Circuit Court for Prince George's County
Case No.: C-16-CV-25-004422

UNREPORTED*

IN THE APPELLATE COURT

OF MARYLAND

No. 1565

September Term, 2025

SAID KHOSROWSHAHI, *et al.*

v.

VANTAGE SYSTEMS, INC.

Graeff,
Leahy,
Friedman,

JJ.

PER CURIAM

Filed: January 27, 2026

*This is a per curiam opinion. Under Rule 1-104, the opinion is not precedent within the rule of stare decisis, nor may it be cited as persuasive authority.

Appellants/cross-appellees Said Khosrowshahi and Trident, Inc. appeal from a judgment of the Circuit Court for Prince George's County confirming an arbitration award. Appellee/cross-appellant Vantage, Inc. cross-appeals from a *sua sponte* order of the circuit court, vacating that judgment while this appeal was pending. For the reasons below, we shall summarily reverse the order vacating the judgment, but we shall also summarily vacate the judgment and remand for further proceedings.[1]

BACKGROUND

Because our discussion relates only to procedural matters, it is not necessary "to recite the underlying facts in any but a summary fashion[.]" *Teixeira v. State*, 213 Md. App. 664, 666 (2013).

For nearly three years, the parties were engaged in arbitration proceedings to resolve disputes arising from their joint venture. The arbitrator ultimately issued a nearly $2 million award in favor of Vantage, which also included declaratory and injunctive terms.[2] On August 6, 2025, Vantage petitioned the circuit court to confirm the award. Khosrowshahi and Trident opposed and moved to vacate the award. On September 12, the circuit court entered an order granting Vantage's petition, confirming the arbitration award, and directing entry of judgment against Khosrowshahi and Trident. Khosrowshahi and Trident timely appealed.

[1] Also pending before the Court is Vantage's "Motion for Stay and/or Injunction Pending Appeal." Given our resolution here, we shall deny the motion as moot.

[2] The finality of this award is disputed. We express no view on that issue here.

About a week later, Khosrowshahi filed for protection in the United States Bankruptcy Court for the District of Columbia, which automatically stayed further proceedings. *See* 11 U.S.C. § 362(a). On December 9, the Bankruptcy Court granted Khosrowshahi's motion to lift the automatic stay for the limited purpose of allowing him to proceed with this appeal and related proceedings. Just before the stay was lifted, the circuit court judge's chambers contacted counsel for the parties to schedule a hearing "on the [c]ourt's *sua sponte* motion to Vacate the Arbitration Award."

That hearing was held on December 22.[3] According to the judge, "the [c]ourt called th[e] hearing because . . . the ruling that the [c]ourt made was in error." She explained that she could not "recall if [she] read the opposition" before granting Vantage's petition, which she discovered while "doing one of the garnishments [when she] just happened to look back at it and read the opposition." Upon examination of Khosrowshahi and Trident's opposition, the judge "realized that it was an error for the [c]ourt to have . . . confirmed the arbitration award." In the end, the court vacated its judgment and entered a written order on December 26 reflecting its ruling. Vantage timely cross-appealed.[4]

[3] In the interim, this Court lifted its stay and denied a Motion to Remand filed by Khosrowshahi and Trident.

[4] An order vacating an enrolled judgment "is treated as final for purposes of appeal." *Davis v. Attorney General*, 187 Md. App. 110, 122 (2009) (emphasis omitted).

DISCUSSION[5]

We begin with the most recent ruling—the December 26 Order vacating the judgment confirming the arbitration award—which is the subject of Vantage's cross-appeal.

Under Maryland Rule 2-535(a), "[o]n motion of any party filed within 30 days after entry of judgment, the court may exercise revisory power and control over the judgment and, if the action was tried before the court, may take any action that it could have taken under Rule 2-534." *See also* Md. Code Ann., Cts. & Jud. Proc. ("CJP") § 6-408. After 30 days, the judgment becomes enrolled and can no longer be generally revised. *See Thacker v. Hale*, 136 Md. App. 203, 216–17 (2002). At that point, "[o]n motion of any party filed at any time, the court may exercise revisory power and control over the judgment [only] in case of fraud, mistake, or irregularity." Md. Rule 2-535(b). *See also* CJP § 6-408.

Here, the judgment confirming the arbitration award became enrolled after the passage of 30 days following its entry. During the 30 days following the issuance of the order, no motion to alter or amend the judgment was filed. Further, the circuit court's order vacating the judgment was not based upon a "clerical mistake," which could be corrected at any time under Rule 2-535(d). Khosrowshahi and Trident never filed a motion pursuant to Rule 2-535 alleging that fraud, mistake, or irregularity had occurred, and there is no provision under Maryland law that authorizes a circuit court to revise its judgment *sua*

[5] Although the record has not yet been transmitted, the parties have extensively briefed the relevant issues through their motions filed in this Court. We also take judicial notice of the docket and certain filings in the circuit court, including the transcript of the December 22 hearing. *See Hanover Invs., Inc. v. Volkman*, 455 Md. 1, 9 n.5 (2017).

sponte more than 30 days after the entry of judgment. Accordingly, the circuit court exceeded its statutory authority by issuing an order vacating the enrolled judgment. We shall therefore reverse the December 26 Order vacating the judgment confirming the arbitration award.

Having disposed of the cross-appeal, we now turn to Khosrowshahi and Trident's appeal. Although the circuit court should not have vacated its judgment while an appeal was pending, we agree with its reason for doing so: The circuit court judge's admission that she was unaware of Khosrowshahi and Trident's opposition when she granted Vantage's petition constituted an irregularity within the meaning of Maryland Rule 2-535(b).

An "irregularity," in this context, is "doing or not doing that which, conformable with the practice of the court, ought or ought not to be done[.]" *Estime v. King*, 196 Md. App. 296, 307 (2010) (cleaned up). For example, "the failure of an employee of the court or of the clerk's office to perform a duty required by statute or a Rule[]" is an irregularity. *J.T. Masonry Co., Inc. v. Oxford Constr. Servs., Inc.*, 74 Md. App. 598, 607 (1988) (cleaned up). *See also Alban Tractor Co. v. Williford*, 61 Md. App. 71, 79 (1984) (holding that the failure of the clerk to send the required notice of the order of default judgment was an irregularity). An irregularity "is not an error, which in legal parlance, generally connotes a departure from truth or accuracy of which a party had notice and could have challenged, but a nonconformity of process or procedure." *Davis*, 187 Md. App. at 125 (cleaned up). Put another way, an irregularity exists if the judgment was not "entered in conformity with

the practice and procedures commonly used by the court that entered it[.]" *Thacker*, 146 Md. App. at 221.

Here, the judge acknowledged that she had entered the judgment without reviewing Khosrowshahi and Trident's opposition. It is common practice and procedure for a court to review an opposition to a pleading before entering a judgment. *Cf. Pitsenberger v. Pitsenberger*, 287 Md. 20, 30 (1980) ("Fundamentally, due process requires the opportunity to be heard at a meaningful time and in a meaningful manner." (cleaned up)). What's more, the court's failure to review the opposition was not "a departure from truth or accuracy of which [Khosrowshahi and Trident] had notice and could have challenged[;]" they could not have known of the judge's oversight. *Davis*, 187 Md. App. at 125 (cleaned up). Instead, it was "a nonconformity of process or procedure." *Id.* (cleaned up). Under these circumstances, it is clear that the judgment was the result of an irregularity and cannot stand. Accordingly, we shall vacate the judgment and remand for further proceedings.[6]

DECEMBER 26, 2025, ORDER OF THE CIRCUIT COURT FOR PRINCE GEORGE'S COUNTY REVERSED. SEPTEMBER 12, 2025, JUDGMENT VACATED AND CASE REMANDED FOR FURTHER PROCEEDINGS. COSTS TO BE PAID BY EQUALLY BY THE PARTIES.

[6] We note that counsel for Vantage is a member of the General Assembly. Under CJP § 6-402(d)(2), "[a]ny time prescribed by the Maryland Rules . . . applicable to the filing of [a] document shall begin to run 10 days after the General Assembly adjourns." The 2026 Legislative Session convened on January 14 and, unless extended, will end at midnight on April 14. Consequently, the time for filing a motion for reconsideration or petition for writ of certiorari will not begin running until April 24 at the earliest. To account for this, the Clerk shall delay issuing the mandate in this appeal until May 26.