

UNITED STATES DISTRICT COURT FOR THE DISTRICT OF NEVADA

**Budget Truck Rental LLC, Budget Rent A Car System, Inc., and
ACE American Insurance Company v. Jacci Simon, Heaven Simon,
and Timmothis Culverson**

Simon · No. 2:24-cv-01648-CDS-EJY · Decided December 30, 2025

SUMMARY

The United States District Court for the District of Nevada granted plaintiffs’ motion for default judgment in a declaratory-judgment action concerning an allegedly staged collision. The court declared that the defendants intentionally planned and staged the collision, breached the applicable rental terms and insurance policy, and therefore were not entitled to coverage, defense, or payment obligations. The court directed the Clerk to enter judgment and close the case.

CASE DETAILS

COURT	United States District Court for the District of Nevada
WRITING FOR THE COURT	Cristina D. Silva
JURISDICTION	United States District Court for the District of Nevada
DECIDED	December 30, 2025
DOCKET	2:24-cv-01648-CDS-EJY
DISPOSITION	other
PROCEDURAL POSTURE	Plaintiffs sought default judgment and declaratory relief after defendants failed to appear or defend despite proper service.
STANDARD OF REVIEW	The decision whether to enter default judgment is committed to the district court's discretion. The court applied the seven-factor test from <i>Eitel v. McCool</i> .
PRECEDENTIAL VALUE	Unpublished federal district court order; persuasive rather than precedential.
PARTIES	Budget Truck Rental LLC, Budget Rent A Car System, Inc., ACE American Insurance Company v. Jacci Simon, Heaven Simon, Timmothis Culverson

TOPICS

default judgment

declaratory judgment

insurance coverage

duty to defend

civil procedure

PRACTICE AREAS

civil procedure

insurance

contracts

declaratory relief

QUESTIONS PRESENTED

1. Whether plaintiffs satisfied the procedural and substantive requirements for entry of default judgment under Federal Rule of Civil Procedure 55.
2. Whether the Eitel factors favored entry of default judgment.
3. Whether plaintiffs were entitled to declaratory relief establishing that defendants intentionally caused the collision and that plaintiffs had no coverage, defense, or payment obligations under the rental terms and ACE policy.

HOLDINGS

1. Default judgment was warranted because the clerk had entered defendants' default and the Eitel factors weighed in favor of judgment.
2. Plaintiffs were entitled to a declaration that defendants intentionally planned and staged the collision, that Jaci Simon breached the Budget Terms and Conditions, and that Budget Truck had no coverage, defense, or payment obligations with respect to the collision.
3. Plaintiffs were entitled to a declaration that Jaci Simon breached the ACE Policy by intentionally causing the collision and that ACE American Insurance Company had no coverage, defense, or payment obligations with respect to the collision.

KEY QUOTATIONS

“Obtaining a default judgment under Federal Rule of Civil Procedure 55 is a two-step process.” (at 1)

“The ‘general rule [is] that default judgments are ordinarily disfavored. Cases should be decided upon their merits whenever reasonably possible.’” (at 2)

“A decision on the merits is desirable, but under these circumstances, default judgment is warranted.” (at 5)

FACTUAL BACKGROUND

Plaintiffs alleged that defendants intentionally planned and staged a collision to collect insurance money. The alleged conduct violated the Budget Truck Terms and Conditions and the ACE Excess Rental Insurance Policy, including provisions concerning prohibited uses, fraudulent claims, and intentional concealment of material facts. Defendants were properly served but did not appear or contest the allegations.

PROCEDURAL HISTORY

The clerk entered defendants' default after they failed to appear. Plaintiffs then moved for default judgment under Federal Rule of Civil Procedure 55. The district court granted the motion, entered declaratory judgment in

plaintiffs' favor, and directed the clerk to close the case.

DISPOSITION

other

CASES CITED

- Eitel v. McCool, 782 F.2d 1470, 1471-72 (9th Cir. 1986)
- TeleVideo Sys., Inc. v. Heidenthal, 826 F.2d 915, 917-18 (9th Cir. 1987)
- Warner Bros Entm't, Inc. v. Caridi, 346 F. Supp. 2d 1068, 1071 (C.D. Cal. 2004)
- Peno v. Seguros La Comercial, S.A., 770 F.2d 811, 814 (9th Cir. 1985)
- PepsiCo, Inc. v. California Security Cans, 238 F. Supp. 2d 1172, 1176-77 (C.D. Cal. 2002)
- Danning v. Lavine, 572 F.2d 1386, 1389 (9th Cir. 1978)
- Curtis v. Illumination Arts, Inc., 33 F. Supp. 3d 1200, 1212 (W.D. Wash. 2014)
- Landstar Ranger, Inc. v. Parth Enters., 725 F. Supp. 2d 916, 921 (C.D. Cal. 2010)
- Ditech Fin. LLC v. Northgate Homeowners Ass'n, 2018 WL 2943441, at *3 (D. Nev. June 12, 2018)
- Bank of Am., N.A. v. Giavanna Homeowners Ass'n, 2020 WL 3100826, at *3 (D. Nev. June 11, 2020)
- United States v. High Country Broad. Co., 3 F.3d 1244, 1245 (9th Cir. 1993)
- Nevada Prop. 1, LLC v. Kiwibank Ltd., 2020 WL 5633048, at *2 (D. Nev. Sept. 21, 2020)