



STATE OF SOUTH CAROLINA)
)
 COUNTY OF BEAUFORT)
)
 KIM LIKINS,)
)
 Plaintiff,)
)
 v.)
)
 PRIVILEGED UNDERWRITER’S)
 RECIPROCAL EXCHANGE; C. “SKIP”)
 HOAGLAND; AND CATHERINE)
 HOAGLAND,)
)
 Defendants.)
 _____)

IN THE COURT OF COMMON PLEAS
 FOURTEENTH JUDICIAL CIRCUIT
 CASE NUMBER: 2018-CP-07-_____

SUMMONS
 (Jury Trial Demanded)

YOU ARE HEREBY SUMMONED and required to answer the Complaint in this action, a copy of which is herewith served upon you, and to serve a copy of your pleading to said Complaint upon the subscribers at their offices at 66 Hasell Street, P.O. Box 22167, Charleston, South Carolina, 29413, within 30 days after the service hereof, exclusive of the day of such service, and if you fail to answer the Complaint within the time aforesaid, the Plaintiff will apply to the Court for judgment by default for the relief demanded in the Complaint

s/ John P. Linton, Jr.
 G. Trenholm Walker (S.C. Bar #5777)
 John P. Linton, Jr. (S.C. Bar # 79130)
 WALKER, GRESSETTE, FREEMAN, & LINTON, LLC
 P. O. Box 22247
 Charleston, SC 29413-2247
 843.727.2200
 Email: Walker@wgflaw.com
 Email: Linton@wgflaw.com

Gregory M. Alford, Esq.
 ALFORD & THORESON, LLC
 P. O. Drawer 8008
 Hilton Head Island, SC 29938
 843.842.5500
 Email: gregg@alfordlawsc.com
 ATTORNEYS FOR PLAINTIFF

Charleston, South Carolina
 August 1, 2018

RECEIVED

Apr 19 2023

S.C. SUPREME COURT

ELECTRONICALLY FILED - 2018 Aug 01 3:15 PM - BEAUFORT - COMMON PLEAS - CASE#2018CP0701562

STATE OF SOUTH CAROLINA)	IN THE COURT OF COMMON PLEAS
)	FOURTEENTH JUDICIAL CIRCUIT
COUNTY OF BEAUFORT)	CASE NUMBER: 2018-CP-07-_____
)	
KIM LIKINS,)	
)	
Plaintiff,)	
)	
v.)	
)	<u>COMPLAINT</u>
)	(Jury Trial Demanded)
PRIVILEGED UNDERWRITER’S)	
RECIPROCAL EXCHANGE; C. “SKIP”)	
HOAGLAND; AND CATHERINE)	
HOAGLAND,)	
)	
Defendants.)	
_____)	

The Plaintiff, Kim Likins, complaining of the Defendants, Privileged Underwriter’s Reciprocal Exchange (“PURE”), C. C. Hoagland (“Mr. Hoagland”), and Catherine Hoagland (“Mrs. Hoagland”) (collectively, “Defendants”), alleges and states as follows:

1. Plaintiff is a citizen and resident of the Town of Hilton Head Island.
2. Defendant Mr. and Mrs. Hoagland are, upon information and belief, citizens and residents of Beaufort County, South Carolina, and own real property in Beaufort County.
3. Defendant PURE is, upon information and belief, a reciprocal insurer organized and existing pursuant to the laws of the State of Florida. Plaintiff is authorized to sell insurance and does sell insurance in South Carolina.
4. Jurisdiction and venue are proper in Beaufort County.
5. PURE issued a homeowners insurance policy to Calvin C. Hoagland and Catherine Hoagland, Policy No. HO007733903, that included liability coverages, with effective dates of February 10, 2015 to February 10, 2016, and a renewal of the policy (Policy No. HO0077333904) with effective dates of February 10, 2016 to

- February 10, 2017 (collectively the “PURE Policy”). The PURE policy provides a liability coverage limit of \$500,000 per occurrence per policy year.
6. PURE also issued a personal excess liability policy to Mr. and Mrs. Hoagland, Policy No. EX007738003, with effective dates of February 10, 2015 to February 10, 2016, and a renewal of the excess policy (Policy No. EX007738004) with effective dates of February 10, 2016 to February 10, 2017 (“collectively the “PURE Excess Policy”).
 7. Mr. Hoagland is an insured person under the terms of the PURE Policy and the PURE Excess Policy.
 8. On December 10, 2015, Plaintiff Kim Likins filed a complaint in the Beaufort County Court of Common Pleas against Mr. Hoagland, styled as: Kim Likins v. C.C. “Skip” Hoagland, Civil Action No. 2015-CP-07-2937 (“the Likins case”) that included, among other claims, causes of action seeking damages for defamation and invasion of privacy that were, and are, covered under the PURE Policy and the PURE Excess Policy.
 9. In the Likins case, Plaintiff served counsel for Mr. Hoagland with an interrogatory asking Mr. Hoagland to identify all insurance policies that may provide coverage for the claims asserted against him in that case.
 10. Mr. Hoagland responded to that interrogatory with one word: “none.”
 11. On March 30, 2016, Mr. Hoagland signed a verification of his interrogatory responses, which encompassed the above response regarding insurance.

12. Despite Mr. Hoagland stating that no insurance existed that may provide coverage for the claims asserted in the Likins case, Mr. Hoagland or his attorneys/agents eventually tendered the case to PURE.
13. Upon information and belief, PURE undertook the defense of Mr. Hoagland in the fall of 2016 because at least one claim of Plaintiff triggered coverage under its policies, and retained Clawson and Staubes, LLC, to defend Mr. Hoagland.
14. After the claim was submitted to PURE and counsel for Mr. Hoagland were retained by PURE, a single homeowners policy with a \$500,000 limit was produced.
15. The Likins case proceeded to mediation on February 2, 2017. The mediation was not successful.
16. Eight days later on February 10, 2017, Mr. Hoagland produced three additional pages from the PURE policies described above, revealing for the first time that Policy No. EX007738004 existed and provided excess coverage.
17. After realizing that Mr. Hoagland and PURE failed to disclose information on the insurance coverage in his responses to interrogatories, the Plaintiff subpoenaed Mr. and Mrs. Hoagland's insurance agent and obtained full copies of the policies providing coverage, including the PURE Policy and PURE Excess Policy, which provide a total of \$7,000,000 of coverage.
18. PURE filed a declaratory judgment action in the Beaufort County Court of Common Pleas, Civil Action No. 2017-CP-07-02310 (the "DJ Action"), purporting to seek a declaration that the policies did not provide coverage for the claims alleged in the Likins case or for the claims alleged in a lawsuit filed by Lisa Sulka against

Calvin Hoagland, styled as: Lisa Sulka v. C.C. "Skip" Hoagland et al, Civil Action No. 2017-CP-07-01547 (the "Sulka case").

19. PURE never served Plaintiff with the summons and complaint in the DJ Action even though naming her as a party.
20. PURE, Mr. Hoagland, and Mrs. Hoagland have purportedly settled the DJ Action as it pertains to the Likins case and have executed a "Confidential Partial Policy Buy-Out Agreement and Release" purporting in part to release PURE from all liability to Plaintiff Likins in the Likins case for a payment by PURE to Mrs. Hoagland of \$200,000 (the Agreement"). Upon information and belief, a true and accurate copy of the Agreement is attached hereto as Exhibit A.
21. The Agreement states "for clarity" that "Calvin Hoagland alone (not PURE) will be responsible for any verdict obtained by Kim Likins."
22. Defendants did not seek Plaintiff's approval or court approval of the Agreement even though it purports to affect Likins' rights.
23. Upon information and belief, Mr. Hoagland claims he transferred all assets out of his name for the purpose of not having any assets to satisfy creditors including Plaintiff and that he is now judgment-proof.

FOR A FIRST CAUSE OF ACTION

(Declaratory Judgment – Ineffective to Divest Rights of Plaintiff)

24. Plaintiff realleges her previous allegations as if fully set forth herein.
25. This matter is brought in part pursuant to Rule 57 of the South Carolina Rules of Civil Procedure and pursuant to the Uniform Declaratory Judgment Act, South Carolina Code §§ 15-53-10 through 15-53-140.

26. There is a real and justiciable controversy between the parties, and by these proceedings Plaintiff asks this Court to inquire into and declare the rights and obligations of the parties hereto arising out of the facts set forth below.
27. Where a contract of insurance provides coverage for liability of insured persons to third persons and the third person has a claim pending against the insured person, the insurance company and the insured person cannot terminate such a contract by their voluntary action to the prejudice of a third person claimant's rights which have already vested.
28. When a cause of action has accrued to an injured person, the claimant's rights under the policy have vested and the parties to the contract of insurance cannot by any release, agreement, or collusion destroy the right of the injured person to indemnity.
29. The attempted partial cancellation of an insurance policy does not affect rights which have already accrued under the policy in favor of a third person.
30. Plaintiff's cause of action against Hoagland accrued well before the Agreement.
31. The Defendants have attempted, as evidenced by the Agreement, to terminate the PURE Policy and PURE Excess Policy with respect to the claim asserted by Plaintiff against Mr. Hoagland in the Likins case and destroy by release, agreement, and/or collusion her rights under the PURE Policy and PURE Excess Policy.
32. Plaintiff is entitled to judgment declaring the Agreement is null, void and unenforceable with respect to Likins' claim. Alternatively, the Agreement should be reformed/modified/partially rescinded by the Court to reflect the fact that although Mr. and Mrs. Hoagland have released their claims against PURE, this

release will not extinguish the policies at issue and Likins will retain her right to seek coverage under the PURE Policy and PURE Excess Policy.

FOR A SECOND CAUSE OF ACTION
(Transfer in Defraud of Creditors)

33. Plaintiff realleges her previous allegations as if fully set forth herein.
34. Plaintiff is considered a creditor of Mr. Hoagland under the law of South Carolina.
35. Mrs. Hoagland is not a defendant in the Likins case. PURE's payment to her was in exchange for purportedly being released from its liability to pay any judgment obtained by Plaintiff against Mr. Hoagland, not her.
36. Upon information and belief, Mr. Hoagland directed that the payment be made to Mrs. Hoagland rather than himself.
37. Mr. Hoagland had constructive receipt of the payment made before directing it be made to Mrs. Hoagland.
38. At the time of the purported settlement and the transfer, Mr. Hoagland did not have sufficient assets to pay his creditors or known future creditors.
39. The transfer was made with intent to defraud creditors including Plaintiff.
40. PURE, Mr. Hoagland, and Mrs. Hoagland had fraudulent intent in making the transfer of \$200,000 to Mrs. Hoagland purportedly to discharge the liability of PURE to Mr. Hoagland, not Mrs. Hoagland.
41. Plaintiff is entitled to an order of this Court voiding and setting aside the transfer of the \$200,000 to Mrs. Hoagland and requiring that the funds be held by PURE for the benefit of Plaintiff in the Likins case.

FOR A THIRD CAUSE OF ACTION
(Declaratory Judgment – No Consideration)

42. Plaintiff realleges her previous allegations as if fully set forth herein.
43. This matter is brought in part pursuant to Rule 57 of the South Carolina Rules of Civil Procedure and pursuant to the Uniform Declaratory Judgment Act, South Carolina Code §§ 15-53-10 through 15-53-140.
44. Even if the purported settlement and release of PURE is valid as to Mrs. Hoagland, which Plaintiff disputes, it is invalid as to Mr. Hoagland for want of consideration.
45. Plaintiff is entitled to a judgment declaring that the purported settlement, purported release of PURE, and purported cancelation of the PURE Policy and PURE Excess Policy, as set forth in the Agreement, are invalid and ineffective as to Mr. Hoagland and Plaintiff, and that the PURE Policy and PURE Excess Policy remain in full force and effect for purposes of the claims asserted by Plaintiff in the Likins case and any judgment obtained therein.

FOR A FOURTH CAUSE OF ACTION
(Civil Conspiracy)

46. Plaintiff realleges her previous allegations as if fully realleged herein.
47. As set forth in detail above, the Defendants combined for the purposed of injuring Plaintiff by attempting through collusion to extinguish her rights under the PURE Policy and PURE Excess Policy.
48. Under South Carolina law, Plaintiff's right under the PURE Policy and PURE Excess Policy vested at the time her causes of action against Hoagland accrue.
49. Plaintiff's causes of action against Mr. Hoagland accrued, Plaintiff filed the Likins case, and PURE defended Mr. Hoagland in the Likins case, all prior to PURE's

combining with Mr. and Mrs. Hoagland to try to extinguish PURE's liability to Plaintiff and Mr. Hoagland under the PURE Policy and Excess Policy.

50. If this Court determines that the Agreement is effective, which Plaintiff disputes, Plaintiff has suffered special damages proximately caused by Defendants' conspiracy and is entitled to a judgment for her special damages, including but not limited to her uncollectable claim against Mr. Hoagland, and punitive damages.

WHEREFORE, Plaintiff prays for declaratory judgment and other relief as set forth above, for trial by jury on all issues triable to a jury, and for such further and other relief and the Court deems just and proper.

s/ John P. Linton, Jr.
G. Trenholm Walker (S.C. Bar #5777)
John P. Linton, Jr. (S.C. Bar # 79130)
WALKER, GRESSETTE, FREEMAN, & LINTON, LLC
P. O. Box 22247
Charleston, SC 29413-2247
843.727.2200
Email: Walker@wgflaw.com
Email: Linton@wgflaw.com

Gregory M. Alford, Esq.
ALFORD & THORESON, LLC
P. O. Drawer 8008
Hilton Head Island, SC 29938
843.842.5500
Email: gregg@alfordlawsc.com

ATTORNEYS FOR PLAINTIFF

Charleston, South Carolina

August 1, 2018