LOUISIANA COURT OF APPEAL, SECOND CIRCUIT

Hick's Auto Sales, LLC v. Go Auto Insurance Company, et al.

No. 56,717-CA · No. 56,717-CA · Decided February 25, 2026

SUMMARY

The Louisiana Second Circuit Court of Appeal affirmed the dismissal of Hick's Auto Sales, LLC's claims against Go Auto Insurance Company arising from a vehicle total-loss claim. The court held that the letter of guarantee did not create a contractual obligation requiring GoAuto to pay the remaining lien balance because it did not bind GoAuto to issue payment. The court also upheld the assessment of appellate costs against Hick's Auto.

CASE DETAILS

COURT	Louisiana Court of Appeal, Second Circuit
WRITING FOR THE COURT	Cox, J.; Thompson, J.; Robinson, J.
JURISDICTION	Louisiana Court of Appeal, Second Circuit
DECIDED	February 25, 2026
DOCKET	56,717-CA
DISPOSITION	affirmed
PROCEDURAL POSTURE	Hick's Auto Sales appealed the West Monroe City Court's judgment dismissing its claims against GoAuto Insurance Company after a bench trial concerning an alleged agreement to pay the balance of a vehicle lien following a total-loss collision.
STANDARD OF REVIEW	The existence of a contract is a finding of fact reviewed for manifest error or clear error; the appellate court will not disturb the finding unless it is clearly wrong.
PRECEDENTIAL VALUE	Published Louisiana Court of Appeal opinion
PARTIES	Hick's Auto Sales, LLC v. Go Auto Insurance Company, et al.

TOPICS

contract formation · mutual assent · contract interpretation · standard of review · appellate procedure

PRACTICE AREAS

contracts · insurance · commercial litigation · appellate procedure

QUESTIONS PRESENTED

1. Whether the letter of guarantee created an enforceable contract obligating GoAuto to pay Hick's Auto the remaining vehicle-lien balance.
2. Whether the trial court clearly erred in finding that the letter of guarantee did not obligate GoAuto to issue an additional payment.

HOLDINGS

1. The letter of guarantee did not create a contractual obligation requiring GoAuto to issue an additional check to Hick's Auto because it did not show GoAuto's consent to be bound and did not bind both parties.
2. The trial court was not clearly wrong in finding that the letter of guarantee did not obligate GoAuto to pay Hick's Auto.

KEY QUOTATIONS

> *"There is no contractual agreement obligating GoAuto to send an additional check. Therefore, GoAuto was not bound."* (7)

> *"For the foregoing reasons, we affirm the judgment of the trial court. Costs associated with this appeal are cast on Appellant, Hick's Auto Sales, LLC."* (8)

FACTUAL BACKGROUND

Hick's Auto sold a Nissan Altima to Phyllis Davis and retained a lien on the vehicle. After the vehicle became a total loss in a collision, GoAuto, the insurer of the other vehicle, issued payments totaling the vehicle's actual cash value, including a $1,350.91 check to Hick's Auto and a larger payment to Davis. Hick's Auto claimed that a letter of guarantee constituted an agreement requiring GoAuto to pay the remaining lien balance, but the letter contained inconsistent amounts and stated that Hick's Auto would provide clear title upon receipt of funds. GoAuto refused to issue an additional payment and advised Hick's Auto to seek the remaining balance from Davis.

PROCEDURAL HISTORY

Hick's Auto filed suit against GoAuto, Phyllis Davis, and Brianna Davis on February 6, 2023. The trial court granted GoAuto's exception of prescription as to any tort claims on January 3, 2024, and after a trial on the merits entered judgment on June 23, 2025, dismissing Hick's Auto's claims against GoAuto. Hick's Auto appealed, and the Louisiana Second Circuit affirmed.

DISPOSITION

affirmed

CASES CITED

- Dubois Const. Co. v. Moncla Const. Co., Inc., 39,794 (La. App. 2 Cir. 6/29/05), 907 So. 2d 855

- Provenza v. Cent. & Sw. Servs., Inc., 34,162 (La. App. 2 Cir. 12/15/00), 775 So. 2d 84
- Keller v. Sisters of Charity of Incarnate Word, 597 So. 2d 1113 (La. App. 2d Cir. 1992)

INSTRUCTIONS FOR AN AI ASSISTANT