

STATE OF MICHIGAN
COURT OF APPEALS

ELLA WOOTEN,

Plaintiff-Appellant,

v

METROPOLITAN PROPERTY & CASUALTY
INSURANCE COMPANY,

Defendant-Appellee.

UNPUBLISHED

February 23, 2001

No. 219404

Oakland Circuit Court

LC No. 98-006556-NF

Before: Whitbeck, P.J., and Murphy and Cooper, JJ.

PER CURIAM.

In this matter involving no-fault personal protection insurance benefits, plaintiff appeals as of right the circuit court order granting defendant's motion for summary disposition pursuant to MCR 2.116(C)(10). We affirm.

Plaintiff alleged she was injured while driving a car insured by defendant. Although the car belonged to plaintiff, the name on the title was that of Etta Harris, a good friend or "God sister" of plaintiff. The car was insured in the name of Sheri Williams, plaintiff's daughter, although plaintiff made the insurance payments. When defendant learned, after the accident, that Williams had no ownership interest in the car, defendant rescinded the policy and refunded or credited the policy premiums to Williams. However, because Williams had another policy with defendant, defendant still initially believed that plaintiff was entitled to at least partial coverage as a resident relative.

Defendant apparently provided some coverage, but ultimately plaintiff initiated this action seeking additional benefits. Defendant then learned, during plaintiff's deposition, that plaintiff did not actually live with Williams, but rather resided in the same apartment complex. On the basis of this information, defendant brought its motion for summary disposition. Defendant argued that plaintiff did not have an insurable interest in the car and that she was not covered by the policy because she was neither a named insured nor a resident relative. Plaintiff countered that defendant should be estopped from denying coverage because any mistake in providing the original policy was defendant's, and because plaintiff had relied to her detriment on the belief she was insured and on defendant's initial post-accident representations and actions.

Following a hearing on the motion, the trial court granted summary disposition finding that plaintiff had no insurable interest in the vehicle and that she was not entitled to benefits under MCL 500.3114(1); MSA 24.13114(1) because she was not a resident relative of defendant's insured, Williams. The trial court did not address plaintiff's estoppel argument.

Plaintiff now appeals, arguing that summary disposition was inappropriate because there exists a material question of fact whether the doctrine of estoppel precludes defendant from both asserting that plaintiff is not covered by the invalidated policy and refusing to pay no-fault personal protection benefits. We disagree. We review de novo a trial court's grant of summary disposition. *Spiek v Dep't of Transportation*, 456 Mich 331, 337; 572 NW2d 201 (1998).

Equitable principles may apply to prevent an insurance company from denying liability where an insurer has misled the insured. See generally *Kirschner v Process Design Associates, Inc.*, 459 Mich 587, 593; 592 NW2d 707 (1999); *Morales v Auto-Owners Ins Co*, 458 Mich 288, 296; 582 NW2d 776 (1998); *Meirthew v Last*, 376 Mich 33, 39; 135 NW2d 353 (1965). However, it is undisputed that plaintiff is not and has never been defendant's insured. Moreover, where estoppel principles apply, those who seek equity must do so with "clean hands." *Stachnik v Winkel*, 394 Mich 375, 382; 230 NW2d 529 (1975). A person should be barred from seeking equitable relief if there is any indication of overreaching or unfairness on this person's part. *Royce v Duthler*, 209 Mich App 682, 688-689; 531 NW2d 817 (1995). "The unfair or overreaching conduct need not be actionable in any way. It need only be a wilful act that transgresses the equitable standards of conduct." *Id.* at 689, citing *Stachnik*, *supra* at 386.

Were we to conclude that equitable principles applied despite the fact that plaintiff was not defendant's insured, we would find that plaintiff lacked the "clean hands" necessary to invoke equity. Plaintiff arranged to have her vehicle titled under the name Etta Harris, and insured under the name Sheri Williams, who had no ownership interest in the car. Plaintiff's highly questionable method of insuring the subject vehicle is a sufficient "wilful act that transgresses the equitable standards of conduct," to bar equitable relief in this case. The trial court did not err in granting summary disposition.

Affirmed.

/s/ William C. Whitbeck
/s/ William B. Murphy
/s/ Jessica R. Cooper