

California Statutes of Limitation in Financial/Investment Cases

Common Law Fraud – 3 years

This cause of action is not deemed to have accrued until the discovery, by the aggrieved party, of the facts constituting the fraud or mistake.

Cal. Civ. Pro. Code § 338(d)

Breach of Contract, Written – 4 years

This action accrues upon the breach of the contract. See *McCaskey v. California State Automobile Assn.*, 189 Cal. App. 4th 947, 957-58 (2010). (“The discovery rule may be applied to breaches of contract which can be, and are, committed in secret and, moreover, where the harm flowing from those breaches will not be reasonably discoverable by plaintiffs until a future time.” See *April Enterprises, Inc. v. KTTV*, 147 Cal. App. 3d 805, 831 (1983).)

Cal. Civ. Pro. Code § 337

Breach of Contract Oral – 2 years

This action accrues upon the breach of the oral contract. See *Niles v. Louis H. Rapoport & Sons, Inc.*, 53 Cal. App. 2d 644 (1942).

Cal. Civ. Pro. Code § 339

Breach of Fiduciary Duty – 4 years

The discovery rule applies to actions involving breach of fiduciary duty. See *April Enterprises, Inc. v. KTTV*, 147 Cal. App. 3d 805, 827 (1983).

Cal. Civ. Pro. Code § 343(a); See *William L. Lyon & Associates, Inc. v. Superior Court*, 204 Cal. App. 4th 1294, 1312 (2012) (Courts have applied the catchall statute of limitations provision to claims of breach of fiduciary duty, unless the claim amounts to fraud.)

Wrongful Interference with Contract – 2 years

Cal. Civ. Pro. Code § 339; *Knoell v. Petrovich*, 76 Cal. App. 4th 164 (1999).

Securities Fraud – 5 years (from act) / 2 years (from discovery)

Lawsuit must be brought before the expiration of five years after the act or transaction constituting the violation or the expiration of two years after the discovery by the plaintiff of the facts constituting the violation, whichever shall first expire.

Cal. Corp. Code § 25506

Securities Registration Violations – 2 years (from act) / 1 year (from discovery)

Lawsuit must be brought before the expiration of two years after the violation upon which it is based or the expiration of one year after the discovery by the plaintiff of the facts constituting such violation, whichever shall first expire.

Cal. Corp. Code § 25507

Libel/Slander – 1 year

The one-year statute of limitations for libel and slander runs from the utterance or publication of the defamatory matter. See *Wiener v. Superior Court*, Cal App 2d Dist. (1976). However, the discovery rule may apply in some limited situations where the communication was done in a secretive or confidential manner. See *Shively v. Bozanich*, 31 Cal. 4th 1230 (2003).

Cal. Civ. Pro. Code § 340(c)

Negligence – 2 years

The statute of limitations begins to run at the time that the injury is discovered or should reasonably be discovered. See *William L. Lyon & Associates, Inc. v. Superior Court*, 204 Cal. App. 4th 1294 (2012).

Cal. Civ. Pro. Code § 335.1 or § 339

Negligent Misrepresentation – 2 year

The statute of limitations begins to run at the time that the injury is discovered or should reasonably be discovered. See *William L. Lyon & Associates, Inc. v. Superior Court*, 204 Cal. App. 4th 1294 (2012).

Cal. Civ. Pro. Code § 339: See *E-Fab, Inc. v. Accountants, Inc. Services*, 153 Cal. App. 4th 1308 (2007)

Conversion – 3 years

Where an original taking is wrongful, the statute runs from the time of the unlawful taking, but where the original taking is lawful, the action does not accrue until the return of the property has been demanded and refused or until a repudiation of the owner's title is clearly and unequivocally brought to his attention. See *Bufano v. San Francisco*, 233 Cal. App. 2d 61, 70 (1965).

Cal. Civ. Pro. Code § 338(c)

Catchall Provision – 4 years

Cal. Civ. Pro. Code § 343(a)