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IN THE SECOND JUDICIAL DISTRICT COURT OF THE STATE OF NEVADA IN AND FOR THE COUNTY OF WASHOE

INDUSTRIAL INDEMNITY COMPANY, a California Corporation, Qualified to do business in the State of Nevada,

Plaintiff,

Case No. Dept. No.

CV97-06537

Dept.

CARL A. MORRISON; BEVERLY MORRISON; et al.,

Defendants.

DEFAULT JUDGMENT

On May 28, 1999, Plaintiff Industrial Indemnity Company filed an Application for Entry of Default, together with an Affidavit in support thereof and a Memorandum of Costs and Disbursements.

The Court, having reviewed the above papers and the entire file, finds and concludes as follows.

Defendants George T. Leverett, III, Howard International, Inc., Sterling Financial Corporation, Gurcharan S. Lau, and Chester C. Burley, III, have been duly served with the summons and complaint in this matter and have failed to answer or otherwise respond in the time required by

¹ Plaintiff requested that Chester C. Burley, III be added to its Application for Entry of Default in Plaintiff's Reply to Order to Show Cause, filed June 23, 1999.

The primary sum of \$77,000.00, together with accrued interest thereon in the sum of \$32,921.49 for the time period from October 1st, 1997 to the date of Plaintiff's Application for Entry of Default, is due Plaintiff as of Entry of this Judgment, and interest shall continue to accrue on the aforesaid primary sum at the maximum legal rate per annum until payment in full is received;

Plaintiff has sustained Court costs in the amount of \$2,431.67. Plaintiff has had to retain an attorney to seek relief in this matter and the sum of \$3,736.80 is a reasonable sum to be awarded said Plaintiff as and for an attorney's fee incurred herein.³

JUDGMENT IS HEREBY GRANTED in favor of Plaintiff and against the Defendants GEORGE T. LEVERETT, III, HOWARD INTERNATIONAL, INC., STERLING FINANCIAL CORPORATION, GURCHARAN S. LAU, and CHESTER C. BURLEY, III, and each of them, jointly and severally, in the following manner:

- a. Defendants shall pay to Plaintiff the sum of \$77,000, plus accrued interest thereon in the sum of \$32,921.49 for the time period from October 1st, 1997 to the date of Plaintiff's Application for Entry of Default, and interest shall continue to accrue on the aforesaid primary sum at the maximum legal rate per annum until the Judgment is paid in full by Defendants to Plaintiff;
- b. Defendants shall pay to Plaintiff the sum of \$2,431.67 as and for Court costs incurred in this matter to date, as well as any additional Court costs and service fees

² Plaintiff also applied for a default judgment against Defendant Winston Biggs. However, the record reflects that Winston Biggs has been discharged in bankruptcy from the obligation that is the subject of Plaintiff's complaint. (Joint Case Conference Report, NRCP 16.1, p. 2, filed June 22, 1998). The Court noted this fact in its Order to Show Cause, filed on June 2, 1999. In its Reply to Order to Show Cause, filed on June 23, 1999, Plaintiff failed to dispute this fact. Consequently, the Court declines to enter default against Winston Biggs and will dismiss Winston Biggs from this action by separate order.

³ On June 23, 1999, Plaintiff filed a Summary Statement of Request for Attorney's Fees, documenting \$32,835.60 in attorney's fees incurred in this matter. However, most of those fees appear to have been incurred in work involving other Defendants. The fee provided for herein is calculated from the billing entries which contain work performed involving the Defendants who are the subject of this Order.

1 CERTIFICATE OF SERVICE 2 Pursuant to NRCP 5(b), I hereby certify that I deposited for mailing in the United States mail, postage prepaid, a true and correct copy of the attached document addressed to: 3 Newel B. Knight, Esq. STEPHENS, KNIGHT & EDWARDS 5 Suite 330 401 Ryland St. Reno, Nevada 89502 6 Rew Goodenow, Esq. MARSHALL, HILL, CASSAS & de LIPKAU 333 Holcomb Ave. Reno, NV 89502 Richard W. Horton, Esq. LIONEL, SAWYER & COLLINS **Suite 1100** 50 W. Liberty St. Reno, NV 89501 John Wm. Carner 519 N. Wilcox St. Los Angeles, CA 90004 Dated + + Edwards IN OFFICIAL RECORDS OF DOUGLAS COLHEVADA 1999 SEP -3 AM 11: 59 LINDA SLATER RECORDER 0475837 \$1000 PAID BL DEPUTY BK0999PG0567

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