

UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF
MISSOURI, EASTERN DIVISION

Deborah Malloy v. Trileaf Corporation, et al.

Malloy · No. 4:24 CV 506 CDP · Decided January 14, 2026

SUMMARY

The court granted in part defendants’ motion for sanctions based on plaintiff Deborah Malloy’s discovery misconduct. It awarded defendants attorney’s fees caused solely by Malloy’s false or misleading sworn discovery responses and incorrect information on a Social Security Administration form, assessing the sanctions jointly and severally against Malloy and her attorney. The request to strike pleadings and dismiss the case was denied as moot because the court had already granted summary judgment to defendants.

CASE DETAILS

COURT	United States District Court for the Eastern District of Missouri, Eastern Division
WRITING FOR THE COURT	Catherine D. Perry
JURISDICTION	United States District Court for the Eastern District of Missouri, Eastern Division
DECIDED	January 14, 2026
DOCKET	4:24 CV 506 CDP
DISPOSITION	other
PROCEDURAL POSTURE	Defendants moved for sanctions based on plaintiff's discovery misconduct, seeking attorney's fees and the striking of plaintiff's pleadings with dismissal with prejudice. The district court granted sanctions in the form of attorney's fees under its inherent authority, denied the request to strike pleadings and dismiss the action as moot, and ordered defendants to submit a verified fee statement.
STANDARD OF REVIEW	Abuse-of-discretion framework for sanctions imposed under the court's inherent authority; the court exercised broad discretion but limited compensatory attorney's fees to fees incurred solely because of the misconduct.
PRECEDENTIAL VALUE	unpublished district court memorandum and order; precedential status unknown

TOPICS

sanctions

discovery dispute

attorney fees

civil procedure

employment law

PRACTICE AREAS

civil procedure

discovery sanctions

attorney fees

employment law

QUESTIONS PRESENTED

1. Whether the district court could impose sanctions under its inherent authority for Malloy's repeated false and misleading discovery responses and incorrect information on a Social Security Administration form.
2. Whether defendants were entitled to recover attorney's fees incurred solely because of Malloy's misconduct.
3. Whether the court should strike Malloy's pleadings and dismiss the action with prejudice as a discovery sanction after summary judgment had been granted on all remaining claims.

HOLDINGS

1. A federal court may invoke its inherent authority to sanction bad-faith discovery misconduct even when the conduct could also fall within the Federal Rules of Civil Procedure's sanctioning provisions.
2. Attorney's fees may be awarded as a compensatory sanction when a party acts in bad faith and the fees were incurred solely because of the misconduct; the fees may include reasonable fees incurred in preparing and litigating the sanctions motion.
3. The request to strike Malloy's pleadings and dismiss the action with prejudice was denied as moot because the court had already granted defendants summary judgment on all remaining claims and terminated the case.
4. The attorney's-fee sanctions were properly assessed jointly and severally against Malloy and her attorney, Matthew Ghio, based on the nature of the misconduct and counsel's admitted practice concerning the Social Security Administration authorization form.

KEY QUOTATIONS

"The inherent power of a court [to impose sanctions] can be invoked even if procedural rules exist which sanction the same conduct." (at 3)

"Because of their very potency, inherent powers must be exercised with restraint and discretion." (at 4)

"The power to award attorney's fees for bad-faith conduct "depends not on which party wins the lawsuit, but on how the parties conduct themselves during the litigation."" (at 5)

FACTUAL BACKGROUND

During discovery, Malloy provided sworn interrogatory answers and deposition testimony concerning her employment and earnings history, criminal history, bankruptcy history, and educational background that the court found false or misleading. She also signed a Social Security Administration form under penalty of perjury

containing an incorrect date of birth; her attorney admitted that Malloy signed the form blank and that he completed it later. Defendants asserted that the misconduct required extensive investigation, prejudiced their ability to obtain relevant information, and delayed their efforts in connection with summary judgment and trial.

PROCEDURAL HISTORY

Malloy filed the action in April 2024 alleging, among other claims, that defendants unlawfully terminated her employment in violation of the Fair Labor Standards Act. During discovery, defendants alleged that Malloy supplied false sworn answers, deposition testimony, and information on a Social Security Administration form. Defendants moved for summary judgment and sanctions; on January 8, 2026, the court granted summary judgment on all remaining claims, terminating the case, while the sanctions motion remained pending. The court then granted the sanctions motion in part and denied the dismissal-related relief as moot.

DISPOSITION

other

CASES CITED

- Chambers v. NASCO, Inc., 501 U.S. 32 (1991)
- Schlafly v. Eagle F., 970 F.3d 924 (8th Cir. 2020)
- Chrysler Corp. v. Carey, 186 F.3d 1016 (8th Cir. 1999)
- Goodyear Tire & Rubber Co. v. Haeger, 581 U.S. 101 (2017)
- Lutzeier v. Citigroup Inc., No. 4:14CV183 RLW, 2015 WL 1853820, at *2 (E.D. Mo. Apr. 22, 2015)