

**Preferred Contrs. Ins. Co. v Global Solutions  
Appliance Repair NYC LLC**

2021 NY Slip Op 31390(U)

April 1, 2021

Supreme Court, New York County

Docket Number: 652052/2020

Judge: Laurence L. Love

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This opinion is uncorrected and not selected for official publication.



Plaintiff now moves for a default judgment, against Global Solutions Appliance Repair NYC LLC pursuant to CPLR 3215; a declaration that that there is no coverage under the PCIC policy issued to Global Solutions Appliance Repair NYC LLC for the Underlying Incident and claims arising therefrom; and an Order permitting PCIC to withdraw from Global Solutions Appliance Repair NYC LLC's defense in the Underlying Action.

Plaintiff demonstrated the merits of their claim by submitting the affidavit of Kenyon Young, general counsel for Preferred Contractors Insurance Company, Risk Retention Group, LLC ("PCIC"), together with the relevant Insurance Policy and the pleadings in the underlying actions (see, CPLR 3215[f]; *Henriquez v. Purins*, 245 AD2d 337 [2nd Dept 1997]; *Rafiq v. Weston*, 171 AD2d 783 [2nd Dept 1991]; *Woodson v. Mendon Leasing Corp.*, 100 NY2d 62 [NY 2003]). Said documents establish as follows: The relevant insurance claims for this matter are asserted by Admiral Indemnity Company a/s/o The Normandie Condominium, Liberty Mutual Insurance Company a/s/o Kari E. Strong and Brian G. Strong, United Services Automobile Association a/s/o Carolyn Disbrow, Travelers Home And Marine Insurance Company a/s/o Sean Heikkila, Sara Glazer, Angelika Cha, Jacob Halper and Rachel Halper. Said claimants allege that Global Solutions Appliance Repair NYC, LLC serviced, maintained and/or repaired a refrigerator in Unit 6B of a residential condominium building known as 100 West 119th Street, New York, New York in or about May 2018, and that Global Solutions Appliance Repair NYC, LLC work released large quantities of water into the building causing water damage to the subrogors' apartments. The insurance company defendants filed the following subrogation actions against Global: Admiral Indemnity Company, New York County Supreme Court Index No. 161801/2018; United Services Automobile Association, New York County Supreme Court Index No. 651602/2020; Liberty Mutual Insurance Company, Civil Court of the City of New York, County

of New York, Index No. 029464-19 (the “Underlying Actions”) and Travelers Home And Marine Insurance Company tendered three separate claims for water damage to apartments 3B, 4B, and 5B allegedly caused by the Underlying Incident on behalf of its insureds, Jacob Halper, Rachel Halper, Angelika Cha, Sean Heikkila, and Sara Glazer. PCIC issued Policy No. PCA5001-PC240487 to Global for the period August 19, 2017 through August 19, 2018. Section “s” of the policy contains an exclusion for Multi-Unit Residential Structures, which is modified by a Handyman, Appliance Installation - Water Damage Limit endorsement (“Endorsement No. 74”), that limits coverage to \$5,000 for water damage that occurs as a result of the insured’s appliance operations, as follows:

As to any claims of water damage arising or resulting in any manner from your ongoing operations or completed operations, for which coverage is provided by the provisions of this Policy, any such claim reported under this Policy has a maximum OCCURRENCE LIMIT and a maximum PRODUCTS / COMPLETED OPERATIONS LIMIT of \$5,000 in connection with such a claim. The most that the Risk Retention Group will pay as to any claim of water damage arising out of your operations as a handyman or appliance installer is \$5,000.

The \$5,000 maximum occurrence limit identified above includes any and all defense fees and costs associated with the claim, as well as any contribution towards indemnity.

Defense fees and costs” means:

1. Fees charged by any lawyer designated by the Company;
2. All other reasonable fees, costs and expenses resulting from the investigation, adjustment, defense and appeal of a “claim” if incurred by the Company; and expenses and pre judgment and post-judgment interest, paid or incurred by or on behalf of the “Insured”,
3. Reasonable fees charged and reasonable expenses incurred by any lawyer designated by the “insured” with our prior express written consent.

All other terms, definitions, conditions, and exclusions of this policy apply and remain in effect.

Except as set forth above, all of the terms, conditions and exclusions of this policy apply and remain in effect.

PCIC had expended \$6,149.68 in the defense of Global as of the date of the Complaint in this action. As such, the coverage limits have been exceeded and plaintiff has established its entitlement to a default judgment and no opposition has been received.

As such, it is hereby,

ORDERED that Preferred Contractors Insurance Company, Risk Retention Group’s motion for default judgment against Defendant, Global Solutions Appliance Repair NYC LLC is GRANTED in its entirety; and it is further

ORDERED and DECLARED that the Policy does not provide coverage for claims arising out of the Underlying Incident; and it is further

ORDERED that Preferred Contractors Insurance Company, Risk Retention Group is permitted to withdraw from Global Solutions Appliance Repair NYC LLC defense in the Underlying Actions.

4/1/2021  
DATE

  
LAURENCE L. LOVE, J.S.C.

CHECK ONE:

CASE DISPOSED

NON-FINAL DISPOSITION

GRANTED

DENIED

GRANTED IN PART

OTHER

APPLICATION:

SETTLE ORDER

SUBMIT ORDER

CHECK IF APPROPRIATE:

INCLUDES TRANSFER/REASSIGN

FIDUCIARY APPOINTMENT

REFERENCE