

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)

OPINION

Mutual Security Credit Union v. Hardy

PER CURIAM.

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***** Mutual Security Credit Union v.

Hardy MUTUAL SECURITY CREDIT UNION v.

MIRANDA HARDY

(SC 21172) Mullins, C. J., and McDonald, D’Auria, Ecker, Alexander, Dannehy and Bright, Js. Syllabus The plaintiff credit union sought to recover damages from the defendant for a deficiency balance arising from her default on a retail installment sales contract for the purchase of a motor vehicle, which the plaintiff had repos- sessed and sold following the defendant’s default. The

defendant also sought to recover damages from the plaintiff in a counterclaim under article 9 of the Uniform Commercial Code (UCC) (§ 42a-9-625) and the Retail Installment Sales Financing Act (RISFA) (§ 36a-785). The trial court granted the plaintiff's motion for summary judgment on the defendant's counterclaim, concluding that the defendant's counterclaim for damages under §§ 42a-9-625 and 36a-785 was barred by the one year limitation period set forth in the statute of limitations (§ 52-585) governing actions "for any forfeiture upon any penal statute" The defendant appealed from the trial court's ruling on the plaintiff's motion for summary judgment. Held: The trial court having improperly applied the one year limitation period in § 52-585 to the defendant's counterclaim under both article 9 of the UCC and RISFA, that court also improperly granted the plaintiff's motion for summary judgment, and, accordingly, this court reversed in part the trial court's ruling on that motion and remanded the case for further proceedings. In so concluding, this court was guided by its decision in the companion case of *Connex Credit Union v. Madgic* (354 Conn. 459), in which the court concluded that, because §§ 42a-9-625 and 36a-785 are not penal statutes, the one year limitation period in § 52-585 is not applicable to claims brought under those statutes and that the three year limitation period set forth in the statute of limitations (§ 52-577) governing tort claims was the most suitable limitation period for claims brought under §§ 42a-9-625 and 36a-785. Argued February 5—officially released April 28, 2026

Procedural History Action to recover on a promissory note, and for other relief, brought to the Superior Court in the judicial district of New Haven, where the defendant filed a counterclaim; thereafter, the plaintiff withdrew its complaint; subsequently, the case was transferred to the judicial district of Waterbury, Complex Litigation Docket, where the court, Pierson, J., denied the defendant's motion for class certification; thereafter, the court, Pierson, J., *Mutual Security Credit Union v. Hardy* granted the plaintiff's motion for summary judgment, and the defendant appealed. Reversed in part; further proceedings. Tadhg Dooley, with whom were Garrett A. Denniston, Armando Ghinaglia and, on the brief, Marisa A. Bellair, for the appellant (defendant). Jonathan C. Zellner, for the appellee (plaintiff). Opinion PER CURIAM. This is the first companion case to *Connex Credit Union v. Madgic*, 354 Conn. 459, A.3d ____

(2026), which we also decide today. The plaintiff, Mutual Security Credit Union, brought an action against the defendant, Miranda Hardy, to recover damages arising from a deficiency balance associated with her default on a retail installment sales contract following its repossession and sale of her motor vehicle. The defendant filed a counterclaim for damages under article 9 of the Uniform Commercial Code (UCC), General Statutes § 42a-9-101 et seq., and the Retail Installment Sales Financing Act (RISFA), General Statutes § 36a-770 et seq.¹ The trial court subsequently granted the plaintiff's motion for summary judgment, concluding that the defendant's counterclaim for damages under General Statutes §§ 42a-9-625 and 36a-785 was time barred by the one year statute of limitations set forth in General Statutes § 52-585 for "suit[s] for any forfeiture upon any penal statute" ² The defendant now appeals³ and claims that the timeliness of her counterclaim is governed by the four year

limitation period set forth in article 2 of the UCC; see 1 Although not relevant to this appeal, the defendant also alleged violations of the Connecticut Unfair Trade Practices Act, General Statutes § 42-110a et seq. 2 The defendant also moved for certification of her counterclaim as a consumer class action. The trial court denied this motion on the ground that the counterclaim was time barred by § 52-585. 3 The defendant appealed from the decision of the trial court to the Appellate Court, and we transferred the appeal to this court pursuant to General Statutes § 51-199 (c) and Practice Book § 65-1. *Mutual Security Credit Union v. Hardy* General Statutes § 42a-2-725; or, alternatively, the three year limitation period set forth in General Statutes § 52-577. Guided by our decision in *Connex Credit Union v. Madgic*, supra, 354 Conn. 459, we conclude that the trial court incorrectly determined that the defendant's counterclaim under §§ 42a-9-625 and 36a-785 was time barred by § 52-585. 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. See *id.*, 472. 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.