

Circuit Court for Calvert County
Case No. 04-C-14-001039

UNREPORTED
IN THE COURT OF SPECIAL APPEALS
OF MARYLAND

No. 1454

September Term, 2017

JOSHUA BUCKLER

v.

SHARON BUCKLER

Fader, C.J.,
Beachley,
Kenney, James A., III
(Senior Judge, Specially Assigned),

JJ.

Opinion by Fader, C.J.

Filed: January 8, 2017

* This is an unreported opinion, and it may not be cited in any paper, brief, motion, or other document filed in this Court or any other Maryland Court as either precedent within the rule of stare decisis or as persuasive authority. Md. Rule 1-104.

We are asked to determine whether the circuit court erred by entering a monetary judgment against the appellant, Joshua Buckler, after the appellee, Sharon Buckler, petitioned the circuit court to find Mr. Buckler in contempt for failure to distribute funds she claims he owed her pursuant a marital settlement agreement. Finding no error, we affirm.

BACKGROUND

During the course of their divorce proceedings, Mr. and Ms. Buckler entered into a Marital Settlement Agreement (the “Agreement”). Paragraph 16 of the Agreement, which is the primary subject of this litigation, provides:

16. HUSBAND’S WORKER’S COMPENSATION CLAIM

Wife has been advised of her potential marital property interest in Husband’s pending worker’s compensation claim. . . . She has agreed to waive her marital claim to the monies Husband receives in resolution of his workman’s compensation claim, whether by way of an award or by way of settlement, in exchange for Husband consenting to a lien in her favor against the monies he receives for the following sums:

- a. Three Thousand Dollars (\$3,000.00) payable to Wife as reimbursement for the legal fees incurred by Wife through December 1, 2014; and
- b. One Thousand Four Hundred Dollars (\$1,400.00) payable to Wife as reimbursement for her payment of the balance due on the VISA Cash Back Rewards Point Card used by both parties while they were together; and
- c. Ten Thousand Dollars (\$10,000.00) payable to Wife as reimbursement for her assumption of their joint debt owed Wife’s parents for monies borrowed in this amount to meet family living expenses while Husband was seeking medical treatment and rehabilitation.

- d. One Thousand Seven Hundred and Twenty Dollars (\$1,720.00) payable to Wife as reimbursement for her assumption and payment of their joint federal income tax liability owed to the Internal Revenue Service.

That notice of this assignment of proceeds shall be served on the attorney handling Husband's worker's compensation claim and he shall disburse the above monies directly to Wife before Husband receives any portion of any settlement or award. If Husband fails to receive any monies in connection with he [sic] pending claim, then Husband consents to entry of a judgment against him and in favor of Wife for the total outstanding balance which remains due one (1) year from execution of this Agreement.

The total of the amounts in subparagraphs a through d is \$16,120.00. The Agreement separately provides that both Mr. and Ms. Buckler would "perform such acts as may be reasonably required to effectuate the purpose of this Agreement."

The Agreement was incorporated but not merged into the Judgment of Absolute Divorce entered by the Circuit Court for Calvert County. Less than four months after the execution of the Agreement and two months after entry of the divorce decree, Mr. Buckler received a workers' compensation award of \$54,335.92. Apparently because neither party had provided notice of the lien, the attorney transferred the entire amount of the award to Mr. Buckler. Mr. Buckler did not disclose that he had received the award until more than a year later in answers to interrogatories.

Ms. Buckler initiated a contempt proceeding against Mr. Buckler in the Circuit Court for Calvert County for failure to comply with the Agreement. At the hearing, counsel for Mr. Buckler argued that paragraph 16 of the Agreement imposed no affirmative obligations on Mr. Buckler at all. Instead, he contended, the onus was on Ms. Buckler to notify his own worker's compensation attorney of her lien and, in the absence of that, he

was now within his rights to keep the entirety of the worker’s compensation payment. The court rejected Mr. Buckler’s interpretation of the Agreement and instead concluded that it obligated him to pay Ms. Buckler \$16,120.00. As a result, the court entered a monetary judgment in favor of Ms. Buckler in that amount. A different judge then denied the contempt petition later the same day. Mr. Buckler appeals from the monetary judgment.

DISCUSSION

Mr. Buckler presents us with two questions: (1) whether the circuit court had the authority to enter a monetary judgment in response to Ms. Buckler’s contempt petition even though it did not find him in contempt; and (2) whether the circuit court correctly interpreted Mr. Buckler’s obligations under paragraph 16 of the Agreement. Both are legal questions subject to review for legal correctness. *Clancy v. King*, 405 Md. 541, 556-57 (2008) (stating that interpretation of a contract is a question of law and thus subject to review for legal correctness); *see also Schisler v. State*, 394 Md. 519, 535 (2006) (“[W]hile the trial court is granted broad discretion in granting or denying equitable relief, where an order [of the trial court] involves an interpretation and application of Maryland constitutional, statutory, or case law, our Court must determine whether the trial court’s conclusions are ‘legally correct’ under a *de novo* standard of review.”) (citation omitted).

I. THE CIRCUIT COURT WAS NOT PRECLUDED FROM ENTERING A JUDGMENT.

Mr. Buckler first argues that “there was no basis for” the judgment against him because (1) the only basis on which Ms. Buckler sought a judgment was contempt and (2) her contempt petition was denied. However, the equity court enjoyed independent

authority to issue a judgment to enforce its own divorce decree. A court adjudicating issues pertaining to divorce sits in equity. Md. Code Ann., Fam. Law §§ 1-201, 1-203 (Repl. 2012; Supp. 2018). “[W]hen a court of equity has once rightly assumed jurisdiction it will retain its jurisdiction in order to settle all questions that might arise out of the subject in controversy and give complainants complete relief, even in those respects in which it would not have had jurisdiction originally[.]” *Harris v. Harris*, 213 Md. 592, 597 (1957).

Our appellate courts have twice held that an equity court faced with a contempt petition may enter a monetary judgment to enforce an agreement incorporated in a divorce decree even if the court does not find the respondent in contempt. Most recently, in *Boucher v. Shomber*, the parties had entered into a marital settlement agreement that was incorporated but not merged into the divorce decree. 65 Md. App. 470, 473 (1985). The agreement required Mr. Boucher to pay their daughters’ college expenses. *Id.* at 473, 480. When Mr. Boucher failed to do so for their oldest daughter, Ms. Shomber initiated a contempt proceeding. *Id.* at 474. Without finding Mr. Boucher in contempt, the circuit court entered a judgment against him for the amount of the claimed expenses. *Id.* Mr. Boucher, like Mr. Buckler here, argued that the court had exceeded its authority by entering judgment without a finding of contempt. *Id.* at 475.

We disagreed. We first observed that the fact that the agreement was incorporated into the divorce decree meant that the agreement was “enforceable as a valid provision of the decree.” *Id.* at 477 (quoting *Kemp v. Kemp*, 287 Md. 165, 175 (1980)). Contempt was not yet an available remedy, however, because the court had not yet ordered Mr. Boucher

to pay a sum certain. *Id.* at 478. Even though Ms. Shomber had only filed a contempt petition, we held that the court acted within its authority in entering a monetary judgment in her favor. *Id.* We found it “insignificant” that the petition was “titled as one for contempt” in light of the fact that the “petition include[d] a prayer for general relief” and allegations that “suffice[d] to give notice to the respondent” of the relief sought. *Id.* at 478. The court therefore appropriately entered the judgment to “properly determin[e] the relative rights and obligations of the parties to its prior decree.” *Id.* at 479.

Similarly, in *Harris*, Ms. Harris had filed a contempt petition in Maryland based on a Nevada divorce decree that required her ex-husband to pay alimony and support. 213 Md. at 594. Ms. Harris’s petition asked for Mr. Harris to be found in contempt and imprisoned for failure to make the payments, but it also requested “such order and judgment as this Court may see fit to pass.” *Id.* at 595. The circuit court, operating under the mistaken belief that it could not find Mr. Harris in contempt for failing to abide by the Nevada decree, instead ordered Mr. Harris to make new monthly alimony payments to Ms. Harris. *Id.* at 596. The Court of Appeals affirmed that judgment, holding that (1) the general prayer for relief and allegations in the petition put Mr. Harris on notice of the claim and (2) because the equity court had previously assumed jurisdiction over the matter, it retained jurisdiction “to settle all questions that might arise out of the subject in controversy and give complainants complete relief.” *Id.* at 597. That Ms. Harris’s petition was for contempt and the court did not find Mr. Harris in contempt thus did not preclude the court from awarding a judgment in Ms. Harris’s favor.

Here, the circuit court was sitting in equity and so had jurisdiction to settle all issues pertaining to the Bucklers' divorce and the divorce decree, which incorporated the Agreement. Ms. Buckler's contempt petition, although styled as a "Complaint for Contempt," specifically identified her claim under paragraph 16 of the Agreement¹ and sought relief that included "an Order requiring the Defendant to pay Plaintiff \$16,000.00 of past due obligations to her via the terms of the Marital Separation Agreement" and "such other and further relief as the nature of her cause may require." It was therefore within the equity powers of the circuit court to enter a judgment for the purpose of "properly determining the relative rights and obligations of the parties to its prior decree," even without holding Mr. Buckler in contempt. *Boucher*, 65 Md. App. at 479.

II. THE CIRCUIT COURT DID NOT ERR BY INTERPRETING THE AGREEMENT TO IMPOSE AN OBLIGATION ON MR. BUCKLER TO PAY MS. BUCKLER THE AGREED SUM.

Having found that the circuit court had the authority to enter a monetary judgment to enforce its divorce decree and, through it, the Agreement, we now turn to whether the circuit court correctly interpreted the Agreement to impose an obligation on Mr. Buckler to pay Ms. Buckler \$16,120.00. Family Law § 8-105(a)(2) provides that when a separation agreement is incorporated but not merged into a divorce decree, "[t]he court may enforce

¹ Paragraph 3 of Ms. Buckler's petition alleges that Mr. Buckler is obligated to pay her "a total of \$16,000.00 dollars" attributable to "repayment to Plaintiff of a \$10,000.00 [] loan, payment of a credit card, payment of IRS penalties and fees and payment of attorney's fees." Although her math was slightly off—the total sum of the obligation is \$16,120.00—this paragraph obviously refers to the obligation owed in paragraph 16 of the Agreement.

[the agreement] by power of contempt or as an independent contract” Where a party is seeking to enforce such an agreement, “without question the matter is not necessarily one of specifically enforcing an agreement between the parties, which the court can do, but it is also an issue of enforcing the court’s own decree.” *Winston v. Winston*, 290 Md. 641, 645 n.2 (1981); *see also Kemp*, 287 Md. at 175 (explaining that once incorporated, “the agreement is included within the order and is enforceable as a valid provision of the decree”).

“Maryland adheres to the principle of the objective interpretation of contracts.” *Clancy*, 405 Md. at 557 (quoting *Cochran v. Norkunas*, 398 Md. 1, 16 (2007)). To interpret a contract, this Court “consider[s] the contract from the perspective of a reasonable person standing in the parties’ shoes at the time of the contract’s formation.” *Ocean Petroleum Co., Inc. v. Yanek*, 416 Md. 74, 86 (2010). This means that we will “interpret[] the contract in a manner consistent with the parties’ intent” by “considering the plain language of the disputed provisions in context, which includes not only the text of the entire contract but also the contract’s character, purpose, and ‘the facts and circumstances of the parties at the time of execution.’” *Ocean Petroleum*, 416 Md. at 88 (quoting *Pac. Indem. Co. v. Interstate Fire & Cas. Co.*, 302 Md. 383, 388 (1985)). “The language of a contract is only ambiguous if, when viewed from this reasonable person perspective, that language is susceptible to more than one meaning.” *Ocean Petroleum*, 416 Md. at 690-91. Further, our “interpretation should not permit an absurd or unreasonable result.” *Middlebrook Tech, LLC v. Moore*, 157 Md. App. 40, 66 (2004).

We agree with the circuit court’s conclusion that paragraph 16 of the Agreement unambiguously establishes that Mr. Buckler owes Ms. Buckler \$16,120.00. The paragraph identifies four separate, specific debts Mr. Buckler owed to Ms. Buckler and explains the basis for each. It also articulates Ms. Buckler’s agreement to waive her marital interest in Mr. Buckler’s worker’s compensation claim in consideration of a lien against the proceeds of that claim to satisfy the obligations. Finally, the paragraph provides Mr. Buckler’s consent to entry of a judgment against him in the event he does not receive his worker’s compensation award within a year of the parties’ execution of the Agreement, which was in November 2014. Paragraph 16 thus establishes a debt and a provision for payment through a primary mechanism—collection from the worker’s compensation claim—but makes clear that the failure of that primary mechanism would not eradicate the debt itself.

According to Mr. Buckler, however, paragraph 16 does not impose any obligation on him at all. Instead, he interprets that paragraph merely to give Ms. Buckler: (1) the opportunity to intercept a portion of the proceeds of his worker’s compensation claim through the lien; and (2) the right to obtain a judgment in the amount of the debt, but only if Mr. Buckler did not receive any proceeds for the worker’s compensation claim within the first year after the Agreement was entered. Because she failed to intercept the funds and he did receive the money, he argues, Ms. Buckler now gets nothing at all.

We find untenable Mr. Buckler’s interpretation of the Agreement and, in particular, his interpretation of the fallback provision that is the final sentence of paragraph 16: “If [Mr. Buckler] fails to receive any monies in connection with he [sic] pending claim, then

[Mr. Buckler] consents to entry of a judgment against him and in favor of [Ms. Buckler] for the total outstanding balance which remains due one (1) year from execution of this Agreement.” Mr. Buckler interprets this sentence as, in effect, a loophole that absolves him of all obligations under paragraph 16. We disagree.

Although the primary mechanism through which the parties intended to settle the obligation established in paragraph 16 did not work,² that does not eliminate the underlying obligation itself. The Agreement expressly provides that Ms. Buckler would be entitled to a judgment “for the total outstanding balance” if Mr. Buckler did not obtain proceeds from his worker’s compensation claim within a year of entering the Agreement.³ Mr. Buckler’s attempt to read into the paragraph a prohibition against entry of a judgment against him in any other circumstance is unavailing. Nothing in the Agreement precludes entry of a judgment for the amount owed if, as occurred here, Mr. Buckler in fact received those funds within a year but still failed to satisfy his obligation to Ms. Buckler. In that scenario, the obligation still existed, it was still incorporated into the divorce decree, and it was

² Although we find the Agreement unambiguous in imposing on Mr. Buckler an obligation to pay the amounts listed to Ms. Buckler, we note that the Agreement is ambiguous in one respect. The Agreement requires that “notice of this assignment of proceeds shall be served on the attorney handling Husband’s worker’s compensation claim” Mr. Buckler contends that the Agreement imposes that obligation only on Ms. Buckler, although he provides no support for that interpretation. If resolving that interpretation issue were material to the outcome of this appeal, we would need to remand to the circuit court to resolve the ambiguity. Because we resolve the appeal on other grounds, we need not do so.

³ Notably, the Agreement references a “total outstanding balance” that might remain at the end of the year even if Mr. Buckler had not received any proceeds from his worker’s compensation claim. That reference as well seems inconsistent with Mr. Buckler’s contention that he did not actually owe the sums at issue to Ms. Buckler.

therefore still subject to enforcement by order of the circuit court in the exercise of its equity powers.

Moreover, Mr. Buckler's interpretation of the Agreement as precluding entry of a judgment in these circumstances is illogical and would lead to an absurd result. Under Mr. Buckler's interpretation: (1) timely receipt of his worker's compensation proceeds, which would give him the ability to pay his debt to Ms. Buckler, would result in the elimination of the debt; and (2) the only scenario in which Ms. Buckler would be entitled to a judgment against Mr. Buckler would be if he did not receive any funds with which to satisfy the judgment. That interpretation is contrary to the clear intent of the Agreement that the proceeds of the worker's compensation claim would be used to pay the amounts listed in paragraph 16. We join the circuit court in rejecting that illogical interpretation of the Agreement.

We therefore affirm the circuit court's exercise of its equity jurisdiction to enforce the rights and obligations of the parties under its decree by entering a judgment against Mr. Buckler for the amount of his debt to Ms. Buckler under paragraph 16 of the Agreement.

**JUDGMENT OF THE CIRCUIT COURT
FOR CALVERT COUNTY AFFIRMED;
COSTS ASSESSED TO APPELLANT.**