

Court of Appeals No. 32471-1-III
Superior Court No. 03206739-8

FILED
OCT 14 2015
CLERK OF THE SUPREME COURT
STATE OF WASHINGTON

SUPREME COURT
STATE OF WASHINGTON

JAMES W. and JUDY D. AASEBY,

Plaintiffs/Petitioners

v.

WILLIAM VUE, et al.,

Defendants

J. SCOTT MILLER of Law Offices of J. Scott
Miller, PLLC,

Respondent

and

MICHAEL J. DELAY of Michael J. Delay, P.S.

Petitioner

PETITION FOR REVIEW

Joseph P. Delay, WSBA No. 2044
Delay, Curran et. al.
601 W. Main Ave., Suite 1212
Spokane, WA 99201
509.455.9500
Attorney for Petitioners

Patrick J. Kirby, WSBA No. 24097
Law Office of Patrick J. Kirby
421 W. Riverside Ave., Suite 802
Spokane, WA 99201
509.835.1200
Attorney for Petitioners



FILED

OCT 15 2015

COURT OF APPEALS
DIVISION III
STATE OF WASHINGTON
By _____

TABLE OF CONTENTS

TABLE OF CONTENTS i

I. IDENTITY OF PETITIONERS 1

II. CITATION TO COURT OF APPEALS’ DECISION 1

III. ISSUES PRESENTED FOR REVIEW 1

1. Does the payment and filing of a full satisfaction of judgment operate to extinguish the original claim resulting in the pending appeal by the judgment debtor becoming moot under RCW 4.56.100(1)?1

2. Is the judgment debtor who chooses not to protect himself by filing a supersedeas bond pursuant to RAP 8.1 entitled to the equitable relief of restitution under RAP 12.8 upon reversal of the judgment?2

3. Was the Aasebys’ entire appeal to the court of appeals frivolous?2

IV. STATEMENT OF THE CASE 2

V. ARGUMENT 6

A. THE PAYMENT AND ENTRY OF A FULL SATISFACTION OF JUDGMENT OPERATES TO EXTINGUISH THE ORIGINAL CLAIM AND THE APPEAL BY THE JUDGMENT DEBTOR BECOMES MOOT UNDER RCW 4.56.100(1).6

B. A COMPLETE DISCHARGE OF THE JUDGMENT UNDER RCW 4.56.100(1), WHILE ON APPEAL, FURTHERS THE PURPOSES OF BOTH RAP 7.2(c) AND 8.1.15

C. THE APPEAL BY AASEBYS AND DELAY IS SUPPORTED BY RATIONAL ARGUMENT AND IS NOT FRIVOLOUS IN ITS ENTIRETY.18

VI. CONCLUSION 20

APPENDIX 21

TABLE OF AUTHORITIES

Cases

<i>Aaseby v. Vue, ("Aaseby I")</i> 176 Wn. App. 1013, 2013, review denied, 179 Wn.2d 1012 (2014).....	2, 3, 4, 5, 19
<i>Aaseby v. Vue, ("Aaseby II")</i> 2015 Wash. App, LEXIS 2164.....see Appendix	1, 4, 5, 6, 8
<i>Am. Disc. Corp. v. Shepherd,</i> 160 Wn.2d 93 (2007).....	13
<i>Biggs v. Vail,</i> 119 Wn.2d 129 (1992).....	19
<i>Carey v. Haddock,</i> 877 N.E.2d 842 (Ind. App. 2007)	13
<i>Dairyland Ins. Co. v. Kriz,</i> 515 So.2d 350 (Fla. App. 1987).....	13
<i>Ehsani v. McCullough Family P'ship,</i> 160 Wn.2d 586 (2007).....	6, 12, 16, 19
<i>Gillispie v. Bd. Of Tenant Affairs,</i> 377 N.W.2d 864 (Mich. App. 1985).....	13
<i>In Re Estate of Bailey,</i> 56 Wn.2d 623 (1960).....	11
<i>In re Estates of Sims,</i> 39 Wn.2d 288 (1951).....	16
<i>In re Marriage of Mason,</i> 48 Wn. App. 688 (1987).....	6
<i>Johnson v. BMW of N. America,</i> 583 So. 2d 1333 (Ala. 1991).....	13
<i>Krueger v. Tippett,</i> 155 Wn. App. 216 (Div. III 2010)	13
<i>Lachner v. Myers,</i> 121 Wn. 172 (1922).....	7, 8, 9, 11, 12
<i>Lapworth v. Jones,</i> 182 N.E.2d 453 (Ind. App. 1962)	13, 17
<i>LaRue v. Harris,</i> 128 Wn. App. 460 (Div. 2, 2005)	14
<i>Maxham v. Berne,</i> 88 Wn. 158 (1915).....	7, 8, 9, 10

<i>Ryan v. Plath</i> , 18 Wn.2d 839 (1943)	15, 16
<i>Ryan v. Plath</i> , 20 Wn.2d 663 (1944)	10, 11
<i>Turtle Mountain Lodge, Inc., v. Roland Twp.</i> , 651 N.W.2d 625 (N.D. 2002)	13
<i>Wiest v. Wiegele</i> , 868 N.E.2d 1040 (Ohio App. 2006).....	17

Statutes

RCW 4.56.100	5, 9
RCW 4.56.100(1).....	1, 4, 5, 6, 8, 9, 10, 11, 12, 14, 15, 18
RCW 4.84.185	1

Other Authorities

47 Am. Jur. 2d Judgments § 1006, at 443 (1995).....	18
Black’s Law Dictionary at 1460 (9 th ed. 2009).....	18
Rem. Rev. Stat. §454. <i>Id.</i> , at 667	10
Rem. Rev. Stat., § 1722 [P.C. § 7296].....	16

Rules

CR 11	4
CR 11(a).....	2, 19
CR 26(g)	2
CR 58(h)	4, 5, 8
RAP 1.1(g).....	4, 5, 8
RAP 8.3.....	8, 9, 17
RAP 12.8.....	2, 4, 6, 12, 19
RAP 13.4(b)(1)	20
RAP 13.4(b)(4)	20
RAP 18.1.....	1, 9, 15, 18
RAP 18.9(a)	1
RAP 18.22(b).....	4, 5, 8
RAP 2.5 (b)(1)	8
RAP 3.1.....	1
RAP 7.2(c)	8, 9, 15, 17, 18
RAP 8.1.....	2, 3, 4, 5, 8, 16, 17

I. IDENTITY OF PETITIONERS

Petitioners are Plaintiffs James and Judy Aaseby, husband and wife (hereafter “Aasebys”), and their attorney Michael J. Delay (“Delay”) in the Superior Court proceedings. Delay is an “aggrieved party” under RAP 3.1 because the court of appeals’ decision below (*Aaseby II*) has affected Delay’s pecuniary interests by affirming the superior court’s judgment requiring Delay to pay interest on funds Delay never possessed and which were voluntarily deposited into the superior court registry by former defense counsel J. Scott Miller (“Miller”) in full satisfaction of a judgment against Miller. Delay is further an aggrieved party under RAP 3.1 because the *Aaseby II* decision ordered Delay to pay Miller reasonable attorney fees pursuant to RCW 4.84.185, RAP 18.1 and 18.9(a) for responding to this appeal filed by the Aasebys and Delay (*Aaseby II*).

II. CITATION TO COURT OF APPEALS’ DECISION

Petitioners Aasebys and Delay seek review of the court of appeals’ unpublished opinion filed September 3, 2015, (‘the Decision’) in the Court of Appeals, Case No. 32471-1-III, Appendix, A-2 (“*Aaseby IP*”).

III. ISSUES PRESENTED FOR REVIEW

1. Does the payment and filing of a full satisfaction of judgment operate to extinguish the original claim resulting in the pending appeal by the judgment debtor becoming moot under RCW 4.56.100(1)?

2. Is the judgment debtor who chooses not to protect himself by filing a supersedeas bond pursuant to RAP 8.1 entitled to the equitable relief of restitution under RAP 12.8 upon reversal of the judgment?

3. Was the Aasebys' entire appeal to the court of appeals frivolous?

IV. STATEMENT OF THE CASE

On November 22, 2011, this dispute culminated in an Amended Judgment ('judgment') entered by the superior court against defense counsel Miller in the amount of \$22,300 for violations of CR 11(a) and 26(g). CP 54; CP1-936. ("CP1- __" refers to the clerk's papers from *Aaseby I.*) The court of appeals affirmed Miller's violation of CR 11(a) and reduced the amount of the monetary sanctions to zero (*Aaseby I.*) 2013 WL 4773896 *18.

After Miller filed his appeal in *Aaseby I.*, (CP1-939) Miller voluntarily paid the full amount of the judgment, plus interest, in to the superior court registry and entered a "Notice of Payment of Judgment (In Full)," which stated:

NOTICE OF PAYMENT OF JUDGMENT (IN FULL)

Comes Now J. Scott Miller and Miller, Devlin & McLean, P.S. (dissolved) and hereby notify the court that the Amended Judgment entered in this matter November 22, 2011 (Dkt. No. 320) has this date been paid in full, with interest, ...

Dated this 3rd day of April 2012.

*/s/
J. Scott Miller, WSBA 14620*

CP 58; CP 1-2346 (emphasis of underline, only, added).

Miller further voluntarily entered with the court a “Satisfaction of Amended Judgment,” which stated:

SATISFACTION OF AMENDED JUDGMENT

(CLERK’S ACTION REQUIRED)

An Amended Judgment was entered in this matter against J. Scott Miller, individually, and the former [dissolved] law firm of Miller, Devlin, McLean & Weaver, P.S. on November 22, 2011 (copy attached).

...

The Court having received a cashier check payable to the Clerk of the Spokane County Superior Court in the amount of \$23,267.75 the Amended Judgment shall be and hereby deemed to be satisfied in full.

CP 140; CP1-2342; and A-19 (bold and underline in original).

Miller voluntarily entered his Notice (CP 58) and Satisfaction (CP 140) in superior court during his appeal (*Aaseby I*) and not at the request of the judgment creditors, the Aasebys or Delay. The Aasebys and Delay, as the judgment creditors, did not request an order of disbursement of the funds deposited by Miller in the superior court registry. Miller made no effort to obtain or post a supersedeas bond or cash supersedeas, pursuant to RAP 8.1, during his appeal (*Aaseby I*). Inexplicably, Miller sought CR 11 sanctions against Delay and the Aasebys, when as judgment creditors they requested the superior court to order Miller to protect all parties by filing a supersedeas bond or cash. CP 89 (n. 2); CP1-2316 to -2326. Aasebys’ motion under RAP 8.1 was denied by the superior court, CP1-2340, *Aaseby I*.

On remand (after *Aaseby I*), the superior court entered an order vacating the fully satisfied and discharged judgment, CP 82.¹ On remand, Miller moved the superior court for an order of restitution of the \$23,267.75, with interest of \$5,269.29 added, and to be paid by the judgment creditors, pursuant to RAP 12.8, CP 26-30. Delay did not receive the funds, nor did he request an order of disbursement of funds voluntarily deposited by Miller in the superior court registry. The superior court granted Miller's motion for restitution under RAP 12.8, stating, on remand:

So I find that RAP 12.8 does form authority for the trial court now to vacate the initial judgment [Amended Judgment], regardless of the fact that it's been *satisfied*, it's been *extinguished*, it's been *discharged*; ...

RP 42, lines 3-8 (emphasis added).

The superior court cited no authority other than RAP 12.8 to support vacating a judgment fully satisfied and discharged under RCW 4.56.100(1). The superior court's order on remand and the court of appeals' Decision (*Aaseby II*), the subject of this Petition, completely ignored RAP 18.22(b) and 1.1(g). CR 58(h) and RCW 4.56.100(1) are not among the civil rules and statutes listed in RAP 18.22(b) and 1.1(g) as superseded by the rules of appellate procedure. Hence, CR 58(h) and RCW 4.56.100(1) govern and control with respect to the legal effect of satisfaction of judgments.

¹ Since RCW 4.56.100(1) was enacted, vacation of a discharged judgment has never before been allowed in any reported case, absent fraud.

On remand, after *Aaseby I*, the superior court vacated the judgment Miller voluntarily discharged and entered a new judgment in favor of Miller against the Aasebys and Delay for interest in the amount \$5,269.29 on the funds which Miller voluntarily deposited in the superior court registry. CP 79-82. There is nothing in the record showing that the Aasebys and Delay withdrew the funds Miller deposited into the superior court registry. Aasebys and Delay timely appealed the superior court's Order and Judgment on Remand. CP 190. The court of appeals affirmed and found the Aasebys' appeal frivolous, in its entirety, *Aaseby II*. Decision at 16. See also A-17.

The result of the Decision in *Aaseby II* is that the Satisfaction of Judgments' statute, RCW 4.56.100(1), and the supersedeas procedure in RAP 8.1 serve no purpose and the Decision renders them superfluous. Accordingly, attorneys and parties to a judgment in this state, unlike other states, will no longer have certainty and finality after a full satisfaction of judgment is voluntarily entered by the judgment debtor and the judgment is discharged pursuant to RCW 4.56.100(1)². The Decision has changed the statute's legal effect, never before allowed in our state or other states with similar legislation or rules.

In sum, the present case does not present "appropriate circumstances" for an award of post-appeal restitution under RAP 12.8.

² Satisfaction of Judgments is a creature of statute. CR 58(h) (citing RCW 4.56.100).

V. ARGUMENT

A. THE PAYMENT AND ENTRY OF A FULL SATISFACTION OF JUDGMENT OPERATES TO EXTINGUISH THE ORIGINAL CLAIM AND THE APPEAL BY THE JUDGMENT DEBTOR BECOMES MOOT UNDER RCW 4.56.100(1).

“[T]he plain language of RAP 12.8 confirms that its restitution remedy is discretionary, not a matter of right. Restitution is to be provided by the trial court “in appropriate circumstances;” it is not automatic upon the modification of a judgment by an appellate court. *See* RAP 12.8. Thus, the court of appeals erred in concluding that, under [In re Marriage of *Mason*, 48 Wn. App. 688 (1987)] *Ehsani* [the judgment debtor] should automatically receive restitution in the present case.” *Ehsani v. McCullough Family P’ship*, 160 Wn.2d 586, 597 (2007). The court of appeals’ decision (*Aaseby II*) completely ignores this interpretation of RAP 12.8 by the Supreme Court of Washington.

“Thus, the historical background of RAP 12.8 indicates that the purpose of the ‘in appropriate circumstances, provide restitution’ language is to encourage both practitioners and courts to look to the common law of restitution in applying or construing RAP 12.8.” *Id.* at 591. “This is the general rule of restitution applicable in cases involving RAP 12.8. However, like any general rule, this one has a number of exceptions.” *Id.* at 592.

Washington law has long recognized the legal effect of a payment of a judgment by the judgment debtor will extinguish it. In *Lachner v. Myers*, 121 Wn. 172, 174 (1922), the Court upheld the general rule:

[P]ayment of a judgment by one primarily liable will **extinguish** it, and this seems to be the general rule, if the judgment debtor and judgment creditor are the only parties to the transaction.

Id., at 174 (emphasis added).

[T]he payment of a judgment by one primarily liable to pay the same is an **absolute** satisfaction, and the assignment of the judgment to him, or to another for him, **will not prevent its extinction**....

The judgment debtor will not be allowed to keep a judgment alive solely for his own benefit...

Id. at 175 (emphasis added).

In *Maxham v. Berne*, 88 Wn. 158, 159 (1915), a judgment debtor satisfied, of record, a judgment by payment into the court during the judgment creditor's pending appeal. The judgment debtor, *Maxham*, made payment in full of the judgment and a satisfaction of record acknowledged payment into the superior court. *Id.*, at 159. A satisfaction of record had the legal effect of an extinguishment of the judgment while on appeal. *Id.* The satisfaction funds held in the court registry were withdrawn and received by *Berne*, the judgment creditor—appellant. *Id.* “The judgment appealed from was **satisfied. The controversy ceased.** The questions presented on appeal are not but **moot** questions. Following the uniform and well settled practice in this state, the [judgment creditor's] appeal **must** be dismissed.” *Id.* at 160 (citation omitted) (emphasis added).

The Decision conflicts with *Lachner*, which held that the legal effect of a satisfaction of a judgment by the judgment **debtor** (or “by one primarily liable”) was “**absolute satisfaction**” and the payment **extinguished** it. The Decision conflicts with *Maxham* which held that “the controversy ceased” is the legal effect of the fully satisfied judgment while the judgment was on appeal.³

Lachner and Maxham provided the historical background confirming the common law that a voluntary payment and full satisfaction of record by a judgment debtor is absolute, an ‘extinguishment’ of the judgment. This is **regardless of an appeal and/or the creditor’s acceptance or receipt of the payment**. The court of appeals completely ignored the common law rule that the extinguishment of judgments by satisfaction of record ceases the controversy. “Satisfaction and discharge should not be held against a debtor.” Decision at 9.

The court of appeals, in *Aaseby II*, blurs the distinction between the legal effect of satisfaction of the judgment and staying the enforcement of a judgment, under RAP 7.2(c). Decision at 9. The enforcement of a judgment was not an issue in this case because the Aasebys and Delay never initiated execution proceedings on the judgment against Miller. However, RAP 8.1 and 8.3 provide the necessary and appropriate means

³ The acceptance of benefits doctrine, RAP 2.5 (b)(1), should not be confused with the reverse situation in which a judgment debtor pays the judgment, thereby satisfying the judgment. If a debtor chooses to do so but also appeals, the legal effect of a voluntary satisfaction of a judgment is *not* addressed in the Rules of Appellate Procedure. It is addressed in RCW 4.56.100(1). *See*, RAP 18.22 (b) and RAP 1.1 (g), the Rules of Appellate Procedure defer to and do not supersede RCW 4.56.100(1) and CR 58(h).

for a judgment debtor to stay enforcement of a judgment. RAP 7.2(c). Miller never availed himself to the relief under RAP 8.1 and 8.3, staying enforcement of the judgment while he appealed the superior court's sanctions judgment entered against him. Satisfaction and discharge forever extinguishes a judgment. Miller chose to extinguish the judgment, on appeal. CP 58, and 140. See also A-19.

The extinguishment of judgment rule was codified in "Satisfaction of judgments for the payment of money," RCW 4.56.100, enacted in 1893, re-codified in 1929, after this Court's decisions in *Maxham* in 1915 and *Lachner* in 1922. It states:

Satisfaction of judgments for payment of money

- (1) When any judgment for the payment of money shall have been paid or satisfied, **the clerk of the court in which such judgment was rendered** shall note upon the record in the execution docket satisfaction thereof giving the date ... Every satisfaction of judgment and every partial satisfaction of judgment which provides for the payment of money shall clearly designate the judgment creditor and his or her attorney, if any, the judgment debtor, the amount or type of satisfaction, whether the satisfaction is **full or partial**, ... **When so satisfied by the clerk**, or the filing of such certificate, the lien of **such judgment shall be discharged**.

RCW 4.56.100 (emphasis added).

In this case, the clerk's entry on the judgment docket shows that the judgment was fully satisfied, "SAT DATE 04 03 2012 FULLY SATISFIED." CP 52, and 146. The judgment entered against Miller was voluntarily discharged on April 3, 2012, pursuant to RCW 4.56.100(1). The court of appeals correctly held, "Once the Clerk finds that the

judgment is satisfied, it must be discharged.” Decision at 9. A “discharge” is defined as: “Any method by which a legal duty is **extinguished**; esp., the payment of a debt or satisfaction of some other obligation.” Black’s Law Dictionary at 530 (9th ed. 2009) (emphasis added).

In *Ryan v. Plath*, 20 Wn.2d 663, 666 (1944) (“*Ryan II*”), the judgment debtor deposited in the court the sum of the judgment, interest and costs, and then notified appellant of such deposit. “It is admitted, however, that the appellant [judgment creditor] never asked for or received the amount paid in to satisfy the judgment.” *Id.* The judgment debtor moved the Supreme Court to dismiss the judgment creditor’s appeal as moot based upon the contention that the judgment was discharged when the judgment debtor paid into the registry the sufficient sum to satisfy the judgment and the clerk of the court entered on the execution docket that the judgment was satisfied, in accordance with Rem. Rev. Stat. §454. *Id.*, at 667 [RCW 4.56.100(1)] The *Ryan II* Court held that the judgment was not satisfied at the request of the judgment creditor, as was true in *Maxham*, therefore the debtor’s payment did discharge the judgment but did not affect the judgment creditor’s pending appeal of the judgment. *Id.*, at 667.

Here, as in *Ryan II*, the money deposited into court was **not** withdrawn or received by the judgment creditors, the Aasebys (cross-appellants) and Delay. The *Ryan II* Court recognized the authority granted under RCW 4.56.100(1) for a clerk of the superior court to forever

discharge a judgment, even if on appeal and not disbursed to the judgment creditor. A creditor's pending appeal is preserved if the judgment creditor does not receive the money deposited in to the court. *Id.*

However, in this case, Miller as the judgment debtor not only deposited in the court registry the sufficient sum to satisfy the judgment, he also voluntarily entered with the court a full satisfaction of judgment. CP 140. Miller's own actions of depositing the judgment sum into the court's registry and entering a full satisfaction of judgment gives the result which he intended: to discharge the judgment and cease the controversy. "[T]he law gives to the acts of people the result which they intend, unless there is some legal reason forbidding it." *Lachner, id.*, at 174.

The voluntary payment by the judgment debtor into the office of the clerk, accompanied by the judgment debtor's authorization, direction, or request of the clerk to satisfy the judgment, on the docket, has the legal effect of discharging the judgment forever.

While it appears from the above italicized portion of the statute [RCW 4.56.100(1)] that a money judgment may be satisfied by payment into the office of the clerk of the court, we are of the opinion that, in order for such payment to have this effect, **it must be accompanied by a legally effective authorization, or direction, or a request by the judgment debtor** that the clerk apply the payment to the judgment in question.

In Re Estate of Bailey, 56 Wn.2d 623, 629 (1960) (emphasis added).

Here, Miller's Notice (CP 58) and Satisfaction (CP 141; A-20) directed the clerk of the court to apply payment on the judgment. Miller,

on his own volition, entered and filed in the superior court “Instructions to Clerk,” Instruction number 2, stated:

2. Make all necessary and appropriate entries to indicate the Amended Judgment has been fully satisfied.

CP 141. See also A-20.

The clerk made entry on the docket April 3, 2012, “FULLY SATISFIED.” CP 52, and 146. This entry satisfied the judgment debtor’s instruction to the clerk, CP 141, A-20. Moreover, Miller voluntarily did not condition his “Notice of Payment of Judgment (In Full)” on prevailing upon appeal. CP 58. Yet, the court of appeals incorrectly held, “Satisfaction and discharge should not be held against a debtor.” Decision at 9. The court of appeals cites no authority, whatsoever, to support their holding. It is clearly erroneous under RCW 4.56.100(1) and directly in conflict with the decision of this Court in *Lachner*, “The judgment debtor will not be allowed to keep a judgment alive solely for his own benefit.” 121 Wn. at 175.

The court of appeals holding also conflicts with this Court’s holding in *Ehsani*, “[T]he Court of Appeals errs in suggesting that under RAP 12.8 reversal of a trial court judgment entitles judgment debtors to restitution of attorney fees as a matter of right.... This assertion is fundamentally at odds with the equitable nature of the restitution remedy.” 160 Wn.2d at 596. See, also *Krueger v. Tippett*, 155 Wn. App. 216, 225 (Div. III 2010) (“Our courts have consistently recognized that a judgment lien, once expired, cannot be revived,”); *Am. Disc. Corp. v. Shepherd*, 160

Wn.2d 93, 100 (2007) (after judgment expires it shall cease).

Moreover, this holding by the court of appeals conflicts with the common law of other states. See *Lapworth v. Jones*, 182 N.E.2d 453, 455 (Ind. App. 1962) (“[T]he payment and satisfaction of a judgment serves to extinguish it and to put an end to its validity for all intent and purposes, and likewise serves to extinguish the original claim or debt.”); *Carey v. Haddock*, 877 N.E.2d 842, 844 (Ind. App. 2007) (“[s]atisfaction of a judgment is generally the last act and end of a proceeding....Payment and satisfaction of a judgment operate to extinguish it and to put an end to its validity for all purposes whatsoever.”); *Johnson v. BMW of N. America*, 583 So. 2d 1333 (Ala. 1991) (because the language in the satisfaction of judgment was unqualified and unequivocal, any right by the plaintiff to seek attorneys’ fees was waived); *Gillispie v. Bd. Of Tenant Affairs*, 377 N.W.2d 864 (Mich. App. 1985) (refusal to set aside satisfaction of judgment will not result in substantial injustice because it accurately represented the parties’ intention despite the so-called mistake by plaintiff’s attorney in computing interest); *Turtle Mountain Lodge, Inc., v. Roland Twp.*, 651 N.W.2d 625, 630 (N.D. 2002) (“A judgment that has been paid and satisfied of record cease to have any existence.”); *Dairyland Ins. Co. v. Kriz*, 515 So.2d 350 (Fla. App. 1987) (by filing valid satisfaction of judgment upon payment of the judgment pending appeal appellant effectively brought the dispute to an end and waived refund of the attorneys’ fees award which was reversed on appeal).

The Decision at 8 cited *LaRue v. Harris*, 128 Wn. App. 460, 464 (Div. 2, 2005), for authority that Miller’s absolute satisfaction and discharge under RCW 4.56.100(1) is not final and is not an extinguishment of the judgment. Just as Miller, the judgment debtor in *LaRue* paid the judgment in full while the debtor’s appeal was pending. *Id.*, at 463. However, *LaRue* is distinguished from this case in three significant ways. First, the *LaRue* judgment debtor did not voluntarily enter a full satisfaction of judgment requiring the clerk’s action. *Id.* Whereas, Miller, on his own volition, entered of record a full satisfaction of judgment that specifically stated, “**Clerk’s Action Required.**” CP 140 (emphasis in original). See also A-19. Second, the *LaRue* judgment debtor did not provide and enter into the record “Instructions to the Clerk” that instructed the clerk to make entry in the judgment docket that the judgment has been paid and fully satisfied. *Id.* Whereas, in this case, Miller entered in superior court “Instructions to Clerk.” CP 141. See also A-20. Third, the clerk in *LaRue* made absolutely no entry on the docket. *Id.* At Miller’s request (instruction #2), the clerk did make entry on the docket that the judgment entered was paid and fully satisfied. CP 52. *LaRue* simply has no application, whatsoever, because the judgment debtor’s payment was not a full and absolute satisfaction and discharge of the judgment by the clerk under RCW 4.56.100(1). Here, the court of appeals’ Decision affirmed the superior court’s order to “reverse the discharge of the judgment.” Decision at 11.

The net legal effect of the court of appeals' Decision is that a judgment paid in full and discharged by entry in the clerk's judgment docket is no longer "final," but instead remains alive as for the benefit of the debtor to seek restitution from the judgment creditor as a matter of right. This erroneous holding not only flies in the face of Washington law, but it also significantly affects the public interest in the finality of the voluntary discharge of judgments under RCW 4.56.100(1).

B. A COMPLETE DISCHARGE OF THE JUDGMENT UNDER RCW 4.56.100(1), WHILE ON APPEAL, FURTHERS THE PURPOSES OF BOTH RAP 7.2(c) AND 8.1.

Miller's "*right*" to an appeal was not ever at issue or contested. The court of appeals relied upon *Ryan v. Plath*, 18 Wn.2d 839, 856 (1943) (*Ryan I*), for the proposition that a failure to supersede a judgment does not waive the right to obtain review of a judgment. Decision at 13. The court of appeals misconstrued *Ryan I* and the issue in the appeal brought by the Aasebys and Delay. The Aasebys and Delay did not contend that Miller lost his right to appeal by failing to supersede the judgment; rather they contend that Miller rendered his appeal moot by choosing not to supersede (when requested to do so by the Aasebys and Delay) and choosing to enter into the record a full satisfaction and discharge the judgment while on appeal.

In our opinion the respondents have mistaken the effect of a supersedeas bond and of the failure to give one as prescribed by the trial court. The purpose of a supersedeas bond is to stay further proceedings in the superior court (Rem. Rev. Stat., § 1722 [P.C. § 7296]), and the failure to

give such bond simply permits the enforcement of the judgment or decree by execution, attachment, garnishment, contempt proceedings, or some other appropriate form of process. Failure to supersede a judgment or decree, however, in no way affects the right of the appealing party to obtain review of the proceedings which led to such judgment or decree.

Id., at 855-56 (citations omitted).

Miller was not obligated to supersede to maintain his right to seek review; but if Miller had superseded the judgment, pursuant to RAP 8.1, the “fruits” of his appeal would have been preserved if he prevailed on appeal. The case law cited by the court of appeals supports this proposition, which was a central issue in the appeal by the Aasebys and Delay: “An appellant is under no obligation to supersede a judgment or a decree appealed from. It is a right and a privilege granted, in certain cases under certain conditions, to preserve the fruits of his appeal if he prevails, but it is not something he is obligated to do.” *In re Estates of Sims*, 39 Wn.2d 288, 297 (1951). See also Decision at 14. See also *Ehsani*, wherein this Court denied the judgment debtor’s motion for restitution, under RAP 12.8 and held:

[T]o agree with the Court of Appeals would render the bond mechanism of RAP 8.1 superfluous. If Ehsani were to prevail, future judgment debtors may conclude that filing a supersedeas bond is unnecessary because they can always **recover through restitution from their opponent’s counsel, at least whenever the judgment was paid through counsel.** Such a result would strip RAP 8.1 of its essential purpose, as well as prevent judgment creditors from acting on valid judgments in accordance with RAP

7.2(c).⁴ In sum, reversing the Court of Appeals decision **furtheres the underlying purposes of both RAP 7.2(c) and RAP 8.1.**

160 Wn.2d at 601(emphasis added).

This principle of maintaining the integrity of ‘preservation’ and ‘discharge’ of a judgment is fundamental to our rules of appellate procedure and our statute on discharge of judgments. The integrity of preservation and discharge of judgments was destroyed by the court of appeals’ Decision. Washington state law is consistent with the law in other states.

Because the [judgment debtors] did not seek a stay order and did not post a supersedeas bond, Wiest was able to obtain satisfaction of the judgment. We dismissed the appeal because the issue had become moot-the case was over. **No further proceedings, including moving to vacate a judgment already satisfied, were possible.**

Wiest v. Wiegele, 868 N.E.2d 1040, 1043 (Ohio App. 2006)
(emphasis added).

In *Lapworth*, one of the judgment debtors paid in full the judgment, during their appeal. *Id.* Satisfaction was by payment into the clerk of the court during the judgment debtors’ appeal of the judgment. *Id.* The judgment debtor’s payment, in full of the judgment after the appeal of the same, rendered the debtors’ appeal moot, “This appeal now becoming moot as to all defendants, we affirm the judgment of the trial court.” 182 N.E. 2d at 456.

⁴ RAP 7.2(c) provides in part: “Any person may take action premised on the validity of a trial court judgment or decision until enforcement of the judgment or decision is stayed as provided in rules [RAP] 8.1 or 8.3.”

The court of appeals' Decision does not honor a voluntary satisfaction and discharge of a judgment, thus, the Decision renders our supersedeas procedures in RAP 7.2(c) and 8.1, meaningless. As a result, there is no need to supersede a judgment or obtain a stay if a debtor merely decides to bring back to life an extinguished and discharged judgment. "A debtor who satisfies the judgment⁵ does not lose the right to seek return of the judgment." Decision at 10. A judgment creditor shall have the same option to bring back to life a fully satisfied and discharged judgment to seek more money from a judgment debtor under the Decision's logic. There is no protection for attorneys and/or the parties who disburse funds of an un-superseded judgment that is fully satisfied and discharged under RCW 4.56.100(1), pursuant to the client's instruction.

C. THE APPEAL BY AASEBYS AND DELAY IS SUPPORTED BY RATIONAL ARGUMENT AND IS NOT FRIVOLOUS IN ITS ENTIRETY.

Here, the Aasebys and Delay filed their appeal out of concern that they were ordered by the trial court to pay interest to Miller on funds Miller deposited into the superior court registry, which deposit they never withdrew, despite the fact that Miller entered of record a full satisfaction of judgment and instructions to the clerk directing the clerk to enter a full satisfaction of the judgment in the docket to discharge the judgment. As set forth above, Miller's own actions, as an attorney-debtor, do not give

⁵ Black's Law Dictionary at 1460 (9th ed. 2009), defines '*Satisfaction of Judgment*': "The **complete** discharge of obligations under a judgment... And operates as an **extinguishment** of the judgment debt." 47 Am. Jur. 2d Judgments § 1006, at 443 (1995) (emphasis added.)

rise to the necessary “appropriate circumstance” under RAP 12.8 to afford Miller the equitable remedy of restitution. “The lawsuit, as a whole, that is in its entirety, must be determined to be frivolous and to have been advanced without reasonable cause before an award of attorneys’ fees may be made under the statute.” *Biggs v. Vail*, 119 Wn.2d 129, 137 (1992).

The court of appeals’ Decision sets a new standard for a “frivolous” appeal which will have a chilling effect on members of the bar.

In sum, “Restitution under RAP 12.8 is an equitable remedy and trial courts have broad discretionary power to fashion equitable remedies.” *Ehsani*, 160 Wn.2d at 589 (internal quotations omitted). It is an abuse of discretion and not an equitable remedy to require the Aasbeys and Delay to pay Miller’s attorneys’ fees under RAP 18.9(a), given that the court of appeals in *Aasbey I* affirmed the trial court’s decision that Miller’s misconduct violated CR 11(a)—which was the genesis of this entire dispute.

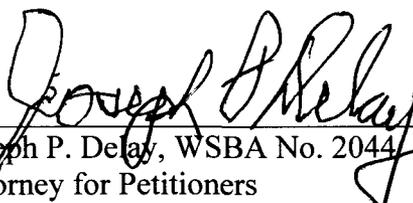
VI. CONCLUSION

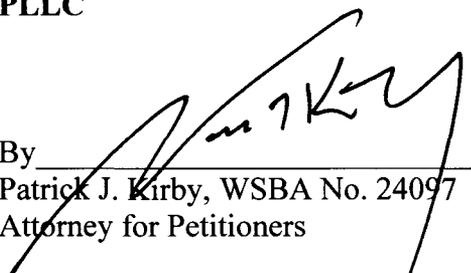
This Court's review is warranted under RAP 13.4(b)(1) and (4) because the Decision conflicts with several prior decisions of the Supreme Court, and involves issues of substantial public interest that should be determined by the Supreme Court.

Respectfully submitted this 5th day of October 2015.

Delay, Curran, et. al.

**Patrick J. Kirby Law Office,
PLLC**

By 
Joseph P. Delay, WSBA No. 2044
Attorney for Petitioners

By 
Patrick J. Kirby, WSBA No. 24097
Attorney for Petitioners

APPENDIX

- A-1 to A-18: Court of Appeals' unpublished decision filed September 3, 2015, in the Washington State Court of Appeals, Cause No. 32471-1-III
- A-19: Satisfaction of Amended Judgment (Clerk's Action Required), CP 140
- A-20: Instructions to Clerk, CP 141

CERTIFICATE OF SERVICE

I hereby certify that on this 2nd day of October 2015, a true and correct copy of the foregoing Petition For Review, filed October 2, 2015, was hand-delivered to J. Scott Miller at the following address:

J. Scott Miller
Law Office of J. Scott Miller, PLLC
201 W. North River Dr., Suite 305
Spokane, WA 99201



Danielle Wilson
Paralegal
Law Office of Patrick J. Kirby
421 W. Riverside Ave., Suite 802
Spokane, WA 99201
509.835.1200

APPENDIX

- A-2 to A-18: Court of Appeals' unpublished decision filed September 3, 2015, in the Washington State Court of Appeals, Cause No. 32471-1-III
- A-19: Satisfaction of Amended Judgment (Clerk's Action Required), CP 140; CP1-2342
- A-20: Instructions to Clerk, CP 141; CP1-2343

FILED
SEPTEMBER 3, 2015
In the Office of the Clerk of Court
WA State Court of Appeals, Division III

IN THE COURT OF APPEALS OF THE STATE OF WASHINGTON
DIVISION THREE

JAMES W. and JUDY D. AASEBY,)	No. 32471-1-III
husband and wife,)	
)	
Appellants,)	
)	
v.)	UNPUBLISHED OPINION
)	
WILLIAM VUE, a single person; and)	
VILAY and AGNES VUE, husband and)	
wife,)	
)	
Defendants,)	
)	
J. SCOTT MILLER,)	
)	
Respondent.)	

LAWRENCE-BERREY, J. — In August 2013, this court in *Aaseby I* reversed a trial court’s order of sanctions against J. Scott Miller. *Aaseby v. Vue*, noted at 176 Wn. App. 1013, 2013 WL 4773896, *review denied*, 179 Wn.2d 1012 (2014) (*Aaseby I*). On remand, the trial court vacated the judgment and ordered return of the funds that Mr. Miller paid to satisfy the judgment, together with statutory interest. The Aasebys appeal, contending that the trial court had no authority to return the judgment funds to Mr. Miller. They

argue that once Mr. Miller satisfied the judgment in full under RCW 4.56.100, the judgment was discharged and Mr. Miller was precluded from recovery. Additionally, they argue that RCW 4.56.100 overrides a trial court's authority under RAP 12.8 to restore payment on a judgment that was subsequently reversed. The Aasebys maintain that they are entitled to the judgment funds. We disagree and affirm.

FACTS

A brief recitation of the facts from *Aaseby I* is provided for context. In 2000, William Vue and James Aaseby were involved in a car accident. *Aaseby I*, 2013 WL 4773896 at *1. The Aasebys initiated a personal injury action against Mr. Vue. *Id.* Attorney Miller was retained by Allstate Insurance Company to represent Mr. Vue. *Id.* After the case was settled for the policy limits in 2004, the Aasebys identified a Farmers Insurance policy that was not provided during discovery and found factual discrepancies in Mr. Vue's interrogatory answers. *Id.* The Aasebys moved for sanctions against Mr. Miller under CR 11(a) and CR 26(g). *Id.* Extensive and protracted litigation ensued. *Id.* In 2011, the Spokane County Superior Court sanctioned Mr. Miller in the amount of \$22,300 for failing to exercise diligence in answering the complaint and discovery request. *Id.*

Mr. Miller appealed, and this court reversed the sanctions. *Id.* This court held that Mr. Miller conducted a reasonable inquiry under the circumstances before certifying the discovery request, considering Mr. Miller was not told about the policy even though Mr. Vue, Allstate, and the Aasebys all had knowledge of the policy at the time of the discovery request. *Id.* at *7. Additionally, this court held that sanctions were not warranted for Mr. Miller's failure to correct a caption error because it made no difference to the litigation. *Id.* at *8.

Also, this court denied the Aasebys' cross motion for additional sanctions against Mr. Miller. *Id.* at *9. The Aasebys argued that Mr. Miller misrepresented the law when he objected to the Aasebys' demand that he post a supersedeas bond. *Id.* The trial court deferred judgment on this issue to be resolved on appeal. *Id.* This court held that Mr. Miller provided a valid argument that casted doubt on whether the Aasebys could compel him to file a supersedeas bond. *Id.*

Last, this court denied awarding attorney fees to either party on appeal. *Id.* at *10. While this court found the Aasebys' incessant request for sanctions to be troublesome, we found the initial request for sanctions at trial was not frivolous and formed a reasonable basis for appeal. *Id.*

In summarizing our holding in *Aaseby I*, this court stated, “We reverse the trial court’s imposition of sanctions against Mr. Miller. We deny both parties’ request for attorney fees on appeal. Finally, we remand to the trial court for denial of the Aasebys’ . . . cross motion for sanctions.” *Id.*

The trial court’s actions on remand are the subject of the Aasebys’ current appeal. The trial court first addressed this court’s instruction that sanctions were not warranted on the Aasebys’ cross motion. The trial court determined, “I am satisfied that that determination would render any other decision by your trial court useless and, therefore, I am denying the motion for sanctions on the failure to file supersedeas.” Report of Proceedings (RP) at 3. The trial court then noted that it had made all of the necessary rulings to move forward and could move forward in closing the matter.

Mr. Miller requested return of the funds he paid to the clerk of court to satisfy the sanctions judgment, citing RAP 12.8. The judgment payment was still in the clerk of court’s account. The Aasebys’ attorney, Mike Delay, contended that Mr. Miller was not entitled to return of the judgment funds and that the trial court should order the clerk to pay the funds to the Aasebys. He argued that Mr. Miller discharged the judgment and failed to preserve the right to appeal by voluntarily paying the judgment in full. Mr. Delay also contended that because the appellate court’s decision in *Aaseby I* did not

expressly vacate the discharge of the money judgment, Mr. Miller was not entitled to restitution of the judgment. Mr. Delay maintained that if Mr. Miller wanted return of the funds, he should have superseded the judgment, partially satisfied the judgment, or conditioned the payment on the outcome of the appeal.

Applying RAP 12.8, the trial court held that voluntary satisfaction of a judgment did not waive the right to appeal the judgment. Furthermore, the court found that the appellate court's ruling made the underlying debt void and no longer enforceable, regardless of whether it was satisfied. The court determined that the appropriate process was to vacate the judgment and restore the property to Mr. Miller. Correspondingly, the court vacated the judgment and ordered the clerk to return the judgment funds to Mr. Miller. The court also ordered Mr. Delay as the judgment creditor to pay Mr. Miller statutory interest in the amount of \$5,269.29. The Aasebys filed a motion for reconsideration, which the court denied.

The Aasebys appeal. They contend that the trial court erred in returning the judgment funds to Mr. Miller because Mr. Miller voluntarily satisfied the judgment and it therefore was discharged under RCW 4.56.100. The Aasebys argue that neither RAP 12.8 nor the appellate decision in *Aaseby I* gave the trial court the authority to return

No. 32471-1-III
Aaseby v. Vue

the funds. They also argue that Mr. Miller lost his right to appeal and recover the judgment when he chose not to file a supersedeas bond under RAP 8.1.

ANALYSIS

Whether the trial court erred in vacating the judgment and ordering the judgment funds returned to Mr. Miller

We review a trial court's determination of restitution under RAP 12.8 for an abuse of discretion. *Ehsani v. McCullough Family P'ship*, 160 Wn.2d 586, 589, 159 P.3d 407 (2007). Questions of statutory construction are reviewed de novo. *State v. Fisher*, 139 Wn. App. 578, 583, 161 P.3d 1054 (2007). When unambiguous, "[t]he plain meaning of the words of the statute determines its construction." *Id.* at 582-83.

Aaseby I Decision. The Aasebys contend that the appellate court decision in *Aaseby I* did not direct the trial court to order return of the funds. Citing to language from the opinion, the Aasebys contend that remand was "solely" for the trial court to deny the cross motion for judgment. *Aaseby I*, 2013 WL 4773896 at *1.

The Aasebys' very limited reading of this court's opinion in *Aaseby I* is incorrect. The Aasebys selectively pick a portion of this court's disposition and ignore the rest. This court decided in *Aaseby I*, "We reverse the sanctions imposed on Mr. Miller, affirm the trial court's dismissal of Mr. Miller's law firm, deny attorney fees on appeal, and remand solely for the trial court to deny the Aasebys' cross motion for sanctions." *Id.*

This decision is reiterated again at the end of the 24-page opinion with the order, “We reverse the trial court’s imposition of sanctions against Mr. Miller. We deny both parties’ request for attorney fees on appeal. Finally, we remand to the trial court for denial of the Aasebys’ April 2012 cross motion for sanctions.” *Id.* at *10. The Aasebys’ contention that the trial court was not ordered to reverse the sanctions imposed on Mr. Miller based on *Aaseby I* is unreasonable.¹

Effect of Satisfying a Judgment under RCW 4.56.100(1). The Aasebys contend that Mr. Miller’s choice to satisfy the judgment in full under RCW 4.56.100(1)² precludes return of the judgment funds. The Aasebys contend that once Mr. Miller paid the judgment in full and noted the judgment was satisfied, he completely and forever discharged the judgment. Thus, neither the trial court nor the appellate court had the authority to return the funds to Mr. Miller.

¹ RAP 12.2 states that after the mandate is issued, the trial court may hear and decide postjudgment motions otherwise authorized by statute or court rule so long as those motions do not challenge issues already decided by the appellate court. By using “solely,” this court wanted to be clear that the parties would not task the trial court with additional needless litigation. The effort was not successful, considering this case is again before this court on appeal.

² The Aasebys also cite CR 58(h), “Satisfaction of Judgment. [Reserved.]”

RCW 4.56.100(1) states in part,

When any judgment for the payment of money only shall have been paid or satisfied, the clerk of the court in which such judgment was rendered shall note upon the record in the execution docket satisfaction thereof giving the date of such satisfaction upon either the payment to such clerk of the amount of such judgment, costs and interest and any accrued costs by reason of the issuance of any execution, or the filing with such clerk of a satisfaction entitled in such action and identifying the same executed by the judgment creditor or his or her attorney of record in such action or his or her assignee acknowledged as deeds are acknowledged. . . . Every satisfaction of judgment and every partial satisfaction of judgment which provides for the payment of money shall clearly designate the judgment creditor and his or her attorney if any, the judgment debtor, the amount or type of satisfaction, whether the satisfaction is full or partial, the cause number, and the date of entry of the judgment. A certificate by such clerk of the entry of such satisfaction by him or her may be filed in the office of the clerk of any county in which an abstract of such judgment has been filed. When so satisfied by the clerk or the filing of such certificate the lien of such judgment shall be discharged.

The Aasebys' contention is without merit. The right to appeal is not denied to "a party who complies with an outstanding judgment by *paying* benefits; that party may still pursue an appeal and, if successful, obtain restitution." *LaRue v. Harris*, 128 Wn. App. 460, 464, 115 P.3d 1077 (2005) (emphasis in original). Furthermore, nothing in the language of RCW 4.56.100(1) supports the Aasebys' contention that a debtor who fully satisfies a judgment loses the right to return of the judgment if reversed. It does not require a judgment debtor to include a notation on the judgment if he or she intends to

See RCW 4.56.100.]”

No. 32471-1-III
Aaseby v. Vue

seek return of the judgment. Nor does it remove the authority from the trial court to order the return of a satisfied and discharged judgment.

Satisfaction and discharge is a necessary part of RCW 4.56.100(1). Satisfaction and discharge stops enforcement of the action. *See* RAP 7.2(c). Postjudgment interest accrues unless and until the judgment debtor unambiguously and unconditionally directs the court to apply the funds in the court registry to the satisfaction of the judgment. *Lindsay v. Pac. Topsoils, Inc.*, 129 Wn. App. 672, 678-79, 120 P.3d 102 (2005). Once the clerk finds that the judgment is satisfied, it must be discharged. Satisfaction and discharge should not be held against a debtor.

For authority, the Aasebys cite to *In re Estate of Bailey*, 56 Wn.2d 623, 354 P.2d 920 (1960), and *Lindsay* to support their argument that recovery is not available to a person who pays a judgment in full under RCW 4.56.100(1). We disagree that these cases are helpful or supportive of the Aasebys' argument. *Bailey* holds that when a debtor makes a payment to a clerk and does not note that the payment is for satisfaction of judgment, the payment does not operate to satisfy the judgment and interest will accrue on the entire amount until the payment is ordered to be turned over to the judgment creditor. *Id.* at 628. Similarly, in *Lindsay*, the court held that when a judgment debtor places a condition on a payment that acceptance is in exchange for entry of a full

No. 32471-1-III
Aaseby v. Vue

satisfaction of the judgment in the amount paid, and the creditor decides not to accept the payment because he contests the judgment amount and does not accept the terms, the payment does not satisfy the judgment. Interest is calculated on the entire amount of the judgment from the date of the verdict until the time of disbursement. *Id.* at 678-79.

The Aasebys contend that the opposite in *Bailey* and *Lindsay* occurred in Mr. Miller's case—he included a satisfaction note with the judgment and paid without condition. Therefore, the Aasebys maintain that unlike *Bailey* and *Lindsay*, Mr. Miller satisfied the judgment, and he is not entitled to a return of the judgment. This is a strained interpretation of case law and these cases do not support the asserted proposition. The cases address whether a judgment is satisfied for the purpose of calculating interest. They do not address whether a satisfied judgment under RCW 4.56.100 may be returned to the debtor when the basis for the judgment is reversed on appeal. As previously stated, a debtor who satisfies a judgment does not lose the right to seek return of the judgment.

The Aasebys imply that Mr. Miller's appeal is moot because he chose to satisfy and discharge the judgment under RCW 4.56.100. Again, we find no language in the statute to support a loss of appeal when the debtor satisfies a judgment. Mr. Miller did not lose his right to appeal by satisfying the judgment under RCW 4.56.100.

Trial Court Authority under RAP 12.8. The Aasebys contend that RAP 12.8 did not give the trial court the authority to order return of the judgment funds to Mr. Miller because RAP 12.8 does not supersede RCW 4.56.100. Thus, the Aasebys argue that once a judgment is discharged under RCW 4.56.100, a trial court cannot rely on RAP 12.8 to reverse the discharge of the judgment. We disagree.

RAP 12.8 governs the effect of reversals on intervening rights. Under the rule, the trial court determines the appropriate restoration or restitution where property is transferred or taken in compliance with a judgment that is subsequently reversed.

RAP 12.8 states:

If a party has voluntarily or involuntarily partially or wholly satisfied a trial court decision which is modified by the appellate court, the trial court shall enter orders and authorize the issuance of process appropriate to restore to the party any property taken from that party, the value of the property, or in appropriate circumstances, provide restitution. An interest in property acquired by a purchaser in good faith, under a decision subsequently reversed or modified, shall not be affected by the reversal or modification of that decision.

There is no conflict between RAP 12.8 and RCW 4.56.100(1). RCW 4.56.100(1) addresses satisfaction of trial court judgments. Subsequently, if a satisfied judgment is modified by the appellate court, RAP 12.8 governs the trial court's ability to restore the property to the party who satisfied the judgment.

Furthermore, a trial court's authority under RAP 12.8 to return a satisfied judgment after reversal is a well-settled issue of law. The Washington Supreme Court in *Ehsani* recognized that the purpose of RAP 12.8 was to restore property to a party when the party wholly or partially satisfied a trial court decision that is reversed or modified by the appellate court. *Ehsani*, 160 Wn.2d at 590-91. In support of RAP 12.8, Washington courts have looked to *Restatement (First) of Restitution* § 74 (1937). *Id.* at 590-91. The *Restatement* generally entitles a person to restitution when property is taken in compliance with a judgment and that judgment is later reversed. *Id.* at 592. In accordance with RAP 12.8 and *Restatement of Restitution* § 74, the trial court had the authority to follow the mandate of the appellate court and order return of the judgment funds to Mr. Miller.

Necessity of a Supersedeas Bond. The Aasebys contend that Mr. Miller was required to post a supersedeas bond if he wished to seek repayment of the judgment and preserve the right to appeal. The Aasebys are incorrect.

A supersedeas bond is a means of staying enforcement of a trial court judgment while on appeal. RAP 8.1. "A trial court decision may be enforced pending appeal or review unless stayed pursuant to the provisions of this rule. Any party to a review

No. 32471-1-III
Aaseby v. Vue

proceeding has the right to stay enforcement of a money judgment, or a decision affecting real, personal or intellectual property, pending review.” RAP 8.1(b).

In making this argument, the Aasebys ignore the prevailing case law. Failure to supersede a judgment or decree does not affect the right of the appealing party to obtain review of the proceedings that led to such judgment or decree. *Ryan v. Plath*, 18 Wn.2d 839, 856, 140 P.2d 968 (1943). Mr. Miller’s decision not to file a supersedeas bond did not waive his right to appeal. Nor was his remedy limited because he did not avail himself of the benefits of a supersedeas bond. “When the unsuperseded judgment is reversed, after execution thereon, the judgment debtors’ recourse is provided by RAP 12.8.” *State v. A.N.W. Seed Corp.*, 116 Wn.2d 39, 44, 802 P.2d 1353 (1991).

The Aasebys rely on *Ehsani* to establish that RAP 12.8 does not provide a remedy for Mr. Miller because he chose not to protect his interests by filing a supersedeas bond under RAP 8.1. This reliance is misplaced. *Ehsani* supports the trial court’s actions under RAP 12.8. In *Ehsani*, the Washington Supreme Court held that RAP 12.8 did not provide a remedy for a judgment debtor who sought to recover judgment funds from an attorney when the attorney received the funds on behalf of his clients and distributed the funds per his clients’ request. *Id.* at 594. The court explained that the attorney’s clients were the judgment creditors in the case, not the attorney. *Id.* Thus, it was the clients, not

No. 32471-1-III
Aaseby v. Vue

the attorney, who was the party liable for restitution under RAP 12.8. *Id.* The court added that allowing an attorney to be liable for the client's judgment would render the supersedeas bond mechanism superfluous because many debtors could decide to recover from the attorney rather than using the protections available in the bond. *Id.* at 601.

Thus, contrary to the Aasebys' argument, *Ehsani* entitles a judgment debtor to return of the funds paid to satisfy the judgment and makes the judgment creditor the liable party, regardless if a supersedeas bond was filed. Here, *Ehsani* supports the trial court's decision to return the judgment funds to Mr. Miller. Both the Aasebys and Mr. Delay are judgment creditors. It makes no difference that they chose not to withdraw the judgment funds from the clerk of court's account; the funds were available to the Aasebys after satisfaction. *Ehsani* does not limit Mr. Miller's remedy. Mr. Miller may seek repayment under RAP 12.8.

In sum, Mr. Miller's decision to pay the judgment instead of protecting himself by filing a supersedeas bond has no bearing on the trial court's decision to return the judgment funds. "An appellant is under no obligation to supersede a judgment or a decree appealed from. It is a right and a privilege granted, in certain cases under certain conditions, to preserve the fruits of his appeal if he prevails, but it is not something he is obligated to do." *In re Estates of Sims*, 39 Wn.2d 288, 297, 235 P.2d 204 (1951). By

No. 32471-1-III

Aaseby v. Vue

paying the judgment instead of filing a supersedeas bond, Mr. Miller risked that the Aasebys would not repay the judgment funds, or “fruits of [the] appeal.” *Id.* However, he did not waive his right to appeal or the remedy available to him under RAP 12.8. The trial court properly ordered return of the judgment funds to Mr. Miller.

Whether reasonable attorney fees should be awarded to Mr. Miller

Mr. Miller requests reasonable attorney fees for having to respond to the Aasebys’ frivolous appeal. citing RAP 18.1, RCW 4.84.185 and RAP 18.9. He contends that the Aasebys’ appeal has no legal basis to support their claim that a trial court lacks the jurisdiction to comply with an appellate court opinion. Mr. Miller maintains that the appeal is premised solely on incomprehensible and unsupported legal arguments.

RAP 18.1 directs a party on appeal to make a request for attorney fees or expenses as provided in the rule if applicable law grants the party the right to recover such items. RCW 4.84.185 provides a statutory basis to award reasonable attorney fees against a party asserting a frivolous claim advanced without reasonable cause. In addition, RAP 18.9(a) allows this court to impose sanctions against a party or counsel who asserts frivolous arguments on appeal. Such sanctions may be in the form of terms or compensatory damages to the harmed party.

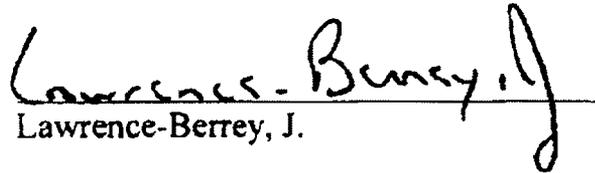
No. 32471-1-III
Aaseby v. Vue

In the context of RAP 18.9(a), an appeal is frivolous when it presents no debatable issue on which reasonable minds might differ, and is so devoid of merit that there is no possibility of reversal. *Advocates for Responsible Dev. v. W. Wash. Growth Mgmt. Hr'gs Bd.*, 170 Wn.2d 577, 580, 245 P.3d 764 (2010). Doubts as to whether an appeal is frivolous should be resolved in favor of the appellant. *Id.* (citing *Tiffany Family Trust Corp. v. City of Kent*, 155 Wn.2d 225, 241, 119 P.3d 325 (2005)). Raising at least one debatable issue precludes a finding of frivolity. *Advocates*, 170 Wn.2d at 580-81.

The Aasebys' appeal is frivolous in its entirety. No debatable issue is raised and the appeal is devoid of merit. Well-settled case law and court rules grant the trial court the ability to restore judgment funds to a debtor when reversed on appeal. The authorities that the Aasebys cite to support their arguments are irrelevant and/or misinterpreted. Additionally, portions of the Aasebys' briefs filed in this appeal are essentially a veiled attempt to relitigate the issues from *Aaseby I*. As such, pursuant to RAP 18.9(a), and conditioned on his further compliance with RAP 18, we grant Mr. Miller reasonable attorney fees as sanctions. The mandate shall direct a liability for the amount imposed is joint and several against the Aasebys and Mr. Del

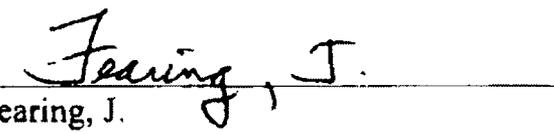
No. 32471-1-III
Aaseby v. Vue

A majority of the panel has determined this opinion will not be printed in the Washington Appellate Reports, but it will be filed for public record pursuant to RCW 2.06.040.


Lawrence-Berrey, J.

WE CONCUR:


Siddoway, C.J.


Fearing, J.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30

FILED

APR 08 2012

THOMAS R. FALLOUNT
SPOKANE COUNTY CLERK

Hon. Linda G. Tompkins

SUPERIOR COURT, STATE OF WASHINGTON, COUNTY OF SPOKANE

JAMES W. and JUDY D. AASEBY

Plaintiffs,

vs.

WILLIAM VUE et al

Defendants.

Case No. 03-2-06739-8

19080439 *TS* *CF*

**SATISFACTION OF AMENDED
JUDGMENT**

**(CLERK'S ACTION
REQUIRED)**

SATISFACTION OF AMENDED JUDGMENT

An Amended Judgment was entered in this matter against J. Scott Miller, individually, and the former law firm of Miller, Devlin, McLean & Weaver, P.S. on November 22, 2011 (copy attached.)

Amount of Judgment	\$22,300.00
Post Judgment Interest 12% (132 days @ \$7.33/day)	\$ 967.75
Total	\$23,267.75

The Court having received a cashier check payable to the Clerk of the Spokane County Superior Court in the amount of \$23,267.75 the Amended Judgment shall be and hereby is deemed to be satisfied in full.

Satisfaction of Judgment: 1



J. Scott Miller
201 W. North River Drive
Suite 500
Spokane, WA 99201
(509) 327-5591

A-19

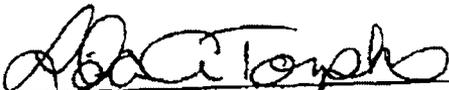


INSTRUCTIONS TO CLERK

The clerk is hereby instructed as follows:

1. To accept and deposit the cashier's check and hold the funds pending further order of the court; and
2. Make all necessary and appropriate entries to indicate the Amended Judgment has been fully satisfied.

Dated this 3rd day of April, 2012


LINDA G. TOMPKINS, JUDGE

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30

Satisfaction of Judgment:-2

J. Scott Miller
201 W. North River Drive
Suite 500
Spokane, WA 99201
(509) 327-5591

A-20