

SUPREME COURT OF THE STATE OF MONTANA

Gina M. Lyon v. Mountain Pacific General, Inc.

Lyon, 2013 MT 288N (Supreme Court of the State of Montana 2013) · No. DA 13-0016 · Decided October 1, 2013

SUMMARY

The Montana Supreme Court affirmed a district court order directing distribution of \$132,000 held in a dissolution proceeding to satisfy a judgment against Mountain Pacific General, Inc. The court upheld the determination that the corporation was Jeffrey Lyon’s alter ego and rejected Gina Lyon’s cross-appeal seeking attorneys’ fees and costs under Montana Rule of Civil Procedure 11. The court issued the decision as a noncitable memorandum opinion.

CASE DETAILS

COURT	Supreme Court of the State of Montana
WRITING FOR THE COURT	Justice Brian Morris; Brian Morris; Mike McGrath; Michael E. Wheat; Jim Rice; Laurie McKinnon
JURISDICTION	Montana
DECIDED	October 1, 2013
DOCKET	DA 13-0016
DISPOSITION	affirmed
PROCEDURAL POSTURE	Mountain Pacific General, Inc. appealed a district court order directing the clerk to distribute \$132,000 held in a dissolution-related proceeding to Gina Lyon. Lyon cross-appealed the denial of her motion for attorneys' fees and costs under Montana Rule of Civil Procedure 11.
STANDARD OF REVIEW	A preliminary-injunction decision is reviewed for manifest abuse of discretion. Rule 11 sanctions decisions are reviewed for clear error as to factual findings and abuse of discretion as to legal conclusions.
PRECEDENTIAL VALUE	Nonprecedential; memorandum opinion expressly designated noncitable under Montana Supreme Court Internal Operating Rules.
PARTIES	Mountain Pacific General, Inc. v. Gina M. Lyon

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QUESTIONS PRESENTED

1. Whether the district court had authority to direct distribution of \$132,000 held in the dissolution proceeding to satisfy a judgment entered against Mountain Pacific General, Inc. in a separate alter-ego action.
2. Whether the district court properly denied Lyon's motion for attorneys' fees and costs under Montana Rule of Civil Procedure 11.

HOLDINGS

1. The district court did not manifestly abuse its discretion by directing the clerk to distribute the \$132,000 held in the dissolution proceeding to Lyon to satisfy the judgment entered in the separate alter-ego action.
2. The district court properly denied Lyon's motion for attorneys' fees and costs under Montana Rule of Civil Procedure 11.

KEY QUOTATIONS

“this case is decided by memorandum opinion and shall not be cited and does not serve as precedent.” (§ 1)

“The District Court did not manifestly abuse discretion when it directed the Clerk of Court to distribute to Gina \$132,000 held from the dissolution proceedings, because the judgment in Cause No. DV-11-397C entitled Gina to receive this amount from MPG one way or another.” (§ 12)

FACTUAL BACKGROUND

Gina Lyon obtained a judgment against Mountain Pacific General, Inc. for amounts associated with the care and support of the parties' children after the district court determined that the corporation was Jeffrey Lyon's alter ego. The corporation had sold real property associated with the marital estate, and the parties agreed that \$132,000 representing the corporation's interest in the sale proceeds would remain with the clerk pending determination of ownership and disbursement. The district court ordered distribution of the funds to Lyon to satisfy the alter-ego judgment, while denying her request for Rule 11 attorneys' fees and costs.

PROCEDURAL HISTORY

Lyon obtained a judgment against Mountain Pacific General, Inc. in a separate alter-ego action after the district court had set aside an earlier judgment against the company in the dissolution proceeding. The district court ordered the clerk to distribute \$132,000 deposited in the dissolution case to satisfy the later judgment and denied Lyon's Rule 11 motion. The Montana Supreme Court affirmed.

DISPOSITION

affirmed

CASES CITED

- Lyon v. Stadler, No. OP 11-0752 (Feb. 14, 2012)
- Mont. Cannabis Indus. Ass'n v. State, 2012 MT 201, ¶ 12, 366 Mont. 224, 286 P.3d 1161
- Morin v. State Farm Mut. Auto. Ins. Co., 2013 MT 146, ¶ 33, 370 Mont. 305, 302 P.3d 96

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