

STATE OF SOUTH CAROLINA)	IN THE COURT OF COMMON PLEAS
)	
COUNTY OF BEAUFORT)	CIVIL ACTION NO.: 2017-CP-07-02310
)	
Privilege Underwriters Reciprocal Exchange,)	
Plaintiff,)	DEFENDANT LISA SULKA’S SECOND
)	AMENDED ANSWER AND
vs.)	COUNTERCLAIM TO SECOND
)	AMENDED COMPLAINT FOR
Calvin C. “Skip” Hoagland and Lisa Sulka,)	DECLARATORY JUDGMENT
Defendants.)	

The Defendant, Lisa Sulka, answers the Second Amended Complaint of the Plaintiff as follows:

FOR A FIRST DEFENSE

1. Denies each and every allegation not hereinafter admitted, qualified, or explained.
2. Admits the allegations of paragraphs 1, 2, 3, 6, 7, 8, 9, 10, 11, 12, 13, and 15.
3. Denies the allegation of paragraphs 14, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35 and 36.

FOR A SECOND DEFENSE AND BY A WAY OF COUNTERCLAIM THE DEFENDANT LISA SULKA ALLEGES

4. The defendant, Calvin C. “Skip” Hoagland’s, asserted noncooperation is an attempt by him to prevent his liability insurance company from compensating Lisa Sulka for her damages and this contention is of no consequence because he has in no way prejudiced the plaintiff.
5. The plaintiff by bringing the action is engaging in bad faith in its attempt to avoid liability for Calvin C. ‘Skip’ Hoagland’s tortious conduct which is covered by the liability insurance policy issued to Mr. Hoagland.

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6. The plaintiff's attempt to avoid liability insurance coverage for Mr. Hoagland's conduct violates public policy.

**FOR A THIRD DEFENSE AND BY WAY OF COUNTERCLAIM AND
CROSS-CLAIM, LISA SULKA ALLEGES**

7. The plaintiff, Privilege Underwriters Reciprocal Exchange ("PURE") issued in 2015 a homeowners insurance policy to Calvin C. Hoagland and Catherine Hoagland that included liability coverage for personal injury including defamation. This policy was renewed until February 10, 2017. PURE also issued an excess liability policy for the same period of time.

8. While the above-described policies were in effect the defendant, Calvin C. Hoagland, defamed Lisa Sulka and she filed a civil action against Calvin C. Hoagland for the defamation on July 26, 2017.

9. PURE hired an attorney for Mr. Hoagland who filed responsive pleadings on behalf of Mr. Hoagland and engaged in discovery on behalf of Mr. Hoagland.

10. Mr. Hoagland removed the case brought by Lisa Sulka against him to the U.S District Court on June 13, 2019, and Ms. Sulka filed a motion to remand the case. This motion to remand the case was granted by order dated September 16, 2019.

11. Discovery in the case proceeded with depositions being taken and written discovery exchanged.

12. On June 26, 2020, counsel for Mr. Hoagland filed a motion to withdraw as counsel because Mr. Hoagland no longer wanted to be represented. The motion was granted by order dated October 9, 2020. No other counsel has appeared in the case for Mr. Hoagland.

13. Mr. Hoagland has stated that he does not intend to participate in *Sulka v. Hoagland*.

14. Mr. Hoagland is judgment proof, and all his assets are in his wife's name.

15. In the case of *Likins v. Hoagland* which was another defamation case against Mr. Hoagland brought by Kim Likins. PURE, Mr. Hoagland and his wife Catherine Hoagland, entered into a confidential partial policy buyout agreement and release by which the plaintiff paid Two Hundred Thousand Dollars (\$200,000.00) to Mrs. Hoagland to be released from providing the liability coverage provided by PURE's policy to the Hoaglands in the *Likins* case. The Hoaglands agreed to indemnify PURE up to the amount of Seven Hundred Fifty Thousand Dollars (\$750,000.00). The agreement specifically excluded the liability coverage for the Sulka action or Lisa Sulka.

16. PURE and Mr. Hoagland have tacitly agreed to a course of conduct whereby PURE will not provide coverage for *Sulka v. Hoagland* and Mr. Hoagland will allow a judgement to be taken against him in *Sulka v. Hoagland* because his assets are in his wife's name and he is judgment proof.

17. On July 01, 2020, PURE's agent notified Ms. Sulka that it would not indemnify Hoagland or pay any judgement against Hoagland in *Sulka v. Hoagland*.

18. PURE and Mr. Hoagland's conduct as alleged above is contrary to the public interest in that if this conduct is allowed, it allows insureds and insurance companies to devise strategies to defeat efforts by tort victims to be compensated for his or her injuries.

19. Based on the conduct of PURE and Mr. Hoagland, PURE should be estopped from denying coverage.

FOR A FOURTH DEFENSE

20. The complaint in this case is based upon allegations in the original complaint in the underlying action. Lisa Sulka filed an amended complaint and based on the amended complaint, the complaint in this action should be dismissed.

Wherefore, Defendant, Lisa Sulka, having answered, prays Plaintiff's Second Amended Complaint be dismissed and she be granted the relief set forth in her counterclaims and cross-claims.

PETERS, MURDAUGH, PARKER, ELTZROTH
& DETRICK, P.A.

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Hampton, South Carolina