

United States District Court
Northern District of California

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

SHARON ROBINSON,
Plaintiff,
v.
WELLS FARGO ADVISORS, et al.,
Defendants.

Case No. 15-cv-05304-HSG

**ORDER GRANTING MOTION FOR
SUMMARY JUDGMENT AS AGAINST
WELLS FARGO & COMPANY AND
WELLS FARGO BANK, N.A.**

Re: Dkt. No. 31

Pending before the Court is Defendant Wells Fargo & Company (“WFC”) and Defendant Wells Fargo Bank, N.A.’s (“WFB”) joint motion for summary judgment against Plaintiff Sharon Robinson (“Plaintiff”). See Dkt. No. 31 (“Mot.”). Defendant Wells Fargo Advisors (“WFA”) does not join this motion. Having read the parties’ papers and carefully considered their arguments and the relevant legal authority, the Court **GRANTS** the motion for the foregoing reasons.

I. BACKGROUND

Plaintiff’s father executed a will (the “Will”) establishing two testamentary trusts. For one of these trusts (the “Trust”), Plaintiff and her siblings were remainder beneficiaries. Dkt. No. 31-1 (Stipulation of Undisputed Facts (“SUF”)) ¶ 1; Dkt. No. 30 ¶ 9. The Will appointed WFB as trustee. SUF ¶ 2; Dkt. No. 30 ¶ 11. The Will provided that the net income from the Trust would be paid to Plaintiff’s father’s wife until her death and then the remaining assets would be distributed to Plaintiff and her siblings. SUF ¶ 3; Dkt. No. 30 ¶ 9.

Plaintiff asserts that after receiving her share of the distribution of the Trust, she “kept her funds at Wells Fargo Investments LLC,” which was acquired by Defendant WFA in 2011. Dkt. No. 30 ¶ 10. That year, Plaintiff states that she transferred all of her assets from Wells Fargo Investments LLC to U.S. Bancorp. Id. ¶ 13. Wells Fargo Investments LLC, which later became

1 WFA, and WFB are all subsidiaries of WFC. Id. ¶ 12.

2 Plaintiff asserts that throughout the time they served as trustee, “Defendants¹ accumulated
3 in their files a number of items pertaining to Robinson,” including “documents of various kinds
4 purporting to reflect on Robinson’s medical condition, and various other personal information
5 about her.” Id. ¶ 14. Believing she had a legal right to the alleged documents, Plaintiff sent a
6 letter to WFA requesting documents from the Trust file that pertained to her on June 23, 2014. Id.
7 ¶ 15; id. Ex. A. WFA rejected Plaintiff’s requests on three separate occasions. Id. ¶ 16; id. Ex. B.
8 Plaintiff then hired attorney James Braden, who sent an additional letter to WFA requesting the
9 documents on August 19, 2015. Id. ¶ 17; id. Ex. C. A WFA Compliance Consultant replied via
10 email on August 26, 2015. Id. ¶ 18, Ex. D. Braden and the Compliance Consultant sent an
11 additional series of four emails and letters between them, with the final communication sent on
12 September 11, 2015. Id. ¶¶ 19-22; id. Exs. E, F, G, H. In her final letter denying Braden’s
13 request, WFA’s Compliance Consultant stated that she could not release the requested documents
14 without a subpoena because they included “internal account notes in which parties such as law
15 enforcement, government agencies or family members may have been included.” Id. Ex. H.

16 Plaintiff filed this action on November 19, 2015. See Dkt. No. 1. She filed a First
17 Amended Complaint adding WFB as a defendant on May 12, 2016. See Dkt. No. 30. The
18 amended complaint alleged that Defendants collectively breached a fiduciary duty owed to
19 Plaintiff under several different states’ laws by failing to produce the requested documents.² Id.
20 On April 22, 2016, Plaintiff and WFA stipulated to referral to binding arbitration before the
21 Financial Industry Regulatory Authority, and to stay all further proceedings against WFA pending
22 the outcome of that arbitration. See Dkt. No. 23. The Court granted the stipulation on October 5,
23 2016. Dkt. No. 43.

24 **II. LEGAL STANDARD**

25 Summary judgment is proper where the pleadings and evidence demonstrate “there is no
26

27 ¹ Plaintiff refers to WFA, WFB, and WFC collectively as “Defendants” throughout her First
Amended Complaint. See Dkt. No. 30 ¶ 12.

28 ² The parties stipulated to be bound by the laws of Oregon at the August 4, 2016 motion hearing.
See Dkt. No. 42 (transcript) at 7:9-9:24.

1 genuine issue as to any material fact and . . . the movant is entitled to judgment as a matter of
2 law.” Fed. R. Civ. P. 56(c)(2); *Celotex Corp. v. Catrett*, 477 U.S. 317, 322 (1986). A material
3 issue of fact is a question a trier of fact must answer to determine the rights of the parties under the
4 applicable substantive law. *Anderson v. Liberty Lobby, Inc.*, 477 U.S. 242, 248 (1986). A dispute
5 is genuine “if the evidence is such that a reasonable jury could return a verdict for the nonmoving
6 party.” *Id.*

7 The moving party bears “the initial responsibility of informing the district court of the
8 basis for its motion.” *Celotex*, 477 U.S. at 323. To satisfy this burden, the moving party must
9 demonstrate that no genuine issue of material fact exists for trial. *Id.* at 322. To survive a motion
10 for summary judgment, the non-moving party must then show that there are genuine factual issues
11 that can only be resolved by the trier of fact. *Reese v. Jefferson Sch. Dist. No. 14J*, 208 F.3d 736,
12 738 (9th Cir. 2000). To do so, the non-moving party must present specific facts creating a genuine
13 issue of material fact. Fed. R. Civ. P. 56(c); *Celotex*, 477 U.S. at 324.

14 The Court must review the record as a whole and draw all reasonable inferences in favor of
15 the non-moving party. *Hernandez v. Spacelabs Med. Inc.*, 343 F.3d 1107, 1112 (9th Cir. 2003).
16 However, unsupported conjecture or conclusory statements are insufficient to defeat summary
17 judgment. *Id.*

18 **III. ANALYSIS**

19 Under Oregon state law, “[q]ualified beneficiaries [] are entitled to be ‘reasonably
20 informed about the administration of the trust and of the material facts necessary for those
21 beneficiaries to protect their interests.’” *Tseng v. Tseng*, 271 Or. App. 657, 661 (2015) (quoting
22 ORS 130.710(1)). Plaintiff argues that WFA, WFB, and WFC collectively violated this statute
23 “[b]y failing and refusing to provide the information and documents Robinson requested.”
24 Dkt. No. 30 ¶ 37. However, WFB and WFC contend that Plaintiff’s pleadings and proffered
25 evidence demonstrate that she requested information solely from WFA rather than from WFB or
26 WFC, and that they therefore cannot be liable for refusing to comply with requests that they never
27 received. See Mot. at 4. WFB and WFC point to the letters attached to Plaintiff’s complaint as
28 evidence that they were uninvolved in the document requests on which Plaintiff’s claims are

1 based. See Dkt. No. 30, Exs. A-H. The Court agrees, as a brief review of Plaintiff’s requests
2 makes clear that they were all addressed to WFA alone. See *id.*

3 Plaintiff attempts to generate a dispute of material fact on this issue through her own
4 declaration. Dkt. No. 36-1 (“Robinson Decl.”). First, she avers that she “assumed and believed
5 that when [she] was writing to the Wells entity with which [she] most recently had an operating
6 account [i.e., WFA], [she] was effectively communicating to the entire family of Wells entities,
7 including those [she] had done business with in the past.” *Id.* ¶ 3. However, this argument fails,
8 since Robinson’s belief as to whom she made requests is irrelevant in the face of the undisputed
9 evidence as to whom she actually made requests. See *Taylor v. List*, 880 F.2d 1040, 1045 n.3 (9th
10 Cir. 1989) (affidavit reflecting that affiant was “informed and believed that [defendant] was
11 involved” in legal violation did not create triable issue regarding that defendant’s involvement
12 because statement was not based on personal knowledge). Plaintiff also attempts to prove that
13 WFB rejected her document requests after she filed a formal complaint against WFB with the
14 Federal Reserve Consumer Help Center in Houston, which WFB acknowledged in writing that
15 they received. See Robinson Decl. However, a complaint made to WFB regarding WFA’s failure
16 to comply with Plaintiff’s requests does not demonstrate that Plaintiff ever made a request to WFB
17 seeking production of any of the alleged documents. Because there is no evidence that Plaintiff
18 ever requested documents from WFB or WFC or that WFB or WFC ever rejected such requests,
19 Plaintiff’s direct liability claims against WFB and WFC must fail.

20 Nor can WFB or WFC be held vicariously liable for the actions of their subsidiary, WFA.
21 “It is a general principle of corporate law deeply ingrained in our economic and legal systems that
22 a parent corporation . . . is not liable for the acts of its subsidiaries.” *United States v. Bestfoods*,
23 524 U.S. 51, 61 (1998) (quotation marks and citation omitted). Without an allegation that the
24 corporate veil should be pierced—which Plaintiff does not here allege—there can be no vicarious
25 liability for WFB or WFC.

26 Plaintiff responds to these fatal obstacles by arguing that the motion for summary
27 judgment should be treated as a motion for judgment on the pleadings because WFB and WFC’s
28 motion “attack[ed] [Plaintiff’s] First Amended Complaint . . . on its face, without regard to any

1 extraneous evidence whatsoever.” See Dkt. No. 36 at 7. Plaintiff represents that if the Court were
2 to agree with her interpretation, she would seek leave to amend the complaint to allege that WFB
3 and WFC also denied Plaintiff’s document requests. Opp. at 3. The Ninth Circuit has found an
4 abuse of discretion where a district court granted summary judgment after refusing to rule on a
5 claim not included in the complaint. See *Desertrain v. City of Los Angeles*, 754 F.3d 1147, 1154
6 (9th Cir. 2014) (“Where plaintiffs fail[] to raise [a claim] properly in their pleadings, . . . [if] they
7 raised it in their motion for summary judgment, they should [be] allowed to incorporate it by
8 amendment under Fed. R. Civ. P. 15(b).”) (quotation marks and citation omitted; brackets
9 original). However, the Court finds that because there is no evidence that either WFB or WFC
10 ever refused Plaintiff’s document requests, amendment in this case would be futile.³

11 Finally, Plaintiff argues that even if summary judgment is appropriate, the present motion
12 should be considered a motion for partial summary judgment as it fails to address her declaratory
13 relief claim. See Dkt. No. 36 at 8. Defendants concede that they do not address the declaratory
14 relief claim in their motion, but argue that they did not need to do so because without substantive
15 claims, there is no basis for declaratory relief. See Dkt. No. 37 at 5.

16 “The Declaratory Judgment Act, 28 U.S.C. § 2201, is the procedural statute under which a
17 federal court determines whether to exercise its jurisdiction to hear a case such as the present one.”
18 *Golden Eagle Ins. Co. v. Travelers Co.*, 103 F. 3d 750, 753 (9th Cir. 1996); see also *Aetna Life*
19 *Ins. Co. of Hartford, Conn. v. Haworth*, 300 U.S. 227, 240 (1937). “[D]istrict courts possess
20 discretion in determining whether and when to entertain an action under the Declaratory Judgment
21 Act, even when the suit otherwise satisfies subject matter jurisdictional prerequisites,” and is a
22 sufficient case or controversy to confer standing. *Wilton v. Seven Falls Co.*, 515 U.S. 277, 282-83
23 (1995); see also *Gov’t Employees Ins. Co. v. Dizol*, 133 F.3d 1220, 1223 (9th Cir. 1998) (“If the
24 suit passes constitutional and statutory muster, the district court must also be satisfied that

25 _____
26 ³ At the August 4, 2016 motion hearing, Plaintiff’s counsel represented that when he filed the
27 Opposition to the present motion, he sent a letter requesting documents from WFB and WFC to
28 Defendants’ attorney, and “assum[ed]” the request would be refused. Dkt. No. 42 at 6:1-6:13.
Speculation about a refusal that has not yet occurred is not an appropriate basis for amendment. If
Plaintiff properly presents a request to WFB and WFC, and the request is refused, Plaintiff’s
counsel can file an action based on that refusal if he has a Rule 11 basis for doing so.

1 entertaining the action is appropriate. This determination is discretionary, for the Declaratory
2 Judgment Act is deliberately cast in terms of permissive, rather than mandatory, authority.”)
3 (quotation marks and citation omitted). “Of course, this discretion is not unfettered.” Id. In
4 deciding whether jurisdiction is appropriate, the Court “must balance concerns of judicial
5 administration, comity, and fairness to the litigants.” Chamberlain v. Allstate Ins. Co., 931 F. 2d
6 1361, 1367 (9th Cir. 1991). In doing so, the Court should consider the following factors: (1)
7 avoiding needless determination of state law issues; (2) discouraging litigants from filing
8 declaratory actions as a means of forum shopping; and (3) avoiding duplicative litigation. Dizol,
9 133 F.3d at 1225.


10 Here, Plaintiff “predicate[s] subject matter jurisdiction on diversity of citizenship,” so
11 subject matter jurisdiction is proper. Golden Eagle, 103 F. 3d at 753. Assuming that standing is
12 also proper, which the Court does not decide here, the question then is whether the Court should
13 “exercise[e] its judicial discretion not to hear [this case].” Id. The Court finds that Plaintiff’s
14 declaratory relief claim, standing alone, would result in precisely the kind of “needless
15 determination of state law issues” that the Court has the discretion to avoid--i.e., whether a former
16 trustee has a duty under Oregon law to provide information to a trust beneficiary after the trust has
17 terminated. See Dizol, 133 F.3d at 1225. The Court therefore declines to entertain that question.

18 **IV. CONCLUSION**

19 Defendant’s motion is **GRANTED**.⁴

20 **IT IS SO ORDERED.**

21 Dated: 12/15/2016

22 
23 HAYWOOD S. GILLIAM, JR.
24 United States District Judge

25 _____
26 ⁴ Because Plaintiff’s claims fail for the reasons set out above, the Court declines to address
27 Defendants’ additional argument that no fiduciary duty existed at the time that Plaintiff lodged her
28 requests because the Trust had already been terminated and the Trust assets distributed. See Mot.
at 3.