

# **Bond Case Briefs**

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## **INSURANCE - SOUTH CAROLINA**

### **Reeves v. South Carolina Municipal Insurance and Risk Financing Fund**

**Supreme Court of South Carolina - June 16, 2021 - S.E.2d - 2021 WL 2448359**

Personal representative of decedent's estate brought declaratory judgment action against municipal insurer seeking interpretation of extent of coverage for municipality and municipal police officers, following settlement entered for wrongful shooting death.

The Circuit Court granted personal representative's motion for summary judgment in part and denied it in part, and granted insurer's motion for summary judgment in part and denied it in part. Both parties appealed. The Court of Appeals affirmed in part and reversed in part. Insurer's petition for writ of certiorari was granted.

The Supreme Court held that:

- Municipality's negligent acts of hiring, retaining, and supervising police officer, and officer's use of deadly force, were separate occurrences;
- No duplication clause did not apply to municipality's negligent acts of hiring, retaining, and supervising police officer, and officer's use of deadly force;
- Undefined term "Coverage Limit" had to be construed against insurer as synonymous with "liability limit"; and
- "Limit of Liability" portion of policy did not limit claims.

Municipality's negligent acts of hiring, retaining, and supervising police officer, and officer's use of deadly force, were separate occurrences under terms of law enforcement liability indemnity coverage that defined "occurrence" as wrongful act that resulted in bodily injury, resulting in separate claims for separate damages.

No duplication clause in insurance policy that limited law enforcement liability indemnity coverage for any claim applicable to more than one section of contract did not apply to municipality's negligent acts of hiring, retaining, and supervising police officer, and officer's use of deadly force, since claims involved only law enforcement liability.

No duplication clause in insurance policy that limited law enforcement liability indemnity coverage for all claims or suits involving substantially same injury or damage, or progressive injury or damage, did not apply to municipality's negligent acts of hiring, retaining, and supervising police officer, and officer's use of deadly force.

Undefined term "Coverage Limit" in insurance policy providing law enforcement liability indemnity coverage had to be construed against insurer as synonymous with "liability limit," which was defined as "\$1,000,000" "Per Occurrence."

"Limit of Liability" portion of insurance policy providing law enforcement liability indemnity coverage stating "Only a single limit or Annual Aggregate will apply, regardless of the number of

persons or organizations injured or making claims, or the number of Covered Persons who allegedly caused them, or whether the damage or injuries at issue were continuing or repeated over the course of more than one Coverage Period” did not limit claims that municipality was negligent in hiring, retaining, and supervising police officer and officer wrongfully used deadly force, since that section did not contain “Annual Aggregate” and undefined “single limit” term provided it was “Liability Limit” of “\$1,000,000” “Per Occurrence.”

“Limit of Liability” portion of insurance policy providing law enforcement liability indemnity coverage stating “liability for any one occurrence/wrongful act will be limited to \$1,000,000 per Member regardless of the number of Covered Persons, number of claimants or claims made” did not limit claims that municipality was negligent in hiring, retaining, and supervising police officer and officer wrongfully used deadly force, since there were multiple occurrences-wrongful acts.