



**ARIZONA SUPREME COURT
ORAL ARGUMENT CASE SUMMARY**



**GARBIS SATAMIAN v. GREAT DIVIDE INSURANCE CO., et al.
CV-23-0085-PR**

PARTIES:

Petitioner/Plaintiff/Appellant: Garbis Satamian (“Satamian”), as assignee of the rights of Sayed Mohammed (“Mohammed”) and A.C. Watercraft Rental, LLC (“Watercraft”)

Respondents/Defendants/Appellees: Risk Placement Services (“RPS”), Farm Bureau Property and Casualty Insurance Company (“Farm Bureau”), and Great Divide Insurance Company (“Great Divide”)

FACTS:

In March 2015, Mohammed contacted Farm Bureau to purchase insurance for his watercraft rental business, Watercraft. Working with Farm Bureau, Mohammed purchased an insurance policy from Great Divide. Policy documents listed RPS as agent of record and included a schedule listing the specific watercraft covered under the policy.

Three months after the policy went into effect, a jet ski owned by Watercraft and operated by a non-party struck and killed Satamian’s daughter. Following the accident, Mohammed presented a claim for defense and indemnification to Great Divide on behalf of Watercraft. Great Divide denied coverage on January 25, 2016, stating that the jet ski that was involved in the accident was not listed on the schedule in the policy. Great Divide further reserved the right to review any lawsuits or amendments to the claim to make a separate determination as to whether either a defense or indemnity might be provided by Great Divide, noting that “[i]t is possible that we might provide a defense and/or indemnity for an amended claim or a lawsuit.”

Satamian filed suit against Watercraft on May 3, 2017. The parties settled in December 2020. The settlement agreement included a stipulated judgment in favor of Satamian and assignment of Watercraft’s claims against Great Divide, RPS, Farm Bureau, and others.

On June 8, 2021, Satamian, as assignee of the rights of Mohammed and Watercraft, filed suit against RPS and other defendants. Satamian sued RPS for professional negligence in failing to schedule the jet ski on the policy and for promissory estoppel regarding alleged assertions RPS made to Watercraft regarding the Policy. According to the complaint, after Satamian filed suit against Watercraft on May 3, 2017, Watercraft “again tendered the claim to [Great Divide], seeking defense and indemnification pursuant to the Policy.” The complaint further alleged that “Great Divide’s wrongful denial of A.C. Watercraft’s claim for defense and indemnity forced A.C. Watercraft to retain counsel, using its own funds, and to defend the lawsuit on its own.”

RPS moved to dismiss the claims as untimely. The superior court granted the motion, finding that Watercraft had sustained an actual harm in May 2017 when it paid for its own defense in the underlying lawsuit. The court thus concluded that the limitations period expired on May 3, 2019

for the negligence claim and May 3, 2020 for the promissory estoppel claim. Because Satamian filed his complaint on June 8, 2021, the court found that his claims against RPS were untimely. Satamian appealed.

The Court of Appeals affirmed dismissal of the complaint. It found that the superior court properly relied on the facts pled in the complaint, which demonstrated that Mohammed and Watercraft knew or should have known of the alleged wrong when Great Divide denied coverage and forced Watercraft to use its own funds to defend itself. The Court of Appeals concluded that Mohammed and Watercraft suffered an appreciable, non-speculative harm when Great Divide denied coverage. Therefore, Satamian's cause of action accrued, at the latest, in May 2017.

ISSUE:

Whether the Court of Appeals erred by holding Plaintiff's claims accrued prior to insurer Great Divide's final denial of coverage.

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