

IN THE UNITED STATES DISTRICT COURT FOR THE
SOUTHERN DISTRICT OF GEORGIA
AUGUSTA DIVISION

SOHAIL ABDULLA,

Plaintiff,

vs.

AYAZ CHAUDHARY and ALIYA
CHAUDHARY,

Defendants.

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CV 114-008

O R D E R

Before the Court is Defendants' motion for sanctions.
(Doc. no. 12.) For the reasons stated herein, the motion is
DENIED.

On January 13, 2014, Plaintiff filed a diversity suit
alleging breach of contract. The dispute concerns real
property located in the Southern District of Georgia and an
alleged partnership between the parties. Plaintiff attaches to
his complaint an agreement purportedly signed by the parties.
(Doc. no. 4-1.)

On August, 1, 2014, Defendants filed this motion seeking
sanctions pursuant to Federal Rule of Civil Procedure 11.
(Doc. no. 12.) Defendants contend that service was improper,
a partnership was never formed, Defendant Aliya Chaudhary
should be dismissed because no allegations were made as to
her, and that Plaintiff's complaint is generally devoid of

merit. Defendant did not file a motion to dismiss.

Plaintiff responds that a motion to dismiss, not a motion for sanctions, is the proper pleading for the issues Defendants raise. Further, Plaintiff moves the Court for sanctions against Defendants for submitting falsehoods to the Court in their answer to Plaintiff's complaint and in Defendants' motion for sanctions. (Doc. no. 13.)

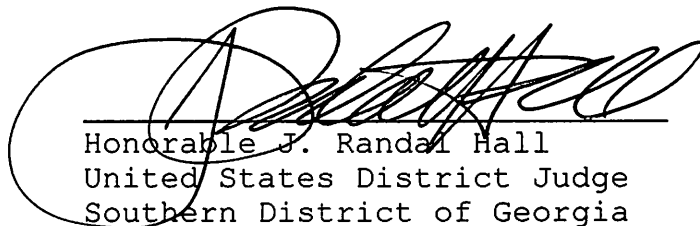
Sanctions under Rule 11 are proper (1) when a party files a pleading that has no reasonable factual basis; (2) when the party files a pleading that is based on a legal theory that has no reasonable chance of success and that cannot be advanced as a reasonable argument to change existing law; and (3) when the party files a pleading in bad faith for an improper purpose. Davis v. Carl, 906 F.2d 533, 536 (11th Cir. 1990) (explaining that sanctions premised on factually groundless allegations are appropriate when plaintiffs offered no evidence to support their allegations); see Fed. R. Civ. P. 11(c).

Here, the Court cannot say that Plaintiff has offered no evidence to support his allegations because Plaintiff attached to his complaint what appears to be an agreement signed by the parties. Likewise, Defendants submit a separate, unsigned agreement in support of its position that Plaintiff's allegations are groundless. The Court finds that the pleadings

filed by the parties thus far have a reasonable factual basis and declines the invitation to impose sanctions. See Manhattan Const. Co. v. Place Properties LP, 559 F. Appx. 856, 858 (11th Cir. 2014) (affirming district court denial of motion for sanctions in a dispute between small business entities where plaintiff offered a factual basis for allegations in the complaint). Defendants' motion for summary judgment is pending, which the Court will consider in due course.

ORDER ENTERED at Augusta, Georgia, this 28th day of

January, 2015.


Honorable J. Randal Hall
United States District Judge
Southern District of Georgia