STATE OF MICHIGAN

COURT OF APPEALS

AUTO CLUB INSURANCE ASSOCIATION,

Plaintiff-Appellant,

v

KAREN RUTH HALONEN,
Personal Representative of the Estate of
STEVEN ROY HALONEN, Deceased,

Defendant-Appellee.

April 29, 1991

No. 123646

Before: McDonald, P.J., and Brennan and Jansen, JJ.

PER CURIAM.

Plaintiff appeals as of right from an order granting defendant's motion for summary disposition in this declaratory judgment action. We reverse.

Plaintiff sought a declaration that an automobile insurance policy issued to Eva Marie Parsons did not cover liability for the death of defendant's decedent resulting from an accident in which the insured's son Martino was operating a car owned by the insured's husband. The car involved in the accident was insured by a different insurer and the limits of liability coverage under that policy were paid to defendant pursuant to a settlement agreement. The agreement reserved defendant's right to seek judicial determination of coverage under plaintiff's policy. The parties submitted the case on stipulated facts and cross motions for summary disposition pursuant to MCR 2.116(C)(10). The trial court ruled that two provisions of the insurance policy on which plaintiff relied to bar coverage were deceptively placed and ambiguously worded and, therefore, were unenforceable. After the court issued it's opinion, the parties stipulated to the amount of the judgment in defendant's favor: $55,844.42, representing the limit of liability under the policy plus costs and interest.

On appeal plaintiff claims the trial court erred in finding both the exception from liability coverage of cars owned by resident relatives and the prohibition of duplication or pyramiding of coverages unenforceable. We agree that the court erred in determining notice of the exclusion of coverage for liability arising from the use of cars owned by resident relatives was deceptively placed. Powers v DAIIE, 427 Mich 602; 398 NW2d 411 (1986) is distinguishable. In the portion of the instant policy setting forth the parameters of the liability coverage, the term "insured car" is typed in bold face capitol letters indicating it is a word subject to the definitions contained at the beginning of the policy. The definition section of the policy clearly indicates in even bolder, underlined type that the definitions found therein apply throughout the policy. The term "insured car" is defined to exclude cars other than those insured by the policy that are owned by either the person named in the policy or any resident of the household. Reading the policy as a whole, we conclude that the relevant language of the policy is clear and unambiguous and therefore could not defeat the reasonable expectations of the insureds. Transamerican Ins Corp of America v Buckley, 169 Mich App 540; 426 NW2d 696 (1988). Because we have concluded coverage does not apply, we need not decide whether coverage under the policy would be excluded pursuant to the policy's provision prohibiting duplication or pyramiding of coverage.

Reversed and remanded for entry of summary disposition in favor of plaintiff.

/s/ Gary R. McDonald
/s/ Thomas J. Brennan
/s/ Kathleen Jansen