

UNREPORTED*
IN THE APPELLATE COURT
OF MARYLAND

No. 1730

September Term, 2024

CALVERT TITLE COMPANY

v.

CITIBANK, N.A.

Arthur,
Ripken,
Kehoe, Christopher B.,
(Senior Judge, Specially Assigned),

JJ.

Opinion by Ripken, J.

Filed: January 8, 2026

*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).

This appeal arises from the dismissal of a third-party complaint filed by Calvert Title Company (“Calvert Title”) against Citibank, N.A. (“Citibank”). At the time the appeal was noted, multiple claims, cross claims, and third-party claims remained pending. Several months later, the remaining parties filed stipulations of dismissal, some with prejudice and some without, purporting to terminate the outstanding claims and render the third-party claim on appeal as final. Calvert Title seeks for us to review whether the circuit court erred in dismissing Calvert Title’s third-party complaint against Citibank.¹ Because the appeal is premature, we do not have appellate jurisdiction to reach this question and instead dismiss the appeal.

FACTUAL AND PROCEDURAL BACKGROUND

The underlying lawsuit commenced in the Circuit Court for Charles County based on events surrounding a real estate transaction. William Carlson, the initial plaintiff, alleged that funds for purchase of the subject property were tendered to Calvert Title to be held in trust and await transfer to an agreed-upon account. A portion of the purchase price was intended to be used to satisfy the seller’s deed of trust. The beneficiaries of the seller’s deed of trust—Equity Trust Company and Kyle Sennott (“Sennott”), who Carlson noted “ha[d] an interest in Equity Trust Company and is the ultimate beneficiary of the [seller’s]

¹ Appellant phrased his question as follows:

Did the [c]ircuit [c]ourt err in dismissing Calvert Title Company’s Third-Party Claim against Citibank N.A. based on an improper interpretation of Md. Code Ann. Com. Law § 4A-207?

Deed of Trust”²—sent Calvert Title an email with wiring instructions for the seller’s mortgage. However, this message was apparently intercepted by an unknown party posing as Equity Trust Company, who then submitted different wiring instructions to Calvert Title. Calvert Title issued a payment order to its bank, directing that the payoff sum be wired to the account number identified by the unknown party. The seller’s deed of trust was not released.

Carlson’s Complaint and Calvert Title’s Motion to Dismiss

Carlson filed a complaint against Equity Trust Company, Sennott, the unknown party (“John Doe”), and USAA Federal Savings Bank, the beneficiary of Carlson’s deed of trust. Carlson later amended his complaint to include Calvert Title, MERS, and the seller of the subject property, GEN284, LLC.³ The amended complaint sought a variety of legal and equitable relief. Carlson brought two counts against John Doe for conversion and for injunctive relief; one count to quiet title against Equity Trust, Sennott, MERS, and GEN284, LLC; three counts against Calvert Title for breach of implied contract, breach of fiduciary duty, and negligence; two counts for injunctive relief against Equity Trust and Sennott seeking formation of a constructive trust, as well as a prohibition against foreclosing on the subject property; and two counts for breach of contract and breach of warranty of title against GEN284, LLC.

² Carlson referred to Equity Trust Company as “Equity Trust Company, a/k/a Equity Trust Company Custodian f/b/o Account [*****7517] IRA.” We shall refer to this entity and Sennott collectively as “Equity Trust Company” unless it is necessary to differentiate.

³ When Carlson filed his amended complaint, USAA was not listed as a defendant. At that time, USAA had not yet filed an answer to the original complaint.

Calvert Title moved to dismiss Carlson’s claims against Calvert Title, asserting that it did not owe a duty to Carlson; that Carlson lacked standing because he did not suffer damages; and that even if Carlson had a claim for damages, he could not recover from Calvert Title because Calvert Title had not retained the sums. In addition, Calvert Title argued that Carlson’s claims were barred based on the existence of available recovery for Equity Trust and Sennott against Citibank found in Title 4A of the Commercial Law Article of the Maryland Code.

Cross Claims and Third-Party Claims

As the case progressed, cross claims and third-party claims were filed. In April of 2024, Equity Trust and Sennott filed a cross complaint and third-party complaint. They brought cross claims against Calvert Title for breach of contract and negligence. They also asserted a cross claim against GEN284, LLC and a third-party claim against Kerry Darden and Rhonda Darden (“the Dardens”) for breach of contract in relation to failure to pay the note underlying Equity Trust’s deed of trust. In June of 2024, the Dardens and GEN284, LLC filed a cross claim against Calvert Title asserting a single claim of negligence.

In May of 2024, Calvert Title filed a third-party complaint against Citibank, asserting that there was a discrepancy between the account name identified in its payment order as compared to the name associated with the account number. Calvert Title alleged that its payment order should have been sufficient to provide Citibank with notice, which Calvert Title equated to actual knowledge, that there was an inconsistent description of the beneficiary. Calvert Title asserted that by accepting the wire transfer, Citibank violated section 4A-207 of the Commercial Law Article of the Maryland Code (“CL § 4-207”).

Calvert Title asserted that the same actions formed the basis for a negligence claim based on its assertion that Citibank breached a duty under CL § 4-207.

Citibank moved to dismiss Calvert Title’s third-party complaint, asserting that no misdescription of the beneficiary had occurred under CL § 4-207 because the code allows a beneficiary to be identified by the number in the payment order, and an inconsistent description of the beneficiary from the payment order was insufficient to supply Citibank with actual knowledge of the inconsistency. In addition, Citibank contended that the statute prevented recovery because there was no privity between Citibank and Calvert Title, as the payment order had been sent by Calvert Title to its financial institution, Shore Bank, before Shore Bank transmitted the payment order to Citibank. Citibank further argued that the negligence claim was preempted by Calvert Title’s statutory claim because the alleged breach of duty was premised on the existence of a duty from CL § 4-207.^{4,5}

Calvert Title opposed dismissal, asserting that “knowledge” carried the same meaning as “notice” under the statute, and therefore Citibank knew of the conflict between the account name and account number based on receipt of Calvert Title’s payment order. Based on this reasoning, Calvert Title asserted that Citibank was required to bear the loss. Calvert Title conceded that dismissal of its negligence claim was appropriate.

⁴ Citibank further argued that if the negligence claim was not preempted, it should still be dismissed because Citibank did not owe a duty to Calvert Title.

⁵ Citibank alternatively sought dismissal based on lack of personal jurisdiction.

Hearing and Dismissal of Calvert Title’s Third-Party Complaint

The court held a hearing in July of 2024. The court denied Calvert Title’s motion to be dismissed from Carlson’s complaint. The court also denied Citibank’s motion to be dismissed from Calvert Title’s third-party complaint on the basis of personal jurisdiction; however, the court took the remainder of the motion under advisement.

On July 26, 2024, the court entered an order indicating that “[a]s a result of the foregoing [o]pinion,” the court would dismiss Calvert Title’s third-party complaint against Citibank. The referenced opinion was entered on July 29, 2024. The court ruled that under the plain language of CL § 4-207, Citibank did not have an obligation to cross check a payment order to affirmatively search for a misdescription of the beneficiary, as it did not have actual knowledge of a misdescription.

Calvert Title’s Post-Decision Motions and Appeal

On August 8, 2024, Calvert Title filed a motion to alter or amend the opinion dismissing its third-party complaint, asserting that the court had applied the wrong subsection of CL § 4-207 and that notice provided via the payment order satisfied the knowledge requirement. Citibank opposed the motion, arguing that the court applied the correct portion of CL § 4-207, and that Calvert Title had failed to support its argument that “notice” was equivalent to “knowledge.”

Calvert Title subsequently filed a motion for summary judgment on its dismissed claim. The court struck the motion for summary judgment. The court also denied the motion to alter or amend, explaining that it had applied the correct portion of CL § 4-207. The court further explained that while the definition of knowledge in CL Title 4A had been

moved, this did not negate the requirement that Citibank have actual knowledge of the discrepancy. Therefore, the court denied the motion to alter or amend. Calvert Title then filed a motion for leave to amend the complaint, which the circuit court denied.

Calvert Title subsequently filed a notice of appeal.

Prior to the noting of appeal, the court did not, pursuant to Maryland Rule 2-602(b), direct entry of final judgment as to fewer than all claims or parties; nor did it determine that there was “no just reason for delay[.]” *See* Md. Rule 2-602(b). Additionally, Calvert Title did not seek for the circuit court to enter judgment under Maryland Rule 2-602(b).

The Remaining Claims and Parties

While Calvert Title’s motions were pending, the case continued to progress as to the parties and issues that remained intact. Equity Trust and Sennott filed a joint motion for summary judgment as to Carlson’s claim against them; Carlson opposed the motion.⁶ Although Equity Trust and Sennott sought summary judgment only as to Carlson’s claims against themselves, Calvert Title also opposed the motion. As part of its opposition, Calvert Title raised again its argument that CL § 4A-207 suggested that Citibank was liable for the

⁶ As part of the basis for summary judgment, Equity Trust and Sennott presented exhibits demonstrating that one of Calvert Title’s employees, who was responsible for processing settlement funds and who did so in the subject transaction, had pled guilty in September of 2022 to conspiracy to commit wire fraud affecting a financial institution. In addition, the employee’s title insurance producer license expired in March of 2022. Despite these circumstances, the employee continued to be assigned fiduciary responsibilities. The Maryland Insurance Administration conducted an administrative investigation, concluded that Calvert Title and its co-respondent had violated sections of the Insurance Article of the Maryland Code, and as a sanction ordered Calvert Title and its co-respondent to pay Equity Trust restitution of \$260,041.64—a sum that included interest at the rate of 6% per annum.

transaction. It noted in its motion that “[i]t remains undetermined whether [the order] dismissing Citibank was a final judgment and, if not, remains subject to revision at any time before the entry of judgment.” Calvert Title requested that the circuit court “exercise the powers it has pursuant to Maryland Rule 2-602(a)” and vacate the dismissal of Citibank.

The summary judgment motion was not ruled upon, and prior to the scheduled hearing, counsel represented to the court that a settlement agreement had been reached between Carlson, Equity Trust and Sennott, and Calvert Title. On March 28, 2025, Carlson stipulated to the dismissal with prejudice of his claims against Calvert Title, Equity Trust, and Sennott.

Three days later, Carlson stipulated to the dismissal with prejudice of his claim against MERS. On April 25, 2025, pursuant to Maryland Rule 2-506(a), Carlson dismissed his claims against John Doe, who had not appeared in the case. On April 29, 2025, Carlson stipulated to the dismissal of his claims against GEN284, LLC. This stipulation did not indicate whether it was made with prejudice.

On April 29, 2025, Equity Trust and Sennott stipulated to the dismissal with prejudice of their claims against Calvert Title, GEN284, LLC, and the Dardens. On May 7, 2025, GEN284, LLC and the Dardens stipulated to the dismissal of their claim against Calvert Title. The stipulation indicated that the dismissal was without prejudice, and stated that

the Dardens and [GEN284, LLC] shall only have the limited right to refile such claims in the event a future action is filed against either of them on their respective obligations (if any) under that certain Construction/Draw Commercial Promissory Note, dated August 26, 2022, in the original principal amount of \$240,000.00 . . . or with respect to the related individual

guaranty. Under such limited circumstances only, [the] Dardens and [GEN284, LLC] reserve all claims and defenses.

Subsequent to the final stipulation of dismissal, the court held a status hearing on May 9, 2025. While no transcript of this hearing appears in the record, a hearing sheet reflects a notation that “[s]tipulations of dismissal have been filed. All pending issues have been resolved. This case is closed for statistical purposes[.]” That same day, the court also indicated the word “noted” on the stipulation of dismissal filed by GEN284, LLC and the Dardens.

No further orders or appeals were entered in the case. Additional facts will be discussed below as they become relevant.

DISCUSSION

APPELLATE JURISDICTION AND APPEALABILITY

A. Party Contentions

Citibank asserts that this appeal is premature because the order appealed from was not a final order that adjudicated all the claims in the action. Because the circuit court did not have discretion to direct entry of a final judgment with respect to the order, Citibank requests that we dismiss the appeal.

Calvert Title asserts that the order dismissing Citibank was a final judgment because it concluded the case with respect to Citibank. It asserts that even if the appeal was initially premature, it can be treated as final if a final judgment was entered after the notice of appeal was filed.

B. The Final Judgment Rule and Exceptions

“Unless constitutionally authorized, appellate jurisdiction is determined entirely by statute, and therefore, a right of appeal only exists to the extent that it has been legislatively granted.” *Adelakun v. Adelakun*, 491 Md. 1, 19 (2025) (internal citation, quotation marks, and alterations omitted). Pursuant to the Courts and Judicial Proceedings Article, section 12-301 of the Maryland Code (1974, 2020 Repl. Vol.) (“CJP”)—the statute that grants parties the statutory right to appeal—in general, a party has a right to appeal only “from a final judgment entered in a civil or criminal case by a circuit court.” *Adelakun*, 491 Md. at 19 (quoting CJP § 12-301). “Whether a judgment is final, and thus whether this Court has jurisdiction to review that judgment, is a question of law to be reviewed *de novo*.” *Baltimore Home All., LLC v. Geesing*, 218 Md. App. 375, 381 (2014) (citation omitted). If we lack appellate jurisdiction, we are obligated to dismiss the appeal. *McLaughlin v. Ward*, 240 Md. App. 76, 83 (2019); *see also* Md. Rule 8-602(b).

An order satisfies the characteristics of a final judgment if: (1) it is intended by the circuit court “as an unqualified, final disposition of the matter in controversy;” (2) it adjudicates, or completes adjudication of, “all claims against all parties;” and (3) the clerk makes a proper record of it on the docket. *Waterkeeper All., Inc. v. Maryland Dep’t of Agric.*, 439 Md. 262, 278 (2014) (internal citation and quotation marks omitted). “[F]or an order to qualify as a final judgment, it must adjudicate each and every claim and be reflected in a docket entry.” *Id.* at 278–29. In general, an order or decision that resolves fewer than all claims, rights, or liabilities in an action—whether raised by an original claim,

counterclaim, cross-claim, or third-party claim—“is not a final judgment.” Md. Rule 2-602(a).

C. Analysis

In this case, the order dismissing Calvert Title’s third-party complaint against Citibank was not an “unqualified, final disposition of the matter in controversy[;]” nor did the order complete the adjudication of “all claims against all parties[.]” *See Waterkeeper All., Inc.*, 439 Md. at 278. This is because the order resolved a single issue in the case: whether Citibank could be held liable by Calvert Title for acceptance of Carlson’s funds under CL § 4A-207. The remainder of the claims, cross claims, and third-party claims surrounding the underlying transaction remained pending. The order appealed from was not a final judgment.

There are three exceptions to the final judgment requirement: (1) interlocutory orders appealable by statute; (2) orders appealable under the collateral order doctrine; and (3) orders certified as final under Maryland Rule 2-602(b). *See Waterkeeper All., Inc.*, 439 Md. at 286; *see also Matter of Tr. Under Item Ten of Last Will & Testament of Lanier*, 262 Md. App. 396, 412 (2024).

The first exception is not present here because the order dismissing Citibank does not fall within the types of appealable interlocutory orders identified in CJP section 12-303. *See Waterkeeper All., Inc.*, 439 Md. at 286. The collateral order doctrine is likewise inapplicable, as “the collateral order doctrine applies only when the issues resolved in the appealed order do not relate to the merits of the case[;]” here, the order was entwined with

the merits because it involved which parties could be held liable for the loss of Carlson’s funds.⁷ *See id.* at 286–87.

We turn then to the third exception to the final judgment rule. In limited circumstances, a trial court may certify an interlocutory order for appeal under Maryland Rule 2-601(b). *See Waterkeeper All., Inc.*, 439 Md. at 287. To do so, the circuit court must determine in a written order that “there is no just reason for delay[.]” Md. Rule 2-601(b). If the circuit court makes such a determination, “it may direct in the order the entry of a final judgment . . . as to one or more but fewer than all of the claims or parties[.]” *Id.* A circuit court’s discretion to enter judgment under this rule is reserved for the “very infrequent[,] harsh case.” *Smith v. Lead Indus. Ass’n, Inc.*, 386 Md. 12, 24 (2005) (quoting *Diener Enterprises v. Miller*, 266 Md. 551, 556 (1972)). If the circuit court had such discretion to enter judgment pursuant Maryland Rule 2-601(b), this Court likewise would have discretion to enter final judgment. Md. Rule 8-602(g)(1). Our discretion is limited to the circumstances where the circuit court could have exercised its discretion.⁸ *Waterkeeper All., Inc.*, 439 Md. at 287–88.

⁷ In addition, Calvert Title relied on the same grounds asserted in its third-party complaint (i.e., that CL § 4A-207 rendered Citibank liable rather than Calvert Title) when pursuing a motion to be dismissed from Carlson’s complaint and when opposing Equity Trust’s motion for summary judgment.

⁸ This Court’s discretionary power is further limited in that if the circuit court was presented the opportunity to enter judgment pursuant to Maryland Rule 2-601(b) and declined to do so, this court “may not supersede the trial court’s exercise of discretion where the trial court denies certification expressly.” *Waterkeeper All., Inc.*, 439 Md. at 287–88.

To determine whether no just case for delay existed, courts examine a variety of factors, including whether the delay would create a harsh impact; whether allowing the appeal would create a risk that the same issues would be raised in subsequent appeals; whether disposition of the remaining claims might moot the need for an appeal; and whether an appeal would result in the appellate court deciding questions that yet remained before the trial court. *Len Stoler, Inc. v. Wisner*, 223 Md. App. 218, 227 (2015) (citing *Shofer v. Stuart Hack Co.*, 107 Md. App. 585, 595 (1996)). Certification may be an abuse of discretion when the pending claim or claims, and the claim subject to appeal, “arise from a nexus of fact and law so intertwined” that if the reviewing court decided one claim, it could “nonetheless face many of the same questions in determining the other later.” *Miller Metal Fabrication, Inc. v. Wall*, 415 Md. 210, 229 (2010) (quoting *Building Indus. Ass’n of Sup. California v. Babbitt*, 161 F.3d 740, 745 (D.C. Cir. 1998)).

In evaluating whether the circuit court could have certified the judgment or order as final, we examine the circumstances at the time the order was entered. *See McLaughlin*, 240 Md. App. at 83–84 (Interlocutory appeal of order denying exceptions to foreclosure sale was determined to be premature when filed, despite subsequent ratification of sale which occurred while the appeal was pending, and this Court determined that the circuit court could not have determined that there was no just cause for delay, particularly considering the closeness of the natural conclusion of the case). *See also Doe v. Sovereign Grace Ministries, Inc.*, 217 Md. App. 650, 667–68 (2014) (explaining that it would have been an abuse of discretion for the circuit court to certify the premature order as final under

the circumstances of the case, where the remainder of the claims would likely have been otherwise resolved rapidly).

Although this Court has authority to act under Rule 8-602(g), “it should be reluctant to do so when . . . the trial court was never asked to act under Rule 2-602(b).” *Smith*, 386 Md. at 26. This is because the trial court is the “preferred ‘dispatcher’” for such requests due to its knowledge of the case and interest in whether the remainder of the case “should be ‘put on ice’ while an interlocutory appeal proceeds.” *Id.* “Except in the most extraordinary circumstance, predominantly where the problem of an open claim is a more or less technical one that was overlooked by the appellant when the appeal was noted and which, if spotted then, would likely have been corrected, the trial court should not be bypassed” with respect to a request for entry of judgment under Rule 2-602(b). *Id.*

Here, the circuit court did not have discretion to enter judgment under Rule 2-602(b). The order dismissing Calvert Title’s third-party complaint adjudicated the liabilities of a single party—Citibank—while the remaining parties continued to litigate the primary issue in the case: who was liable for the diversion of Carlson’s funds. At the time the order was entered, the open question remained as to which of the defendants, cross defendants, or third-party defendants would be responsible for bearing the loss. Even if Calvert Title was successful on appeal of the order dismissing its third-party complaint, based on the recovery claimed and because it had suffered no damages, Calvert Title could only recover against Citibank if Calvert Title had first been found liable. Under these circumstances, certifying the appeal would have created a risk that the same issues would be raised in subsequent appeals, and at the time the order was entered, disposition of the

remaining claims might have mooted the need for an appeal.⁹ *See Wisner*, 223 Md. App. at 227 (citing *Shofer*, 107 Md. App. at 596). Certification would have been an abuse of discretion because the third-party complaint subject to the appeal and the claims that remained before the circuit court arose “from a nexus of fact and law so intertwined” that there was a risk the same questions could have arisen in a subsequent appeal. *See Miller Metal Fabrication, Inc.*, 415 Md. at 229 (internal citation and quotation marks omitted).

Moreover, Calvert Title never sought certification under Rule 2-602(b) from the circuit court. This is not one of the “extraordinary circumstance[s]” where the issue of an open claim was a “technical one . . . overlooked by the appellant when the appeal was noted and which, if spotted then, would likely have been corrected[.]” *See Smith*, 386 Md. at 26. This case involved multiple additional parties and a variety of complaints, cross complaints, and another third-party complaint. After Calvert Title noted its interlocutory appeal, the parties continued to litigate the case. Calvert Title was aware that open claims remained and that the order it appealed from was not final, and in later-filed papers requested that the circuit court “exercise its powers . . . pursuant to Maryland Rule 2-602(a)” to vacate the dismissal of Citibank. Under these circumstances, this was “not a case in which the lack of a final judgment was not apparent when the appeal was taken, where a ‘2-602 problem’ surfaced after the appeal was noted, and where it seems clear that, if the matter had been presented to the trial court, that court likely would have acted under

⁹ In other words, if Calvert Title had been found to not be liable for the loss of Carlson’s funds, the dismissal of its third-party complaint against Citibank, and the resulting appeal, would have been entirely moot.

Rule 2-602(b).” *See Smith*, 386 Md. at 26. As in *Smith*, Calvert Title “had to be fully aware when [it] noted the appeal that no final judgment existed” and that no exception existed. *See id.* at 26–27. As in *Smith*, “[t]he ‘2-602 problem’ was obvious before the appeal was noted, and, given all of the issues that remain[ed] unresolved, it is not at all clear that the trial court would have given favorable consideration to a request to enter judgment under Rule 2-602(b).” *Id.* at 27.

Because the circuit court did not have discretion to enter judgment under Rule 2-602(b) at the time the order was entered, we likewise do not have discretion to enter judgment under Rule 8-602(g). *See Waterkeeper All., Inc.*, 439 Md. at 287–88.

Calvert Title further asserts that this Court may treat its notice of appeal “as if filed on the same day as, but after” the entry of a final judgment entered by the lower court subsequent to the filing of the notice of appeal. To support this proposition, Calvert Title cites to Maryland Rule 8-601(g)(1); however, the provision in Maryland Rule 8-601(g)(1)(D) authorizing this Court to treat the appeal as though filed on the date of a final judgment only applies when the circuit court had discretion to direct entry of a final judgment under Rule 2-602(b), which, as we have explained, the circuit court did not have. To the extent Calvert Title intended to rely on Maryland Rule 8-601(f) for the same proposition, that argument likewise fails. Maryland Rule 8-601(f) may permit an appeal that could otherwise be premature in limited circumstances when a notice of appeal is filed after the announcement of a trial court’s order, but before that order is entered by the clerk on the docket. *See Bussell v. Bussell*, 194 Md. App. 137, 153 (2010) (citing *Carr v. Lee*,

135 Md. App. 213, 225 (2000)) (further citation omitted). That is not so here, and Rule 8-601(f) does not apply to premature appeals of interlocutory orders. *See id.*

Because we lack jurisdiction to review the merits of this appeal, the appeal must be dismissed. *See Waterkeeper All., Inc.*, 439 Md. at 277–78.

**APPEAL DISMISSED. COSTS TO BE
PAID BY APPELLANT.**