THE STATE OF SOUTH CAROLINA

In The Court of Appeals

APPEAL FROM GREENVILLE COUNTY

Court of Common Pleas

D. Garrison Hill, Circuit Court Judge

Appellate Case No. 2014-001917

Investment Associates, ... Appellant,

v.

Joseph D. Lancia, ... Respondent.

APPELLANT'S FINAL BRIEF

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STATEMENT OF THE CASE

This is an action to enforce a judgment from the State of Connecticut.

Appellant Investment Associates was a landlord and owner of a piece of commercial property. Summit Associates, Inc. ("Summit") conducted a manufacturing business in the commercial property owned by Investment Associates.

Respondent Joseph Lancia was an officer, director, and stockholder of Summit. *In Re Wilson*, 200 B.R. 72, 73 (M.D. Fl. 1996). A debtor in the Florida bankruptcy, Ned Wilson, was also an officer, director, and stockholder of Summit. *Id.* A fire damaged the commercial property owned by Investment Associates. *Id.*, at 74. Lancia was charged with arson and pled *nolo contendere*. *Id.* (R. p. 357, lines 9-19).

Lancia signed a promissory note in favor of Investment Associates as compensation for his burning the building. During the litigation, Lancia fled Connecticut and moved to South Carolina. Nevertheless, Lancia continued to be represented by counsel in Connecticut.

On May 17, 1994, the Superior Court in New Haven, Connecticut, docket number CV 91 0309954, awarded Investment Associates judgment against Lancia, in the amount of $272,505.03 plus costs of $201.20, based on the promissory note (R. pp. 24-25). *Investment Associates v. Lancia*, 45 Conn. L. Rptr. 437 (2008).

Now that Lancia has become financially able to pay the judgment, Investment Associates has been working for several years to collect its judgment. In 2007, Investment Associates took action in Connecticut to enforce the judgment against Lancia. Lancia moved to dismiss, because he had moved to South Carolina in 1992 (after the initial action was filed, but before the judgment was rendered). Lancia argued that he did not have

minimum contacts with Connecticut, because he had been absent from the state for about 15 years. The Connecticut court agreed and dismissed the action.

In 2009, Investment Associates filed a Motion to Revive Judgment in Connecticut, pursuant to a newly enacted Connecticut state statute. Again, Lancia argued that the Connecticut court did not possess jurisdiction over him because he did not have minimum contacts with Connecticut. The court, however, ruled that the action to revive the judgment did not require the court to have a new basis for personal jurisdiction over Lancia. The court granted the Motion to Revive the Judgment and denied Lancia's Motion to Dismiss for lack of personal jurisdiction. *Investment Associates v. Lancia*, 49 Conn. L. Rptr. 459 (2010).

Lancia appealed to the Appellate Court of Connecticut, which affirmed the judgment. *Investment Associates v. Lancia*, 132 Conn.App. 192, 31 A.3d 820 (2011). The Supreme Court of Connecticut granted Lancia's Petition for Writ of Certiorari. *Investment Associates v. Lancia*, 303 Conn. 921, 34 A.3d 396 (2012). The Supreme Court of Connecticut also affirmed the judgment, rejecting Lancia's many and varied arguments. *Investment Associates v. Lancia*, 309 Conn. 840, 74 A.3d 1192 (2013).

With a certified copy of the judgment from the State of Connecticut securely in hand, Investment Associates filed a Notice of Filing Judgment in the Circuit Court for Greenville County on January 28, 2014, Civil Action Number 2014-CP-23-00515 (R. pp. 22-29). With post-judgment interest, the judgment had grown to $823,898 (R. p. 29). Lancia filed a Motion for Relief from and Notice of Defenses to Foreign Judgment (R. pp. 33-66).

On May 15, 2014, Investment Associates filed (in the alternative) a Civil Action to Enforce Foreign Judgment Pursuant to S.C. Code Ann. § 15-35-950, Civil Action Number 2014-CP-23-02705 (R. pp. 165-202). On June 13, 2014, Lancia filed a Motion to Dismiss and/or Motion for Relief from Foreign Judgment (R. 203-221). On July 29, 2014 the parties filed a Consent Order Merging Cases, which combined the second action with the first (R. pp. 13-19).

On August 6, 2014, the Circuit Court entered an order striking the judgment from the rolls and index and forbidding any attempt to enforce the judgment in South Carolina (R. pp. 1-12). The Circuit Court ruled that because the judgment was entered initially in Connecticut more than 10 years before Investment Associates filed the action to enforce the judgment in South Carolina, that South Carolina Code Ann. § 15-3-600, barred the enforcement of a foreign judgment (R. pp. 1-12).

Investment Associates appeals and contends:

1. The 10 year judgment lien in South Carolina Code Ann. § 15-3-600 begins when the judgment is filed in South Carolina, not when the judgment was initially issued in Connecticut;
2. Connecticut has ruled that the judgment is valid and enforceable; and
3. The Full Faith and Credit Clause requires South Carolina to enforce a valid Connecticut judgment. Therefore, this Court should rule that the judgment is valid and enforceable.

STATEMENT OF ISSUES ON APPEAL

1. **DOES THE EFFECTIVE LIFE SOUTH CAROLINA'S 10-YEAR JUDGMENT LIEN BEGIN WHEN THE JUDGMENT IS ENTERED IN SOUTH CAROLINA?**

2. **DID CONNECTICUT RULE THE JUDGMENT WAS ENFORCEABLE?**

3. **DOES THE FULL FAITH AND CREDIT CLAUSE REQUIRE SOUTH CAROLINA COURTS TO ENFORCE THE JUDGMENT IF THE CONNECTICUT COURTS WOULD ENFORCE IT?**

ARGUMENT

I. THE EFFECTIVE LIFE OF SOUTH CAROLINA'S 10-YEAR JUDGMENT LIEN BEGINS UPON THE DATE IT IS ENTERED IN SOUTH CAROLINA.

South Carolina statutes create a lien on the real estate of a judgment creditor.

> Final **judgments** and decrees **entered** in any court of record in this State subsequent to November 25, 1873, or in any circuit or district court of the United States within this State or of any other Federal court the final judgments and decrees of which, by act of Congress, shall be declared to create a lien, **shall constitute a lien** upon the real estate of the judgment debtor situate in any county in this State in which the judgment or transcript thereof is entered upon the book of abstracts of judgments and duly indexed, **the lien to begin from the time of such entry** on the book of abstracts and indices and **to continue for a period of ten years from the date of such final judgment or decree**.

S.C. Code Ann. § 15-35-810.

Courts have ruled, "A judgment lien is purely statutory, its duration as fixed by the legislature." *Garrison v. Owens*, 258 S.C. 442, 446-47, 189 S.E.2d 31, 33 (1972). A judgment lien begins when the judgment is entered in the records of South Carolina.

A. A Judgment is effective for ten years, beginning when it is entered in South Carolina.

The Supreme Court of South Carolina ruled that a judgment from the federal district court in South Carolina became effective when it was enrolled and entered as a South Carolina judgment.

> The judgment of the federal district court **was enrolled, and therefore became a South Carolina judgment, when it was entered** on March 20, 1989. Under the Uniform Enforcement of Foreign Judgments Act, the 1989 judgment of the federal district court is a "foreign judgment." S.C. Code Ann. § 15-35-910(1) (2005). Ordinarily, a **foreign judgment must be enrolled in this state in order to be effective** as a South Carolina judgment. Under federal law, however, a judgment of the United States District Court for the District of South Carolina is effectively a South Carolina judgment. The United States Code provides:
>
> Every judgment rendered by a district court within a State

> shall be a lien on the property located in such State in the same manner, to the same extent and under the same conditions as a judgment of a court of general jurisdiction in such State, and shall cease to be a lien in the same manner and time.

28 U.S.C.A. § 1962 (West 1994).

Consequently, **South Carolina law determines the date on which the federal court's judgment became a lien** in South Carolina.

South Carolina Code section 15-35-810 applies the federal statute and provides that a judgment of the United States District Court for the District of South Carolina

> shall constitute a lien upon the real estate of the judgment debtor situate [d] in any county in this State in which the judgment or transcript thereof is entered upon the book of abstracts of judgments and duly indexed, **the lien to begin from the time of such entry on the book of abstracts and indices and to continue for a period of ten years** from the date of such final judgment . . . .

S.C. Code Ann. § 15-35-810 (2005).

As the Court of Appeals held, therefore, **the district court's judgment became effective when it was entered** on March 20, 1989.

Home Port Rentals, Inc. v. Moore, 369 S.C. 493, 495-96, 632 S.E.2d 862, 863 (2006) (footnotes omitted) (emphasis added).

The Court of Appeals had also followed this rule in *Home Port Rentals, Inc. v. Moore*, 359 S.C. 230, 597 S.E.2d 810 (Ct. App. 2004), *aff'd.* 369 S.C. 493, 632 S.E.2d 862 (2006). The Court of Appeals in *Home Port Rentals*, relied upon a similar case, *Commercial Credit Loans Inc. v. Riddle*: "The proper date of **original entry** when calculating the enforcement period of a South Carolina judgment **is the date it was entered in South Carolina**." *Id.*, 334 S.C. 176, 180, 512 S.E.2d 123, 125 (Ct. App. 1999) (emphasis added). The *Commercial Credit Loans* court had explained,

> The institution of an action to domesticate a foreign judgment specifically contemplates that a South Carolina judgment will be issued by a South Carolina court. At that point, pursuant to section 15-35-810, this South

> Carolina judgment may then be abstracted and indexed so as to constitute a lien upon the debtor's real estate for a period of ten years. It logically follows that section 15-39-30 also deals with the **date of original entry** of the South Carolina judgment which may then be executed upon **for a period of ten years**.

Id. 334 S.C. 176, 181, 512 S.E.2d 123, 126 (footnote omitted)(emphasis added).

The court in *Commercial Credit Loans* found this ruling to be in accord with the law of several other states including Oklahoma, Nebraska, Utah, and Virginia. 334 S.C. 176, 182, 512 S.E.2d 123, 126. The *Commercial Credit Loans* court quoted with approval, further analysis from the Virginia Supreme Court.

> Code § 8.01–251 imposes a 20–year limitations period on the ***enforcement*** of judgments. Code § 8.01–252, however, imposes a period limiting to 10 years the time in which a party may bring an action in Virginia on a foreign judgment. Once the foreign judgment is reduced to a Virginia judgment under this provision, enforcement of the judgment, like any originating in Virginia, is subject to the 20–year limitation period of § 8.01–251. **Thus, a foreign judgment creditor may actually have as many as 30 years to enforce his judgment**.
>
> [*Carter v. Carter,* 232 Va. 166, 349 S.E.2d 95], 98 (1986) (emphasis by the Virginia court).

Commercial Credit Loans Inc. v. Riddle, 334 S.C. 176, 183, 512 S.E.2d 123, 127 (1999 Ct. App.) (Second emphasis added).

South Carolina has also adopted a form of the Uniform Enforcement of Foreign Judgments Act, but the South Carolina Court of Appeals ruled that adopting the Uniform Act did not alter its analysis about when the 10 year period begins. *Id.*, at 334 S.C. 176, 181, n.3, 512 S.E.2d 123, 126.

The Court of Appeals in *Home Port Rentals, Inc. v. Moore* relied on *Commercial Credit Loans Inc. v. Riddle.*

> [T]he Illinois judgment was transmuted into a South Carolina judgment when it was domesticated and the judgment duly **enrolled on February 21, 1989**. Thus, both the ten year lien period on real estate, and **the ten year**

period for enforcement of the judgment **began on that date**.

[*Id.*, 334 S.C. 176,] at 181-82, 512 S.E.2d [123,] at 125 [(Ct. App. 1999)] (citations and footnote omitted).

Home Port Rentals, Inc. v. Moore, 359 S.C. 230, 236, 597 S.E.2d 810, 813 (emphasis added). The Court of Appeals in *Home Port Rentals* concluded, "We find, as many courts of this State before us, the judgment is 'utterly extinguished' 10 years from the date of its entry." *Id.*, at 359 S.C. 230, 236, 597 S.E.2d 810, 813.

B. The Circuit Court Relied on an Opinion that Is No Longer Good Law.

In ruling against Investment Associates, the Circuit Court relied almost exclusively on the majority opinion of *Abba Equipment, Inc. v. Thompson*, 335 S.C. 477, 517 S.E.2d 235 (Ct. App. 1999). Judge Hearn, in dissent in *Abba* relied on *Commercial Credit Loans*, and the statutes listed above, and would have enforced judgment. The majority opinion in *Abba* did not address the statutes requiring that a foreign judgment be enrolled in South Carolina to be an effective lien and to be enforced. Furthermore, the majority opinion in *Abba* relied on a tolling analysis, which the Supreme Court of South Carolina has rejected.

Investment Associates respectfully suggests that the majority opinion in *Abba* is no longer valid in light of the authority cited above. The rationale of the majority opinion in *Abba* was premised on the theory that seeking execution in South Carolina on a foreign judgment was a "cause of action." Judge Hearn disagreed. Subsequently, the Supreme Court of South Carolina has endorsed the analysis of Judge Hearn, and not the rationale of the majority opinion in *Abba*.

First, the majority opinion in *Abba* ruled that the general catchall statute of limitations in S.C. Code Ann. §15-3-600 applied to limit the time during which a judgment creditor can seek to enroll his judgment in South Carolina. In dissent, Judge Hearn argued

that a statute of limitations that governed "causes of action" did not govern "unilateral acts such as registration [of a judgment] under the [Uniform Enforcement of Foreign Judgments Act]." *Abba Equipment, Inc. v. Thompson*, 335 S.C. 477, 517 S.E.2d 235, 240 (Ct. App. 1999) (Hearn, J., *dissenting*). In *Home Port Rentals Inc. v. Moore*, the Supreme Court of South Carolina agreed with Judge Hearn's analysis. *Id.*, 369 S.C. 493, 495, 632 S.E.2d 862, 863 (2006).

In *Home Port Rentals*, the Petitioner argued that S.C. Code Ann. § 15-3-30 allowed for tolling of the lien for the time the judgment debtor spends out of state. The Supreme Court disagreed and ruled that the tolling statute applied when **causes of action** accrued and did not apply to the **right to execute** on a judgment which is already obtained. 369 S.Ct. 493, 497, 632 S.E.2d 862, 864 (2006).

> The plain wording of section 15-3-30 provides that the statute applies to **the accrual of a "cause of action"** and the statutory time period within which to bring the action. The statute does not refer to the statutory time period within which to execute an already obtained judgment. Contrary to Petitioner's argument, **the right to execute on a judgment does not constitute a cause of action. Indeed, execution is not initiated by bringing an action**.

Id. (emphasis added) (footnote omitted).

Second, the majority opinion in Abba addressed the tolling of the statue limitations. The Supreme Court of South Carolina in *Home Port Rentals Inc. v. Moore* also ruled that the tolling analysis did not apply to the enforcement of a foreign judgment in South Carolina. "Petitioner argues the 10-year period provided by section 15-39-30 may be tolled for time that a judgment debtor spends out of the state. We disagree." *Id.*, 369 S.Ct. 493, 496-97, 632 S.E.2d 862, 863-644 (2006).

Instead, the Supreme Court ruled that the judgment lien was a statutory creation that lasted 10 years, and began when the judgment was entered or enrolled in South

Carolina as a South Carolina judgment. *Id.,* 369 S.Ct. 493, 497, 632 S.E.2d 862, 864 (2006). The Supreme Court's analysis in *Home Port Rentals Inc. v. Moore,* in effect, overrules the majority opinion in *Abba.*

II. CONNECTICUT COURTS HAVE VALIDATED THE JUDGMENT AND REJECTED LANCIA'S COLLATERAL ATTACKS.

The Supreme Court of Connecticut affirmed the judgments of the Superior Court and the Court of Appeals, which ruled that Investment Associates' judgment was revived, and was valid. *Investment Associates v. Lancia*, 309 Conn. 840, 74 A.3d 1192 (2013). In its decision, the Supreme Court of Connecticut considered and rejected many arguments that Lancia pled as additional defenses in the Circuit Court for Greenville County.

A. The Court Rejected a Challenge to Standing.

First, Lancia argued in the Supreme Court of Connecticut that Investment Associates:

> lacked standing to commence the action because: (1) joint ventures are not legal entities and therefore lack the capacity to bring actions in their own names; and (2) [Investment Associates] failed to establish that it was an *existing* joint venture at the time that it initiated the action. [Lancia] further asserts that, even if it was proper to preclude his challenges to the trial court's jurisdiction in connection with the 1994 judgment, he should have been permitted to challenge the trial court's jurisdiction to adjudicate the motion to revive because "there is no reason to believe that [Investment Associates] still existed in 2009," when it filed the motion.

Id. 309 Conn. 840, 853-854, 74 A.3d 1192, 1201 (2013). The Supreme Court of Connecticut recast Lancia's arguments of as follows:

> For purposes of clarity, we characterize [Lancia's] claims in three parts: (1) whether joint ventures are legal entities capable of bringing an action—a claim that pertains equally to the original and revived judgments; (2) whether [Investment Associates] was in existence at the time the original action was commenced; and (3) assuming [Investment Associates] was then

> in existence, whether it continued in existence as a joint venture when the motion to revive was filed.

Id. 309 Conn. 840, 854, 74 A.3d 1192, 1201-1202 (2013). The court rejected the first two of the three arguments as collateral attacks that had been properly rejected by the Court of Appeals. *Id.* The court also commented on the statute that allowed the revival of the judgment: "[A]s we previously explained, the sole purpose of § 52-598(c) is to advance the enforcement of Connecticut judgments in foreign jurisdictions. Foreign jurisdictions constitutionally are bound to give full faith and credit to Connecticut judgments, but only insofar as such judgments are *valid*." *Id.* 309 Conn. 840, 857, 74 A.3d 1192, 1203 (2013) (citations omitted). The court also found, "[Lancia] cannot establish that he is entitled to a judgment of dismissal *on the record as it exists.*" *Id.* 309 Conn. 840, 858, 74 A.3d 1192, 1204 (2013).

The court then analyzed in detail and reject all three of Lancia's arguments. First, it rejected Lancia's claim that joint ventures are not legal entities. *Id.* 309 Conn. 840, 859-860, 74 A.3d 1192, 1204-1205 (2013). Second, the court rejected Lancia's claim that Investment Associates failed to demonstrate that it was in existence at the time it filed the complaint. *Id.* 309 Conn. 840, 862, 74 A.3d 1192, 1206 (2013). Third, the court rejected Lancia's argument that even if the judgment were valid initially it was not still in existence when Investment Associates filed a motion to revive it. *Id,* 309 Conn. 840, 863, 74 A.3d 1192, 1207 (2013). The court ruled, "even if [Lancia] were to prevail on this claim, the original judgment would retain its validity, leaving [Lancia] subject to liability on the full amount of the debt." *Id.* The court reasoned further, "Moreover, [Lancia] made no offer of proof of any evidence that would call into question [Investment Associates'] existence

when it filed a motion to revive." *Id.* 309 Conn. 840, 863, 74 A.3d 1192, 1207 (2013). Finally, the court stated,

> In the proceedings culminating in the 1994 judgment, [Lancia] never challenged [Investment Associates'] ownership of the debt or its right, as a joint venture, to collect on the debt. Because we have no basis to question that the *prosecution* of the original action to recover the debt was within the scope of the joint venture's purpose, we see no reason why the *collection* of the judgment would not also presumptively fall within that scope, in the absence of evidence that the joint venturers had agreed otherwise.

Id. 309 Conn. 840, 864, 74 A.3d 1192, 1207 (2013). The court concluded its analysis of the section by stating: "Therefore, we conclude, albeit for slightly different reasons than the Appellate Court, that the trial court had subject matter jurisdiction to adjudicate the motion to revive." *Id.* 309 Conn. 840, 865, 74 A.3d 1192, 1208 (2013).

B. The Court Rejected a Challenge to Personal Jurisdiction over Lancia.

The court summarized Lancia's next challenge:

> [Lancia] challenges the Appellate Court's conclusion that § 52–598(c) provided a basis for such jurisdiction on two grounds: first, that the statute cannot be applied retroactively to revive the 1994 judgment; and second, that the statute does not fall within the postjudgment procedures over which the trial court is statutorily authorized to retain continuing personal jurisdiction of parties thereto. We disagree with both claims.

Id. 309 Conn. 840, 865-866, 74 A.3d 1192, 1208 (2013).

First, the court rejected Lancia's argument that the statute could not be applied retroactively. The court found that the statute was a procedural statute and cited the rule that procedural statutes are ordinarily applied retrospectively. *Id.* 309 Conn. 840, 867-868, 74 A.3d 1192, 1209 (2013). The court reasoned:

> Several facts indicate that § 52–598(c) is not substantive. **Reviving the judgment imposes no obligations on [Lancia] that did not exist under the original judgment**—the amount of the judgment, the party to whom [Lancia] owes that obligation and the period for enforcing the judgment all remain the same. [Investment Associates] cannot assert new claims or

> change the terms of the existing judgment. [Lancia] retains his defense to an execution or action on the judgment that previously existed, namely, satisfaction of the judgment.
>
> Moreover, although the purpose of the revived judgment is **to ensure that a Connecticut judgment creditor will not be deprived of the ability to execute the judgment in a foreign jurisdiction having a shorter period for enforcement than Connecticut**, § 52–598(c) obviously does not alter the foreign jurisdiction's law with respect to the period of enforcement. Even if we were to view the revived judgment as *effectively* extending the period to execute the judgment in a foreign jurisdiction, we are not persuaded that this effect renders § 52–598(c) substantive. See *Fanton v. Middlebrook,* 50 Conn. 44, 45 (1882) ("[A] statute [of limitations] does not extinguish the debt. It merely deprives the creditor of a right of action to recover the debt.").

Id. 309 Conn. 840, 868-869, 74 A.3d 1192, 1210 (2013) (emphasis added).

The court concluded:

> **[Lancia] incurred obligations under a valid judgment**. Revival of that judgment neither assigns "a quality or effect to acts or conduct which they did not have or did not contemplate when they were performed"; (internal quotation marks omitted) *In re Daniel H.,* 237 Conn. 364, 373, 678 A.2d 462 (1996); nor upsets "any settled rights or reliance interests." *State v. Skakel,* 276 Conn. 633, 685, 888 A.2d 985, cert. denied, 549 U.S. 1030, 127 S.Ct. 578, 166 L.Ed.2d 428 (2006). Accordingly, the Appellate Court properly determined that § 52–598(c) applies retroactively.

Id, 309 Conn. 840, 870, 74 A.3d 1192, 1211 (2013) (emphasis added).

Second, the Supreme Court of Connecticut ruled that the trial court properly asserted jurisdiction over Lancia under Conn. Gen. Stat. § 52-350d (a), the revival statute, which states: "For the purposes of postjudgment procedures, the Superior Court shall have jurisdiction over all parties of record in an action until satisfaction of the judgment or, if sooner, until the statute limiting execution has run . . . ." *Id.* 309 Conn. 840, 871, 74 A.3d 1192, 1211 (2013). The court reasoned, "A motion to revive is a procedure commenced after rendition of a money judgment." *Id.* The Supreme Court of Connecticut concluded,

"[T]he Appellate Court properly concluded that the trial court had personal jurisdiction over [Lancia] for purposes of adjudicating the motion to revive." *Id.*

The Supreme Court of Connecticut affirmed the judgment of the Superior Court and Appellate Court. Connecticut considers the judgment against Lancia to be valid and enforceable.

III. THE FULL FAITH AND CREDIT CLAUSE REQUIRES SOUTH CAROLINA TO ENFORCE A VALID CONNECTICUT JUDGMENT.

The Full Faith and Credit Clause of the United States Constitution provides:

> Full Faith and Credit shall be given in each State to the public Acts, Records, and judicial Proceedings of every other State. And the Congress may by general Laws prescribe the Manner in which such Acts, Records and Proceedings shall be proved, and the Effect thereof.

U.S. Const. Art. IV, § 1.

In referring to the Full Faith and Credit Clause, the South Carolina Court of Appeals ruled,

> Thus, in accordance with this mandate, the courts of one state must give such force and effect to a foreign judgment as the judgment would receive in the state where rendered. . . . Where a judgment is rendered by a court with jurisdiction of the case and the parties, " 'the full faith and credit clause of the Constitution precludes any inquiry into the merits of the cause of action, the logic or consistency of the decision, or the validity of the legal principles on which the judgment is based.' "

Security Credit Leasing, Inc. v. Armaly, 339 S.C. 533, 540, 529 S.E.2d 283, 286-287 (Ct. App. 2000) (citations omitted). The Full Faith and Credit Clause mandates enforcement of the judgment.

A. A Judgment Contrary to the Public Policy of the Forum State Is Still Entitled to Full Faith and Credit.

A plaintiff had secured judgment in North Carolina for alienation of affection and sought to domesticate that judgment in South Carolina and collect that judgment from the defendant. The Circuit Court ruled that the judgment could be domesticated in South Carolina. The defendant appealed and argued that causes of action for criminal conversation and alienation of affections were contrary to South Carolina public policy and would not be recognized in this state. The Supreme Court agreed on that point.

The defendant also argued that the domestication of a judgment for alienation of affection would be contrary to South Carolina's version of the Uniform Enforcement of Foreign Judgments Act (UEFJA), which carried the following exception: "The provisions of this article **do not apply** to foreign judgments based on claims which are **contrary to the public policies** of this State." S.C. Code Ann. § 15-35-960. Nevertheless, the Supreme Court of South Carolina affirmed the Circuit Court in granting full faith and credit to the North Carolina judgment. *Widenhouse v. Colson*, 405 S.C. 55, 747 S.E.2d 188, 190-191 (2013).

The Court ruled that the UEFJA statutory exception for matters against South Carolina public policy violated the Full Faith and Credit Clause of the United States Constitution. *Widenhouse v. Colson*, 405 S.C. 55, 747 S.E.2d 188, 190-191 (2013). Accordingly, the South Carolina Supreme Court struck down that provision from South Carolina's version of the UEFJA as unconstitutional. The Supreme Court of South Carolina ruled,

> When a civil action has been reduced to a money judgment, the judgment is entitled to full faith and credit even if the cause of action upon which it is based is contrary to the forum state's public policy.

Widenhouse v. Colson, 405 S.C. 55, 747 S.E.2d 188, 190-191 (2013). The Supreme Court of South Carolina reviewed many precedents from the United States Supreme Court holding that a claim that has been reduced to a money judgment in one state is entitled to full faith and credit in every other state regardless of whether it violates the public policies of the second state.

> In *Fauntleroy v. Lum,* 210 U.S. 230, 28 S.Ct. 641, 52 L.Ed. 1039 (1908), . . . [t]he United States Supreme Court held that the **Missouri judgment** was entitled to full faith and credit in Mississippi and **could be attacked in Mississippi only on grounds recognized by Missouri**. *Id.* at 236, 28 S.Ct. 641

Widenhouse v. Colson, 405 S.C. 55, 59 747 S.E.2d 188, 191 (2013) (emphasis added). The Court continued:

> This rule was reaffirmed in *Milwaukee County v. M.E. White Co.,* where the Court reiterated that the **policy of the forum state cannot nullify the command of the full faith and credit clause**:
>
> > In numerous cases this court has held that **credit must be given to the judgment of another state, although** the forum would not be required to entertain the suit on which the judgment was founded; that considerations of policy of the forum which would defeat a suit upon the original cause of action are not involved in a suit upon the judgment and are insufficient to defeat it. **Full faith and credit is required to be given to the judgment of another state, although** the original suit on which it was based arose in the state of the forum and **was barred there by the Statute of Limitations** when the judgment was rendered and where the original suit was upon a gambling contract invalid by the law of the forum where it was made.
>
> 296 U.S. 268, 277, 56 S.Ct. 229, 80 L.Ed. 220 (1935) (citations omitted). Likewise, the Supreme Court has explicitly stated that **no public policy exception to the full faith and credit clause exists where a civil dispute has been reduced to a money judgment**:
>
> > We are aware of no [public policy] exception in the case of a money judgment rendered in a civil suit. **Nor are we aware of any considerations of local policy or law which could rightly be deemed to impair the force and effect which the full faith and credit clause** . . . require[s] to be

given to such a judgment outside the state of its rendition.

Widenhouse v. Colson, 405 S.C. 55, 60, 747 S.E.2d 188, 191 (2013) (emphasis added).

The Supreme Court of South Carolina also quoted *Estin v. Estin,* 334 U.S. 541, 546, 68 S.Ct. 1213, 92 L.Ed. 1561 (1948), which held that the Full Faith and Credit Clause "order[s] submission by one State even to hostile policies reflected in the judgment of another State . . . . [T]**he requirements of full faith and credit, so far as judgments are concerned, are exacting, if not inexorable** . . . ." *Widenhouse v. Colson*, 405 S.C. 55, 61, 747 S.E.2d 188, 191 (2013) (emphasis added).

In another case dealing with the domestication of the foreign judgment, the Supreme Court had previously ruled, "We note that the circuit judge relied entirely on South Carolina law in determining the minimum contacts issue. This was error. "**The law against which a foreign judgment is evaluated for viability and effect is the law of the State rendering the judgment**." *PYA/Monarch, Inc. v. Sowell's Meats & Servs., Inc.*, 327 S.C. 469, 486 S.E.2d 766 (Ct.App.1997)." *Law Firm of Paul L. Erickson, P.A. v. Boykin*, 383 S.C. 497, 499 n. 2, 681 S.E.2d 575, 577 n. 2 (2009) (emphasis added). Considering the holding in *Widenhouse*, this Court should give full faith and credit to the judgment in the case at bar.

B. Lancia Has Not Met His Burden to Prove the Judgment Invalid.

The Supreme Court of South Carolina ruled that the person who would attack the validity of a judgment from a sister state carries the burden of proof that the judgment is not entitled to full faith and credit. *Law Firm of Paul L. Erickson, P.A. v. Boykin*, 383 S.C. 497, 681 S.E.2d 575 (2009). Prior to the Supreme Court's decision, South Carolina courts have issued divergent opinions on whether the person seeking to enforce the judgment had

the burden to show its validity or whether the person attacking the judgment have the burden to show that it was not entitled to full faith and credit. The Supreme Court settled that question in *Erickson*. The Court relied on *Cook v. Cook*, 342 U.S. 126, 72 S.Ct. 157, 96 L.Ed. 146 (1951), and ruled that "the debtor challenging a foreign judgment on the ground of lack of personal jurisdiction assumes the burden of overcoming, by the record or by extrinsic evidence, the constitutionally mandated presumption of the foreign judgment's regularity." *Law Firm of Paul L. Erickson, P.A. v. Boykin*, 383 S.C. 497, 503, 681 S.E.2d 575, 578 (2009).

Because the Supreme Court of Connecticut rejected all of Lancia's arguments, and he has presented no new reasons to fail to grant the judgment the full faith and credit it deserves, Lancia has failed to meet his burden of proof, and the judgment is entitled to Full Faith and Credit.

CONCLUSION

Investment Associates obtained a judgment against Lancia in Connecticut and brought it to South Carolina to enter it on the judgment roles. The time for the 10-year judgment lien begins when the judgment is enrolled in South Carolina. Connecticut deems the Investment Associates judgment to be valid, and has rejected all Lancia's collateral attacks against the judgment. The Full Faith and Credit Clause requires South Carolina to grant the Connecticut judgment the same validity as a South Carolina judgment.

WHEREFORE, Investment Associates prays this Court to reverse judgment of the Circuit Court and reinstate and enforce its judgment, and grant it full faith and credit.

Respectfully submitted,

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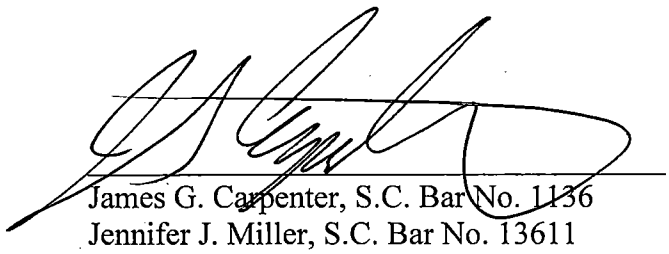
April 7, 2015

CERTIFICATE OF COMPLIANCE WITH RULE 211(b)

The undersigned attorney hereby certifies that the Final Briefs of the Appellant are identical to the briefs previously served under Rule 208, except as allowed for references to the record and typographical errors or misspellings.



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THE STATE OF SOUTH CAROLINA

In The Court of Appeals

APPEAL FROM GREENVILLE COUNTY

Court of Common Pleas

D. Garrison Hill, Circuit Court Judge

Appellate Case No. 2014-001917

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SC Court of Appeals

Investment Associates, ... Appellant,

v.

Joseph D. Lancia, ... Respondent.

Certificate of Service

The undersigned attorney hereby certifies that he served a copy of the Appellants Final Brief on counsel for Respondent by hand delivery on April 10, 2015, addressed as follows:

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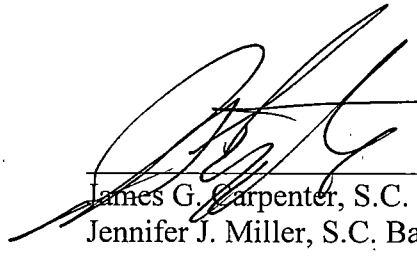

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