UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF CALIFORNIA

Bumpus v. U.S. Financial Life Insurance Co.

Bumpus · No. 2:20-cv-00926-DC-AC · Decided May 28, 2025

SUMMARY

The United States District Court for the Eastern District of California granted Plaintiff Cyrus Sanchez’s motion for voluntary dismissal under Federal Rule of Civil Procedure 41(a)(2). The court dismissed Sanchez’s claims without prejudice and declined to condition dismissal on further discovery responses or a deposition. The court found that the parties agreed Sanchez had no viable claims and that he was not a member of the putative class.

CASE DETAILS

COURT	United States District Court for the Eastern District of California
WRITING FOR THE COURT	Dena M. Coggins
JURISDICTION	United States District Court for the Eastern District of California
DECIDED	May 28, 2025
DOCKET	2:20-cv-00926-DC-AC
DISPOSITION	dismissed
PROCEDURAL POSTURE	Plaintiff Cyrus Sanchez moved under Federal Rule of Civil Procedure 41(a)(2) for voluntary dismissal of his claims without prejudice. The court considered whether dismissal should be granted and whether it should be conditioned on additional discovery responses or a deposition.
STANDARD OF REVIEW	The decision whether to grant voluntary dismissal under Rule 41(a)(2), whether dismissal should be with or without prejudice, and what terms or conditions should be imposed is committed to the district court's discretion. Dismissal should ordinarily be granted unless the defendant demonstrates plain legal prejudice.
PRECEDENTIAL VALUE	Unknown
PARTIES	Cyrus Sanchez v. U.S. Financial Life Insurance Company

TOPICS

civil procedure · life insurance litigation · insurance · class actions · discovery dispute

PRACTICE AREAS

Civil procedure · Insurance · Life insurance litigation · Class actions · Remedies

QUESTIONS PRESENTED

1. Whether Sanchez's claims should be voluntarily dismissed without prejudice under Federal Rule of Civil Procedure 41(a)(2).
2. Whether dismissal should be conditioned on Sanchez providing further discovery responses and sitting for a deposition.

HOLDINGS

1. Voluntary dismissal without prejudice was proper because the parties agreed that Sanchez's claims were not viable, Sanchez was not a member of the putative class, and Defendant did not show plain legal prejudice from dismissal.
2. The court declined to condition Sanchez's dismissal on further discovery responses or a deposition because Defendant did not show that Sanchez possessed relevant information or that Defendant had expended substantial resources preparing his discovery or deposition.

KEY QUOTATIONS

> *“A district court should grant a motion for voluntary dismissal under Rule 41(a)(2) unless a defendant can show that it will suffer some plain legal prejudice as a result.”* (Legal Standard)

> *“Thus, the only remaining question is what conditions, if any, should be imposed on Plaintiff Sanchez’s voluntary dismissal.”* (Discussion)

FACTUAL BACKGROUND

Bumpus brought a putative class action challenging the insurer's refusal to comply with California insurance laws governing lapse and termination of life insurance policies. Sanchez, a beneficiary of a life insurance policy issued to his late husband, was added as a named plaintiff after the defendant identified him as a potential class member. Discovery revealed that the insured had voluntarily surrendered the policy, rather than allowing it to lapse for nonpayment of premiums, and both parties agreed that Sanchez had no viable claim and was not a member of the putative class. Defendant sought to condition dismissal on additional discovery responses and a deposition.

PROCEDURAL HISTORY

Patrick S. Bumpus filed a putative class action against U.S. Financial Life Insurance Company. Sanchez was added as a named plaintiff in the first amended complaint in January 2024 after being identified as a potential class member. After discovery indicated that the insured had voluntarily surrendered the policy and that Sanchez had no viable claim, Sanchez moved for voluntary dismissal. Defendant did not dispute dismissal itself but requested conditions requiring further discovery responses and a deposition. The court granted dismissal without prejudice and declined to impose those conditions.

DISPOSITION

dismissed

CASES CITED

- Kamal v. Eden Creamery, LLC, 88 F.4th 1268, 1279–80 (9th Cir. 2023)
- Stevedoring Services of America v. Armilla International B.V., 889 F.2d 919, 921 (9th Cir. 1989)
- Smith v. Lenches, 263 F.3d 972, 975 (9th Cir. 2001)
- Westlands Water District v. United States, 100 F.3d 94, 96–97 (9th Cir. 1996)
- Williams v. Peralta Community College District, 227 F.R.D. 538, 539 (N.D. Cal. 2005)
- Sherman v. Yahoo! Inc., No. 13-cv-0041-GPC-WVG, 2015 WL 473270, at *1–2, *7 (S.D. Cal. Feb. 5, 2015)
- Roberts v. Electrolux Home Products, Inc., No. 12-cv-1644 CAS, 2013 WL 4239050, at *2–3 (C.D. Cal. Aug. 14, 2013)
- Fraley v. Facebook Inc., No. 11-cv-1726-LHK-PSG, 2012 WL 555071, at *1–3 (N.D. Cal. Feb. 21, 2012)
- Opperman v. Path, Inc., No. 13-cv-00453-JST, 2015 WL 9311888, at *1–3 (N.D. Cal. Dec. 22, 2015)
- In re University of Southern California Tuition & Fees COVID-19 Refund Litigation, No. 20-cv-4066-DMG-PVC, 2022 WL 3012818, at *3 (C.D. Cal. May 4, 2022)

INSTRUCTIONS FOR AN AI ASSISTANT