

1 State of South Carolina) Court of Common Pleas
 2 County of York) Seventh Judicial Circuit
 3
 4 Francine Steineman,) Transcript of Record
)
 5 Plaintiff,)
 vs.) 2020-CP-46-02219
 6)
 7 Eric Steineman, et al.,)
)
 Defendants._____)

RECEIVED

Nov 01 2021

SC Court of Appeals

July 28, 2021
York, South Carolina

11 B E F O R E:

12 The Honorable Daniel D. Hall, Judge
13

14 A P P E A R A N C E S:

15 Stephen G. Vicari II, Esquire
On behalf of the Plaintiff
16

17 T. David Rheney, Esquire
On behalf of Meridian Security Insurance Company
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20 Reported by: Stacy S. Johnson,
Circuit Court Reporter
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Certificate of Reporter

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E X H I B I T S

NO EXHIBITS WERE INTRODUCED

1 (The following proceedings were held July 28,
2 2021, beginning at 2:03 PM.)

3 THE COURT: All right. We're on the record in
4 2020-CP-46-2219. Francine Steineman versus Eric
5 Steineman. Representing the plaintiff is Stephen Vicari.

6 And your name?

7 MR. RHENEY: Your Honor, I'm David Rheney.

8 THE COURT: Mr. Rheney, I know you. You've just
9 got your robber's mask on today. I just didn't recognize
10 you.

11 MR. RHENEY: Yes, sir. May I remove it while I'm
12 talking?

13 THE COURT: Yes, you may. Yes. Yes.

14 MR. RHENEY: Thank you.

15 THE COURT: Representing Meridian Security or,
16 I guess, here on behalf of Eric Steineman, Mr. David
17 Rheney.

18 So, Mr. Rheney, is this your motion?

19 MR. RHENEY: Yes, sir, it is.

20 THE COURT: All right. I'll be glad to hear from
21 you.

22 MR. RHENEY: Thank you, Your Honor. I will try
23 and move quickly. You're probably -- I don't know if
24 you remember this, but if you do you're probably getting
25 sick of seeing us over here on this.

1 But Your Honor has issued an order in this, so my
2 -- my motion in general is a motion to reconsider a
3 previous order of the Court and there have been several.

4 So, I guess, just by way of background briefly, this
5 arises from an automobile accident where Mr. Steineman
6 was driving a vehicle occupied by his wife. They were
7 involved in an automobile accident with a vehicle driving
8 by either Sarah Smith or Charles Griffin. I think we
9 know who that is, but -- who the true driver was.

10 But be that as it may, last July Ms. Steineman
11 filed a lawsuit against her husband and against Ms. Smith
12 claiming that Ms. Smith was the driver and I believe that
13 Ms. Smith went into default and my recollection is that
14 she contacted Mr. Vic -- Vicari and told him that she was
15 not the driver. So he then on November the 30th of last
16 year filed an amended complaint naming both Mr. --
17 Ms. Smith and Mr. Griffin as defendants.

18 Ms. Smith was served in early December is my
19 recollection. Mr. Griffin was served in very late
20 December, like the 29th, but in between on December the
21 16th the insurance commissioner accepted service for
22 Meridian. I don't know why, but we have previously
23 provided it to the Court so it is in the Court's file
24 and I can provide another one to the Court, if needed --

25 THE COURT: I have the file here in front of me.

1 MR. RHENEY: -- but for some reason the mail did
2 not get to the -- the insurance commissioner sent the
3 summons and complaint in mid-December, I think December
4 the 17th, but it did not get to Meridian until February
5 the 3rd, and we have provided the -- the documentation
6 to that effect.

7 On -- so that would have made thirty days to file a
8 notice of appearance being March the 5th.

9 THE COURT: All right. Now let me -- I'm -- I'm
10 familiar with the facts and I think for a motion to
11 reconsider we're not here to rehear all the arguments
12 all over again.

13 MR. RHENEY: Correct, Your Honor.

14 THE COURT: If there's something new or some error
15 made --

16 MR. RHENEY: Yes, sir. You had --

17 THE COURT: -- I'll be glad to hear that.

18 MR. RHENEY: Your order denied Meridian's motion
19 for relief from default that was entered -- a motion
20 for default was entered on March 1st before the
21 thirty days, your order -- your last order simply said
22 that that motion was denied and also a second motion
23 was denied without any additional commentary on the
24 basis for the denial. And while we are certainly aware
25 the Court does not have to give a longwinded explanation

1 for the reasons for his rulings, we have requested that
2 in this case for potential appeal purposes and on down
3 the line and have asked that the Court provide more
4 specific information as to the basis for its rulings on
5 the motions for denying the motion for relief from
6 default or to enlarge time to answer because we provided
7 information that we believe indicates or that the law
8 indicates that an answer would not have been due or a
9 notice of appearance wouldn't have been due until March
10 the 5th in -- in this case.

11 And so there's the issue, Your Honor, of when is
12 Meridian served. Were they served when the insurance
13 commissioner accepted service or when they actually get
14 it because this was when they got it, February 3rd.

15 THE COURT: I mean, that was certainly the -- that
16 was certainly the argument that the Court heard --

17 MR. RHENEY: Yes, sir.

18 THE COURT: -- was basically based on the fact that
19 Meridian -- was Meridian served when the commissioner --
20 when the commission received notice or were they -- and
21 the argument was that's what the statute requires and
22 that service is complete upon service to the commission
23 and then certainly Meridian's argument was well, they
24 never really got notice of it until it was finally
25 delivered sometime in February.

1 MR. RHENEY: Yes, sir, Your Honor. And so we're
2 not clear on what the Court found. Are they served in
3 mid-December or were at the served February 3rd? There's
4 a six or seven-week difference there and if our -- our
5 review of the law is correct, that they're not actually
6 served until they get it in their hands on February the
7 3rd, then they did timely answer. If, on the other hand,
8 service is perfected when received by the insurance
9 commissioner, then they're in default before they even
10 get it.

11 THE COURT: Right, and that -- you're right and that
12 was clearly the argument that was presented to the Court
13 back when we heard the argument.

14 MR. RHENEY: So -- and so that's part of the reason
15 for our motion here is we're not clear what the Court's
16 conclusion was in that regard legally speaking.

17 THE COURT: Okay.

18 All right. Mr. Vicari, I'll be glad to hear from
19 you.

20 MR. VICARI: Well, I hate to rehash everything
21 again.

22 THE COURT: Well, we're not gonna rehash everything
23 again.

24 MR. VICARI: So, I guess, all I would say is I --
25 I agree that the question is when was Meridian served or

1 when did the clock start running. I guess we'll frame
2 it that way. Did the 30-day clock start running when
3 the Department of Insurance was served or when Meridian
4 had notice of the UM claim and the UM litigation, and
5 under either event I think the thirty days passed.

6 I mean, we're ignoring the original pleading, or
7 at least Meridian is, which laid out Meridian's UM
8 exposure. Amending the pleadings didn't change that UM
9 exposure. The car --

10 THE COURT: Well, let me -- I think it's even
11 simpler than that.

12 MR. VICARI: Okay.

13 THE COURT: For purposes of the hearing today,
14 Meridian simply wants an order. They would like a
15 formal order basing -- for the Court to give the facts
16 on which it based its opinion and the rules and the law
17 as it applies to those facts, and I get those a fair
18 amount --

19 MR. VICARI: Sure.

20 THE COURT: -- that a Form 4 is not sufficient.
21 And I understand their position. If they wanted to
22 appeal, then certainly a formal order gives them
23 something they can hang their hat on.

24 On the other hand, y'all help educate Judge Hall
25 on this. The record also speaks for itself. The

1 arguments that were briefed were what the Court ruled
2 on and -- and, I mean, so if -- so there we have it.
3 I think that's the -- the real issue is whether Judge
4 Hall needs to just file a more formal order --

5 MR. RHENEY: Exactly.

6 THE COURT: -- to give them something in which
7 they -- to decide whether they want to appeal or not.

8 Isn't in a sort of where we are, Mr. Rheney?

9 MR. RHENEY: Yes, sir. And that -- that's it.
10 And then in the memorandum we've submitted for this
11 hearing, we've noted several areas in particular where
12 we believe a more formal order would be appropriate to
13 determining not only when but they were served, but,
14 are they, you know, bound by the potential default of
15 the individuals. Is Meridian, an UIM carrier, bound
16 by their default, and so I've pointed those out in the
17 memo. I'm not gonna add --

18 THE COURT: Okay. Again, that's the same argument
19 that I heard.

20 MR. RHENEY: Yes, sir.

21 THE COURT: I mean, that's not new.

22 All right. What I'll do -- Mr. Vicari, anything
23 you want to add or put in the record?

24 MR. VICARI: No, sir. I think you summed it up
25 for me. It is what it is.

1 THE COURT: All right. I'll take a look at -- at
2 Meridian's memo and then your memo and then I'll --
3 I'll issue a ruling by the end of next week, all right?

4 MR. VICARI: Thank you, Your Honor.

5 MR. RHENEY: Yes, sir. Thank you.

6 (Whereupon, the proceedings were concluded at
7 2:12 PM.)

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C E R T I F I C A T E

I, Stacy S. Johnson, Official Court Reporter for the Eleventh Judicial Circuit of the State of South Carolina, do hereby certify that the foregoing is a true, accurate and complete transcript of record of all the proceedings had and the evidence introduced in the hearing of the captioned case in Circuit Court on the 28th day of July, 2021.

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I do further certify that I am neither of kin, counsel, nor have an interest to any party hereto.

November 1, 2021

1st Stacy S. Johnson
STACY S. JOHNSON
CIRCUIT COURT REPORTER