

the law of Virginia, CFRC's state of incorporation. *Simmons v. Miller*, 261 Va. 561, 573, 544 S.E.2d 666, 674 (2001). Mrs. Luzak lacks standing to pursue those claims because she has not fulfilled the requirements for commencing a derivative action set forth in the Virginia Stock Corporation Act, *see* Va. Code § 13.1-672.1, and she has not complied with the exclusive forum provision in Article VIII, Section 7 of CFRC's bylaws. In addition, this Court lacks subject matter jurisdiction to consider claims arising out of the internal affairs of a foreign corporation. S.C. Code § 33-15-105(c); *Pertuis v. Front Roe Restaurants, Inc.*, 423 S.C. 640, 649–50, 817 S.E.2d 273, 277–78 (2018).

3. Mrs. Luzak's first, second, fourth, and sixth categories of damages, as identified in her damages report by Dr. Charles Alford, are hereby stricken, and Mrs. Luzak cannot recover damages based on those claims. Those four categories of alleged damages also constitute derivative claims under Virginia law. Mrs. Luzak lacks standing to pursue derivative claims, and the Court lacks the subject matter jurisdiction to adjudicate them. *See* Va. Code § 13.1-672.1; S.C. Code § 33-15-105(c); *Pertuis*, 423 S.C. at 649–50, 817 S.E.2d at 277–78.

4. Mrs. Luzak is not entitled to recover for her second category of damages arising from the 2013 sale of CFRC to J. Travis Bryant because of res judicata. The United States District Court for the Eastern District of Virginia granted summary judgment as to this exact claim. *See Luzak*, 2016 WL 3854118 at *3–8.

5. Pursuant to S.C. Code § 15-53-20, the Court hereby declares that Mrs. Luzak may not litigate any derivative claims on behalf of CFRC in this action.

SO ORDERED, this the _____ day of ____ 2021.



Beaufort Common Pleas

Case Caption: Hampton B Luzak VS Merrill B Light , defendant, et al

Case Number: 2016CP0701919

Type: Order/Intervene

IT IS SO ORDERED!

/s Hon. Bentley D. Price, Circuit Judge 2766