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CLERK SUPREME COURT

IN THE COURT OF APPEALS OF IOWA

GEORGE ANDREWS, Administrator of the Estate of Michael Andrews; **GEORGE ANDREWS**, individually; **SHIRLEY MURRAY, and CLARA MURRAY,**	)	Filed October 7, 1977
Appellants,	)	
v.	)	
FARM BUREAU MUTUAL INSURANCE COMPANY,	)	260 2-58931
Appellee.	)	

Appeal from Delaware District Court - Roger F. Peterson, Judge.

Plaintiffs appeal from finding for defendant insurance company in an action brought pursuant to section 516.1, The Code. Affirmed.

Carr & Carr, of Manchester, and Humphreys & Warner, of Cedar Rapids, for appellants.

Fuerste, Carew, Coyle, Juergens & Sudmeier, of Dubuque, for appellee.

Submitted to Allbee, C.J., and Donielson, Snell, Oxberger and Carter, JJ.

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PER CURIAM

Plaintiffs secured a judgment against one Kinnie Brown, Jr., growing out of an automobile accident. When their execution against Brown was not satisfied as a result of Brown's discharge in bankruptcy, plaintiffs commenced this action against the defendant insurance company relying in part on section 516.1, The Code. The defendant denied that it insured Brown with respect to his liability for plaintiffs' claims. Following a non-jury trial, trial court agreed with defendant and dismissed the petition. This appeal followed.

Our examination of plaintiffs' several assignments of error in the light of the record before us convinces us that the trial court's findings of fact are dispositive of all of said claims in a manner adverse to plaintiffs. The trial court found that the Chevrolet truck involved in the accident with plaintiffs was purchased by Brown on May 1, 1971, and that he transferred his existing liability insurance coverage with the defendant company to that vehicle on May 4, 1971. The court further found that this coverage was cancelled effective July 11, 1971, for nonpayment of additional premium with notice of such cancellation given to Brown by certified mail. The court further observed in its findings that this insurance would have, in any event, expired by its own terms on July 19, 1971, if not renewed.

On July 26, 1971, Brown went to an agency of the defendant company to arrange reinstatement of the lapsed insurance coverage plus additional liability coverage for a Rambler automobile. The court found that the employee of the insurance agency, Mrs. Bruns, advised Brown that the premium on the requested coverage would be $84.92; $53.73 for the Chevrolet truck and $31.19 for the Rambler. Prior to advising Brown of the amount of the premium, Mrs. Bruns had filled out an application showing an effective date of July 26, 1971. When advised as to the amount of the premium Brown informed Mrs. Bruns that he did not have the money but would mail it in a few days. She then put the applications in the office file and did not forward them to the office of the defendant insurance company.

There is a dispute in the evidence over what Mrs. Bruns told Brown at that time. He testified that she said "they would take care of him" which he interpreted to mean that he would be covered prior to payment of the premium. Mrs. Bruns testified that she told Brown that his application would be put in a policy folder and would be sent to

the insurance company for processing when the premium was received.

The accident upon which plaintiffs' claims are based occurred on September 5, 1971. The trial court found that on September 7, 1971, the agency for which Mrs. Bruns worked received in the mail from Brown a check for $51.96 (the premium for the Chevrolet truck was $53.73). The envelope containing the check was postmarked September 6, 1971. The agency, being then aware of the September 5 accident in which Brown was involved, promptly returned the check to him.

The trial court found and concluded from the foregoing state of facts that, as to the ultimate issues, Brown's former coverage had either been cancelled or expired; that the transaction with Mrs. Bruns did not serve to place new liability insurance coverage in force with respect to the Chevrolet truck; and that the said transaction with Mrs. Bruns or any conversations which took place at that time did not create the elements of an estoppel to deny coverage. We believe there is substantial evidence in the record to support these findings and we should not disturb them. See rule 14(f)(1), Rules of Appellate Procedure; Offermann v. Dickinson, 175 N.W.2d 423 (Iowa 1970). Nor does it appear that these ultimate findings were induced by misapplication of controlling legal principles or that a contrary result is dictated by the concept of "reasonable expectations" as set forth in Rodman v. State Farm Mutual Automobile Insurance Company, 208 N.W.2d 903 (1973).

We have considered all issues presented and find no basis for reversal.

AFFIRMED.