

## THE CAROLINA VERDICT REPORTER

Charleston County, SC  
United States District Court — Charleston

Insurance Company Gets Unfavorable Decision in Declaratory Judgment Action

**Case Caption:**

State Farm Mutual Automobile Insurance Co. v. Addie Armstrong, as Personal Representative of the Estate of Rickey L. Armstrong

**Verdict:** Declaratory judgment for defendant against plaintiff insurance company. The parties had previously stipulated to the amount of \$95,000 in available coverage in the event the court found for the defendant.

**Judge:** David C. Norton

**Date of Verdict:** 6/27/2005

**Attorneys: Plaintiff:** Linda W. Gangi, Conway

**Defendant:** Lionel S. Lofton, Charleston V. Lynn Lofton, Charleston G. Wells Dickson Jr., Charleston

**Facts:** Plaintiff State Farm Mutual Automobile Insurance Co. filed an action against Defendant Addie Armstrong seeking a declaratory judgment. The sole issue for the court's determination was whether defendant's decedent, Rickey L. Armstrong, was a resident relative of Addie and George Armstrong's household at the time of his death. The court ruled against the plaintiff insurance company.

Defendant had multiple liability insurance policies through Plaintiff State Farm. The combined total of the policies amounted to \$95,000 in applicable coverage for the wrongful death and survival claims of resident relatives. Defendant's decedent was killed in a hit and run accident while walking on the shoulder of South Carolina Secondary Road S-22-4. Defendant filed claims against the applicable policies asserting that decedent was a resident relative at the time of his death.

Plaintiff denied defendant's claim and sought a declaratory judgment. Plaintiff contended that decedent resided in a mobile home purchased and furnished by Defendant Addie Armstrong in a lot adjacent to her home, which was not at the same physical address as defendant policy holder.

Defendant admitted that she purchased and furnished a mobile home for her brother (the decedent). However, she maintained that the home was never habitable and that decedent had a room in her home where he resided. Testimony was presented to the court to confirm the subject mobile home was at no time habitable, as it had no running water, no electricity and no septic sewer hookup.

**Alleged Injury:** Defendant sought \$95,000 in insurance proceeds.

**Settlement Efforts:** Last Demand (by defendant): \$95,000 Last Offer: None

**Expert(s): Plaintiff:** None

**Defendant:** None

**Case Number:** 2:03 CV 3302