

UNITED STATES DISTRICT COURT FOR THE DISTRICT OF MARYLAND

**Hunter Warfield, Inc. v. Certain Underwriters at Lloyd's London and
Certain Insurance Companies Subscribing to Policy Number
B074021F3032, et al.**

Hunter Warfield · No. Civil Action No. 25-cv-00455-LKG · Decided December 17, 2025

SUMMARY

The United States District Court for the District of Maryland addresses a declaratory judgment action concerning whether an insurance policy covers punitive damages awarded against Hunter Warfield, Inc. in an Indiana lawsuit. The court exercised jurisdiction but stayed the Maryland proceedings pending resolution of the Indiana state-court appeal, and denied the defendants’ transfer request without prejudice.

CASE DETAILS

COURT	United States District Court for the District of Maryland
WRITING FOR THE COURT	Lydia Kay Griggsby
JURISDICTION	United States District Court for the District of Maryland
DECIDED	December 17, 2025
DOCKET	Civil Action No. 25-cv-00455-LKG
DISPOSITION	other
PROCEDURAL POSTURE	Plaintiff brought a declaratory judgment action in Maryland state court concerning insurance coverage for punitive damages awarded in an Indiana lawsuit. Defendants removed the action to federal court and moved to dismiss, transfer under 28 U.S.C. § 1404, or stay the proceedings pending resolution of the Indiana appeal.
STANDARD OF REVIEW	On a Rule 12(b)(6) motion, the court determines whether the complaint alleges sufficient facts to state a plausible claim, accepts well-pleaded factual allegations as true, and construes them in the plaintiff's favor. For a stay, the court considers the requested stay's length, hardship to the movant if denied, burden on the nonmovant, and whether the stay promotes judicial economy.
PRECEDENTIAL VALUE	unpublished district court memorandum opinion; persuasive authority only

TOPICS

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insurance coverage

motions to dismiss

venue

federalism

PRACTICE AREAS

insurance coverage

declaratory judgment

federal civil procedure

abstention and stays

QUESTIONS PRESENTED

1. Whether the federal court should exercise jurisdiction over the declaratory judgment action while the Indiana State Court Appeal was pending.
2. Whether the action should be dismissed for lack of a justiciable controversy or failure to state a claim.
3. Whether venue was improper in the District of Maryland.
4. Whether the action should be transferred to the Middle District of Florida under 28 U.S.C. § 1404(a).
5. Whether the proceedings should be stayed pending resolution of the Indiana State Court Appeal.

HOLDINGS

1. The court exercised subject-matter jurisdiction over the declaratory judgment action because the relevant federalism, efficiency, comity, and forum-shopping considerations did not warrant abstention.
2. The proceedings should be stayed until the Indiana State Court Appeal is resolved.
3. Transfer to the United States District Court for the Middle District of Florida was denied without prejudice.

KEY QUOTATIONS

“But, the Court will also exercise its inherent power to stay further proceedings in this matter, pending the resolution of the Indiana State Court Appeal, because that litigation could render moot the Plaintiff’s requested relief in this action.”

“Here, a limited stay of these proceedings until the Indiana State Court Appeal is resolved will conserve judicial resources and avoid burdening the parties with possibly unnecessary litigation on the issue of whether the Policy requires the Defendants to cover the punitive damages award assessed against the Plaintiff in the Judgment.”

FACTUAL BACKGROUND

Hunter Warfield, Inc. was sued in Indiana and, after a jury trial, was assessed \$200,000 in actual damages and \$1.75 million in punitive damages. Defendants had issued an insurance policy to Hunter Warfield, acknowledged coverage for the Indiana lawsuit, and provided a defense, but later denied coverage for the punitive damages and invoked an exclusion for criminal, fraudulent, dishonest, malicious, or intentionally damaging conduct. Hunter Warfield appealed the Indiana judgment, and that appeal remained pending when the federal declaratory action was decided.

PROCEDURAL HISTORY

Hunter Warfield commenced the action in the Circuit Court for Montgomery County, Maryland, on December 31, 2024. Defendants removed the case to the District of Maryland on February 12, 2025, and filed a motion to dismiss, transfer, or stay. The court exercised jurisdiction over the declaratory judgment action, denied transfer without prejudice, and stayed the proceedings pending resolution of the Indiana State Court Appeal.

DISPOSITION

other

CASES CITED

- Ashcroft v. Iqbal, 556 U.S. 662, 678 (2009)
- Bell Atl. Corp. v. Twombly, 550 U.S. 544, 556, 570 (2007)
- Nemet Chevrolet, Inc. v. Consumeraffairs.com, Inc., 591 F.3d 250, 253, 255 (4th Cir. 2009)
- Lambeth v. Bd. of Comm'rs of Davidson Cnty., 407 F.3d 266, 268 (4th Cir. 2005)
- GE Inv. Private Placement Partners II, L.P. v. Parker, 247 F.3d 543, 548 (4th Cir. 2001)
- H.J. Inc. v. Nw. Bell Tel. Co., 492 U.S. 229, 249-50 (1989)
- Goines v. Valley Cmty. Servs. Bd., 822 F.3d 159, 166 (4th Cir. 2016)
- Tellabs, Inc. v. Makor Issues & Rights, Ltd., 551 U.S. 308, 322 (2007)
- Trustguard Ins. Co. v. Collins, 942 F.3d 195, 201-02 (4th Cir. 2019)
- Wilton v. Seven Falls Co., 515 U.S. 277, 286 (1995)
- Penn-Am. Ins. Co. v. Coffey, 368 F.3d 409, 412 (4th Cir. 2004)
- Nautilus Ins. Co. v. Winchester Homes, Inc., 15 F.3d 371, 376 (4th Cir. 1994)
- Donnelly v. Branch Banking & Tr. Co., 971 F. Supp. 2d 495, 501-02 (D. Md. 2013)