Circuit Court for Carroll County
Case No. 06-C-17-073495

UNREPORTED

IN THE COURT OF SPECIAL APPEALS

OF MARYLAND

No. 1378

September Term, 2019

KEVIN C. BETSKOFF, SR.

v.

STANDARD GUARANTY INSURANCE COMPANY

Friedman,
Wells,
Kenney, James A., III
(Senior Judge, Specially Assigned),

JJ.

Opinion by Kenney, J.

Filed: May 3, 2021

This case returns to us following our earlier remand to the Circuit Court for Carroll County. Claiming a collapsed underground pipe caused sewage to flow into his Westminster, Maryland home (the "Property") in 2016, appellant, Kevin Betskoff, sought coverage under a force-placed insurance policy issued by the appellee, Standard Guaranty Insurance Company ("Standard Guaranty"), to Specialized Loan Servicing LLC, the company servicing Mr. Betskoff's mortgage. When his claim was essentially denied,[1] he filed a complaint in the circuit court against Standard Guaranty alleging statutory claims for its failure to act in good faith and a common law negligence count. The circuit court granted Standard Guaranty's motion to dismiss, and Mr. Betskoff appealed to this Court. In an unreported opinion, *Betskoff v. Standard Guaranty Insurance Company*, No. 1444, September Term, 2017 (filed September 18, 2018), the panel affirmed the dismissal of the statutory claims but because "the court erred in dismissing the common law negligence count," we remanded to the circuit court for further proceedings.

The circuit court, on remand, granted summary judgment in favor of Standard Guaranty on the common law negligence count. In this appeal, Mr. Betskoff's presents three questions[2] that we have consolidated into two and rephrased:

[1] Standard Guaranty issued a partial denial letter advising that the damages to the underground pipes and damages to the land were not covered. While cleanup costs of $300.00 for the basement were covered, the expenses incurred were less than the $1,000 deductible.

[2] The questions presented by Mr. Betskoff are:

I. Did the circuit court err in granting Standard Guaranty's motion for summary judgment?

II. Did the circuit court err in denying Mr. Betskoff's request to enter judgment against Standard Guaranty for costs assessed in the previous appeal?

For the reasons that follow, we affirm the judgment of the circuit court.

FACTUAL AND PROCEDURAL BACKGROUND

We will summarize and expand upon the facts presented in the earlier unreported opinion.

On or around March 19, 2016, raw sewage emerged from the toilet and shower drain in Mr. Betskoff's bathroom, covering the bathroom floor, and spilling out into the bedroom, living room, and office area. He incurred costs to repair the septic system and clean the affected areas of his home.

The Property was insured under a policy issued by Standard Guaranty (the "Policy"). The Policy, commonly referred to as a force-placed insurance policy,[3] was

1. Did the Circuit Court err in granting Standard Guaranty's Motion Summary Judgment against [Mr.] Betskoff's complaint?
2. Did the Circuit Court err in granting Standard Guaranty's Motion to Dismiss Appellant Betskoff's complaint?
3. What is the proper interpretation for enforcement of a Mandate's costs?

[3] As explained in § 9:33.Force-placed insurance: The background, Litig. & Prev. Ins. Bad Faith § 9:33 (3rd ed.):

> The reality is that the insurance placed by force by lenders is "lender force-placed insurance." By whatever name, it theoretically "occurs when a borrower fails to maintain the amount of property insurance required by a mortgage contract and the lender or servicer purchases the insurance at the borrower's expense in order to protect the lender's security interest in the

placed by Mr. Betskoff's lender after Mr. Betskoff's prior insurer cancelled coverage. The named insured on the Policy is Specialized Loan Servicing, LLC, the company servicing the mortgage on the Property.

On November 11, 2013, JPMorgan Chase Bank, N.A. ("Chase"), Mr. Betskoff's lender, sent a letter to Mr. Betskoff advising him of his right to purchase an insurance policy of his own choosing:

> Although we previously notified you that your lender-placed hazard insurance would renew if you did not provide evidence of your own insurance, we have not received proof of coverage. Enclosed is a renewal of your lender-placed hazard insurance policy/certificate.
>
> * * *
>
> **Under the terms of your mortgage, you are required to maintain continuous hazard or homeowners' insurance coverage on your property until you pay off your loan. Because you did not provide proof of coverage, we have purchased insurance on your property effective 10/31/2013.**
>
> * * *
>
> We urge you to consider the following:
>
> **The cost of the hazard insurance we purchased is likely to be significantly higher than the insurance you could purchase on your own.** This is because the hazard insurance we purchased is issued automatically without evaluating the risk of insuring your property. You should compare

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property."[] [*Montanez v. HSBC Mortgage Corp.*, 876 F. Supp. 2d 504, 507 n.1 (E.D. Pa. 2012)].

Broadly put, this is a kind of collateral protection insurance, meaning insurance required by a lender to protect its collateral (whether or not the statutes of a given jurisdiction include a particular form of lender force-placed insurance as "collateral protection insurance").

> the premium shown above to the cost of an insurance policy from a company you select.
>
> * * *
>
> We strongly recommend you purchase your own insurance coverage. This will allow you to choose a policy that meets your needs from a company you select.

After the sewage overflow, Mr. Betskoff filed a claim with Standard Guaranty, which sent an inspector to interview him and take pictures of the affected area.[4] According to Mr. Betskoff, the inspector did not follow up with him or return his calls. Despite multiple attempts to contact Standard Guaranty about the status of his claim, it was not until December 2016 that Standard Guaranty issued a letter that stated, in pertinent part**:**

> This letter is to advise you of your claim outcome. We have completed our investigation and found that the damages to your underground pipes and damages to the land are not covered under this policy. You do have coverage for the cleanup in the basement only. You advised that Elizabeth Teal of Merry Maids came in and did the cleanup for $300.00, this amount is under your deductible amount of $1000.00. Should this information be wrong please send us the correct invoice and amounts on the cleanup for our review and consideration. If you have information different from what we have on file please forward as soon as possible for us to review.
>
> **Below are the exclusions in your policy for the damages that are not covered.**
>
> 2. Property Not Covered.
>
> * * *
>
> d. Cost of excavations, grading or filling.
>
> * * *

[4] The date of loss is listed as March 22, 2016 and the reported date is April 29, 2016.

f. Pilings, piers, pipes, flues and drain

* * *

h. Land, including land on which the residential property is located.

* * *

GENERAL EXCLUSIONS

1. We do not insure for loss caused directly or indirectly by any of the following. Such loss is excluded regardless of any other cause or event contributing concurrently or in any sequence to the loss. These exclusions apply whether or not the loss event results in widespread damage or affects a substantial area.

* * *

c. Water Damage, meaning:

* * *

(2) Water of water-borne material which backs up through sewers or drains or which overflows from a sump, sump pump or related equipment; or

(3) Water or water-borne material below the surface of the ground, including water which exerts pressure on or seeps or leaks through a residential property, sidewalk, driveway, foundation, swimming pool or other structure[.]

On May 9, 2017, Mr. Betskoff filed a four-count complaint against Standard Guaranty for: 1) breach of duty, 2) bad faith dealing, 3) negligence, and 4) breach of the implied covenant of good faith and fair dealing. With the exception of the negligence count, each of the counts alleged either that Standard Guaranty had acted in bad faith or that it had not acted in good faith in handling his insurance claim. He requested compensatory damages, punitive damages, court costs and filing fees.

Because Mr. Betskoff's claims were premised on allegations that it had acted without good faith in denying coverage, Standard Guaranty moved to dismiss the complaint. It argued that his complaint fell within § 27-1001 of the Insurance Article and § 3-1701 of the Courts and Judicial Proceedings Article which required Mr. Betskoff to invoke and exhaust administrative remedies prior to filing a civil lawsuit. On July 18, 2017, Mr. Betskoff filed an opposition to Standard Guaranty's motion to dismiss, asserting that he had exhausted his administrative remedies with the Maryland Insurance Administration ("MIA"), and that the MIA advised him to file a lawsuit in circuit court. On September 15, 2017, without holding a hearing, the circuit court granted Standard Guaranty's motion to dismiss, and Mr. Betskoff appealed.

In the September 18, 2018 unreported opinion, the panel concluded that the circuit court had properly dismissed Counts 1, 2, and 4 for Mr. Betskoff's failure to exhaust administrative remedies. But, without reaching the merits of the claim, it held "that the court erred in dismissing the common law negligence count" and vacated the circuit court's order dismissing the negligence count and remanded to the circuit court on that count. The mandate provided: "Costs to be divided equally between appellant [*i.e.*, Mr. Betskoff] and appellee." The costs were $264.80 for Mr. Betskoff and $298.80 for Standard Guaranty.

The sole count on remand was Count 3 (negligence) in which Mr. Betskoff alleged:

> 23. The Defendant had a duty to the Plaintiff to properly insure his home and provide Betskoff with a valid and legal homeowner's insurance policy protecting his property. Betskoff has an insurable interest in his home.
>
> 24. When the Defendant Standard Guaranty informed Plaintiff that they had no intention of paying on this claim thus, denying coverage and sticking him

> with the expense from the damage they were in violation of their duty to the Plaintiff.

Standard Guaranty moved for summary judgment on the grounds that it had no duty in tort to issue a policy that fully covered the alleged loss. It stated:

> Despite Mr. Betskoff's unsupported argument to the contrary, there is no such tort duty under Maryland law for Standard Guaranty to have issued a policy that fully covered the subject loss. Mr. Betskoff had every opportunity to purchase a policy on his own to meet his needs as he saw fit. Furthermore, Mr. Betskoff's negligence claim is barred under Maryland's economic loss doctrine.

At a hearing on August 22, 2019, the circuit court, after noting Mr. Betskoff's obligation to have provided evidence demonstrating a genuine dispute of material fact,[5] granted Standard's Guaranty's motion, explaining:

> The issue for me, however, is whether there is any tort liability due and owed by Standard Guaranty Insurance Company to the Plaintiff Mr. Betskoff in this case.
>
> I find that the Plaintiff's home sustained damaged from this, I will call it a sewage overflow, sometime between February 22, 2016 and March 19, 2016. I find that at the time the – of the loss the Plaintiff's home was covered by this forced-placed insurance policy through the Defendant Standard Guaranty Insurance Company.
>
> I find that the sole named insured on the policy at the time of the loss was the Plaintiff's loan servicer at the time.
>
> * * *
>
> I find that there was no contractual privity or relationship between the Plaintiff Kevin Betskoff and Standard Guaranty Insurance Company. The

[5] Our review of his opposition to this motion for summary judgment indicates that what he considered to be facts in dispute are essentially legal arguments regarding his alleged loss and right to coverage rather than material facts.

contract was between Standard Guaranty Insurance Company and the lender or the lender's agent.

* * *

The Plaintiff's Complaint in this case was filed on May 9, 2017. I do find that it claims damages for economic loss only. And those are set forth in the Complaint including the cost to repair the septic system and cleanup, there is also a claim for lost wages or income incurred by Mr. Betskoff.

* * *

And the claim is one based in negligence alleging that [Standard Guaranty] had a duty to provide more or better coverage than that which existed under the terms of the policy. So, this is not a case in which the Plaintiff claims either that [Standard Guaranty] failed to pay a claim that the contract required them to pay or failed to properly investigate the claim or failed to timely investigate the claim. It is simply that this was a lousy – I will use Mr. Betskoff's words – a feckless policy and the insurance company had no business providing a feckless policy.

* * *

So, in effect [Mr. Betskoff]'s claim is that [Standard Guaranty] had a duty to – and this is from the Complaint – to properly insure his home and provide Plaintiff with a valid and legal homeowner's insurance policy protecting his property.

Now, the Plaintiff has alleged that [Standard Guaranty] owed a duty provide coverage and that perhaps other insurance companies would have provided better policies or other policies would have provided better coverage than that which was provided here.

I have found no authority for that proposition. The Plaintiff is unable to cite to the [c]ourt any authority for that proposition.

* * *

And in determining whether a tort duty should be recognized in a particular context, two major considerations are the nature of the harm likely to result from a failure to exercise due care and the relationship that exists between the parties. And where the failure to exercise due care creates a risk

of economic loss only then the Courts have generally required an intimate nexus between the parties as a condition to the imposition of tort liability.

In this case, having considered those two [*Jacques*] factors, the [c]ourt finds that [Standard Guaranty] had no duty, that there is no duty under Maryland Law to do that which [Mr. Betskoff] contends [Standard Guaranty] should have done in this case.

* * *

And I do agree that – in addition to the reasons set forth by the Court here today – and I do find first of all that there was no special relationship between [] Mr. Betskoff in this case and [Standard Guaranty]. In fact, there was no contractual privity whatsoever between the parties.

I also find . . . that [Mr. Betskoff]'s claims would be barred by the Economic Loss Doctrine, in addition to the reasons set forth by the [c]ourt.

So, for those reasons the [c]ourt is going to grant [Standard Guaranty's] Motion for Summary Judgment in this case as to the remaining count, which is Count 3. And I will issue an Order to that effect.

DISCUSSION

I.

Motion for Summary Judgment

Standard of Review

The Court of Appeals has explained:

Pursuant to Maryland Rule 2–501, we have stated that "[a] trial court may grant summary judgment when there is no genuine dispute of material fact and a party is entitled to judgment as a matter of law." *120 W. Fayette St., LLLP v. Mayor & City Council of Balt. City*, 413 Md. 309, 329 (2010) (internal quotation omitted). A determination of "[w]hether a circuit court's grant of summary judgment is proper in a particular case is a question of law, subject to a non-deferential review on appeal." *Tyler v. City of College Park*, 415 Md. 475, 498 (2010); *Conaway v. Deane*, 401 Md. 219, 243 (2007); *Charles Cnty. Comm'rs v. Johnson*, 393 Md. 248, 263 (2006). Thus, "[t]he standard of review of a trial court's grant of a motion for summary judgment

> on the law is de novo, that is, whether the trial court's legal conclusions were legally correct." *Messing v. Bank of Am., N.A.*, 373 Md. 672, 684 (2003) (citations omitted).

D'Aoust v. Diamond, 424 Md. 549, 574 (2012) (cleaned up).

Contentions

Mr. Betskoff contends that the circuit court denied him "a trial on the merits when there is a genuine dispute of the facts." He asserts that "the argument raised by [Standard Guaranty, that somehow a force[] placed policy alleviates [it] from having to pay a claim is ridiculous." He states that "[n]o one 'forced' Standard Guaranty Insurance Company to insure [his] home" because "they inspected the home both inside and out and they made the decision to cover the property." He contends that he "was the named insured and had an insurable interest in the property." He argues that Standard Guaranty had both a duty in tort and "a contractual duty as well" to "issue a policy that fully covered [his] loss."

Standard Guaranty Insurance Company contends that "Mr. Betskoff is not an insured under the Policy," and therefore there is "no basis to impose a duty in tort" on Standard Guaranty to provide Mr. Betskoff "greater coverage than as set forth in the Policy." And, even if Standard Guaranty had "somehow failed to exercise due care," its failure "could only result in a denial of benefits, which amounts to an economic loss only" and could "never result in a risk of personal injury."

Analysis

The Court of Appeals has explained:

> To establish a negligence claim, a plaintiff must allege facts showing that: (1) the defendant owes the plaintiff a duty of care; (2) the defendant

> breached that duty; (3) the plaintiff sustained an injury or loss; and (4) the defendant's breach of the duty was the proximate cause of the plaintiff's injury. *100 Inv. Ltd. P'ship v. Columbia Town Ctr. Title Co.*, 430 Md. 197, 213 (2013) (citation omitted).

Balfour Beatty Infrastructure, Inc. v. Rummel Klepper & Kahl, LLP, 451 Md. 600, 610 (2017).

Here, the focus is on the first element, and whether Standard Guaranty owed Mr. Betskoff a duty to provide coverage for his alleged property damages. "Maryland defines 'duty' as 'an obligation to which the law will give effect and recognition to conform to a particular standard of conduct toward another.'" *Balfour Beatty*, 451 Md. at 611 (quoting *Jacques v. First Nat'l Bank of Md.*, 307 Md. 527, 532 (1986)). "Absent a duty of care, there can be no liability in negligence." *Walpert v. Katz*, 361 Md. 645, 655 (2000). "Whether a legal duty exists between parties is a question of law to be decided by the court." *100 Inv. Ltd. P'ship*, 430 Md. at 211.

There "is no set formula" to determine whether a tort duty exists. *Coates v. S. Maryland Elec. Co-op., Inc.*, 354 Md. 499, 509 (1999); *see Steamfitters Loc. Union No. 602 v. Erie Ins. Exch.*, 469 Md. 704, 727 (2020) (stating that "[n]o universal test has ever been formulated for determining whether a duty exists). "Rather, the requirements of a legal duty are dependent upon the specific facts and circumstances presented." *Steamfitters*, 469 Md. at 727 (internal citations omitted). The imposition of a duty involves "weighing the various policy considerations" and determining whether the plaintiff's interests merit "legal protection" from the defendant's conduct. *Sadler v. Loomis Co.*, 139 Md. App. 374, 396 (2001) (citing *Coates*, 354 Md. at 509 (citation omitted)). In other

words, "we examine: (1) 'the nature of the harm likely to result from a failure to exercise due care,' and (2) 'the relationship that exists between the parties.'" *100 Inv. Ltd. P'ship*, 430 Md. at 213–14 (quoting *Jacques*, 307 Md. at 534).

According to the Court of Appeals:

> Where the failure to exercise due care creates a risk of economic loss only, courts have generally required an intimate nexus between the parties as a condition to the imposition of tort liability. This intimate nexus is satisfied by contractual privity or its equivalent. By contrast, where the risk created is one of personal injury, no such direct relationship need be shown, and the principal determinant of duty becomes foreseeability." (Footnote omitted).

Jones v. Hyatt Ins. Agency, Inc., 356 Md. 639, 658 (1999) (quoting *Jacques*, 307 Md. at 534–35 (1986)).

In *Jacques*, 307 Md. at 537, the Court explained:

> an inverse correlation exists between the nature of the risk on one hand, and the relationship of the parties on the other. As the magnitude of the risk increases, the requirement of privity is relaxed—thus justifying the imposition of a duty in favor of a large class of persons where the risk is of death or personal injury. Conversely, as the magnitude of the risk decreases, a closer relationship between the parties must be shown to support a tort duty.

"In essence, the determination of whether an actionable duty exists represents a policy question of whether the specific plaintiff is entitled to protection from the acts of the defendant." *Blondell v. Littlepage*, 413 Md. 96, 120 (2010).

Neither party has cited and we have not found any Maryland cases and only two out-of-state cases discussing an insurer's duty of care in relation to an uninsured mortgagor under facts similar to the facts in this case. We find the reasoning in those cases to be instructive.

In *Graphia v. Balboa Insurance Company*, 517 F. Supp. 2d 854, 855 (E.D. La. 2007), when the insured's property coverage had lapsed for non-payment, the lender obtained insurance to protect its interest. Following hurricane damage, the lender collected on that policy. *Id.* at 855. Claiming substantially more damages had occurred, the owner sued the insurer. *Id.* The court held that the owner had no standing to sue the insurer because she was "not a named insured, an additional insured, or a third-party beneficiary under the policy." *Id.* at 856. Her only right under the lender's policy was to receive payment of any amount in excess of the debt secured by the mortgage. *Id.* at 857.

In *Scheaffer v. Balboa Insurance Company*, 1 So. 3d 756 (La. App. 4th Cir. 2008), the homeowners had allowed the insurance policy to lapse. The lender notified them that, as the mortgage permitted, it had purchased insurance at the homeowner's expense to protect its interest in the property. *Id.* at 757. The notice of premium stated clearly that the homeowners were not insured under it, and the coverage was limited only to the lender's interest. *Id.* Following hurricane damages to the property, the homeowners' policy claim was rejected:

> A review of the policy at issue indicates that it very specifically and unambiguously was issued to protect only [the lender's] interest in the property; that [lender] is the only party listed as an insured party, and, thus, that it created contractual obligations only between the [insurer] and [the lender]. Even accepting *arguendo* that the plaintiffs did not receive the notices submitted by [the lender] advising the plaintiffs of the insurance policy, the plaintiffs were certainly aware that their own insurance policy had lapsed and, accordingly, they were on notice to ascertain whether (as they allege) insurance had been obtained on their behalf.[]

Id. at 760.

We reach a similar conclusion in this case. It is clear that Mr. Betskoff was not an insured under the Policy; the only named insured is Specialized Loan Servicing LLC.[6] As the circuit court noted, Mr. Betskoff's "lender or its agent at the time it took out the force-placed policy sent notice, correspondence to[] [Mr. Betskoff] strongly encouraging [him] to purchase his own insurance, after this force-placed policy was procured and that [he] did not purchase his own insurance." Moreover, Mr. Betskoff was aware that he was not a named insured on the Policy. At his deposition, when asked, "Is there anywhere on this document that says you are an insured under this policy?" he responded:

> The documents prior to this with this company clearly lists me as an insured, and because my name doesn't exist, it doesn't mean [Standard Guaranty] didn't have a responsibility to continue my name on here as an insured.
>
> * * *
>
> *On this Declaration page, my name is not listed*.

(Emphasis added).

[6] The only named insured on the Declarations is Specialized Loan Servicing LLC:

DECLARATIONS

STANDARD GUARANTY INSURANCE COMPANY
PO BOX 50355, ATLANTA, GA 30302
A Stock Insurance Company

CERTIFICATE NUMBER: MLR15008005493

CERTIFICATE PERIOD: EFFECTIVE DATE	EFFECTIVE TIME	EXPIRATION DATE	Issued under the provisions of Master Policy No.:
11/01/2015	12:01 am	11/01/2016	MIP-RCH-01500-99
NAMED INSURED and Mailing Address: SPECIALIZED LOAN SERVICING LLC(SLS) ITS SUCCESSORS AND/OR ASSIGNS P.O. BOX 620188 ATLANTA, GA 30362			*For Company Use:* *Basis:* *Territory:* 0001 *Class:* *Other:* FIR SFD 015000001 FHFAREG1

Despite acknowledging and conceding that Standard Guaranty properly declined coverage based on the language of the Policy, he argued that Standard Guaranty had a duty to provide different policy language:

> [Standard Guaranty's counsel]: Let me get to sort of the heart of what I'm trying to understand about your policy. Is it your claim that based on the language in the policy, they were wrong in declining coverage, or are you saying in this claim that they had a duty to provide different language in the policy that would have provided coverage?
>
> [Mr. Betskoff]: The second.

When asked why there was a duty to provide coverage and include him on the Policy, he answered:

> All policies I had back previous to this [Standard Guaranty's Policy] did cover water damage, perils, underground, and this policy – for as expensive as it is – or was – [Standard Guaranty] had a responsibility to continue the coverage that was covered under the previous policies.

As previously noted, Mr. Betskoff has not cited any cases that support his claim that Standard Guaranty had a duty to provide greater coverage than was provided in the Policy.[7]

Whatever indirect benefit Mr. Betskoff might derive from the Policy, the named insured under the Policy at issue was Specialized Loan Servicing LLC, which took out the

[7] In Mr. Betskoff's brief, he cites three cases which have nothing to do with whether an insurer has a tort duty to provide greater coverage than actually provided in a policy. *Pekin Ins. Co. v. Adams*, 343 Ill. App. 3d. 272 (Ill. App. 4th Dist. 2003) dealt with whether a liability carrier was estopped from asserting a misrepresentation on the application as a defense to claim. *Sheets v. Brethren Mut. Ins. Co.*, 342 Md. 634 (1996) dealt with whether an insurer had a duty to defend and indemnify its insured in a lawsuit alleging negligent misrepresentation. *Brohawn v. Transamerica Ins. Co.*, 276 Md. 396 (1975) dealt with an insurer's claim that it's insured's conduct was within the policy's exclusion of coverage for acts committed with intent to cause injury.

Policy with Standard Guaranty to protect the lender's interest in the Property. Accordingly, the Policy states that it "will adjust all losses with the named insured." In short, there was no intimate nexus between Mr. Betskoff and Standard Guaranty and thus Standard Guaranty had no duty based on contractual privity or its equivalent to protect Mr. Betskoff's interest in the Property.

Moreover, any foreseeable risk in not imposing a duty would be one of economic loss and not of personal injury. In Maryland, the economic loss doctrine generally precludes tort liability for "negligence that causes purely economic harm in the absence of privity, physical injury, or risk of physical injury." *Balfour Beatty*, 451 Md. at 611. "Where the failure to exercise due care creates a risk of economic loss only, courts have generally required an intimate nexus between the parties as a condition to the imposition of tort liability." *UBS Fin. Servs., Inc. v. Thompson*, 217 Md. App. 500, 525 (2014) (quoting *100 Inv. Ltd. P'ship*, 430 Md. at 214). The Court of Appeals summarized the rationale of the intimate nexus requirement in *Walpert*, 361 Md. at 671 (citation omitted):

> Stated differently, the reason for the requirement [of privity or its equivalent] is to limit the defendant's risk exposure to an actually foreseeable extent, thus permitting a defendant to control the risk to which the defendant is exposed.

We agree with the circuit court that the complaint does not even allege "personal injury, mental anguish or otherwise" as a result of what Standard Guaranty did or did not do. Mr. Betskoff's alleged loss for septic repairs and cleanup, lost income, and punitive damages represents an economic loss only.

In short, Standard Guaranty had no legal duty to include Mr. Betskoff as an insured party on the Policy or to provide greater coverage than the Policy provided.

II.

Assessment of Costs

Regarding the costs of the previous appeal, the Mandate issued by this Court provided for "Costs to be divided equally between appellant [Mr. Betskoff] and appellee [Standard Guaranty]." The costs of the appeal were assessed as follows: Mr. Betskoff's costs were $263.80 and Standard Guaranty's costs were $298.80.

Mr. Betskoff filed a "Request that Judgment be Entered, Recorded and Indexed as Provided by Md. Rule 2-601(c)" (the "Request for Judgment").[8] More specifically, he requested an entry of judgment in his favor against Standard Guaranty for $263.80 plus interest, which Standard Guaranty opposed.

Contentions

Mr. Betskoff contends that the circuit court improperly denied his request for judgment against Standard Guaranty for costs assessed in the previous appeal. More specifically, he argues that the judge had "no choice in the matter" but to grant his request that Standard Guaranty pay him $263.80 plus interest.

[8] Md. Rule 2-601(c) provides:

> (c) Recording and Indexing. Promptly after entry, the clerk shall (1) record and index the judgment, except a judgment denying all relief without costs, in the judgment records of the court and (2) note on the docket the date the clerk sent copies of the judgment in accordance with Rule 1-324.

Standard Guaranty responds that Mr. Betskoff's request was "based on [his] fundamental misreading of the Mandate" which "provided that the costs of appeal are to be *divided equally*" by the parties. It argues that "Mr. Betskoff was not entitled to any judgment at all against Standard Guaranty for costs." We agree with Standard Guaranty.

Analysis

Putting aside that the mandate provided that "[c]osts shown on this Mandate are to be settled between counsel and NOT THROUGH THIS OFFICE," the panel ordered the "Costs to be divided equally" between the parties. The mandate regarding the statement of costs shows that the total costs amounted to $562.60. That amount divided equally is $281.30 for each party. Put simply, there was no judgment to be entered in favor of Mr. Betskoff.[9] The circuit court did not err in denying Mr. Betskoff's request.

JUDGMENT OF THE CIRCUIT COURT FOR CARROLL COUNTY AFFIRMED. COSTS TO BE PAID BY APPELLANT.

[9] It would appear that Mr. Betskoff could owe Standard Guaranty $17.50.