

SUPREME COURT OF ALASKA

Egner v. Talbot's, Inc.

214 P.3d 272 (Alaska 2009) · No. S-12714 · Decided July 31, 2009

SUMMARY

The Alaska Supreme Court affirmed summary judgment dismissing Carol Egner’s claims concerning her alleged shareholder status in Talbot’s, Inc. The court held that she was on inquiry notice no later than 1986 that her shareholder status was disputed and that the applicable statutes of limitations barred her claims. The court also discussed the continuing-violations doctrine and the effect of events occurring in 1995.

CASE DETAILS

COURT	Supreme Court of Alaska
WRITING FOR THE COURT	Eastaugh, Justice; Fabe, Chief Justice; Matthews, Justice; Carpeneti, Justice; Winfree, Justice
JURISDICTION	Alaska
DECIDED	July 31, 2009
DOCKET	S-12714
DISPOSITION	affirmed
PROCEDURAL POSTURE	Carol Egner appealed from a superior court judgment granting the defendants complete summary judgment on statute-of-limitations grounds. The superior court had denied summary judgment on whether Egner was actually a shareholder but held that all of her claims were untimely.
STANDARD OF REVIEW	Summary judgment is reviewed de novo. The court views the facts and reasonable inferences in the light most favorable to the nonmoving party. Whether undisputed facts establish inquiry notice and whether a claim is barred by the statute of limitations are legal questions reviewed de novo.
PRECEDENTIAL VALUE	Published Alaska Supreme Court opinion; precedential
PARTIES	Carol Egner v. Talbot's, Inc., Jeffrey P. McNulty, Nancy J. McNulty, Jane T. Church, Janet Minnich

TOPICS

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QUESTIONS PRESENTED

1. Whether summary judgment was proper on the statute-of-limitations issue when the superior court had found a factual dispute about whether Egner was actually a shareholder.
2. Whether the undisputed facts established that Egner was on inquiry notice no later than 1986 that her purported shareholder status was denied or disputed.
3. Whether the 1995 events could support a continuing-violations theory or independently timely claims despite the 1986 permanent denial of shareholder status.

HOLDINGS

1. Summary judgment may resolve a statute-of-limitations defense when uncontroverted facts establish when the plaintiff reasonably should have begun an inquiry to protect her rights. The undisputed facts established that Egner was on inquiry notice no later than 1986.
2. A genuine dispute about whether a plaintiff was actually a shareholder does not create a genuine dispute about whether she knew enough to be placed on inquiry notice of a disputed shareholder status.
3. The 1995 events did not create timely claims or revive Egner's shareholder-related claims because the denial of her purported shareholder status was a permanent violation occurring no later than 1986.

KEY QUOTATIONS

"We hold that Carol was on inquiry notice no later than 1986 that her status as a shareholder was disputed." (214 P.3d at 272)

"We also hold that her failure to make reasonable inquiry within the applicable statutes of limitations precludes all claims related to her purported shareholder status." (214 P.3d at 272)

"Under the discovery rule, a cause of action accrues 'when a reasonable person has enough information to alert that person that he or she has a potential cause of action or should begin an inquiry to protect his or her rights.'" (214 P.3d at 279)

"It is not independently unlawful for a corporation to deny shareholder rights to non-shareholders." (214 P.3d at 283)

FACTUAL BACKGROUND

Egner claimed that her father had transferred Talbot's stock to her during the 1960s in lieu of wage increases and had shown her a stock ledger reflecting her ownership. After her father's death in 1978, her mother stated that Egner owned no stock, and Egner signed a 1980 voting trust agreement stating that her mother owned all of Talbot's shares. Egner knew by 1986 that her mother had sold Talbot's to Nancy and Jeffrey McNulty and that

she had not received shares, yet she did not sue until 2006. The defendants denied that Egner was a shareholder and relied on the limitations period.

PROCEDURAL HISTORY

Egner sued Talbot's, Inc. and related individuals in 2006, asserting shareholder-rights, fiduciary-duty, conversion, misappropriation, and share-ownership claims. The superior court found a genuine factual dispute regarding whether Egner was a shareholder, but granted complete summary judgment because the applicable statutes of limitations had expired. The Alaska Supreme Court affirmed.

DISPOSITION

affirmed

CASES CITED

- John's Heating Serv. v. Lamb, 46 P.3d 1024 (Alaska 2002)
- Preblich v. Zorea, 996 P.2d 730 (Alaska 2000)
- Brannon v. Continental Casualty Co., 137 P.3d 280 (Alaska 2006)
- Meyer v. State, Department of Revenue, Child Support Enforcement Division, ex rel. N.G.T., 994 P.2d 365 (Alaska 1999)
- Catholic Bishop of N. Alaska v. Does 1-6, 141 P.3d 719 (Alaska 2006)
- Mine Safety Appliances Co. v. Stiles, 756 P.2d 288 (Alaska 1988)
- Law Offices of Steven D. Smith, P.C. v. Borg-Warner Security Corp., 993 P.2d 436 (Alaska 1999)
- Domke v. Alyeska Pipeline Service Co., 137 P.3d 295 (Alaska 2006)
- Williams v. Williams, 129 P.3d 428 (Alaska 2006)
- Palmer v. Borg-Warner Corp., 818 P.2d 632 (Alaska 1990)
- Pedersen v. Zielski, 822 P.2d 903 (Alaska 1991)
- Roach v. Caudle, 954 P.2d 1039 (Alaska 1998)
- Cameron v. State, 822 P.2d 1362 (Alaska 1991)
- Alakayak v. British Columbia Packers, Ltd., 48 P.3d 432 (Alaska 2002)
- Bacon v. Rives, 106 U.S. 99 (1882)
- Bennett v. Hibernia Bank, 47 Cal. 2d 540, 305 P.2d 20 (1957)
- Maguire v. Hibernia Savings & Loan Society, 23 Cal. 2d 719, 146 P.2d 673 (1944)
- Schneider v. Union Oil Co., 6 Cal. App. 3d 987, 86 Cal. Rptr. 315 (1970)
- Leek v. Alliance Fund, Inc., 15 Kan. App. 2d 250, 806 P.2d 491 (1991)
- Yeaman v. Galveston City Co., 106 Tex. 389, 167 S.W. 710 (1914)
- Reich v. Cominco Alaska, Inc., 56 P.3d 18 (Alaska 2002)
- Hanson v. Kake Tribal Corp., 939 P.2d 1320 (Alaska 1997)
- Sengupta v. University of Alaska, 21 P.3d 1240 (Alaska 2001)

- Roberts v. Gadsden Memorial Hospital, 835 F.2d 793 (11th Cir. 1988)
- National Railroad Passenger Corp. v. Morgan, 536 U.S. 101 (2002)
- Mahan v. Arctic Catering, Inc., 133 P.3d 655 (Alaska 2006)

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