

UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF
WASHINGTON

**American Modern Property and Casualty Insurance Company v.
Lacey Sullivan and Daniel Sullivan, a married couple, individually,
and as natural guardians to Infant Sullivan, a minor child, and Ryan
Yates**

American Modern v. Sullivan · No. 2:25-CV-0083-TOR · Decided February 10, 2026

SUMMARY

The United States District Court for the Eastern District of Washington granted American Modern Property and Casualty Insurance Company’s motion for partial summary judgment. The court declared that the insurer had no duty to indemnify Lacey Sullivan and Daniel Sullivan in an underlying personal-injury action arising from a golf-cart accident involving their minor child. The ruling followed the court’s earlier determination that the insurer had no duty to defend and the defendants’ failure to respond to the motion.

CASE DETAILS

COURT	United States District Court for the Eastern District of Washington
JURISDICTION	United States District Court for the Eastern District of Washington
DECIDED	February 10, 2026
DOCKET	2:25-CV-0083-TOR
DISPOSITION	other
PROCEDURAL POSTURE	Declaratory-judgment action by an insurer seeking a determination that it owed no duty to defend or indemnify insured defendants in an underlying personal-injury action; insurer moved for partial summary judgment on the duty to indemnify after previously obtaining summary judgment on the duty to defend.
STANDARD OF REVIEW	Summary judgment is appropriate where the movant's papers support the motion and reveal no genuine issue of material fact; a court may deem a failure to respond consent to an adverse order under LCivR 7(e), but may not grant summary judgment if the movant's papers are insufficient or disclose a genuine issue of material fact.
PRECEDENTIAL VALUE	Unpublished federal district court order; limited persuasive value.

PARTIES

American Modern Property and Casualty Insurance Company v. Lacey Sullivan, Daniel Sullivan, Infant Sullivan, Ryan Yates

TOPICS

duty to indemnify

declaratory relief insurance

summary judgment

insurance coverage

civil procedure

PRACTICE AREAS

insurance coverage

insurance litigation

civil procedure

declaratory judgment

QUESTIONS PRESENTED

1. Whether the Court could construe defendants' failure to respond to the motion for partial summary judgment as consent to an adverse order under LCivR 7(e).
2. Whether American Modern was entitled to summary judgment declaring that it owed no duty to indemnify the defendants in the underlying personal-injury action.

HOLDINGS

1. The Court construed defendants' failure to respond as consent to entry of an adverse order because the motion was unopposed and the substantive record did not reveal a genuine issue of material fact.
2. American Modern had no duty to indemnify Lacey and Daniel Sullivan in the underlying action under the policy.

KEY QUOTATIONS

"The duty to defend is broader than the duty to indemnify." (at 2)

"The duty to indemnify hinges on the insured's actual liability to the claimant and actual coverage under the policy." (at 2)

"Thus, where the Court has determined that the complaint creates no potential for liability, it follows that there can be no actual liability." (at 2)

"Therefore, Plaintiff has no duty to indemnify the Defendants regarding the Underlying Action." (at 2)

FACTUAL BACKGROUND

Ryan Yates alleged that on July 7, 2024, he was struck and injured while walking along the side of a road by a golf cart driven by the Sullivans' 11-year-old daughter. Yates sued Lacey and Daniel Sullivan for negligence in Lincoln County Superior Court. At the time of the incident, Lacey Sullivan's manufactured home was insured by American Modern under a manufactured-home insurance policy. American Modern sought declarations that the policy imposed neither a duty to defend nor a duty to indemnify the defendants.

PROCEDURAL HISTORY

Ryan Yates sued Lacey and Daniel Sullivan in Lincoln County Superior Court for injuries allegedly caused when their minor daughter struck Yates with a golf cart. American Modern filed this federal declaratory-judgment action on March 11, 2025. The Court previously granted American Modern summary judgment on the duty to defend. Defendants did not respond to the present motion, and the Court granted partial summary judgment on the duty to indemnify.

DISPOSITION

other

CASES CITED

- *Brydges v. Lewis*, 18 F.3d 651, 652 (9th Cir. 1994) (per curiam)
- *Atain Specialty Insurance Co. v. Todd*, No. 4:18-CV-5022-RMP, 2019 WL 2030329, at *5 (E.D. Wash. Jan. 24, 2019)
- *Wilcox v. Batiste*, 360 F. Supp. 3d 1112, 1125 (E.D. Wash. 2018)
- *Henry v. Gill Industries, Inc.*, 983 F.2d 943, 950 (9th Cir. 1993)
- *Allstate Insurance Co. v. Bowen*, 121 Wash. App. 879, 884 (2004)
- *Truck Insurance Exchange v. VanPort Homes, Inc.*, 147 Wash. 2d 751, 760 (2002)
- *Unigard Insurance Co. v. Leven*, 97 Wash. App. 417, 425 (1999)
- *Liberty Mutual Insurance Co. v. Lange*, 2023 WL 4704712, at *6 (W.D. Wash. July 24, 2023)