

Superior Ct of Calif / C. J. Southey

Butler, David, *consensus for*
Stewart Plaintiff(s),
vs.
Taser International, Inc., et al,
Defendant(s)

CASE NO. *CV 161436*
REF. NO. 1100062866
STIPULATION FOR SETTLEMENT
C.C.P. § 664.6

This case having come before Jerry Spolter Esq. for mediation at the offices of JAMS, and the parties having conferred, it is hereby stipulated that this matter is deemed settled pursuant to the following terms and conditions:

1. *Defendant* shall pay to plaintiff(s) *and to his/her/their attorneys Cathright, Scripps* the total sum of \$ *2,850.00* in full settlement and compromise of this action and in release and discharge of any and all claims and causes of action made in this action, and in release and discharge of any and all claims and causes of action arising out of the events or incidents referred to in the pleadings in this action.

2. Plaintiff(s) agree to accept said sum in full settlement and compromise of the action and agree that such payment shall fully and forever discharge and release all claims and causes of action, whether now known or now unknown, which plaintiff(s) has against any and all of the defendants in that action arising out of the incident.

This settlement includes an express waiver of Civil Code § 1542, which states:

"A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor."

3. Plaintiff(s) further agree to sign, acknowledge and deliver to defendants a standard form of a ** Plaintiff may at his sole discretion structure/arrange any or all of the settlement amount and will utilize the services of David G. Smith & Family Assoc in the event an amt is structured*

or better

10. This Stipulation is admissible and subject to disclosure for purposes of enforcing this settlement agreement pursuant to CCP § 664.6, or any other procedure permitted by law, and the provisions of the confidentiality agreement signed by the parties relative to this mediation are waived with respect to this Stipulation.

Date: 6/30/10

~~_____~~

G. Dana Scruggs, III Esq.
Cartwright, Scruggs, Fulton & Walther

David Butler

Laura Plunk

Mr. John R. Maley
Barnes & Thornburg

Taser International

Charles Weaver

Jenna Plunk
although not
a party
agrees to
maintain the
confidentiality
called for
herein &

John Burton Esq.
L/O John Burton

will do
contract per
man, dad
brother
George B...

ATTORNEY OR PARTY WITHOUT ATTORNEY (Name, State Bar number, and address): Nathan C. Benjamin, Esq. (#197859) G. Dana Scruggs, Esq. (#96152) 340 Soquel Avenue, Suite 205 340 Soquel Avenue, Suite 215 Santa Cruz, CA 95062 Santa Cruz, CA 95062 TELEPHONE NO.: 831-427-2727 831-457-1700 FAX NO. (Optional): E-MAIL ADDRESS (Optional):	FOR COURT USE ONLY <div style="font-size: 2em; font-weight: bold; letter-spacing: 0.5em;">FILED</div> AUG 12 2010 ALEX CALVO, CLERK BY <i>[Signature]</i> DEPUTY, SANTA CRUZ COUNTY
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1. **Petitioner (name):** David Butler, as Conservator of the Person and Estate of Steve Alan Butler has petitioned for court approval of a proposed compromise of a disputed claim of a minor or a pending action involving a minor or a person with a disability or a proposed disposition of the proceeds of a judgment for a minor or a person with a disability.

2. **Hearing**

- a. No hearing was held. The petition is an expedited petition under rule 7.950.5 of the California Rules of Court.
- b. Date: August 12, 2010 Time: 8:30 a.m. Dept.: 5
- c. Judicial officer: Honorable Jeffrey Almquist

3. **Relationship to claimant**

Petitioner has the following relationship or relationships to claimant (check all applicable boxes):

- a. Parent
- b. Guardian ad litem
- c. Guardian
- d. Conservator
- e. Claimant, an adult person with a disability, is the petitioner.
- f. Other (specify): Brother

4. **Claimant (name):** Steve Alan Butler

- a. is a minor.
- b. is a "person with a disability" within the meaning of Probate Code section 3603 who is:
 - (1) An adult. Claimant's date of birth is (specify): April 14, 1958
 - (a) Without a conservator. Claimant has capacity to consent to this order, within the meaning of Probate Code section 812, and has consented to this order.
 - (b) A conservatee; a person for whom a conservator may be appointed; or without capacity to consent to this order, within the meaning of Probate Code section 812.
 - (2) A minor described in Probate Code section 3603(b)(3).

5. **Defendant**

The claim or action to be compromised is asserted, or the judgment is entered, against (name of settling or judgment defendant or defendants (the "payer")): Taser International, Inc.

Continued in Attachment 5

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6. THE COURT FINDS that all notices required by law have been given.

7. THE COURT ORDERS

a. The petition is granted and the proposed compromise of claim or action or the proposed disposition of the proceeds of the judgment is approved. The gross amount or value of the settlement or judgment in favor of claimant is \$ 2,850,000.00

b. [] Until further order of the court, jurisdiction is reserved to determine a claim for a reduction of a Medi-Cal lien under Welfare and Institutions Code section 14124.76. The amount shown payable to the Department of Health Care Services in item 7c(1)(d) of this order is the full amount of the lien claimed by the department but is subject to reduction on further order of the court upon determination of the claim for reduction.

c. The payer shall disburse the proceeds of the settlement or judgment approved by this order in the following manner:

(1) Payment of fees and expenses

Fees and expenses shall be paid by one or more checks or drafts, drawn payable to the order of the petitioner and the petitioner's attorney, if any, or directly to third parties entitled to receive payment identified in this order for the following items of expense or damage, which are hereby authorized to be paid out of the proceeds of the settlement or judgment:

(a) [X] Attorney's fees in the total amount of: \$ 1,282,500.00 payable to (specify): G. Dana Scruggs, Esq.

(b) [X] Reimbursement for medical and all other expenses paid by the petitioner or the petitioner's attorney in the total amount of: \$ 234,511.50

(c) [] Medical, hospital, ambulance, nursing, and other like expenses payable directly to providers as follows, in the total amount of: \$ []

(i) Payee (name):

(A) Address:

(B) Amount: \$

(ii) Payee (name):

(A) Address:

(B) Amount: \$

[] Continued on Attachment 7c(1)(c). (Provide information about additional payees in the above format.)

(d) [] Other authorized disbursements payable directly to third parties in the total amount of: \$ (Describe and state the amount of each item and provide the name and address of each payee):

[] Continued on Attachment 7c(1)(d).

(e) [X] Total allowance for fees and expenses from the settlement or judgment: \$ 1,517,011.50

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7. THE COURT ORDERS (cont.)

c. The payer shall disburse the proceeds of the settlement or judgment approved by this order in the following manner:

(2) Balance

The balance of the settlement or judgment available for claimant after payment of all allowed fees and expenses is:

\$ 1,332,988.50

The balance shall be disbursed as follows:

- (a) By one or more checks or drafts in the total amount of (*specify*): \$ drawn payable to the order of the petitioner as trustee for the claimant. Each such check or draft must bear an endorsement on the face or reverse that it is for deposit in one or more interest-bearing, federally insured accounts in the name of the petitioner as trustee for the claimant, and no withdrawals may be made from the accounts except as provided in the *Order to Deposit Money Into Blocked Account* (form MC-355), which is signed contemporaneously with this order ("blocked account").
- (b) By the following method(s) (*describe each method, including the amount to be disbursed*):
Eight hundred fifty thousand (\$850,000) will be paid to Ringler Associates for the purchase of an annuity which will make monthly payments to the Steve Alan Butler Special Needs Trust of four thousand seven hundred eight dollars seventy-five cents (\$4,708.75) and guaranteed for 20 years. The remaining balance after reduction for a MediCal lien totaling thirty-five thousand dollars (\$35,000) as described in 7.c.(2)(c) below in the amount of four hundred forty-seven thousand nine hundred eighty-eight dollars fifty cents (\$447,988.50) will be deposited into the Steve Alan Butler Special Needs Trust.
- Continued on Attachment 7c(2)(b).
- (c) If money is to be paid to a special needs trust under Probate Code section 3604, all statutory liens in favor of the state Department of Health Care Services, the state Department of Mental Health, the state Department of Developmental Services, and any city and county in California must first be satisfied by the following method (*specify*):
There is a MediCal lien in the approximate amount of thirty thousand six hundred ninety-three dollars fifty-six cents (\$30,693.56) to be paid by Petitioner's counsel. The Court Orders that thirty-five thousand dollars (\$35,000) be deposited into the Cartwright, Scruggs, Fulton & Walther Client Trust Account for payment of the MediCal lien and held until such time that the total amount of the MediCal lien is determined. Whatever funds remain shall be paid to the Steve Alan Butler Special Needs Trust.

Continued on Attachment 7c(2)(c).

8. Further orders of the court concerning blocked accounts

The court makes the following additional orders concerning any part of the balance ordered to be deposited in a blocked account under item 7c(2)(a):

- a. Within 48 hours of receipt of a check or draft described in item 7c(2)(a), the petitioner and the petitioner's attorney, if any, must deposit the check or draft in the petitioner's name as trustee for the claimant in one or more blocked accounts at (*specify name, branch, and address of each depository, and the amount of each account*):

Continued on Attachment 8a.

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8. Further orders of the court concerning blocked accounts

The court makes the following additional orders concerning any part of the balance ordered to be deposited in a blocked account under item 7c(2)(a):

b. The petitioner and the petitioner's attorney, if any, must deliver to each depository at the time of deposit three copies of the Order to Deposit Money Into Blocked Account (form MC-355), which is signed contemporaneously with this order, and three copies of the Receipt and Acknowledgment of Order for the Deposit of Money Into Blocked Account (form MC-356). The petitioner or the petitioner's attorney must file a copy of the receipt with this court within 15 days of the deposit. The sole responsibilities of the petitioner and the petitioner's attorney, if any, are to place the balance in a blocked account or accounts and to timely file a copy of the receipt.

c. The balance of the proceeds of the settlement or judgment deposited in a blocked account or accounts under item 7c(2)(a) may be withdrawn only as follows (check (1) or (2)):

- (1) No withdrawals of principal or interest may be made from the blocked account or accounts without a further written order under this case name and number, signed by a judge, and bearing the seal of this court. The money on deposit is not subject to escheat.
- (2) The blocked account or accounts belong to a minor. The minor was born on (date):
No withdrawals of principal or interest may be made from the blocked account or accounts without a further written order under this case name and number, signed by a judicial officer, and bearing the seal of this court, until the minor attains the age of 18 years. When the minor attains the age of 18 years, the depository, without further order of this court, is authorized and directed to pay by check or draft directly to the former minor, upon proper demand, all moneys including interest deposited under this order. The money on deposit is not subject to escheat.

9. Authorization to execute settlement documents

The petitioner is authorized to execute settlement documents as follows (check only one):

- a. Upon receipt of the full amount of the settlement sum approved by this order and the deposit of funds, the petitioner is authorized and directed to execute and deliver to the payer a full, complete, and final release and discharge of any and all claims and demands of the claimant by reason of the accident or incident described in the petition and the resultant injuries to the claimant and a properly executed dismissal with prejudice.
- b. The petitioner is authorized and directed to execute any and all documents reasonably necessary to carry out the terms of the settlement.
- c. The petitioner is authorized and directed (specify):

Continued on Attachment 9c.

10. Bond is ordered and fixed in the amount of: \$ not required.

11. A copy of this order shall be served on the payer forthwith.

12. Additional orders

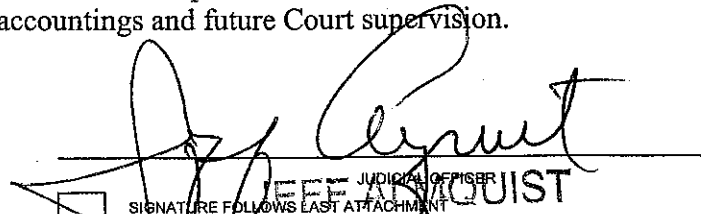
The court makes the following additional orders (specify):

This Court authorizes the creation of the Steve Alan Butler Special Needs Trust and directs counsel to open a new probate file for that Trust and its accountings and future Court supervision.

Continued on Attachment 12.

Date:

8/12/10



JUDICIAL OFFICER
JEFF ARNOQUIST
 SIGNATURE FOLLOWS LAST ATTACHMENT