

UNITED STATES COURT OF APPEALS FOR THE SEVENTH CIRCUIT

Gregory A. Ruggles v. Jacqueline Ruggles

No. 22-1138, United States Court of Appeals for the Seventh Circuit (September 26, 2022)

SUMMARY

Mootness under Article III; death of a party renders claims for constructive trust and injunctive relief moot when the requested relief can no longer affect the parties' rights. The Seventh Circuit held that the defendant's death eliminated any possibility of effectual relief, requiring dismissal of the appeal. The court vacated the district court's remand order and remanded with instructions to dismiss the case as moot.

CASE DETAILS

COURT	United States Court of Appeals for the Seventh Circuit
WRITING FOR THE COURT	Scudder; Flaum; Brennan
JURISDICTION	Federal
DECIDED	September 26, 2022
DOCKET	22-1138
DISPOSITION	vacated
PROCEDURAL POSTURE	Appeal from the United States District Court for the Central District of Illinois, No. 4:21-cv-04058, James E. Shadid, J., remanding case to state court due to untimely removal.
STANDARD OF REVIEW	de novo
PRECEDENTIAL VALUE	Published
PARTIES	Jacqueline Ruggles, Executor of the Estate of Donald Ruggles v. Gregory A. Ruggles

TOPICS

- appellate procedure
- subject matter jurisdiction
- constitutional law

PRACTICE AREAS

- Civil Procedure
- Appellate Practice

QUESTIONS PRESENTED

1. Whether the appeal is moot because the defendant died, rendering the requested relief (constructive trust and injunction) impossible to grant.

HOLDINGS

1. The appeal is moot because the court can no longer provide effectual relief to the plaintiff; the requested constructive trust and injunctive relief are no longer viable.

KEY QUOTATIONS

“When a dispute becomes moot—when the court can no longer provide relief to the plaintiff—the federal court loses its authority to proceed further.” (at 1)

“All we can and need say for certain today is that the present appeal is moot.” (at 5)

FACTUAL BACKGROUND

Gregory Ruggles and his father Donald Ruggles were the only shareholders of XPAC, a closely held corporation. Greg held nonvoting shares (99%) and Don held voting shares (1%). Under Don's divorce agreement, Don could only transfer his voting shares to Greg. After Don sought to increase his salary, Greg filed a motion in state court seeking a constructive trust over Don's shares and an injunction to prevent Don from voting his shares adversely. Don removed to federal court, and the district court remanded due to untimely removal. Don appealed. Don died during the appeal.

PROCEDURAL HISTORY

Don Ruggles removed a state court action to federal court. The district court remanded because removal was untimely under 28 U.S.C. § 1446(c)(1). Don appealed. During the appeal, Don died.

DISPOSITION

vacated

REMAND INSTRUCTIONS

dismiss this matter as moot

CASES CITED

- North Carolina v. Rice, 404 U.S. 244, 246 (1971)
- Chafin v. Chafin, 568 U.S. 165, 171–72 (2013)
- Lewis v. Cont'l Bank Corp., 494 U.S. 472, 477 (1990)
- Watkins v. United States Dist. Ct., 37 F.4th 453, 457 (7th Cir. 2022)
- Genesis Healthcare Corp. v. Symczyk, 569 U.S. 66, 72 (2013)
- Mission Prod. Holdings, Inc. v. Tempnology, LLC, 139 S. Ct. 1652, 1660 (2019)
- Brown v. Bartholomew Consol. Sch. Corp., 442 F.3d 588, 596 (7th Cir. 2006)

