SUPREME COURT OF CONNECTICUT

Mutual Security Credit Union v. Hardy

Hardy · No. SC 21172 · Decided April 28, 2026

SUMMARY

The Connecticut Supreme Court held that the one-year limitation period for forfeitures under General Statutes § 52-585 does not apply to claims under UCC § 42a-9-625 and the Retail Installment Sales Financing Act. Applying its companion decision in Connex Credit Union v. Madgic, the court concluded that the three-year limitation period under § 52-577 governs those claims, reversed summary judgment on the defendant’s counterclaims, and remanded for further proceedings.

CASE DETAILS

COURT	Supreme Court of Connecticut
WRITING FOR THE COURT	Mullins, C. J.; McDonald, J.; D’Auria, J.; Ecker, J.; Alexander, J.; Dannehy, J.; Bright, J.
JURISDICTION	Connecticut Supreme Court
DECIDED	April 28, 2026
DOCKET	SC 21172
DISPOSITION	reversed_and_remanded
PROCEDURAL POSTURE	The defendant appealed from the trial court's grant of the plaintiff's motion for summary judgment on the defendant's counterclaim. The appeal was transferred from the Appellate Court to the Supreme Court of Connecticut.
STANDARD OF REVIEW	Summary judgment is reviewed to determine whether the trial court improperly applied the governing law to conclude that the counterclaim was time barred.
PRECEDENTIAL VALUE	Published and precedential
PARTIES	Miranda Hardy v. Mutual Security Credit Union

TOPICS

uniform commercial code · secured transactions · consumer protection · commercial litigation · statutory interpretation

PRACTICE AREAS

commercial litigation | consumer protection | secured transactions | uniform commercial code

QUESTIONS PRESENTED

1. Whether the defendant's counterclaims under General Statutes §§ 42a-9-625 and 36a-785 were subject to the one-year limitation period in General Statutes § 52-585 for an action upon a penal statute.
2. Whether the three-year limitation period in General Statutes § 52-577 applies to the defendant's counterclaims under General Statutes §§ 42a-9-625 and 36a-785.
3. Whether the trial court properly granted summary judgment on the defendant's counterclaim as time barred.

HOLDINGS

1. The one-year limitation period in § 52-585 does not apply because §§ 42a-9-625 and 36a-785 are not penal statutes.
2. The three-year limitation period in General Statutes § 52-577 applies to the defendant's counterclaims under both §§ 42a-9-625 and 36a-785.
3. The trial court improperly granted summary judgment on the defendant's counterclaim under §§ 42a-9-625 and 36a-785 because it incorrectly applied § 52-585.

KEY QUOTATIONS

> *"On remand, the trial court should apply the three year statute of limitations set forth in § 52-577 to the defendant's counterclaim under both §§ 42a-9-625 and 36a-785."*

> *"The trial court's decision granting the plaintiff's motion for summary judgment is reversed with respect to the defendant's counterclaim under §§ 42a-9-625 and 36a-785 and the case is remanded for further proceedings according to law; the trial court's decision is affirmed in all other respects."*

FACTUAL BACKGROUND

The defendant defaulted on a retail installment sales contract for the purchase of a motor vehicle. The plaintiff credit union repossessed and sold the vehicle and sought to recover the resulting deficiency balance. The defendant asserted counterclaims for damages under article 9 of the Uniform Commercial Code and the Retail Installment Sales Financing Act.

PROCEDURAL HISTORY

The plaintiff brought an action in the Superior Court for the judicial district of New Haven to recover a deficiency balance arising from the defendant's default on a retail installment sales contract. The defendant filed counterclaims under article 9 of the Uniform Commercial Code and the Retail Installment Sales Financing Act, and the plaintiff withdrew its complaint. After transfer to the Waterbury judicial district, Complex Litigation Docket, the trial court denied the defendant's motion for class certification and granted the plaintiff's motion for summary judgment on the counterclaim as time barred under General Statutes § 52-585. The defendant appealed, and the Supreme Court reversed in part and remanded.

DISPOSITION

reversed_and_remanded

REMAND INSTRUCTIONS

The trial court must apply the three-year statute of limitations in General Statutes § 52-577 to the defendant's counterclaims under §§ 42a-9-625 and 36a-785 and conduct further proceedings according to law. The trial court's ruling was affirmed in all other respects.

CASES CITED

- Connex Credit Union v. Madgic, 354 Conn. 459 (2026)

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