

UNITED STATES DISTRICT COURT FOR THE DISTRICT OF SOUTH
CAROLINA, ROCK HILL DIVISION

Progressive Direct Insurance Company v. Mareisha Dye, Angela
Simpson, Maurice Caldwell, and Desmond McClurkin

Dye · No. 0:25-cv-12670-JDA · Decided May 8, 2026

SUMMARY

The United States District Court for the District of South Carolina grants Progressive Direct Insurance Company’s consent motion for judgment on the pleadings against Maurice Caldwell and Desmond McClurkin and its motion for default judgment against Mareisha Dye and Angela Simpson. The court holds that Simpson’s material misrepresentation entitled Progressive to rescind the automobile insurance policy. It further concludes that, even absent rescission, the policy provided no coverage for the accident and imposed no duty to defend or indemnify the relevant parties.

CASE DETAILS

COURT	United States District Court for the District of South Carolina, Rock Hill Division
WRITING FOR THE COURT	Jacquelyn D. Austin
JURISDICTION	United States District Court for the District of South Carolina, Rock Hill Division
DECIDED	May 8, 2026
DOCKET	0:25-cv-12670-JDA
DISPOSITION	other
PROCEDURAL POSTURE	The plaintiff sought declaratory relief concerning the validity and coverage obligations of an automobile insurance policy. The court considered the plaintiff's consent motion for judgment on the pleadings against Caldwell and McClurkin and motion for default judgment against Dye and Simpson.
STANDARD OF REVIEW	For default judgment, the court accepted as true well-pleaded factual allegations not relating to damages and evaluated whether those allegations supported the requested relief under the Rule 12(b)(6) standard. For judgment on the pleadings under Rule 12(c), the court viewed the pleadings and reasonable inferences in the light most favorable to the nonmoving party, accepted well-pleaded allegations in

the nonmoving party's pleadings as true, and granted relief only if no material issue of fact remained and the moving party was entitled to judgment as a matter of law.

PRECEDENTIAL VALUE

unpublished district court opinion; persuasive authority only

TOPICS

insurance coverage

rescission

duty to defend

duty to indemnify

default judgment

PRACTICE AREAS

insurance

civil procedure

contracts

declaratory relief

QUESTIONS PRESENTED

1. Whether default judgment was proper against Mareisha Dye and Angela Simpson based on their failure to respond and the well-pleaded allegations of the complaint.
2. Whether judgment on the pleadings was proper against Maurice Caldwell and Desmond McClurkin after they admitted the allegations of the complaint.
3. Whether Simpson's alleged material misrepresentation or omission on the insurance application entitled Progressive to rescind or void the policy.
4. Whether the policy provided liability coverage or imposed a duty to defend or indemnify any defendant for claims arising from the accident.

HOLDINGS

1. Default judgment was proper because Dye and Simpson failed to plead or otherwise defend, and the well-pleaded allegations, deemed admitted by their default, established Progressive's entitlement to the requested declaratory relief.
2. Judgment on the pleadings was proper because Caldwell and McClurkin admitted the complaint's allegations, no material issue of fact remained, and Progressive was entitled to judgment as a matter of law.
3. Progressive was entitled to rescind or void the policy because Simpson omitted the vehicle from her insurance application, constituting a misrepresentation concerning a material fact or circumstance within the policy's voiding provision.
4. The policy did not provide liability coverage to Caldwell or McClurkin and imposed no duty on Progressive to defend or indemnify Simpson or Mareisha for claims arising from the accident. This result applied independently of the policy's rescission because Mareisha was not an insured person and the vehicle was not a covered auto.

KEY QUOTATIONS

“The Court concludes that Plaintiff’s well pleaded allegations, admitted by Caldwell and McClurkin, and accepted as true as to Mareisha and Simpson, demonstrate Plaintiff’s entitlement to the declaratory relief sought.” (Discussion)

“Accordingly, the Court declares that Plaintiff is entitled to rescind the Policy; that the Policy would not have provided any coverage for the alleged incident even if it were not rescinded; that the Policy does not provide any liability coverage to Caldwell or McClurkin; and that Plaintiff has no duty to defend or indemnify Simpson or Mareisha for any claims arising out of the Accident.” (Conclusion)

FACTUAL BACKGROUND

Progressive issued an automobile insurance policy to Angela Simpson effective December 1, 2021, through June 1, 2022. Simpson allegedly omitted a 1998 Chevrolet Tahoe from her insurance application even though she purportedly purchased it before the policy period; the vehicle was primarily used and garaged by Marquez Dye and was not listed on the declarations page. Mareisha Dye was driving the vehicle in a March 30, 2022 accident, with Maurice Caldwell as a passenger, and neither the driver nor the vehicle qualified under the policy's definitions of an insured person or covered auto.

PROCEDURAL HISTORY

Progressive filed the federal declaratory-judgment action on September 23, 2025. All defendants were served; Dye and Simpson failed to respond, and the Clerk entered their defaults. Caldwell and McClurkin answered and admitted the allegations in the complaint. Progressive then moved for judgment on the pleadings against Caldwell and McClurkin and for default judgment against Dye and Simpson. The court granted both motions.

DISPOSITION

other

CASES CITED

- United States v. Clark, No. 3:17-cv-03440-JMC, 2019 WL 1122933, at *1 (D.S.C. Mar. 12, 2019)
- Mey v. Phillips, 71 F.4th 203, 223 (4th Cir. 2023)
- Rollins Ranches, LLC v. Watson, No. 0:18-cv-03278-SAL, 2021 WL 5355650, at *3 (D.S.C. Nov. 17, 2021)
- Pa. Nat’l Mut. Cas. Ins. v. Beach Mart, Inc., 932 F.3d 268, 274 (4th Cir. 2019)
- Integon Gen. Ins. v. Bartkowiak ex rel. Bartkowiak, No. 7:09-cv-03045-JMC, 2010 WL 4156471, at *2 (D.S.C. Oct. 19, 2010)
- Lewis v. Excel Mech., LLC, No. 2:13-cv-281-PMD, 2013 WL 4585873, at *2 (D.S.C. Aug. 28, 2013)
- Burbach Broad. Co. of Del. v. Elkins Radio Corp., 278 F.3d 401, 405-06 (4th Cir. 2002)

OPINION

IN THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF SOUTH CAROLINA
ROCK HILL DIVISION Progressive Direct Insurance) Case No. 0:25-cv-12670-JDA Company,)
) Plaintiff,)) v.) OPINION AND ORDER) Mareisha Dye, Angela Simpson,) Maurice Caldwell,

Desmond McClurkin,)) Defendants.) _____) This matter is before the Court on a consent motion for judgment on the pleadings by Plaintiff against Defendants Maurice Caldwell (“Caldwell”) and Desmond McClurkin (“McClurkin”) and on Plaintiff’s motion for a default judgment against Defendants Mareisha Dye (“Mareisha”) and Angela Simpson (“Simpson”).

[Docs. 17; 19.] For the reasons stated herein, both motions are granted. BACKGROUND Underlying Facts¹ Plaintiff is an insurance company organized and existing pursuant to the laws of the State of Ohio, with its principal place of business in the State of Ohio. [Doc. 1 ¶ 1.] Plaintiff is authorized to transact business in the State of South Carolina, including writing and selling insurance policies.

[Id.] Defendants are all citizens and residents of Chester County, South Carolina. [Id. ¶¶ 2–5.] 1 This Underlying Facts section is taken directly from the facts alleged in the Complaint. [Doc. 1]. On December 1, 2021, Plaintiff issued an automobile insurance policy, Policy Number 953990022 (the “Policy”) to Simpson. [Id. ¶ 9.]

The Policy’s declarations page (the “Declarations Page”) reflects that the Policy was effective from December 1, 2021 to June 1, 2022, and insured two vehicles, a 2014 Nissan Maxima and a 2009 Honda Civic. [Id. ¶ 11.] Root Insurance insured a 1998 Chevrolet Tahoe, VIN No. 1GNEC13R2WJ328611 (the “Vehicle”), under an insurance policy issued to Dye that provided \$100,000 per person/\$300,000 per accident bodily injury liability coverage with effective dates of March 19, 2022 to September 19, 2022.

[Id. ¶ 13.] The Declarations Page reflects that the Policy provides \$25,000 each person/\$50,000 each accident bodily injury liability coverage, \$25,000 each accident property damage coverage, \$25,000 each person/\$50,000 each accident uninsured motorist bodily injury coverage, and \$25,000 each accident uninsured motorist property damage coverage. [Id. ¶ 14.]

Simpson purportedly purchased the Vehicle on or about July 9, 2021. [Id. ¶ 16.] She does not use the Vehicle, nor is it garaged at her residence. [Id. ¶ 17.] Rather, it is used and garaged primarily by Marquez Dye (“Marquez”). [Id. ¶ 18.] Simpson is related to Marquez, but they did not reside together at the time the Policy was incepted or on the date of the accident underlying this action.

[Id. ¶ 19.] Simpson obtained a loan for the Vehicle on Marquez’s behalf because Marquez was unable to qualify for a loan. [Id. ¶¶ 20–21.] Simpson did not make loan payments on the Vehicle; Marquez did. [Id. ¶¶ 22– 23.]

In applying for the Policy, Simpson misrepresented to Plaintiff which vehicles she owned by omitting the Vehicle from her application. [Id. ¶¶ 37, 39.] Accordingly, the Vehicle is not listed as an insured vehicle on the Policy. [Id. ¶ 24.] Marquez also is not listed as a driver and resident relative on the Policy. [Id. ¶ 26.]

On March 30, 2022, there was a reported automobile accident in Chester County, South Carolina involving Mareisha operating the Vehicle—in which Caldwell was a passenger—and McClurkin (the “Accident”). [Id. ¶ 27.] Mareisha is not listed as a driver and resident relative on the Policy. [Id. ¶ 28.] She also did not reside in the same household as Simpson on the date the Policy was issued or at the time of the Accident.

[Id. ¶ 29.] It appears that Simpson has or will seek collision coverage under the Policy and that Simpson and/or Mareisha have or will seek indemnification and a defense under the Policy. [Id. ¶¶ 30, 31.] It also appears that Caldwell and McClurkin have or will make a claim for liability coverage under the Policy. [Id. ¶ 32.]

The Present Action Plaintiff filed this action on September 23, 2025. [Doc. 1.] In the Complaint, Plaintiff requests that the Court declare that the Policy was void at inception; that the Policy does not provide any coverage to Mareisha; Plaintiff has no duty to defend or indemnify Simpson or Mareisha for any claims arising out of the Accident; and the Policy does not provide any liability coverage to Caldwell or McClurkin arising out of the Accident.

[Id. ¶¶ 33–79.] On November 20, 2025, Plaintiff filed proof of service as to each Defendant. [Docs. 5–8.] On December 9, 2025, with Dye and Simpson not having responded to the Complaint, the Clerk entered default as to those two Defendants. [Doc. 10.] Caldwell and McClurkin filed an Answer on December 12, 2025, in which they “admit[ted] all of the allegations in Plaintiff’s Complaint.” [Doc.

13.] On January 22, 2026, Plaintiff filed a consent motion for judgment on the pleadings against Caldwell and McClurkin, and on January 27, 2026, Plaintiff filed a motion for default judgment against Mareisha and Simpson. [Docs. 17; 19.]

The motions are now ripe for review. APPLICABLE LAW Default Judgment Standard Rule 55 of the Federal Rules of Civil Procedure provides that “[w]hen a party against whom a judgment for affirmative relief is sought has failed to plead or otherwise defend, and that failure is shown by affidavit or otherwise, the clerk must enter the party’s default.” Fed. R. Civ.

P. 55(a). “A court must have both subject matter and personal jurisdiction over a defaulting party before it can render a default judgment.” *United States v. Clark*, No. 3:17-cv-03440-JMC, 2019 WL 1122933, at *1 (D.S.C. Mar. 12, 2019) (internal quotation marks omitted).

In considering a motion for default judgment, the court accepts as true all well pleaded factual allegations in the complaint not relating to the amount of damages. See Fed. R. Civ. P. 8(b)(6). The court then must “determine whether the well-pleaded allegations in the operative complaint support the relief sought.” *Mey v. Phillips*, 71 F.4th 203, 223 (4th Cir.

2023) (cleaned up). As a result, before entering default judgment, the court must “evaluate the plaintiff’s complaint against the standards of Fed. R. Civ. P. 12(b)(6) to ensure that the complaint properly states a claim.” *Rollins Ranches, LLC v. Watson*, No. 0:18-cv-03278-SAL, 2021 WL 5355650, at *3 (D.S.C. Nov. 17, 2021) (internal quotation marks omitted).

Judgment on the Pleadings Standard Rule 12(c) permits a party to move for judgment on the pleadings “[a]fter the pleadings are closed—but early enough not to delay trial.” Fed. R. Civ. P. 12(c). In reviewing a motion for judgment on the pleadings, a court should “view the facts presented in the pleadings and the inferences to be drawn therefrom in the light most favorable to the nonmoving party.” *Pa. Nat’l Mut.*

Cas. Ins. v. Beach Mart, Inc., 932 F.3d 268, 274 (4th Cir. 2019) (internal quotation marks omitted). “Thus, [t]he court must accept all well pleaded factual allegations in the non-moving party’s pleadings as true and reject all contravening assertions in the moving party’s pleadings as false.” *Integon Gen. Ins. v. Bartkowiak ex rel. Bartkowiak*, No. 7:09-cv-03045-JMC, 2010 WL 4156471, at *2 (D.S.C.

Oct. 19, 2010) (alteration in original) (internal quotation marks omitted). A court should apply the same standard as a motion to dismiss for failure to state a claim under Rule 12(b)(6) and should grant a motion for judgment on the pleadings “only if the moving party has clearly established that no material issue of fact remains to be resolved and the party is entitled to judgment as a matter of law.” *Lewis v. Excel Mech., LLC*, No. 2:13-cv- 281-PMD, 2013 WL 4585873, at *2 (D.S.C.

Aug. 28, 2013) (internal quotation marks omitted); see also *Burbach Broad. Co. of Del. v. Elkins Radio Corp.*, 278 F.3d 401, 405– 06 (4th Cir. 2002) (noting that the standard applicable for motions made under Rule 12(c) is the same as for those made under Rule 12(b)(6)). DISCUSSION The Court concludes that Plaintiff’s well pleaded allegations, admitted by Caldwell and McClurkin, and accepted as true as to Mareisha and Simpson, demonstrate Plaintiff’s entitlement to the declaratory relief sought.

Plaintiff is Entitled to Rescind the Policy Based on Simpson’s Misrepresentation First, Simpson’s omission of the Vehicle from the insurance application she submitted to Progressive amounted to a misrepresentation that entitles Plaintiff to rescind the Policy.

The Policy contains the following language: This policy was issued in reliance upon the information provided on your insurance application. We may void this policy at any time, including after the occurrence of an accident or loss, if you: 1. made incorrect statements or representations to us with regard to any material fact or circumstance; 2. concealed or misrepresented any material fact or circumstance; or 3. engaged in fraudulent conduct; at the time of application.

This means that we will not be liable for any claims to damages that would otherwise be covered unless we have certified this policy as proof of financial responsibility. If we have certified this policy as proof of financial responsibility, nothing in this provision shall affect coverage under Part 1 – Liability To Others up to the minimum limit mandated by the motor vehicle financial responsibility law of South Carolina for an accident that occurs before we notify you that the policy is void.

If we void this policy, you must reimburse us if we make a payment. *** When we have not voided or reformed the policy, we may still deny coverage for an accident or loss if you, in connection with the policy application, in connection with any requested change, or at any time during the policy period, have concealed or misrepresented any material fact or circumstance or engaged in fraudulent conduct and that concealment, misrepresentation, or fraudulent conduct was material to a risk we assumed.

We may deny coverage for an accident or loss if you or a person seeking coverage has concealed or misrepresented any material fact or circumstance, or engaged in fraudulent conduct, in connection with the presentation or settlement of a claim.

However, this shall not affect coverage under Part I—Liability To Others up to the minimum limit mandated by the motor vehicle financial responsibility law of South Carolina, for any injured person who has not knowingly concealed or misrepresented any material fact or circumstance. [Doc. 1 ¶ 15 (internal quotation marks omitted).] Each Defendant has admitted or is deemed by her default to have admitted that Simpson failed to disclose her ownership of the Vehicle on her application to Plaintiff for insurance.

Plaintiff is entitled under the language of the Policy to void the Policy on that basis. [Docs. 1 ¶¶ 37, 39; 13.] Accordingly, Plaintiff has no duty to defend or indemnify Simpson or Mareisha for any claims arising out of the Accident. Even if the Policy Were Not Void, It Would Not Provide Coverage The Policy provides, “If you pay the premium for this coverage, we will pay damages for bodily injury and property damage for which an insured person becomes legally responsible because of an accident.” [Doc.

1 ¶ 15.] “Insured person” means: a. you, a relative, or a rated resident with respect to an accident arising out of the ownership, maintenance or use of an auto or a trailer; b. any person with respect to an accident arising out of that person’s use of a covered auto with the permission of you, a relative, or a rated resident. [Id. (internal quotation marks omitted).]

Based on the facts admitted by Caldwell and McClurkin and deemed admitted by Mareisha and Simpson, no “insured person” stands to become legally responsible for bodily injury and property damage because of the Accident. Specifically, Mareisha, who was driving the Vehicle, does not qualify as a relative of Simpson’s or a rated resident.² Nor does the Vehicle qualify as a “covered

auto.”³ Accordingly, the Policy does not ² “‘Relative’” means a person residing in the same household as you, and related to you by blood, marriage or adoption, and includes a ward, stepchild, or foster child.” [Doc.

1 ¶ 15 (internal quotation marks omitted).] “‘Rated resident’ means a person residing in the same household as you at the time of the loss who is not a relative, but only if that person is both... a. listed in the ‘Drivers and household residents’ section on the declarations page; and... b. not designated as either an ‘Excluded’ or a ‘List Only’ driver.” [Id. (internal quotation marks omitted).]

Mareisha was neither Simpson’s relative, nor a rated resident of Simpson’s because, as noted, Mareisha and Simpson did not reside at the same household, either at the inception of the Policy or at the time of the Accident. [Id. ¶ 29.] ³ “Covered auto” is defined under the Policy as: a. any auto or trailer shown on the declarations page for the coverages applicable to that auto or trailer; b. any additional auto; c. any replacement auto; or d. a trailer owned by you.

[Doc. 1 ¶ 15 (internal quotation marks omitted).] “‘Additional auto’ means an auto you become the owner of during the policy period that does not permanently replace an auto shown on the declarations page,” but only if: a. we insure all other autos you own; b. the additional auto is not covered by any other insurance policy; c. you notify us within 30 days of becoming the owner of the additional auto; and d. you pay any additional premium due....

[Id. (internal quotation marks omitted).] “‘Replacement auto’ means an auto that permanently replaces an auto shown on the declarations page. A replacement auto will have the same coverage as the auto it replaces if the replacement auto is not covered by any other insurance policy.” [Id. (internal quotation marks omitted).]

The Vehicle was not shown on the Declarations Page. [Doc. 1 ¶¶ 11, 24.] It was not an “additional auto,” among other reasons, because Simpson “purchased the Vehicle on or about July 9, 2021” and thus did not become the owner of the Vehicle during the policy period—“December 1, 2021 to June 1, 2022.” [Id. ¶¶ 11, 16.]

Because the Vehicle also did not qualify as a “replacement auto,” it did not qualify as a “covered auto.” provide any liability coverage to Caldwell or McClurkin, and Plaintiff has no duty to defend or indemnify Simpson or Mareisha for any claims arising out of the Accident. CONCLUSION In sum, for the reasons explained, Plaintiff’s motion for judgment on the pleadings against Maurice Caldwell and Desmond McClurkin [Doc.

17] and Plaintiff’s motion for default judgment [Doc. 19] against Mareisha Dye and Angela Simpson are both GRANTED. Accordingly, the Court declares that Plaintiff is entitled to rescind the Policy; that the Policy would not have provided any coverage for the alleged incident even if it were not rescinded; that the Policy does not provide any liability coverage to Caldwell or

McClurkin; and that Plaintiff has no duty to defend or indemnify Simpson or Mareisha for any claims arising out of the Accident.

IT IS SO ORDERED. s/Jacquelyn D. Austin United States District Judge May 7, 2026 Columbia, South Carolina

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