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IN THE COURT OF APPEALS OF THE STATE OF WASHINGTON
DIVISION THREE

ROBERT SICLAIR and LEA SICLAIR, and their marital community, Appellants, v. WASHINGTON OUTPATIENT REHABILITATION, LLC, a Washington limited liability company, Respondent, JULIANNE E. ALFORD and SCOTT ALFORD, and their marital community; and PETE TEEPLE, et ux., and their marital community, Defendants.	)	No. 38931-6-III UNPUBLISHED OPINION

PENNELL, J. — Robert and Lea Siclair petitioned for the judicial dissolution of Washington Outpatient Rehabilitation, LLC (WOR), a physical therapy company co-owned by Mr. Siclair. Eventually, the trial court appointed a general receiver for the purpose of winding up the company. The Siclairs appeal from an order sustaining the receiver's objection to a proof of claim and imposing sanctions under CR 11. We affirm.

FACTS

After a 2013 merger, Robert Siclair, Julianne Alford, and Pete Teeple co-owned WOR, a manager-managed limited liability company (LLC), as equal members. Ms. Alford's husband, Scott Alford, managed WOR.

In 2019, the Siclairs petitioned for a judicial dissolution of WOR and a winding up of its business activities. The petition named WOR, Mr. Teeple, and the Alfords as respondents. The Siclairs also claimed the Alfords had taken "improper distributions" and sought "[r]ecovery *by the Company* of any amounts owed."[1] Clerk's Papers (CP) at 7 (emphasis added); *see* RCW 25.15.236(1) (providing that members and managers of LLCs are "personally liable to the limited liability company" for improper distributions).

After nearly 16 months of acrimonious litigation, Mr. Teeple and the Alfords moved in the trial court for appointment of a general receiver for WOR. They argued a receivership was authorized under former RCW 7.60.025(1)(t) (2019), which permits the appointment of a receiver "[i]n an action for or relating to dissolution" of an LLC. Mr. Teeple and the Alfords contended the appointment of a receiver was necessary and

[1] The substance of the Siclairs' allegations against Mr. Teeple and the Alfords are not especially relevant to our decision, given they are not parties to this appeal. By way of summary, we note the Siclairs essentially alleged the Alfords deceptively siphoned money from WOR and unfairly deprived Mr. Siclair of equal compensation.

that no reasonable alternative to receivership existed. They noted that WOR would soon have no employees and explained the matter "has been so rife with discord and disagreement that any effort to have any party or parties conduct the winding up would near certainly result in further allegation and litigation." CP at 707.

The Siclairs opposed the appointment of a receiver. They contended the proposed receivership was a ploy to delay trial, and unnecessary because WOR was not insolvent.[2]

After a hearing, the trial court granted the motion and appointed John Munding as general receiver. At the hearing, the court and counsel for Mr. Teeple and the Alfords apparently alleviated the Siclairs' concern that trial regarding their claims against these individuals would be delayed. The trial court addressed the Siclairs' counsel:

> Julianne Alford and Pete Teeple . . . are all done basically with this company at the end of the month. I guess my question is who is going to run it.
>
> I know . . . you are objecting to that, and maybe we can start with that . . . . [C]onsidering the discord between the parties, why wouldn't a receiver . . . be the most appropriate considering all the allegations . . . ?

Rep. of Proc. (RP) (Mar. 26, 2021) at 5. The Siclairs' attorney reiterated his clients' opposition, positing that the receiver's appointment would "effectively stay" a trial on

[2] Insolvency is an independent basis for a receivership. *See* RCW 7.60.025(1)(i). But insolvency is not a *requirement* for the appointment of a receiver. *See, e.g.*, former RCW 7.60.025(1)(t) (authorizing the appointment of a receiver in any "action for or relating to dissolution of [a business entity]," and not mentioning insolvency).

the Siclairs' claims against the Mr. Teeple and the Alfords. *Id*. But counsel for Mr. Teeple and the Alfords explained that his clients were not seeking a stay, and informed the court that the claims against his clients "can and should proceed." *Id.* at 6.

Amidst extensive discovery and motions practice, Mr. Teeple and the Alfords moved for partial summary judgment, seeking to limit the scope of the Siclairs' claims based on the statute of limitations. The trial court mostly agreed with Mr. Teeple and the Alfords. The court held a two-year statute of limitations applied to the Siclairs' claims for improper distributions.[3]

In a general receivership, claims against property of the estate must be "deliver[ed] to the general receiver." RCW 7.60.210(2). In a proof of claim dated March 31, 2021, the Siclairs sought $218,000 from WOR. CP at 1681-83. The basis for the claim was described as Mr. Siclair's one-third property interest in WOR. *Id*. at 1681. The Siclairs supported this claim with hundreds of pages of documents supporting their allegations of improper distributions taken by the Alfords. *See id*. at 1684-1778, 1796-1814, 1901-2012.

Two months later, the Siclairs submitted an amended proof of claim to the receiver. The amended proof of claim sought "approx[imately] $500,000," and was

[3] The court also held a three-year statute of limitations would apply to any claims where the Siclairs could prove an improper distribution was "concealed . . . through one or more affirmative factual misrepresentations." CP at 2565.

supported by the same documentation as the initial proof of claim. CP at 2701--03. The Siclairs in a separate proof of claim form stated the basis for their claim: "See attached + previously submitted. This Receivership appears to be a scam aimed only at defrauding Robert + Lea Siclair." *Id.* at 2706. The Siclairs also asserted the full amount was a "secured claim." *Id.* Under a prompt asking for a description of the purported security interest, the proof of claim simply stated: "Stolen under false Pretenses. Lied to conceal it. Owed back to LLC by individuals Scott Alford, Julianne Alford and Pete Teeple." *Id.* The Siclairs also checked boxes alleging that they had unsecured claims for employee wages and taxes owed to the government. The Siclairs did not provide an amount for either of these latter claims; instead, stating that the amounts were "[b]eing calculated." *Id.* at 2707.

The receiver objected to the amended proof of claim[4] and requested CR 11 sanctions be imposed on the Siclairs and their counsel. The receiver argued the allegation of a scam breached decorum; noted that the Siclairs had failed to state a valid debt of

[4] If a receiver fails to object to a proof of claim, the claim will be allowed and must be paid without further inquiry into its validity. *See* RCW 7.60.210(4) (providing that "[a] claim" served upon a receiver "constitutes prima facie evidence of the validity and amount of the claim"); RCW 7.60.220(1) (providing that "[c]laims properly served upon the receiver and not disallowed by the court are entitled to share in distributions from the estate").

WOR; and contended the Siclairs' purportedly unsecured employee wage and tax claims were fictitious. *See id.* at 2977-81. In a response to the receiver's objection, filed with the trial court, the Siclairs insisted they had "provided . . . ample evidence to support" a $500,000 claim against the estate. *Id.* at 3131.

At the hearing concerning the receiver's objection to the proof of claim, the Siclairs' counsel explained, "We want to collect for [WOR] the money that [WOR] is owed because of the wrongful distributions and then have that returned to the company." RP (Mar. 4, 2022) at 33-34. The Siclairs' counsel argued the claim was justified based on Mr. Siclair's "[o]ne-third property interest," and clarified, "[W]e're not saying [WOR] owes $500,000." *Id.* at 37. Moments later, the trial judge sought clarification: "For the record, you're withdrawing the May 31, 2021 claims of $500,000. . . . Correct?" *Id.* at 39. The Siclairs' counsel responded: "I don't understand. Why would we be withdrawing [it?] . . . [Y]eah, we have a claim . . . ." *Id.* at 40. Counsel apparently failed to apprehend that the purpose of a proof of claim is to state a claim "against property *of the estate*." RCW 7.60.210(1) (emphasis added). A proof of claim is intended to state how much the entity in receivership owes the purported creditor, not how much purported debtors—here, the Alfords and Mr. Teeple—owe the entity in receivership. *See id.*

The trial court sustained the receiver's objection to the proof of claim, finding that the Siclairs "failed to produce any evidence of a debt owed to them by [WOR] . . . in any amount, let alone $500,000." CP at 3177-78. The court concluded the proof of claim "was signed and submitted . . . in violation of CR 11." *Id.* at 3180. The amount of sanctions was reserved for a future hearing. The trial court explained that the Siclairs' claims against Mr. Teeple and the Alfords could still proceed to trial and that Mr. Siclair would be entitled to one-third of any residue of the estate. *See id.* at 3179-80; RP (Mar. 4, 2022) at 44-49.

The Siclairs responded to the receiver's subsequent motion to calculate sanctions by urging the trial court to reconsider its conclusion that they had violated CR 11. The Siclairs argued that a proof of claim is not sanctionable under CR 11 because it is not a "'pleading, motion, or legal memorandum,'" relying on this court's decision in *Clare v. Telquist McMillen Clare PLLC*. *See* 20 Wn. App. 2d 671, 682-86, 501 P.3d 167 (2021) (agreeing with trial court's conclusions that a standalone declaration and a witness disclosure statement were not sanctionable under CR 11). The court rejected the Siclairs' argument and imposed sanctions on them and their counsel in the amount of $9,787.50.

In May 2022, the Siclairs, Mr. Teeple, and the Alfords negotiated a settlement. They represented to the court that they "ha[d] resolved all issues between and among

them" and "stipulate[d] to the dismissal of all claims and issues between/among them, with prejudice and without any award of costs or fees to any of the Individual Parties." CP at 3205. Although the litigation among the individual parties ended, they further stipulated that "this stipulated dismissal is not intended to and shall not be construed to dismiss the Receivership aspects of this matter, which shall continue until the wind-up and dissolution of [WOR] is complete." *Id.* at 3205-06. The court accepted the individual parties' stipulation and ordered the Siclairs' claims dismissed with prejudice.

Following entry of the stipulated order of dismissal, the Siclairs filed a notice of appeal.[5] The notice stated the Siclairs were appealing the trial court's order sustaining the receiver's objection to their proof of claim. The receiver moved to dismiss the appeal, arguing it was untimely and frivolous. A commissioner of this court rejected those arguments, but raised another question: whether the appeal was premature given that the receivership was still proceeding in the trial court. After considering additional briefing, the commissioner ruled the matter was appealable under RAP 2.2(a)(3).

[5] In a letter from their attorney, the Siclairs informed this court that the Alfords and Mr. Teeple would not be parties to this appeal. *See* Letter from William C. Schroeder, *Siclair v. Wash. Outpatient Rehab., LLC*, No. 38931-6-III (Wash. Ct. App. Jul. 20, 2022) (informing this court that the receiver is the only proper respondent here because "[t]he Siclairs . . . have a mediated settlement agreement with the individual defendants, and all claims among those parties have been dismissed by stipulation").

While the appealability proceedings were taking place in this court, the receiver moved in the trial court for an order approving his final report and final accounting, winding up the estate, and discharging him. The Siclairs opposed the motion, arguing that the court lacked authority to enter such an order under RAP 7.2 due to the pending appeal. The trial court granted the receiver's motion over the Siclairs' objection. The Siclairs timely appealed that order. We address that second appeal in a separate opinion.

ANALYSIS

Appointment of the receiver

The Siclairs contend the trial court erred by appointing the receiver. We decline review of this question because it is moot.

We may raise the issue of mootness sua sponte. *In re Det. of C.W.*, 105 Wn. App. 718, 723, 20 P.3d 1052 (2001). An issue becomes moot when we are no longer capable of providing effective relief. *See State v. Beaver*, 184 Wn.2d 321, 330, 358 P.3d 385 (2015). "An appeal without a remedy is moot." *MONY Life Ins. Co. v. Cissne Fam. LLC*, 135 Wn. App. 948, 952, 148 P.3d 1065 (2006).

This is plainly "[a]n appeal without a remedy." *Id.* We are aware of one remedy for an improperly appointed receiver: assessment of "all of the receiver's fees and other costs of the receivership and . . . any other sanctions the court determines to be appropriate"

against the party who procured appointment of the receiver. RCW 7.60.290(5). The Siclairs have identified no other remedy. But we may not order that remedy here. The receiver's appointment was "procured" by the Alfords and Mr. Teeple. *Id*. In the trial court, the Siclairs stipulated they had no remaining claims against the Alfords and Mr. Teeple. And the Siclairs' counsel affirmatively told this court that the Alfords and Mr. Teeple were not proper parties to this appeal. Consequently, we have no briefing from the Alfords and Mr. Teeple, the parties who would be liable if the Siclairs' arguments on this issue carried the day. Thus, even if we were inclined to credit the Siclairs' arguments on this issue, we would be incapable of ordering effective relief.

We are generally obliged to decline review of moot questions. *See Heritage Grove v. Dep't of Health*, 11 Wn. App. 2d 406, 412, 453 P.3d 1022 (2019). Thus, we decline review of this question given that it is "purely academic." *Sessom v. Mentor*, 155 Wn. App. 191, 195, 229 P.3d 843 (2010).

Partial summary judgment

The Siclairs contend the trial court erred by relying on the statute of limitations to summarily dismiss a portion of their claims against the Alfords and Mr. Teeple. Again, because the Alfords and Mr. Teeple are not parties to this appeal, we cannot provide

effective relief on this claim. We therefore decline review of the propriety of the summary judgment order on the basis of mootness.

Order granting receiver's first monthly notice of intent to pay compensation and reimburse expenses

The Siclairs timely objected to the receiver's first notice of intent to pay compensation and reimburse expenses. The Siclairs did not clearly articulate any doubts about the reasonableness of the costs and time the receiver claimed he had invested. Rather, it appears the Siclairs were inartfully advancing arguments for the receiver's disqualification.[6] *See* CP at 2611 (claiming the receiver's alleged bias "begs the existential question for the Receivership itself"). But the Siclairs did not formally request the receiver's removal; they only asked that "compensation . . . be denied." *Id.* The trial court granted the receiver's request for compensation and reimbursement.

Although the Siclairs assign error to this order, the argument section of their opening brief does not contain any discussion obviously relating to it, aside from their generalized frustration with the existence of the receivership altogether which, again, is a frustration we cannot remedy. Assignments of error lacking sufficient argument and

[6] For instance, the Siclairs alleged the receiver had a conflict of interest and was biased in favor of the Alfords.

citation to authority do not merit our review. *See Christian v. Tohmeh*, 191 Wn. App. 709, 727-28, 366 P.3d 16 (2015) (citing RAP 10.3(a)(6)).

Order granting receiver's motion for authorization to accept capital contributions and assign property of the estate

The Siclairs assign error to a trial court order authorizing the receiver to accept capital contributions from WOR's former members and distribute property of the estate: namely, four season tickets to Gonzaga University men's basketball team games. The Siclairs appear to believe the trial court should have allowed WOR's former members to figure out amongst themselves how to distribute the tickets rather than letting the receiver sell WOR's tickets to its former members. We decline review of this assignment of error because it is unsupported by "reasoned argument" in the Siclairs' briefing. *Id.* at 728.

Order sustaining receiver's objection to proof of claim

The Siclairs contend the trial court erred by sustaining the receiver's objection to their proof of claim. The parties disagree over what standard of review we should apply. The Siclairs urge us to exercise de novo review, while the receiver posits we should review the trial court's decision for abuse of discretion. We note Division One of this court recently opined that we should "review the trial court's rulings regarding [a] receivership that . . . disallow claims . . . for an abuse of discretion." *In re Receivership*

of Applied Restoration, Inc., 28 Wn. App. 2d 881, 891, 539 P.3d 837(2023). We refrain from opining on the proper level of appellate scrutiny because under any standard of review the trial court did not err.

In a general receivership, a proof of claim must state a "claim[] . . . against property *of the estate*." RCW 7.60.210(1) (emphasis added). As such, any proofs of claim submitted to Mr. Munding were required to state a debt owed by WOR. By submitting a proof of claim to Mr. Munding alleging they were owed $500,000, the Siclairs formally claimed WOR owed them $500,000. And if Mr. Munding had not objected, the receivership estate would have been obliged to pay the Siclairs that sum. *See* RCW 7.60.210(4) (providing that "[a] claim" served on a receiver "constitutes prima facie evidence of the validity and amount of the claim"); RCW 7.60.220(1) (providing that "[c]laims properly served upon the receiver and not disallowed by the court are entitled to share in distributions from the estate").

But the Siclairs' counsel supported their proof of claim—against WOR—with nothing more than the same evidence proffered by the Siclairs in their suit against the Alfords and Mr. Teeple. To be sure, if the Siclairs had prevailed in that suit, the Alfords and Mr. Teeple would have been "personally liable to the limited liability company" for any improper distributions. RCW 25.15.236(1). And Mr. Siclair would have been

entitled to one-third of the money recovered by the LLC in that suit—assuming any was left over after all of WOR's creditors were paid off.[7] *See* RCW 7.60.230(2) (requiring a general receiver to pay "any residue . . . to the person over whose property the receiver is appointed" after "all of the classes" of creditors have been satisfied). But by submitting their proof of claim, the Siclairs wrongly asserted that the purported debt owed by the Alfords and Mr. Teeple *to WOR* was a debt owed *by WOR* to the Siclairs. That is not what a proof of claim is for. The purpose of a proof of claim is to state how much an LLC in receivership owes a purported creditor, not to state how much purported debtors owe the LLC. *See* RCW 7.60.210(1).

Moreover, the specifics of the Siclairs' proof of claim were facially meritless. First, the purported "[b]asis" for the Siclairs' claim against WOR was that the receivership was "a scam." CP at 2706. The Siclairs furnished no factual proof of

[7] The Siclairs have repeatedly implied that, once a receiver was appointed, they were required to submit their claim against the Alfords and Mr. Teeple to the receiver rather than proceeding to trial. But at the March 2021 hearing where the receiver was appointed, counsel for Mr. Teeple and the Alfords expressly stated that the improper distribution claims against his clients "can and should proceed" to trial. RP (Mar. 26, 2021) at 6. Moments later, the trial court stated, "I won't stay [trial against the individual defendants]. We'll continue to move forward . . . ." *Id.* at 8. From that point forward, the court repeatedly contemplated an impending trial on the Siclairs' claims against Mr. Teeple and the Alfords. *See id.* at 55-56; RP (Apr. 29, 2021) at 83; *id.* at 123; RP (Mar. 4, 2022) at 44-49.

an ongoing scam, nor is it immediately clear to us how proof of a scam would logically entitle the Siclairs to $500,000 from the estate. Next, the Siclairs asserted they had a secured claim against WOR, but instead of identifying any collateral that secured a purported debt of WOR, the Siclairs simply asserted that the Alfords and Teeple had "stolen" money—from WOR, ostensibly—and "[l]ied to conceal it." *Id.* Needless to say, this does not establish a secured claim against WOR. Third, the Siclairs also asserted an unsecured claim for employee wages, but such a claim would have been permissible only if the wages were "earned by the claimant within one hundred eighty days" of the receiver's appointment. RCW 7.60.230(1)(d). Mr. Siclair had left the employ of WOR much longer than 180 days prior to the receiver's appointment, and Ms. Siclair never worked for WOR. Finally, the Siclairs asserted an unsecured tax claim. But by definition, such a claim may be made only by a "governmental unit[]." RCW 7.60.230(1)(g).

Based on the foregoing, the receiver properly objected to the Siclairs' proof of claim and the trial court properly sustained that objection.

CR 11 sanctions

The Siclairs contend the trial court erred by imposing CR 11 sanctions. We review the trial court's decision for abuse of discretion. *Clare*, 20 Wn. App. 2d at 681. A trial court abuses its discretion when its order is based on untenable grounds or reasons, or is

otherwise manifestly unreasonable. *Gildon v. Simon Prop. Grp., Inc.*, 158 Wn.2d 483, 494, 143 P.3d 1196 (2006).

Under CR 11, an attorney's signature on a document certifies that the attorney has read the document and reasonably believes it has a factual basis, is supported by law or a good faith argument for a change in the law, and is not advanced for an improper purpose. Documents signed in violation of CR 11 are sanctionable, but not all documents fall under the rule's scope. By its own terms, the rule applies only to "pleading[s], motion[s], and legal memorand[a]" signed by counsel for a party.[8] CR 11(a). As we recognized in *Clare*, this language is narrower than CR 11's federal analogue, on which our state rule is modeled. *See* 20 Wn. App. 2d at 682-84; *see also Miller v. Badgley*, 51 Wn. App. 285, 299 n.10, 300, 753 P.2d 530 (1988). The broader federal rule applies to "[e]very pleading, written motion, and *other paper*." Fed. R. Civ. P. 11(a) (emphasis added). In *Clare*, we deduced that the narrower language in the state rule must have been intentional, and affirmed a trial court's denial of CR 11 sanctions in connection with a

[8] A "pleading" is a complaint and answer to a complaint, including third-party actions, a reply to a counterclaim, or an answer to a cross claim. CR 7(a). Motions are written applications for a court order. *See* CR 7(b); *Clare*, 20 Wn. App. 2d at 682. A legal memorandum is a written statement of a party's legal arguments, usually in the form of a brief. *See Clare*, 20 Wn. App. 2d at 682.

stand-alone declaration, reasoning that the declaration was not a pleading, motion, or legal memorandum. *See* 20 Wn. App. 2d at 677, 682-84.

The Siclairs contend their proof of claim was not sanctionable under CR 11 because a proof of claim—which need not be filed with any court—is neither a pleading nor a motion or legal memorandum. *See* RCW 7.60.210(2) (providing that claims against the property of a receivership estate "need not be filed"). The superior court found that the proof of claim here "became a pleading," ostensibly when the receiver objected to it. CP at 3179.

The question of whether a proof of claim is sanctionable under CR 11 is a novel question. But we need not answer it today because the trial court's imposition of sanctions is affirmable on an alternative theory. *See Raab v. Nu Skin Enterprises, Inc.*, 28 Wn. App. 2d 365, 378, 536 P.3d 695 (2023) ("In reviewing a trial court's ruling on a motion, we may affirm on any basis supported by the record even if the trial court did not consider the particular argument."), *review granted*, 2 Wn.3d 1022, 544 P.3d 25 (2024).

Even if the Siclairs are correct that a proof of claim is not directly sanctionable under CR 11, it does not follow from that assertion that courts are powerless to deter frivolous claims in receivership actions. A receiver who objects to a proof of claim is compelled by statute to note the objection for hearing before the trial court so that the

court may enter an order sustaining or overruling the objection. *See* RCW 7.60.220(1). By filing an objection to a would-be creditor's proof of claim and noting the objection for hearing before the trial court, a receiver seeks an order sustaining the objection and therefore files a "motion," which is subject to CR 11. See CR 7(b)(1) ("The requirement of writing is fulfilled if the motion is stated in a written notice of hearing . . . ."). Logically, any responsive memorandum or other filing—seeking an order overruling the receiver's objection—must also be signed in accordance with CR 11.

Thus, if a would-be creditor represented by counsel continues to defend a proof of claim in court when answering a receiver's objection, that answer will be subject to CR 11 sanctions if, as here, the proof of claim itself was frivolous. Waiting until would-be creditors formally answer a receiver's objection to expose them to possible sanctions conforms with the policy that trial courts should cautiously impose sanctions because of potential chilling effects. *See Skimming v. Boxer*, 119 Wn. App. 748, 755, 82 P.3d 707 (2004). It gives the would-be creditor an "opportunity to mitigate the sanction by amending or withdrawing the offending" proof of claim once the receiver has brought the frivolity of the proof of claim to the would-be creditor's attention. *Biggs v. Vail*, 124 Wn.2d 193, 198, 876 P.2d 448 (1994); *see id.* (explaining that, "[n]ormally, . . . prompt

notice regarding a potential violation of [CR 11]" is preferred, because it fulfills CR 11's primary deterrent purpose).

The Siclairs opposed the receiver's objection to their proof of claim in a filing with the trial court, and their response echoes the defects in their proof of claim submissions to the receiver. The Siclairs merely contended they had "provided Receiver ample evidence to support their claim." CP at 3131. This was not true. While the Siclairs may have provided "ample evidence" of improper distributions taken by the Alfords from WOR, they never explained how that evidence supported a claim against the property of the receivership estate itself. Thus, the Siclairs' response to the receiver's objection was not "well grounded in fact." CR 11(a)(1). The Siclairs' response to the receiver's objection also failed to abandon their unfounded employee wage and government tax claims, despite the receiver's objection pointedly explaining why these claims were necessarily fictitious. Had the Siclairs responded to the receiver's objection by withdrawing their frivolous claim, they could potentially have avoided sanctions. But by sticking to these assertions in their responsive memorandum filed in the trial court, the Siclairs violated CR 11(a)(2) because the assertions were not "warranted by existing law or a good faith argument" for modifying the law.

The Siclairs also fault the trial court for not making any findings concerning the reasonableness of their attorney's prefiling investigation. *See Bryant v. Joseph Tree, Inc.*, 119 Wn.2d 210, 220, 829 P.2d 1099 (1992) ("[T]he court cannot impose CR 11 sanctions unless it also finds that the attorney who signed and filed the [offending document] failed to conduct a *reasonable inquiry* into the factual and legal basis of the claim."). "[T]he appropriate level of pre-filing investigation is to be tested by 'inquiring what was reasonable to believe at the time the pleading, motion or legal memorandum was submitted.'" *Biggs*, 124 Wn.2d at 197 (quoting *Bryant*, 119 Wn.2d at 220).

The Siclairs are correct that the trial court should have entered findings regarding their counsel's prefiling investigation. But again, we can ultimately affirm the trial court on any ground supported by the record. *See Raab*, 28 Wn. App. 2d at 378. It is abundantly clear from the record that neither the Siclairs nor their attorney conducted a reasonable investigation before opposing the receiver's objection to the proof of claim. For instance, even a cursory perusal of the relevant statute—which was cited in the receiver's objection—readily revealed the Siclairs' claims were not entitled to priority status. *See* RCW 7.60.230. Moreover, the Siclairs continue to insist they had no choice but to submit their claims—against the Alfords—to the receiver as a claim against WOR. But to the contrary, the receiver's objection plainly acknowledged the Siclairs might "prevail

on their claims against [the] Alfords," and noted that Mr. Siclair would be entitled to one-third of the estate's residue, if any such residue ended up existing. CP at 2979. Nevertheless, the Siclairs and their counsel maintained their unsupported position—that alleged improper distributions taken by the Alfords somehow entitled them to recover directly from WOR—in their response to the receiver's objection.

Because the record supports the imposition of CR 11 sanctions with respect to the Siclairs' response to the receiver's objection to their proof of claim, we affirm.

APPELLATE ATTORNEY FEES

The receiver seeks an award of attorney fees on appeal, arguing the Siclairs "file[d] a frivolous appeal." RAP 18.9(a). An appeal is sanctionable as frivolous if: (1) "there are no debatable issues upon which reasonable minds might differ," and (2) the appeal was "so totally devoid of merit that there was no reasonable possibility of reversal." *Fay v. Nw. Airlines, Inc.*, 115 Wn.2d 194, 200-01, 796 P.2d 412 (1990). "'[A]ll doubts as to whether an appeal is frivolous must be resolved in favor of the appellant.'" *Tiffany Fam. Tr. Corp. v. City of Kent*, 155 Wn.2d 225, 241, 119 P.3d 325 (2005) (quoting *Green River Cmty. Coll. Dist. No. 10 v. Higher Educ. Pers. Bd.*, 107 Wn.2d 427, 442-43, 730 P.2d 653 (1986)).

We acknowledge most of the Siclairs' arguments had no reasonable chance of success. But attorney fees under RAP 18.9(a) are proper only if an appeal was "frivolous in its entirety." *Advocs. for Responsible Dev. v. W. Wash. Growth Mgmt. Hearings Bd.*, 170 Wn.2d 577, 581, 245 P.3d 764 (2010) (per curiam). Raising even one debatable issue precludes a conclusion that an appeal as a whole was frivolous. *Id*. at 580-81. The Siclairs are not entitled to relief on review. But they raised a plausibly debatable issue: namely, whether a proof of claim is sanctionable under CR 11. We therefore deny the receiver's request for attorney fees.

CONCLUSION

The superior court's order sustaining the receiver's objection to the Siclairs' proof of claim, and its imposition of sanctions, is affirmed. The receiver's request for attorney fees is denied.

A majority of the panel has determined this opinion will not be printed in the Washington Appellate Reports, but it will be filed for public record pursuant to RCW 2.06.040.

Pennell, J.

WE CONCUR:

Lawrence-Berrey, C.J.

Staab, J.