

Interpleader with a Side of Motion for More Definite Statement

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Based upon a somewhat cryptic set of facts, the United States District Court recently looked at two issues regularly employed or encountered by practitioners: interpleader actions and motions for more definite statement. *Parker Meyer v. Jeffrey Anderson and Jeff Anderson & Associates, P.A.* 2019 WL 2106180 (May 14, 2019).

Based upon the opinion, Meyer provided few specifics to the court. Generally, she alleged an attorney-client relationship with Defendants and that Defendants invented and publicized false and derogatory information concerning her that, among other things, caused a public attack upon her. Meyer filed suit against Defendants for various causes of action, including breach of fiduciary duty and professional negligence. Meyer also initiated an interpleader claim, filing a motion to deposit funds and restrain Defendants. Defendants filed their motion for a more definite statement as to Meyer's complaint. Both motions came before the court.

The court provided a thoughtful analysis of interpleader actions. Generally, interpleader is an equitable remedy that allows a disinterested stakeholder to protect itself from multiple, inconsistent judgments and to avoid the obligation of determining which of two or more adverse claimants is entitled to a specific fund. Interpleaders may be statutory or rule-based – either utilized when the party in control of a particular fund seeks the court's control thereof while the court determines which of multiple parties claiming stake therein is entitled to the fund.

Statutory interpleader is pursuant to 28 U.S.C § 1335, which provides, in part, that district courts have original jurisdiction of an interpleader filed by an individual or entity having in his or its custody money or property valued at \$500 or more, if 1) two or more adverse claimants of diverse citizenship are claiming or may claim to be entitled to the money or property and 2) plaintiff has deposited the money or property into the court, with plaintiff to comply with the court's order with respect to the money or property at issue.

Rule-based interpleader is based upon Rule 22 of the Federal Rules of Civil Procedure, which allows a plaintiff to join as defendants persons with claims that may expose a plaintiff to double or multiple liability. Rule 22 further provides that joinder for interpleader is proper even if the claims of multiple claimants do not arise from common origin or are adverse. The risk of multiple or inconsistent judgments and adverse claimants is required for both statutory and rule-based interpleader; the source of the action differs as to jurisdictional requirements but not as to substantive requirements.

In *Meyer*, the court found the facts did not support either statutory or rule-based interpleader. Meyer was not at risk for multiple or inconsistent judgments as the only parties claiming right to the funds in question were Defendants, who are clearly related and not adverse. As the court aptly noted, either the Defendants were entitled to the funds or they were not. Because Meyer's interpleader was not proper, the court found her motion seeking to restrain Defendants from any action related to the funds likewise improper.

The court next turned to Defendants' motion for more definite statement. Such a motion, pursuant to Rule 12(e) of the Federal Rules of Civil Procedure, seeks a more definite statement of a pleading so vague and ambiguous that the moving party cannot reasonably respond. Pursuant to its analysis, the court reminded Rule 12(e) must be considered in conjunction with Rule 8 that requires a complaint to include a short, plain statement of the basis for the court's jurisdiction, unless the claim needs no new jurisdictional support; a short plain statement of the claim demonstrating the pleader is entitled to relief and a demand for the relief sought. While a complaint does not have to include sufficient detail for a defendant to be able to prepare a defense, it must be sufficiently detailed and informative enough to allow a defendant to respond to the allegations. A motion for more definite statement is not a substitute for discovery, but is properly engaged when a complaint is so vague and ambiguous that a defendant cannot frame its responsive pleading.

It is noteworthy that the court acknowledged that the mere fact that defendants' own conduct was at issue did not preclude them from seeking a more definite statement of specific conduct at issue. That established, the court went on to examine three categories of allegations raised by defendants.

First, Meyer alleged breach of obligations or fiduciary duties. The court found the Defendants could generally discern Meyer's allegations related to obligations and fiduciary duties arose from the attorney-client relationship. There were, however, specific allegations lacking in detail. By way of example, Meyer alleged Defendants advanced their own financial interest, without context. Meyer also alleged Defendants spoke of Meyer's confidences without her consent, but without sufficient information for Defendants to know the "confidences" at issue.

The next category of allegations was those of false information. Defendants argued there was insufficient information as to what false statements were made by Defendants or how they were made. While Meyer did not pursue a defamation claim, her allegations of false statements by Defendants were the basis off her professional negligence claim. Because it was essential for Defendants to have information about the statements in order to respond, Meyer was required to provide the allegedly false statements made, when they were made and to whom.

The final category of allegations was those related to damages. Meyer pled she suffered financial loss as a result of Defendants' purported actions. Despite finding such allegation rather vague, the court nonetheless found it adequate to generally inform Defendants.

Interpleaders and motions for more definite statement are staples on the active practitioner's plate. The *Meyer* court serves a reminder of the foundations and the parameters of both, thereby providing valuable practice points, whether in pursuit or in defense, of either legal concept.

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