

Circuit Court for Howard County
Case No. C-13-FM-20-001503

UNREPORTED
IN THE APPELLATE COURT
OF MARYLAND*

No. 1436

September Term, 2024

ANDREW J. PATCH

v.

PAMELA T. PATCH

Graeff,
Zic,
Sharer, J. Frederick
(Senior Judge, Specially Assigned),

JJ.

Opinion by Sharer, J.

Filed: October 24, 2025

*This is an unreported opinion. This opinion may not be cited as precedent within the rule of stare decisis. It may be cited for its persuasive value only if the citation conforms to Rule 1-104(a)(2)(B).

In this appeal, we shall hold that the circuit court erred in partly adjudicating an alimony dispute when the parties previously agreed to mandatory arbitration of such disputes.

Andrew Patch (“Husband”) appeals from an order entered in the Circuit Court for Howard County following the court’s finding that Husband had breached the parties’ marital settlement agreement (“MSA”), awarded attorney’s fees to the appellee, Pamela Patch (“Wife”), and ordered Husband to provide financial documentation to Wife before proceeding to arbitration to resolve the remainder of the alimony dispute.

Husband presents two issues on appeal,¹ which we rephrase as follows:

1. Did the circuit court err in adjudicating an alleged breach of the MSA’s alimony provision?
2. Did the circuit court err in awarding attorney’s fees?

For the following reasons, we answer both questions in the affirmative, and therefore vacate the following: the circuit court’s breach finding, document production

¹ Husband is an attorney and was represented by counsel in circuit court. Wife was represented by counsel in circuit court and is represented by counsel on appeal in this Court. In his *pro se* brief filed in this Court, Husband phrases the issues as follows:

1. Whether the Circuit Court erred in ordering arbitration of an alimony dispute to occur on terms that differ from those of the parties’ marital separation agreement, and which would require the arbitrator to violate the Maryland Arbitration Act.
2. Whether the Circuit Court erred in finding that Appellant committed an unspecified breach of the Agreement and in making an associated award of legal fees to Appellee.

order, and attorney’s fee award. We shall remand with instructions for the circuit court to compel arbitration without making any findings on the merits of the alimony dispute.

BACKGROUND

A. The Marital Settlement Agreement

Husband and Wife married in February 1987 and separated in July 2017. They executed the MSA in August 2020, and the circuit court incorporated, but did not merge, the MSA into the Judgment of Absolute Divorce in December 2020.

The MSA contains a detailed alimony framework. Paragraph 4.D. requires that Husband pay Wife monthly alimony, with the amount subject to reduction if Husband’s “earned compensation”² decreases involuntarily by twenty-five percent or more. Should such a reduction occur, “Husband’s alimony obligation shall reduce by the same percentage as the percentage decrease in Husband’s ‘earned compensation.’” The MSA continues:

Any reduction pursuant to this provision, however, shall be subject to subsequent increase or further decrease based upon review as set forth herein. Following a reduction event, Husband’s “earned compensation” shall be reviewed quarterly and his alimony obligation shall be quarterly adjusted Said adjustment shall be made within thirty (30) days of Husband presenting to Wife complete documentation of his earned compensation for the prior quarter, with said reduction or increase to remain effective until the next quarterly review.

² The MSA defines “earned compensation” to include “distributions, draws, wages, salary, bonuses, commissions, incentive pay, or other such form of compensation as paid by any entity for whom or through whom Husband provides services,” but excludes “any payments or income from or which is comprised of any interest or dividends earned on or directly traceable to Husband’s share of the marital assets as set forth in this Agreement.”

B. The Mandatory Arbitration Clause – Paragraph 4.D. of the MSA

Paragraph 4.D. of the MSA contains a mandatory arbitration provision for alimony disputes:

In the event the parties are unable to reach an agreement as to the amount of any reduction or increase to Husband’s required alimony payment under the terms of this Agreement for any given period, ***such issue shall be arbitrated*** by the Honorable Diane O. Leasure (Ret.), pursuant to the Maryland Arbitration Act.

(Emphasis added.) Paragraph 4.D. outlines the scope of the arbitration: “Any such Arbitration shall be conducted solely for the purpose of resolving ***any dispute between the parties concerning effectuating the express terms hereof relating to the amount and payment of alimony.***” (Emphasis added.)

Finally, Paragraph 4.D. describes the discovery process available in arbitration: “In the event of such arbitration, the parties shall each be entitled to utilize all of the discovery procedures then provided in the Maryland Rules of Civil Procedure.”

C. Husband’s Income Reductions, Bankruptcy, and Communications with Wife

In 2023, Husband experienced significant income reductions. The firm administrator of Husband’s law firm reduced Husband’s biweekly draw by fifty percent in August 2023, by another fifty percent in October 2023, and to \$600 biweekly in November 2023, “just enough to cover [Husband’s] benefits and Social Security taxes.” According to the firm administrator’s testimony before the magistrate judge in circuit court, the firm

administrator made each decision unilaterally and Husband did not request the reductions. Husband also filed for Chapter 7 bankruptcy during this time period.

Each time Husband's income decreased in April, August, October, and November 2023, he sent Wife an email with his alimony calculation and attached an earnings statement. As for the lack of responses to those emails, Husband testified as follows: "[Wife] didn't respond at all. She never raised any kind of objection to the calculation or the amount of alimony. There was no verbal or written response to her objecting to what I was doing."

D. The Contempt Petition and Hearing Before the Magistrate

In November 2023, through counsel, Wife filed a Petition for Contempt and for Other Relief, alleging Husband had unilaterally reduced his alimony payments without providing complete documentation. The petition requested that the circuit court find Husband in contempt of the judgment of absolute divorce, incarcerate Husband, find that Husband breached the MSA, enforce the MSA by establishing an alimony arrearage due to Wife, and award Wife attorney's fees.

Husband moved to dismiss, relying on the arbitration provisions on the MSA. As an exhibit to the motion, Husband's counsel attached a letter sent to Wife's counsel requesting a withdrawal of the contempt petition because the MSA required arbitration to resolve "any dispute between the parties concerning effectuating the express terms hereof related to the amount and payment of alimony."

Following a hearing in February 2024, the magistrate issued a Report and Recommendations in May 2024. The magistrate recommended denying the contempt

petition, finding “ample reason” for the decrease in Husband’s alimony payments. Indeed, the magistrate noted that Husband had “filed for bankruptcy and his stream of income has decreased.” The magistrate concluded that the parties had “reached an impasse” as to “the appropriate portion of alimony to be paid[,]” and thus arbitration was required under the “plain language of the” MSA.

E. The Exceptions Hearing and the Circuit Court’s Ruling

Wife filed exceptions to the magistrate’s Report. After a hearing in July 2024, the court ruled that Husband had breached Paragraph 4.D. of the MSA (the alimony paragraph detailed above), denied the contempt petition, awarded Wife \$11,608.81 in attorney’s fees, and ordered Husband to provide comprehensive financial documentation to Wife within thirty days.

This timely appeal followed.

STANDARD OF REVIEW

“The interpretation of a contract . . . is a question of law, subject to *de novo* review by an appellate court.” *4900 Park Heights Ave. LLC v. Cromwell Retail 1, LLC*, 246 Md. App. 1, 19 (2020) (quoting *Erie Ins. Exch. v. Est. of Reeside*, 200 Md. App. 453, 461 (2011)). *See also* *Petitto v. Petitto*, 147 Md. App. 280, 299 (2002) (applying contract interpretation principles to marital settlement agreement).

We interpret contracts under “the objective theory of contract interpretation.” *Credible Behav. Health, Inc. v. Johnson*, 466 Md. 380, 393 (2019). “Under this approach, the primary goal of contract interpretation is to ascertain the intent of the parties in entering

the agreement and to interpret ‘the contract in a manner consistent with that intent.’” *Id.* (brackets omitted) (quoting *Ocean Petroleum, Co., Inc. v. Yanek*, 416 Md. 74, 88 (2010)).

“The trial court’s conclusion as to whether a particular dispute is subject to arbitration is a conclusion of law, which we review *de novo*.” *Walther v. Sovereign Bank*, 386 Md. 412, 422 (2005). When the parties dispute the scope of an arbitration provision, “the resolution of that issue is for the court.” *Bloch v. Bloch*, 115 Md. App. 368, 375 (1997). “All doubts, however, are to be resolved in favor of submitting the dispute to arbitration.” *Id.*

DISCUSSION

A. The Circuit Court Erred by Adjudicating Breach When the Parties Agreed to Mandatory Arbitration

Husband argues that the circuit court erred in adjudicating his alleged breach of the alimony provision in the MSA because the MSA requires arbitration of alimony disputes. “When an arbitration agreement exists, or is alleged to exist, the court’s jurisdiction may properly be invoked in two limited contexts; that is, to compel arbitration or to stay it.” *Bloch*, 115 Md. App. at 374. The Maryland Uniform Arbitration Act (“MUAA”) “expresses the legislative policy favoring enforcement of agreements to arbitrate.” *Allstate Ins. Co. v. Stinebaugh*, 374 Md. 631, 641 (2003). *See also* Md. Code, CTS. & JUD. PROC. (“CJP”) § 3-201 through 3-234 (codification of the MUAA).

CJP § 3-206(a) provides that an agreement to arbitrate future disputes “is valid and enforceable, and is irrevocable[.]” Moreover, CJP § 3-210 prohibits the court from

inquiring into the merits of a claim when deciding whether arbitration is the proper forum for a dispute:

An order for arbitration shall not be refused or an arbitration proceeding stayed:

- (1) On the ground that the claim in issue lacks merit or bona fides; or
- (2) Because a valid basis for the claim sought to be arbitrated has not been shown.

See also Gannett Fleming, Inc. v. Corman Constr., Inc., 243 Md. App. 376, 390 (2019) (recognizing that when “granting or denying petitions to stay or compel arbitration, courts should not delve into the merits, bona fides or factual basis of the claim to be arbitrated”). Indeed, our decision is limited to determining whether the arbitration clause applies.

The arbitration clause before us is unambiguous and its scope is broad. Paragraph 4.D. of the MSA requires arbitration “[i]n the event the parties are unable to reach an agreement as to the amount of any reduction or increase to Husband’s required alimony payment under the terms of this Agreement for any given period[.]” Moreover, the same Paragraph outlines the scope of the arbitration: to resolve “*any dispute* between the parties concerning effectuating the express terms hereof *relating to* the amount and payment of alimony.”³ (Emphasis added.) The arbitration clause thus encompasses disputes about how

³ The arbitration clause does not conflict with Md. Code, FAM. LAW § 8-103. Paragraph 4.F. of the MSA provides as follows:

In accordance with Section 8-103 of the Family Law Article of the Annotated Code of Maryland, the parties agree that the provisions of this Paragraph with respect or relating to alimony, spousal support, and/or maintenance, are not and shall not be subject to any court modification. Wife accepts the terms of this Paragraph in lieu of any other provision or allowance for her support.

to implement and apply the MSA’s alimony provisions, including what documentation Husband must provide, whether he provided adequate documentation, and whether his alimony reductions complied with Paragraph 4.D.

Significantly, the MSA arbitration provision is mandatory. The parties agreed that if they cannot reach an agreement on alimony adjustments, “such issue shall be arbitrated[.]” *See, e.g., Dunham v. Univ. of Md. Med. Ctr.*, 237 Md. App. 628, 655 (2018) (reasoning that “the word ‘shall’ denotes mandatory action”).

Here, the parties disagreed on the appropriate alimony amount. Husband believed his reduced income entitled him to pay less alimony. Wife disagreed, demanded substantial arrearage, and filed a petition for contempt. Wife’s counsel told the magistrate: “We’re looking for the Court to determine the arrears, to order them reduced to judgment[.]”

Wife argues that Husband’s failure to provide sufficient financial documentation prevented the arbitration clause from being triggered. According to Wife, she could not “dispute” the alimony amount without proper financial documentation from Husband. This argument is unavailing for at least four relevant reasons.

First, the argument implies a condition precedent that the parties did not agree to in the MSA. The arbitration clause requires arbitration “[i]n the event the parties are unable to reach an agreement as to the amount of any reduction or increase to Husband’s required alimony payment under the terms of this Agreement for any given period[.]” Nothing in the MSA conditions arbitration on Husband first providing documentation that Wife deems sufficient.

Second, if Wife were correct that Husband must provide satisfactory documentation before arbitration becomes available, then she could unilaterally block arbitration by claiming documentation is incomplete. Such an interpretation is inconsistent with the plain language of the arbitration clause.

Third, an alimony dispute exists. That is without question. Wife filed a contempt petition and claimed Husband owes \$67,378.93 in arrearages. Husband denied owing this amount. The parties fundamentally disagree about the amount of alimony Husband owes. The MSA requires the parties to arbitrate that dispute.

Fourth, the MSA contemplates that discovery occurs *within* arbitration, not as a prerequisite to arbitration. The parties agreed: “In the event of such arbitration, the parties shall each be entitled to utilize all of the discovery procedures then provided in the Maryland Rules of Civil Procedure.”

By finding that Husband had breached the MSA before compelling arbitration, the circuit court usurped the arbitrator’s authority under the MSA. In *Bloch v. Bloch*, we ruled that a circuit court erred in adjudicating an alimony dispute despite a mandatory arbitration clause. 115 Md. App. at 379-80. The *Bloch* Court explained that, even when an arbitration is “sparse,” it unambiguously expressed the parties’ intent to arbitrate, and thus the court erred in failing to enforce it. *Id.* at 379.

Here, as in *Bloch*, the MSA unambiguously requires arbitration of alimony disputes. The circuit court should have determined that a valid arbitration agreement exists and that the alimony dispute falls within the scope of the arbitration agreement. Then, the circuit

court should have compelled arbitration without adjudicating Husband’s compliance with the alimony provision.⁴

B. The Attorney’s Fee Award Must Be Vacated

The circuit court awarded Wife \$11,608.81 in attorney’s fees based on its finding that Husband had breached the MSA. Because those fees related to Wife’s alimony claim, “and the court erred in hearing that claim, we shall vacate the award of counsel fees.” *Bloch*, 115 Md. App. at 380.

Paragraph 17.A. requires that a party be “found by a court of competent jurisdiction to have breached” the MSA before fees may be awarded. When parties agree to mandatory arbitration of a dispute, the circuit court lacks jurisdiction to adjudicate the merits of that dispute. *Bloch*, 115 Md. App. at 374-75. Because the circuit court lacked competent jurisdiction to find Husband breached the alimony provisions of Paragraph 4.D., it also lacked authority to award fees under Paragraph 17.A. Whether fees are recoverable for disputes resolved through arbitration can be determined in the arbitration proceeding.

JUDGMENT VACATED AS TO THE BREACH FINDING, DOCUMENT PRODUCTION ORDER, AND ATTORNEY’S FEE AWARD. JUDGMENT AFFIRMED AS TO THE DENIAL OF THE CONTEMPT PETITION. CASE REMANDED TO THE CIRCUIT COURT FOR HOWARD COUNTY WITH INSTRUCTIONS TO COMPEL ARBITRATION WITHOUT MAKING ANY FINDINGS RELATED TO ALIMONY. COSTS TO BE PAID BY APPELLEE.

⁴ In case there were any doubt, Husband has not waived his right to arbitration. *Bloch*, 115 Md. App. at 377. Unlike *Horse v. Horse*, 329 Md. 392, 407-08 (1993), where both parties expressly waived arbitration of an alimony dispute, Husband here asserted his right to arbitration throughout the proceedings. He sent Wife’s counsel a letter requesting arbitration, moved to dismiss the contempt petition based on the arbitration clause, attached his letter requesting arbitration to the motion to dismiss as an exhibit, and repeatedly argued that arbitration was the proper forum to resolve the alimony dispute.