. As a proximate result of the aforementioned intentional infliction of emotional distress, Gary Lewis has suffered severe and extreme anxiety, worry, mental and emotional distress, and other incidental damages and out of pocket expenses, all to his general damage in excess of \$10,0000.

118.	As a further proximate result of the aforementioned negligence, Gary Lewis was
compelled to	retain legal counsel to prosecute this claim, and UAIC, and each of them, are
liable for his	attorney's fees reasonably and necessarily incurred in connection therewith.
119.	The conduct of UAIC, and each of them, was oppressive and malicious and done
in conscious	disregard for the rights of Gary Lewis and Gary Lewis is therefore entitled to
punitive dama	ages.

- 120. That Randall Tindall, as a result of being retained by UAIC to represent Gary Lewis, owed Gary Lewis the duty to exercise due care toward Gary Lewis.
- 121. Randall Tindall also had a heightened duty to use such skill, prudence, and diligence as other members of the profession commonly possess and exercise.
- 122. Randall Tindall breached the duty of care by failing to communicate with Gary Lewis, failing to follow his reasonable requests for settlement, case strategy and communication.
- 123. That breach caused harm to Gary Lewis including but not limited to anxiety, emotional distress, delay, enhanced damages against him.
- 124. Gary Lewis was damaged by all of the above as a result of the breach by Randall Tindall.

WHEREFORE, Gary Lewis prays judgment against UAIC, Tindall and each of them, as follows:

- 1. Indemnity for losses under the policy including damages paid to Mr. Lewis, attorney fees, interest, emotional distress, and lost income in an amount in excess of \$10,000.00;
  - 2. General damages in an amount in excess of \$10,000.00;
  - 3. Punitive damages in an amount in excess of \$10,000.00;

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4.	Special damages in the amount of any Judgment ultimately awarded against him
in favor of Na	lder plus any attorney fees, costs and interest.

- 5. Attorney's fees; and
- 6. Costs of suit;
- 7. For such other and further relief as the Court may deem just and proper.

DATED THIS 24 day of October, 2018.

Thomas Christensen, Esq.
Nevada Bar No. 2326
1000 S. Valley View Blvd.
Las Vegas, Nevada 89107
T: (702) 870-1000
F: (702) 870-6152
courtnotices@injuryhelpnow.com
Attorney for Cross-Claimant
Third-party Plaintiff

### **CERTIFICATE OF SERVICE**

Pursuant to NRCP 5(b) and NEFCR 9, I certify that I am an employee of CHRISTENSEN LAW OFFICES and that on this day of of the foregoing Cross-Claim/Third Party Complaint as follows:

xx E-Served through the Court's e-service system to the following registered recipients:

Randall Tindall, Esq.
Resnick & Louis
8925 W. Russell Road, Suite 225
Las Vegas, NV 89148
rtindall@rlattorneys.com
lbell@rlattorneys.com
sortega-rose@rlattorneys.com

David A. Stephens, Esq. Stephens, Gourley & Bywater 3636 North Rancho Drive Las Vegas, NV 89130 dstephens@sgblawfirm.com

Matthew J. Douglas Atkin Winner & Sherrod 12117 South Rancho Drive Las Vegas, NV 89102 mdouglas@awslawyers.com vhall@awslawyers.com eservices@awslawyers.com

E. Breen Arntz, Esq. Nevada Bar No. 3853 5545 Mountain Vista Ste. E Las Vegas, Nevada 89120 breen@breen.com

An employee of CHRISTENSEN LAW OFFICES

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1	ANS		CLERK OF THE COURT
2	E. Breen Arntz, Esq. Nevada Bar No. 3853		Atumb.
3	5545 Mountain Vista Ste. E Las Vegas, Nevada 89120	•	·
4	T: (702) 384-8000		
5	F: (702) 446-8164 breen@breen.com		Total Control
6	Attorney for Defendant		
7	DYGENY	TO COMP	
8	DISTRIC	T COURT	***************************************
9	CLARK COU	NTY, NEVA	.DA
10	Cheyenne Nalder	)	
11	Plaintiff,	) ) C	ASE NO. A-18-772220-C
12	VS.	) ) DI	EPT NO. XXIX
13	Gary Lewis,	)	
14		)	The second secon
15	Defendant.	)	
16		_ )	
17	United Automobile Insurance Company,	)	
18	Intervenor,	)	!
19		_ )	
20			
21	ANSWER TO	COMPLA	NT
22	COMES NOW, Defendant, GARY I	EWIS, by ar	d through his attorneys, E. BREEN
23	ARNTZ, ESQ., and for his Answer to the O	omplaint on	file herein, admits and denies as
24	follows:	1	
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- 1. Defendant admits the allegations contained in Paragraphs 1, 2, 4, 5, 6, 10, 11 and 15.
- 2. Answering paragraph 14, Defendant admits that UAIC paid \$15,000 on the judgment after being ordered to do so by the Federal District Court, following years of litigation and an appeal to the Ninth Circuit Court of Appeals. Defendant denies all other allegations in this paragraph.
- 3. Responding to paragraphs 3, 7, 8, 9, 12, 13, 16, 17 and 18, Defendant denies the allegations contained in those paragraphs.

## First Affirmative Defense: Failure to State a Claim

Plaintiff's Complaint on file herein fails to state a claim against this Defendant upon which relief can be granted.

WHEREFORE, Gary Lewis prays judgment as follows:

- 1. That Plaintiff take nothing by way of this action;
- 2. For an award of costs and attorneys fees for having to defend this action; and
- 3. For such other and further relief as this Court deems just and proper.

DATED THIS 22 day of October, 2018.

E. Breen Arntz, Esq/

Nevada Bar No. 3853

5545 Mountain Vista Ste. E

Las Vegas, Nevada 89120

T: (702) 384-8000

F: (702) 446-8164

breen@breen.com

Attorney for Defendant

## **CERTIFICATE OF SERVICE**

Pursuant to NRCP 5(b), NEFCR 9, and Administrative Order 14-2, I certify that I am an employee of E. BREEN ARNTZ, ESQ.and that on this 244 day of Oct., 2018, I served a copy of the foregoing Defendant's Answer as follows:

xx E-Served through the Court's e-service system to the following registered recipients:

Randall Tindall, Esq.
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8925 W. Russell Road, Suite 225
Las Vegas, NV 89148
rtindall@rlattorneys.com
lbell@rlattorneys.com
sortega-rose@rlattorneys.com

David A. Stephens, Esq. Stephens, Gourley & Bywater 3636 North Rancho Drive Las Vegas, NV 89130 dstephens@sgblawfirm.com

Matthew J. Douglas Atkin Winner & Sherrod 12117 South Rancho Drive Las Vegas, NV 89102 mdouglas@awslawyers.com vhall@awslawyers.com eservices@awslawyers.com

an employee of E. BREEN ARNTZ, ESQ.

**OMD** 2 Thomas Christensen Nevada Bar No. 2326 3 1000 S. Valley View Blvd. Las Vegas, Nevada 89107 4 T: (702) 870-1000 F: (702) 870-6152 5 Office@injuryhelpnow.com Attorney for Cross-Claimant/Third-party Plaintiff Lewis 6 7 DISTRICT COURT 8 CLARK COUNTY, NEVADA 9 Cheyenne Nalder 10 Plaintiff, CASE NO. A-18-772220-C 11 DEPT NO. I VS. 12 Gary Lewis, Date of Hearing: 12/12/18 Defendant. 13 Time of Hearing: 9:00am 14 United Automobile Insurance Company, Intervenor, 15 Gary Lewis, 16 Cross-Claimant, 17 vs. 18 United Automobile Insurance Company 19 DOES I through V, Cross-Defendants 20 21

# **CROSS-CLAIMANT'S OPPOSITION TO UAIC'S MOTION TO DISMISS** PLAINTIFF'S COMPLAINT & OPPOSITION TO MOTION FOR COURT TO DENY STIPULATION TO ENTER JUDGMENT BETWEEN PLAINTIFF AND LEWIS AND/OR IN THE ALTERNATIVE TO STAY SAME PENDING HEARING ON MOTION TO DISMISS

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Comes now, GARY LEWIS, Cross-Claimant/Third-Party Claimant, by and through his attorney, CHRISTENSEN LAW OFFICES, L.L.C., and hereby opposes the Intervenor's Motion to Dismiss Plaintiff's Complaint & Motion for Court to Deny Stipulation to Enter Judgment

Between Plaintiff and Lewis and/or, In the Alternative to Stay the Same Pending Hearing on Motion to Dismiss.

This Opposition is made and based on the pleadings and papers herein, the following points and authorities, the complete record on file in this case as well as any oral argument at the time of the hearing of these motions.

Thomas Christensen
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Office@injuryhelpnow.com Attorney for Cross-Claimant Third-Party Plaintiff

# POINTS & AUTHORITIES

#### I. Introduction

Gary Lewis, Defendant/Cross-Claimant/Third-Party Plaintiff opposes UAIC's Instant Motions because the "defense" that UAIC sets forth — that the judgment is not valid — is frivolous. UAIC's defense ignores Nalder's well settled common law right to bring an action on the judgment. UAIC's motion was previously filed by Randall Tindall, Esq., purportedly on behalf of Gary Lewis. UAIC seeks to protect UAIC with this frivolous defense even if the outcome is to further harm Gary Lewis. With the motions filed by UAIC, UAIC puts their interests above that of the policyholder Lewis. Gary Lewis and UAIC are adversaries in another proceeding and UAIC cannot feign that their interests are the same or equal when that litigation has been pending for several years. Pretending the judgment in the 2007 case is no longer valid does not equate with UAIC having never failed to defend Gary Lewis.

UAIC's Motions are based on its mistaken assumption (and hope) that the original judgment in the 2007 case is no longer valid. From the face of the complaint on file in the instant case, three actions are alternatively pled by David Stephens attorney for Plaintiff Nalder. First, Nalder has pled an action on the judgment to obtain a new judgment, not an amended judgment as misstated by UAIC. This is an action specifically authorized by NRS 11.190(a)(1) and is supported by the common law of Nevada. "A judgment creditor may enforce his judgment by the process of the court in which he obtained it, or he may elect to use the judgment as an original cause of action and bring suit thereon and prosecute such suit to final judgment." Mandlebaum v. Gregovich, 24 Nev. 154, 161, 50 P. 849, 851 (Nev 1897) (emphasis added).

The other two actions pled by Nalder are in the alternative only. Nalder asks the court, *if* it finds the action on the judgment is no longer available in Nevada, *overruling Mandelbaum*, Nalder requests declaratory relief as to when a renewal under NRS 17.214 must be filed in the instant circumstance. Finally, *if* the answer to the declaratory relief action is that the time for filing under NRS 17.214 has gone by, and the Judgment is no longer valid, then, as a last alternative, Nalder brings her personal injury action within two years of her majority. If the two actions above do not provide relief for Nalder, then this third action is not the subject of claim preclusion because the parties are different, the causes of action are different and the judgment would have been found by the court to be invalid.

Regarding the first cause of action on the judgment to obtain a new judgment, UAIC claims that the tolling statutes NRS 11.200, NRS 11.250 and NRS 11.300 do not apply to the statute of limitations for judgments, even though they are contained in the same chapter at NRS 11.190(a)(1). UAIC provides no legal authority for this unreasonable position. These tolling statutes extend the time for filing an action on the judgment pursuant to the common law method, or via renewal under NRS 17.214.

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Nevada has two methods for dealing with the expiration of the statute of limitations. Both methods are dependent on the expiration of the statute of limitations and the associated tolling statutes. The statute of limitations in this matter is tolled well past the time Nalder amended the judgment and filed an action on the judgment.

UAIC argues the amended judgment is void. The judgment in the prior case never expired. And, the judgment does not have to be revived. Nalder can bring an action on a judgment, which is what she has done pursuant to *Mandlebaum v. Gregovich*, Id., and NRS 11.190. UAIC has inserted itself into theses actions, trying to assert the simple but flawed concept that unless a renewal pursuant to NRS 17.214 is brought within 6 years, a judgment is no longer valid. UAIC's motivation for bringing this argument is not made in good faith. UAIC makes this argument only in the hope to avoid payment of damages arising from its claims handling failures that are currently pending before the 9th Circuit.

Gary Lewis and Cheyenne Nalder are still involved in ongoing claims handling litigation against Lewis's insurance company, UAIC, because of its failure to defend Lewis in the original case.¹ UAIC's Motion accuses Mr. Christensen of fraud and collusion, claiming he is in a position of conflict. Mr. Christensen represents Mr. Lewis and Ms. Nalder against UAIC in the appeal of the claims handling case before the 9th circuit. Mr. Arntz was retained by Mr. Lewis to represent Mr. Lewis as defendant in this action. Mr. Stephens represents Ms. Nalder in this case. Now Mr. Christensen represents Mr. Lewis against UAIC and Tindall in this case.

UAIC hired Mr. Tindall to represent Mr. Lewis. Mr. Tindall, however, has filed pleadings directly against the wishes of his "client" and without consulting with his client which benefit UAIC and harm Mr. Lewis. UAIC seeks an evidentiary hearing on the "fraud" perpetrated by Mr. Christensen. Mr. Christensen welcomes the Court's inquiry regarding his representation of

The case remains on Appeal before the Ninth Circuit and UAIC is going to great lengths, filing motion after motion, in the lower courts in a subversive attempt to relieve itself of any culpability should its appeal be lost.

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Mr. Lewis in this action. Mr. Christensen likewise requests the Court to inquire as to the ethical basis of Mr. Tindall's representation as well as the representation of UAIC's counsel and the shared information it has received from Mr. Tindall and other hired counsel, whom have failed to give Mr. Lewis's interest's careful thought and consideration of the consequences of their actions. UAIC asks what harm could come to Lewis as a result of the filing of a frivolous defense on his behalf. First, the frivolous motions by UAIC are increasing the cost of litigation for Mr. Lewis. Second, the frivolous motions are increasing the cost of litigation for Nalder who will undoubtedly request reimbursement of those fees and costs ultimately from Mr. Lewis. Third Mr. Lewis might be held responsible for the frivolous defenses put forth on his behalf.

# II. Factual & Procedural Background

The underlying matter arises from an auto accident that occurred on July 8, 2007, wherein Gary Lewis ran over Cheyenne Nalder on private property. Cheyenne was born April 4, 1998 and was a nine-year-old girl at the time.<sup>2</sup> Lewis maintained an auto insurance policy with United Auto Insurance Company ("UAIC"), which was renewable on a monthly basis. UAIC was notified of the lawsuit, but declined to defend Lewis or file a declaratory relief action regarding coverage. Lewis failed to appear and answer the complaint. As a result, Nalder obtained a default judgment against Lewis for \$3,500,000.00. Notice of entry of judgment was filed on August 26, 2008. (See case number 07A549111).

On May 22, 2009, Nalder and Lewis filed suit against UAIC alleging breach of contract, breach of the implied covenant of good faith and fair dealing, bad faith, fraud, and violation of NRS 686A.310. Lewis assigned to Nalder his right to "all funds necessary to satisfy the Judgment" and retaining for himself any funds recovered above the judgment. Lewis left the

<sup>&</sup>lt;sup>2</sup> UAIC's Motion incorrectly states Cheyenne was 11 at the time of the loss.

state of Nevada and relocated to California prior to 2010. Neither Lewis, nor anyone on his behalf, has been subject to service of process in Nevada since 2010.

Once UAIC removed the case against it to federal district court, UAIC filed a motion for summary judgment as to all of Lewis and Nalder's claims, alleging Lewis did not have insurance coverage on the date of the subject collision because it had lapsed for non-payment. The federal district court granted UAIC's summary judgment motion. Nalder and Lewis appealed this decision to the Ninth Circuit. The Ninth Circuit reversed and remanded the matter because Lewis and Nalder showed the renewal statement was ambiguous regarding the date when payment was required to avoid a coverage lapse.

On remand, the District Court then concluded the renewal statement was ambiguous and therefore, Lewis was covered on the date of the incident. The district court also determined UAIC breached its duty to defend Lewis. The court did not award damages to Lewis and Nalder. Based on these conclusions, the district court ordered UAIC to pay the policy limit of \$15,000.00. UAIC then made three payments on the 2007 judgment. The dates of those payments were June 23, 2014; June 25, 2014; and March 5, 2015.

Both Nalder and Lewis appealed to the Ninth Circuit. The first certified question to the Nevada Supreme Court is whether an insurer that breaches its duty to defend is liable for all foreseeable consequential damages to the breach.

After the first certified question was fully briefed and pending before the Nevada Supreme Court, UAIC had the idea that it should file documents and argue that the underlying judgment was expired because it could only be renewed pursuant to NRS 17.214 and the time under that statute had passed. Even though UAIC knew, at this point, that it owed a duty to defend Gary Lewis, it did not undertake to investigate the factual basis or the legal grounds for this idea, nor did UAIC discuss this idea with Gary Lewis. UAIC did not seek declaratory relief on Lewis'

behalf regarding the statute of limitations on the judgment. Instead, UAIC filed a motion to dismiss Lewis and Nalder's appeal with the Ninth Circuit for lack of standing. This was not something brought up in the trial court. It was something UAIC concocted only for its own benefit. This was brought for the first time in the appellate court. UAIC is now asking this Court to endorse its new idea, so that it can then present this Court's decision to the 9th Circuit in an improper attempt to avoid payment of damages for its failure to defend.

# III. Argument

# A. Validity of the underlying judgment.

UAIC's arguments are all based on the frivolous claim without any supporting authority or argument that the underlying judgment is invalid. In *Mandlebaum v. Gregovich*, 24 Nev. 154, 161, 50 P. 849, 851 (1897) the Nevada Supreme Court held: (on facts exactly like those in this case except the judgment was entered 15 years not ten years prior to the action on the judgment)

The averments of the complaint and the undisputed facts are that, at the time of the rendition and entry of the judgment in 1882, the appellant was out of the state, and continuously remained absent therefrom until March, 1897, thereby preserving the judgment and all rights of action of the judgment creditor under the same. Notwithstanding nearly fifteen years had elapsed since the entry of the judgment, yet, for the purposes of action, the judgment was not barred — for that purpose the judgment was valid.

Unless this court is going to ignore this clear Nevada precedent, directly on point all of UAIC's arguments fail and their motion must be denied in its entirety.

# 1. An Action on a Judgment is a Cause of Action (mischaracterized by UAIC as "A Second Amended Judgment")

NRS 17.214 was enacted to give an optional, not "mandatory," statutory procedure in addition to the rights created at common law for an action on the judgment. UAIC claims the plain, permissive language of NRS 17.214: "A judgment creditor...may renew a judgment,"

(emphasis added) mandates use of NRS 17.214 as the only way to obtain a new judgment. This is contrary to the clear wording of the statute and the case law in Nevada. See *Mandlebaum v. Gregovich*, 24 Nev. 154, 161, 50 P. 849, 851 (1897).

In the absence of direct legislation restricting or limiting the common law rule of the right of action upon judgments, there are found within our statutes provisions from which the court is authorized in holding, as a matter of inference, that no change in that rule was intended, otherwise some legislative restriction or limitation of the right under the common law rule would have been included in the statute other than the one barring the action if not commenced within six years after the right accrued. In other words, the legislature gave to the judgment creditor the right of action at any time within six years after such right accrued without other limitations. Furthermore, the statutory law preserved that right as against the judgment debtor who might be out of the state, by allowing such action to be commenced within the time limited after his return to the state, which might be, as in this case, long after the right of execution had been barred.

We must therefore hold, that under the common law rule, which prevails in this state, that the right of action upon an unsatisfied judgment is a matter of course...Mandlebaum at 161-162(emphasis added).

This has been the law in Nevada for over a hundred years. It has not been modified by the legislature. UAIC cites no authority for this mandated use of NRS 17.214. The legislative history demonstrates that NRS 17.214 was adopted to give an easier way for creditors to renew judgments. This was to give an option for renewal of judgments that was easier and more certain, not make it a trap for the unwary and cut of rights of injured parties. Where as here, the timing of the expiration is in doubt, the best way to obtain a new judgment is the common law method, which is only supplemented by the statutory method, not replaced.

An action on a judgment is distinguishable from the treatment of an application to renew the prior judgment. *Pratali v. Gates*, 4 Cal. App. 4th 632, 637, 5 Cal. Rptr. 2d 733, 736 (Cal. Ct. App. 1992). This distinction is inherently recognized in the Nevada Revised Statutes' treatment of both courses of action. "A judgment creditor may enforce his judgment by the process of the

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court in which he obtained it, or he may elect to use the judgment as an original cause of action and bring suit thereon and prosecute such suit to final judgment." Mandlebaum v. Gregovich, 24 Nev. 154, 161, 50 P. 849, 851 (1897) (emphasis added).

NRS 11.190(a)(1) also provides the option that either an action upon the judgement or a renewal of the judgment be commenced. The limitation period for judgments runs from the time the judgment becomes final. Statutes of limitations are intended to ensure pursuit of the action with reasonable diligence, to preserve evidence and avoid surprise, and to avoid the injustice of long-dormant claims. Petersen v. Bruen, 106 Nev. 271, 273-74, 792 P.2d 18, 19-20 (1990). NRS 17.214 provides the procedural steps necessary to renew a judgment before the expiration of the statute of limitations set forth in NRS 11.190(1)(a). NRS 17.214 provides that a judgment creditor may renew a judgment that has not been paid by filing an affidavit with the clerk of the court where the judgment is entered, "...within 90 days before the date the judgment expires by limitation." NRS 11.190(a)(1), NRS 11.200, NRS 11.250, NRS 11.300 must be read together with NRS 17.214 because they relate to the same subject matter and are not in conflict with one another. Piroozi v. Eighth Judicial Dist. Court, 131 Nev. Adv. Op. 100, 363 P.3d 1168, 1172 (2015). When these five statutes are read together, then, they establish that a party must either file an action on the judgment or renew the judgment under NRS 17.214 before the statute of limitations runs as modified by all applicable tolling statutes. The Nevada Supreme Court expressly adopted this result in Levin v. Frey, 123 Nev. 399, 403, 168 P.2d. 712, 715 (2007): "An action on a judgment or its renewal must be commenced within six years under NRS 11.190(1)(a); thus a judgment expires by limitation in six years."

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2. Declaratory Relief as to when a renewal must be filed is appropriate if the Court is overruling Mandelbaum and deny Plaintiff Nalder's Primary Cause of an "Action on a Judgment"

Nalder asks the court, *if* it finds the action on the judgment is no longer available in Nevada, *overruling Mandelbaum*, Nalder requests declaratory relief as to when a renewal under NRS 17.214 must be filed in the instant circumstance. This is to obatin guidance from the court so that the renewal under NRS 17.214 can be timely filed. This is a real controversy because UAIC contends the time has passed and Nalder contends the time has yet to arrive. The parties need the court to interpret the various tolling statutes and make a ruling.

# 3. Claim preclusion

Finally, *if* the answer to the declaratory relief action is that the time for filing under NRS 17.214 has gone by, and the Judgment is no longer valid, then, as a final alternative, Nalder brings her personal injury actions within two years of her majority. If the two actions above do not provide relief for Nalder, then this third action is not the subject of claim preclusion because the parties are different, the causes of action are different and the judgment would have been found by the court to be invalid.

B. There is no such things as "Denial of a Stipulation" and the only fraud being perpetrated herein is by UAIC, which has intervened where it has no interest to protect and where it has directed counsel to place its interests above the interests of its "insured" under the guise of "protection" and file frivolous pleadings.

UAIC asks the Court to hold an evidentiary hearing on the issue of whether or not Plaintiff has attempted a fraud upon the Court. UAIC misleads the Court by thereafter stating that Mr. Christensen represents the Plaintiff. Mr. Christensen does not, however, represent Cheyenne Nalder in this action. She is represented by David Stephens, Esq. Mr. Christensen also does not represent Gary Lewis in this action as a Defendant. Mr. Christensen represents Mr. Lewis as the

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Cross-Claimant/Third-Party Defendant in this action, against UAIC. These claims are congruent with Mr. Lewis's claims against UAIC in the action that is pending in the Ninth Circuit.

It is unknown why this Court failed to sign the Order sought by the submission of the Stipulation signed by Mr. Arntz and Mr. Stephens, on behalf of Gary Lewis and CheyAnne Nalder. It would appear the parties agreed that any defense to the action on a judgment would be futile. UAIC gained intervention by way of an Opposed Motion that was improperly noticed on its face and nevertheless granted without reasons given. The intervention decision was made and orders allowing intervention were signed all while the stipulated judgment sat on the Judges desk with wet signatures on the stipulation but unsigned by the Judge.

Additionally, UAIC misleads the Court herein by claiming that Mr. Christensen told UAIC not to defend the case. Mr. Christensen communicated with counsel hired by UAIC and sought to understand the basis for arguing the judgment is invalid. Mr. Christensen asked for legal authority for making a non-frivolous claim that the judgment is expired and how that would support Mr. Lewis's interests. UAIC, nor counsel hired to defend Mr. Lewis in this case, could provide supportive law or reasoning. Instead, they hired another attorney, Randall Tindall, Esq. to file documents on behalf of Mr. Lewis and claim Mr. Christensen was preventing UAIC from exercising its "contractual and legal duty" to defend Mr. Lewis and liken it to forgery of settlement documents that subverts the integrity of the Court.

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For the reasons set forth above, Gary Lewis respectfully requests that this Court deny UAIC's Motion to Dismiss Plaintiff's Complaint & Motion for Court to Deny Stipulation to Enter Judgment Between Plaintiff and Lewis and/or In the Alternative to Stay Same Pending Hearing on Motion to Dismiss.

DATED THIS 29day of Odor, 2018.

Thomas Christensen
Nevada Bar No. 2326
1000 S. Valley View Blvd.
Las Vegas, Nevada 89107
T: (702) 870-1000
F: (702) 870-6152

Office@injuryhelpnow.com Attorney for Cross-Claimant Third-Party Plaintiff ]

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## **CERTIFICATE OF SERVICE**

Pursuant to NRCP 5(b), I certify that I am an employee of CHRISTENSEN LAW OFFICES and that on this day of day of 2018, I served a copy of the foregoing Defendant's CROSS-CLAIMANT'S OPPOSITION TO UAIC'S MOTION TO DISMISS PLAINTIFF'S COMPLAINT & OPPOSITION TO MOTION FOR COURT TO DENY STIPULATION TO ENTER JUDGMENT BETWEEN PLAINTIFF AND LEWIS AND/OR IN THE ALTERNATIVE TO STAY SAME PENDING HEARING ON MOTION TO DISMISS as follows:

□ U.S. Mail—By depositing a true copy thereof in the U.S. mail, first class postage prepaid and addressed as listed below; and/or

E-Served through the Court's e-service system.

Randall Tindall, Esq. Resnick & Louis 8925 W. Russell Road, Suite 225 Las Vegas, NV 89148 rtindall@rlattorneys.com

David A. Stephens, Esq. Stephens, Gourley & Bywater 3636 North Rancho Drive Las Vegas, NV 89130 dstephens@sgblawfirm.com

Matthew Douglas, Esq. Atkin Winner & Sherrod 1117 South Rancho Drive Las Vegas, NV 89102 mdouglas@awslawyers.com

An employee of CHRISTENSEN LAW OFFICES

**Electronically Filed** 

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COMES NOW, UNITED AUTOMOBILE INSURANCE COMPANY (hereinafter referred to as "UAIC"), by and through its attorney of record, ATKIN WINNER & SHERROD and hereby brings its Motion to Dismiss Third Party Plaintiff LEWIS' Third Party Complaint in its entirety. Third Party Plaintiff's extra-contractual claims have been previously litigated, and

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judgment entered. Third Party Plaintiff's request to relitigate these claims is both improper and clear forum shopping which should be summarily dismissed by this Court.

This Motion s made and based upon the papers and pleadings on file herein, the Memorandum of Points and Authorities attached hereto, and such oral argument as the Court may permit.

day of NOVEMBER DATED this

ATKIN WINNER & SHERROD

Matthew J. Douglas Nevada Bar No. 11371 1117 South Rancho Drive Las Vegas, Nevada 89102 Attorneys for Intervenor/Third Party Defendant

# NOTICE OF MOTION

ANY AND ALL PARTIES AND THEIR COUNSEL OF RECORD:

YOU, AND EACH OF YOU, WILL PLEASE TAKE NOTICE that the undersigned will bring the foregoing Motion to Dismiss Third Party Complaint, for hearing before the above-entitled 2019 Court Department 19 on the 15 day of January 2018, at the hour of 9:00 A .m. in the forenoon of said date, or as soon thereafter as counsel can be heard.

DATED this Is day of NOVEMBER, 2018.

ATKIN WINNER & SHERROD

Matthew Douglas, Esq. Nevada Bar No. 11371 117 South Rancho Drive Las Vegas, Nevada 89102 Attorneys for Intervenor/Third Party Defendant

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# MEMORANDUM OF POINTS AND AUTHORITIES IN SUPPORT OF MOTION TO DISMISS

T.

#### INTRODUCTION

Gary Lewis ("Lewis") alleges in his Third Party Complaint that he has been injured and/or incurred damages due to United Automobile Insurance Company's ("UAIC") claims alleged improper claims handling ("statutory bad faith") and/or breaches of the implied covenant of good faith and fair dealing ("common law bad faith") related to an accident that occurred in 2007. In the accident in 2007 Lewis hit Cheyanne Nalder, a minor at the time, causing injury. Guardian ad litem, James Nalder, was appointed to pursue her claim. He did so, filing a complaint on her behalf and obtaining a Judgment for \$3.5 million in 2008. Nalder then filed suit against UAIC (as Lewis' insurer), eventually obtained an assignment from Lewis and ultimately received Lewis' \$15,000 auto policy limit on the Judgment. That action against UAIC by Nalder through assignment by Lewis included claims for both statutory and common law bad faith. The Federal District Court hearing the matter also found UAIC committed no actionable bad faith, either under the common law or, statute. However, that case remains on Appeal before the United States Court of Appeals for the Ninth Circuit and, the Nevada Supreme Court on two certified question of law wherein the potential for consequential damages from the 2008 default judgment as well as the viability of said expired judgment is before those courts.

Despite the fact that Lewis' claims for both statutory and common law bad faith against UAIC in relation to the 2007 accident have already been adjudicated and judgment entered, Lewis now re-asserts those claims in the instant Third Party Complaint. Those claims are subject to dismissal pursuant to the doctrine of claim preclusion.

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II.

#### STATEMENT OF FACTS

Intervenor/Third Party Defendant will not re-state the entire history of this matter as it is adequately set forth in Order Certifying a Second Question to the Nevada Supreme Court by United States Court of Appeals for the Ninth Circuit, which was filed on January 11, 2018. A copy of the Order certifying the second question of law is attached hereto as Exhibit 'A.'

Rather, the salient points are that Plaintiff Cheyanne Nalder obtained the original judgment against Defendant/Third Party Plaintiff Gary Lewis on August 26, 2008 for personal injuries stemming from a July 7, 2007 accident between Nalder and Lewis. A copy of the 2008 judgment against Lewis is attached hereto as Exhibit 'B.' After obtaining the judgment, Counsel for Plaintiff<sup>1</sup> then filed an action against Mr. Lewis' insurer, UAIC, Intervenor/Third Party Defendant herein. A copy of Lewis' original Complaint for "bad Faith" against UAIC is attached hereto as Exhibit 'C.' That complaint was filed upon an assignment of Lewis' causes of action against UAIC for alleged "bad faith." during the litigation obtained an assignment from Lewis. See assignment from Lewis to Nalder, attached as Exhibit 'D.' As can be plainly seen, the original Complaint by Lewis against UAIC specifically pleads improper investigation by UAIC in regard to the claim, improper denial of coverage, that UAIC's actions caused expense and aggravation to Lewis, that UAIC committed various breaches of the Nevada Unfair Claims Practices Act (N.R.S. 686A.310 et seq.), and that UAIC breached the implied covenant of good faith and fair dealing. See Exhibit 'C.'

In any event, the above-noted original complaint for "bad faith" against UAIC was removed to the U.S. Federal District Court for the District of Nevada and following lengthy and

<sup>&</sup>lt;sup>1</sup> Thomas Christensen, Esq., who is also Counsel for Lewis and filed the instant Third Party Complaint..

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comprehensive discovery, the District court granted complete summary judgment in favor of UAIC finding no policy of insurance in effect as between Lewis and UAIC<sup>3</sup> and, accordingly, that there was no "bad faith." A copy of the District Court's Order dated 12/20/10 is attached hereto as Exhibit 'E.' Lewis and Nalder appealed this judgment to the U.S. Court of Appeals for the Ninth Circuit wherein, following argument, the Ninth Circuit reversed finding a potential ambiguity in the language of Lewis' renewal statement. A copy of the Ninth Circuit's 12/17/12 mandate is attached hereto as Exhibit 'F.' On remand, the parties again filed cross-motions for summary judgment and, The District court now found that Lewis has an implied policy of insurance on the date of the loss – due to the ambiguity in the renewal – but the Court found UAIC had committed no statutory or common law bad faith as their belief the policy had lapsed was a reasonable one. A copy the U.S. District Court's 10/30/13 judgment is attached hereto as Exhibit 'G.'

Lewis and Nalder now appealed again to the Ninth Circuit and that appeal remains pending. Specifically, following briefing and argument, the Ninth Circuit certified a *first* certified question to the Nevada Supreme Court asking, in short, whether Plaintiff and Lewis could recover their default judgment from UAIC as a 'consequential damage' *even in the absence of bad faith. A copy of the Ninth circuit's first certified question of 6/1/16 is attached hereto as Exhibit 'H.'* During the pendency of this issue it was observed that Plaintiff had failed to renew her 2008 judgment against Lewis pursuant to Nevada law. Specifically, under N.R.S. 11.190(1)(a) the limitation for action to execute on such a judgment would be six (6) years, unless renewed under N.R.S. 17.214. Upon realizing the judgment had never been timely renewed, UAIC filed a Motion to Dismiss the Appeal for Lack of Standing with the Ninth

<sup>&</sup>lt;sup>2</sup> The assignment, however, was only obtained after the suit was filed as can be seen by comparing the date of the assignment and, the date of the filing of the Complaint. A copy of the assignment as between Lewis and Christensen is attached hereto as Exhibit 'D.'

Circuit on March 14, 2017. On December 27, 2017 the Ninth Circuit certified a second question to the Nevada Supreme Court – specifically certifying the following question:

"Under Nevada law, if a plaintiff has filed suit against an insurer seeking damages based on a separate judgment against its insured, does the insurer's liability expire when the statute of limitations on the judgment runs, notwithstanding that the suit was filed within the six-year life of the judgment?"

See Exh. 'A.'

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On February 23, 2018 the Nevada Supreme Court issued an order accepting this second certified question and ordered Appellants to file their Opening brief within 30 days, or by March 26, 2018. A copy of the Order accepting the second certified question is attached hereto as Exhibit 'I.' In accepting the certified question, the Nevada Supreme Court rephrased the question as follows:

In an action against an insurer for breach of the duty to defend its insured, can the plaintiff continue to seek consequential damages in the amount of a default judgment obtained against the insured when the judgment against the insured was not renewed and the time for doing so expired while the action against the insurer was pending?

This issue remains pending and, is currently being briefed before the Nevada Supreme Court. Despite the above, in what appears to be a clear case of forum shopping, Plaintiff retained additional Counsel (Plaintiff's Counsel herein, David Stephens, Esq.) who filed an ex parte Motion on March 22, 2018 seeking, innocently enough, to "amend" the 2008 expired judgment to be in the name of Cheyenne Nalder individually. A copy of the Ex Parte Motion is attached hereto as Exhibit 'J.' Thereafter, the Court obviously not having been informed of the abovenoted Nevada Supreme Court case, entered the amended judgment and same was filed with a notice of entry on May 18, 2018. A copy of the filed Amended Judgment is attached hereto as Exhibit 'K.'

<sup>(</sup>Cont.) <sup>3</sup> It is uncontroverted that Lewis failed to make a timely renewal premium and his policy with UAIC lapsed days before the July 8th, 2007 loss.

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Furthermore, Plaintiff then initiated a "new" action, under case no. A-18-772220-C<sup>4</sup> in a thinly veiled attempt to have this Court rule on issues pending before the Nevada Supreme Court and "fix" their expired judgment. This intent appears clearly evidenced by paragraph five (5) of Plaintiff's prayer for relief herein which states Plaintiff is seeking this Court to make "a declaration that the statute of limitations on the judgment on the judgment is still tolled as a result of Defendant's continued absence from the state." A copy of Plaintiff's Complaint for that action is attached hereto as Exhibit 'L'

Then, despite the apparent contradiction of counsel representing both the judgmentcreditor and judgment-debtor in the same action, Mr. Christensen, on behalf of Lewis, has now filed the instant Third Party Complaint against UAIC seeking to, again, re-litigate issues of "bad faith" against UAIC despite the above-referenced appeals. A copy of the Third Party Complaint, filed herein, by Lewis is attached hereto as Exhibit 'M.' As this Court can see, this Third Party Complaint again pleads the same causes of action as plead in Lewis' initial complaint against UAIC, seeking both common law and/or statutory bad faith against UAIC, and attendant damages, for failures involved in the handling and litigation of the 2007 loss. See Exhibit 'M.'

Given the above noted outrageous conduct by Mr. Christensen, UAIC has also filed a Motion for an evidentiary hearing for a fraud upon the court given what is clear forum shopping and an improper attempt to re-litigate issues between the same parties. As will be set forth in detail below, besides granting this Motion and dismissing this improper third party complaint, we see an attempt of fraud upon the court which should not be countenanced and an evidentiary hearing should be held on these issues.

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<sup>&</sup>lt;sup>4</sup> Both Lewis and UAIC have pending Motions to dismiss this action before this court.

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## MOTION TO DISMISS STANDARD

A party is entitled to dismissal when a plaintiff fails "to state a claim up which relief can be granted." NRCP 12(b)(5). The Nevada Supreme Court has Declared that the dismissal of a complaint is appropriate where "it appears beyond a doubt that [the plaintiff] could prove no set of facts which, if true, would entitle [the plaintiff] to relief Bra Stew, LLC v. City of N. Las Vegas, 124 Nev. 224, 228, 181 P. 3d 670,672 (2008).

In evaluating a motion to dismiss, courts primarily focus on the allegations in the complaint. Id. As the Nevada Supreme Court held in Baxter v. Dignity Health, 131 Nev Adv. Op. 76,357 P 3d at 930 (2015) "the court is not limited to the four corners of the complaint." Citing 5B Charles Alan Wright & Arthur Miller, Federal Practice & Procedure: Civil § 1357, at 376 (3d ed. 2004). The Baxter Court also held that courts "may also consider unattached evidence on which the complaint necessarily relies if (1) the complaint refers to the document; (2) the document is central to the plaintiff's claim; and (3) no party questions the authenticity of the document." Id., citing United States v. Corinthian Colleges 655 F. 3d 984, 999 (9th Cir. 2011) (internal quotation omitted). The Baxter Court continued "while presentation of matters outside the pleadings will convert the motion to dismiss to a motion for summary judgment, Fed.R.Civ.P. 12(d); NRCP 12 (b), such conversion is not triggered by a court's consideration of matters incorporated by reference or integral to the claim," Id. Citing 5B Wright & Miller, supra, §1357, at 376.

While Intervenor/Third Party Defendant's Motion to Dismiss does rely on certain documents which were not attached to the Complaint, those documents are either incorporated by reference (the Judgment and Amended Judgment) or integral to the claim (the Complaint in the 2007 cases). Therefore, this Court should consider this matter a motion to dismiss and not convert it to a motion for summary judgment. As discussed below, the re is no doubt that there

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are no facts pursuant to which Lewis is entitled to the relief his 2018 Complaint seeks.

## IV.

## ARGUMENT

# A. The Doctrine of Claim Preclusion Mandates Dismissal of Third Party Plaintiff's Claims Related to the July 8, 2007 Accident

The March 22, 2009 Complaint filed by Cheyenne's guardian ad litem, James Nalder, as assignee of Lewis, alleged both statutory and common law "bad faith" against UAIC stemming from the July 8, 2007 accident. See Complaint attached hereto as Exhibit "C." That matter has been thoroughly litigated (as can be seen above) and the Federal District Court has already found UAIC committed no actionable "bad faith." Moreover, and additionally, that case remains on appeal before both the U.S. Court of Appeals for the Ninth Circuit and, the Nevada Supreme Court. Because both the statutory and common law claims for bad faith against UAIC claims in the "new", 2018, Third-party Complaint filed by Lewis (Exhibit 'M') have already been litigated, it should be dismissed as to UAIC.

Lewis' claims against should be dismissed as to UAIC pursuant to the doctrine of claim preclusion. In 2008, the Nevada Supreme Court set forth a three-part test to be applied to determine when claim preclusion applies. Five Star Capital Corp. v. Ruby, 124 Nev. 1048,1054-55, 194 P.3d 709,713 (2008), holding modified by Weddell v Sharp 151 Nev. Adv. Op.28, 3520 P.3d 80 (2015)( the modification is not applicable to this case); (2) the final judgment is valid; and (3) the new action is based on the same claims that were or could have been brought in the first action. Cheyenne's claims for personal injury in the instant (2018) suit clearly meet the Five Star factors for dismissal under the doctrine of claim preclusion.

First, the parties are the same. The only difference between the 2009 suit and the 2018 suits is that Lewis has now sued UAIC directly rather than as the assignor. However, this is immaterial as Lewis is still the same "party" for purposes of this analysis, as an assignee