

UNREPORTED
IN THE COURT OF SPECIAL APPEALS
OF MARYLAND

No. 02567

September Term, 2015

MICHAEL C. WORSHAM

v.

BROMBERG LAW OFFICE, P.C.

Meredith,
Beachley,
Eyler, James R.
(Senior Judge, Specially Assigned),

JJ.

Opinion by Meredith, J.

Filed: August 14, 2018

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.

The lawsuit that led to this appeal began in 2012, when Bromberg Law Office, P.C. (“BLO”), appellee/cross-appellant, filed a complaint for interpleader in the Circuit Court for Harford County, naming as defendants Michael C. Worsham (“Worsham” or “Mr. Worsham”), appellant/cross-appellee, as well as his law firm, Michael C. Worsham, P.C. (“Worsham-PC”) and the Internal Revenue Service. The complaint alleged that BLO attorney Brian Bromberg (“Bromberg”) and Worsham had concluded successfully representing claimants in a class action law suit, and that BLO was holding funds due to Worsham or Worsham-PC in the amount of \$71,456.61, but the parties could not agree upon the manner in which such funds were to be paid. BLO alleged that “Worsham has repeatedly demanded that Bromberg make payment of W[o]rshams’ fees and reimbursable costs by check made payable to ‘Michael Worsham Attorney Trust Account’.” BLO asserted that, for various reasons (including the lack of any tax identification number or IRS Form W-9 from Worsham), it could not do as Worsham demanded. BLO asserted that it was merely “an impartial stakeholder having no . . . claims with respect to the Funds,” and prayed for entry of an order directing that it “deposit \$71,456.61 into the Court,” discharging BLO from further liability, and awarding BLO costs and reasonable attorney’s fees.

The IRS removed the case to the United States District Court for the District of Maryland, where the IRS was dismissed from the suit, and the case was then remanded to the circuit court. After several years of litigation in the Circuit Court for Harford County,

all judges in that county had recused themselves, and the case was transferred to the Circuit Court for Baltimore County.

On December 18, 2015, the Circuit Court for Baltimore County held a hearing on open motions, and thereafter, the court: (1) ordered BLO to pay \$71,456.61 into the Registry of the Court (which BLO had already done); (2) awarded attorney's fees to BLO in the amount of \$4,830.50 for filing and litigating the interpleader action; (3) ordered the clerk of court to distribute \$66,626.11 to Worsham; and (4) denied all other claims for relief. Worsham subsequently filed two revisory motions which were denied by the circuit court.

Worsham filed a notice of appeal on January 21, 2016, and BLO cross-appealed on February 2, 2016.

QUESTIONS PRESENTED

Worsham presents five questions for our review:

- I. Whether the Harford County Circuit Court erred in not granting Worsham's Second Motion to Dismiss and Request for the Funds.
- II. Whether the Baltimore County Circuit Court erred in granting summary judgment to Bromberg on Worsham's Counterclaim, and denying Worsham's discovery motion.
- III. Whether the Baltimore County Circuit Court erred in granting summary judgment to Bromberg on the Interpleader Complaint.
- IV. Whether the Baltimore County Circuit Court erred in granting an attorney's fees [sic] award and costs to Bromberg on the Interpleader Complaint.

- V. Whether the Baltimore County Circuit Court erred in denying Worsham's Motion to Alter or Amend Judgment and Motion to Exercise Revisory Power over the Judgment.

BLO presents two additional questions for our review:

1. Did the Circuit Court for Baltimore County commit an error of law when it held that the reimbursement of BLO's attorney fees, under Rule 2-221(b)(6), were limited to only "reasonable fees for filing an interpleader" and not for fees incurred in response to the continuing litigation controlled by Appellant?
2. Did the Circuit Court for Baltimore County commit an error when it failed to address Bromberg Law Office, P.C.'s request for reimbursement under Rule 1-341?

Perceiving no reversible error, we will affirm the judgments.

FACTUAL & PROCEDURAL BACKGROUND

Brian Bromberg, who is a New York attorney and an owner of BLO, entered into an oral joint representation agreement with attorney Michael C. Worsham to provide legal services in a matter captioned *Eason v. AFNI* in the United States District Court for the District of Maryland. The case settled in January 2012, and the settlement proceeds were paid to BLO. The court had awarded attorney's fees and costs to Worsham (and/or Worsham-PC) in the amount of \$71,456.61, which was to be paid out of the settlement proceeds held by BLO.

After BLO received the proceeds of the Eason settlement, BLO and Worsham exchanged communications about payment of the \$71,456.61. Initially, BLO and Worsham agreed that it was not necessary for BLO to complete an IRS Form 1099 reflecting payment of the funds to Worsham. However, after BLO consulted with its

accountant, BLO concluded that it was required to file a Form 1099 after all. In order to file the Form 1099, BLO needed a tax identification number (“TIN”) for Worsham, or his law firm, or both. BLO requested that Worsham send BLO a Form W-9 or other verification of his TIN. Worsham refused to provide BLO with a W-9 or TIN for himself or his firm, contending, *inter alia*, that the IRS Form W-9 lacked an Office of Management and Budget “control number,” which rendered the form “defective under the federal Paperwork Reduction Act”

Acting on the advice of its accountant, BLO decided it would disburse 72% of the \$71,456.61 to Worsham, and it would withhold the remaining 28% to cover potentially applicable taxes. But Worsham refused to accept anything less than the full \$71,456.61, and returned the check BLO had tendered for the lesser amount. There were also disputes regarding the payee Worsham wanted the check to be made payable to (more specifically, Worsham insisted that the payee be “Michael Worsham Attorney Trust Account”), and Worsham also lodged an objection to BLO’s check because of the name of the trust account *from which* BLO was making its disbursement.

On May 25, 2012, BLO filed a complaint for interpleader, pursuant to Maryland Rule 2-221, in the Circuit Court for Harford County. BLO’s interpleader complaint named Worsham, Worsham-PC, and the IRS as defendants. BLO alleged that “Worsham has repeatedly demanded that Bromberg make payment of W[o]rshams’ fees and reimbursable costs by check made payable to ‘Michael Worsham Attorney Trust Account’.” BLO asserted that, for various reasons (including the lack of any tax

identification number or IRS Form W-9), it could not do so. BLO alleged in the complaint that it was “an impartial stakeholder having no . . . claims with respect to the Funds,” and prayed for entry of an order directing it “to deposit \$71,456.61 into the Court,” discharging it from further liability, and awarding it costs and reasonable attorney fees from the funds deposited with the court.

The same day the complaint for interpleader was filed, the Circuit Court for Harford County entered an order that stated: “The Clerk of the Circuit Court shall accept the Funds in trust submitted by the Plaintiff (Bromberg Law Office, P.C. IOLA Account check # 605 for \$71,456.61) subject to further order of the Court.” A docket entry confirms that a check in the amount of \$71,456.61 was “deposited into a Special Account” on May 25, 2012. After May 25, 2012, neither Worsham nor BLO had access to the \$71,456.61.

In August 2012, Worsham and Worsham-PC answered the complaint and asked the court to disburse the \$71,456.61 to Worsham-PC as soon as possible. But the IRS removed the interpleader action to the United States District Court for the District of Maryland. The IRS was dismissed from the case shortly thereafter, and the case was remanded to the circuit court on September 27, 2012.

For nearly three years, the parties continued to litigate the terms for payment of the interpleaded funds, to no avail. On June 4, 2015, roughly three years after the interpleader action was filed, Worsham filed a counterclaim against BLO asserting two counts: (1) “tort arising from a breach of contract and malicious acts by Bromberg”; and

(2) “abuse of process.” BLO subsequently filed its answer to the counterclaim and moved for summary judgment, which Worsham opposed.

At the request of BLO, a hearing was scheduled for October 14, 2015, before Judge Angela Eaves of the Circuit Court for Harford County. Worsham opposed holding the hearing, and moved to postpone the hearing for various reasons. The circuit court denied Worsham’s motion to postpone the hearing.

Judge Eaves ultimately recused herself, and, because all other judges on the Circuit Court for Harford County had previously recused themselves from cases involving Worsham, the case was transferred to the Circuit Court for Baltimore County.

A hearing on open motions was conducted by Judge Kathleen Gallogly Cox on December 18, 2015. At the outset of that hearing, Judge Cox relied upon several outstanding motions. She then explained to the parties that she had reviewed the file and determined that certain issues were not truly in dispute, stating:

In the matters that are open today, I mean, ironically, when I review[ed] this file, . . . there is an Order in this file from years ago that appears not to have been docketed but was signed by Judge Carr. First of all, he did [order] and I think it was appropriately docketed, the funds were placed into the Court’s account after the hearing that was originally held and then he later, let me find it, signed an Order that simply directed that the Clerk transmit the funds in the amount of \$71,456.61 deposited, that it be submitted to the Defendant by check payable to Michael C. Worsham P.C. I mean, that Order was signed by him, I mean, it would appear from where it’s in the file, in 2012. I, I honestly, for the life of me, don’t understand, other than a fight over attorney’s fees, what we’re doing here.

So what I think are open are the following things. There were Orders that I think did what an interpleader is required to do. They weren’t couched with reference to the interpleader rule and I could do a corrected Order. But very clearly, Judge Carr ordered that the funds be paid into the

registry of the Court to be then directed by an Order from the Court as to how it should be paid.

It appeared to me that [in the undocketed order,] he ordered that it be paid to Mr. Worsham [sic] and then he expected Mr. Worsham to provide his social security number or tax i.d. number.

The rest of the fight was over whether anything was being withheld from those funds for attorney's fees. I've looked at multiple versions of [attorney's fee] statements on how many, what the fees are that have been incurred. The matter was further complicated some three years after the fact by Mr. Worsham filing a counter-claim and there's a Motion for Summary Judgment on that that's open.

So, here's what I want to hear and I'll be happy to hear from both sides on this and then I'm issuing an Order today and this is done. My intent is to file an Order saying that an interpleader was granted, that the funds were paid into the registry of the Court in Harford County and are to be transferred here and they're going to be paid out as directed.

Secondly, nobody's disputing the fact that the, the funds get paid to Mr. Worsham. The question is how the check gets written and once you're out of it [BLO], I don't know why you care so if you care, I need to know why, but otherwise the money is going to him and his fight with the I.R.S. is for him to deal with the I.R.S.

Third, the question is whether any of it's being held back for attorney's fees and, if so, how much or what extent of the fees that have been amassed are going to be paid and fourth is whether [Mr. Worsham's] counter-claim survives the Motion for Summary Judgment.

(Paragraph formatting added.)

After counsel for BLO expressed shock to learn that Judge Carr had signed an order directing disbursement of the interpleaded funds, Judge Cox reiterated that that order was never recorded among the court's docket entries. Counsel for BLO replied: "[I]f anybody had found that Order, we wouldn't be bothering you today."

Judge Cox then asked counsel for BLO:

Other than the fact that a final Order of interpleader needs to be entered that makes it clear that that's what was ordered, do you have any say in this part, or anything you want to say as to how the check should be issued, other than whether funds are being withheld for payment of fees?

Counsel for BLO replied: "We, we've said repeatedly, from the very first day, no, not at all. . . . We don't care, it's not our money."

The court then asked counsel for BLO to address its claim for attorney's fees. Counsel explained that the billing statements filed in support of the claim for attorney's fees reflected actual hours spent on the litigation, but counsel asked the court to award "whatever the Court decides is appropriate."

The court then addressed Mr. Worsham, who stated that he, too, was unaware that Judge Carr had signed (but apparently had not filed and docketed) an order directing the funds to be disbursed to Worsham-PC. The following colloquy addressed the question of the proper payee to receive the disbursement of the interpleaded funds:

JUDGE COX: Are you asking for the check to be made out to you or to the PC? . . .

MR. WORSHAM: . . . I would ask that the check be made out to me.

JUDGE COX: It appeared to me that the fee agreement in this, [the case] that underlies this dispute was between you, not the PC, in any event.

MR. WORSHAM: Correct. The PC is me, essentially.

JUDGE COX: Okay. I mean, the, the agreement that was written didn't even name the PC, it named you as the attorney. It was filed as an exhibit to something in this file. . . .

With respect to BLO's request for attorney's fees, Worsham argued "there shouldn't be any award of fees." After Worsham argued why his counterclaim should survive, Judge Cox delivered the following oral ruling from the bench:

Okay. All right. Here's, here's where we are, in this case it is clear to me from reviewing the file in its entirety, particularly the rulings by Judge Carr and reviewing the transcript of the hearing that was held before Judge Carr, that he had originally ordered, in essence, that the interpleader be filed and that an interpleader Order be filed because he directed the payment of the funds that were in dispute into the registry of the Court where they've been for three some years. That Order didn't identify Plaintiffs and Defendants. Mr. Worsham's office is, or argument is you need more than two to have an interpleader. There was, in effect, a dispute between the Bromberg firm as to who to issue the check and Mr. Worsham and/or his PC and whether they were the identical party or separate parties, I would have had no knowledge until you said it today and whether there was some potential tax piece of it that needed to be dealt with because of the things that were ongoing with Mr. Worsham, was at the time, in Judge Carr's view, a legitimate matter in dispute. So I think the interpleader was properly entered when it was in effect entered by Judge Carr back in 2012.

In terms of the disposition of the funds that have been held in the registry of the Court, the only question is what, if any, should be held back for payment of fees. Maryland Rule 2-221 allows the Court to direct the payment and allows the Court to direct an award to the original Plaintiff of costs and reasonable attorney's fees for the property if the Plaintiff brought the action in good faith as an impartial stakeholder. Judge Carr, in effect, during that hearing made a finding that it was in good faith and I understand why he made that finding. There, whatever the history between the two of you and whatever the breakdown in the relationship, there clearly was one and there clearly is significant contention in how that check was going to be issued and there was back and forth on things that I understand why there was a belief that the Court needed to enter an Order to direct how it be paid so that the matter was resolved once and for all and if it was going to be paid in a way that counsel was concerned violated some ethical duty or some requirement in terms of processing or handling a matter through an attorney's account that the payment be directed by an Order of Court.

So I think reasonable fees for having filed the action are appropriate but I think that the vast majority of the fees incurred in this action have nothing to do with what should have been reasonable fees for filing an interpleader. I have looked carefully at the detailed billings that were provided. There were, I mean, the initial drafting is listed as \$630. Mr. [W]orsham filed Motions to Dismiss and there were \$1,110 spent on Motions to Dismiss. There was a filing and an initial hearing which was a \$1,710, there was another \$1,140 that I thought were reasonable for filing the Petition for Fees before this just then spiraled out of control. There were costs in the amount of \$240.50 that were all documents. I'm awarding fees . . . and costs in the amount of \$4,830.50.

The rest of what's incurred here, I don't doubt that the fees were incurred, I don't doubt that the people spent time on it, but it's some dispute between the two of you that has nothing to do in my judgment with what their award of fees were for filing an interpleader and simply paying money into the registry of Court and having the thing directed.

That brings me to the counter-claim. I, I find that the counter-claim doesn't survive a Motion for Summary Judgment. Count One is not really a cause of action, it's a tort arising out of contract and I'm not sure what that was. It really would be a question of whether there's a breach of contract and I don't find that there was one or that it survives summary judgment. They've been trying to pay the fees that were owed for some time now but wanted a protection of the Order from the Court to prevent some later claim that it was improperly handled or unethically handled. So I don't find any cause of action on that.

The second count is abuse of process and, again, on a Motion for Summary Judgment[,] based upon the findings made by Judge Carr[,] [b]ased upon my own independent review of this file in its entirety[,] and the back and forth between you, I don't find that there's any basis to get past a Motion for Summary Judgment on the elements of abuse of process. So the Motion for Summary Judgment will be entered on the counter-claim, I will do a final Order, it'll be issued today. Thank you all for the arguments.

(Paragraph formatting added.)

After the hearing, the circuit court entered orders intended to resolve all open issues in the case. Of relevance to this appeal, the circuit court granted BLO's motion for

summary judgment as to Worsham's counterclaim, awarded BLO \$4,830.50 for attorney's fees and costs related to litigating the interpleader action, and ordered that the balance of the interpleaded funds be disbursed to Worsham. The court's rulings were entered on the docket on December 22, 2015.

Worsham moved to alter or amend the circuit court's judgments, and also moved for the court to correct the docket entry for the date his motion to alter or amend was filed. Both of Worsham's post-judgment motions were denied.

Worsham filed a notice of appeal on January 21, 2016, and BLO cross-appealed on February 2, 2016. Additional facts concerning the various motions in the circuit court that are the subject of this appeal are discussed at greater length later in this opinion.

DISCUSSION

I. Worsham's Appeal

Worsham presents five issues for our review, which we address as follows.

A. Whether the Harford County Circuit Court erred in not granting Worsham's Second Motion to Dismiss and Request for the Funds.

Worsham contends that the Circuit Court for Harford County erred by denying his November 20, 2012, motion to dismiss the interpleader action filed by BLO and request for funds. Without elaborating on its reasons, the circuit court denied that motion during a hearing on December 13, 2012.

By the time Worsham's second motion to dismiss was filed, BLO had already paid the money into the registry of the court, and the case had been removed to federal court and returned to the circuit court after IRS was dismissed as a defendant. At the hearing

held on December 12, 2013, BLO confirmed that it was making no claim to the funds (although it asked the court to allow payment out of the deposited funds of the counsel fees incurred in filing the interpleader action). BLO reiterated that it considered it necessary to file the complaint for interpleader because of two concerns: (1) it had not received a tax identification number for a payee, and that, in turn, caused it to be concerned that it might incur liability to the IRS if it disbursed the entire sum without any withholding; and (2) Mr. Worsham had been insisting that the check be made payable to “Michael Worsham Attorney Trust Account,” and BLO was concerned about participating in something unethical if it did so.¹

In response, Worsham urged the court to dismiss the complaint for interpleader “because there is no adverse claim a to the money.” He continued: “Then the proper thing is to dismiss the suit and *return the money to the Plaintiff [i.e., BLO] as opposed to sending it to me.*” (Emphasis added.)

The court was not willing to force BLO to take back the money it had already paid into court in an effort to avoid further controversy with Worsham, and the court pressed Worsham to provide a taxpayer ID number to the clerk and have the clerk cut a check to

¹ In a letter to Brian Bromberg dated April 28, 2012, Worsham had returned a check in the amount of \$51,448.75, which had been payable to “Michael C. Worsham.” Worsham stated: “**Please immediately deliver to me a check for \$71,456.61 made out to ‘Michael Worsham Attorney Trust Account’ which is my Maryland Interest on Lawyer’s Trust Account . . .**” (Emphasis in original.) The closing paragraph of the letter stated: “You are now dangerously close to forcing me to file a suit against you to recover the full amount due to me, as Judge Schulze suggested during the April 17, 2012 telephone conference, and which may also name the IRS as a party. I do not want to have to do that, but will if necessary.”

him or Worsham-PC. The court responded to Worsham's comment that he wanted BLO to "write it out to my attorney trust account" by stating: "It is not moneys you are holding in trust for someone else. It is your money." The court indicated a willingness to disburse the funds to Worsham-PC, but noted the clerk would need a taxpayer ID number. The court told Worsham:

THE COURT: I'm denying your motion to dismiss. The money is paid into court. The way you get it out is petition the clerk [sic, presumably meaning "court"] to direct the clerk of the court to issue a check to Michael C. Worsham. The clerk will require a taxpayer ID number. Period.

MR. WORSHAM: All right.

THE COURT: As soon as I get the order, I will sign it and you get the money. Simple as that.

On December 17, 2012, the clerk date-stamped and docketed a petition for release of the funds, filed jointly by Worsham and Worsham-PC, requesting that a check for \$71,456.61 be made payable to "Michael C. Worsham, P.C." The petition did not provide a taxpayer ID number. And there is no docket entry reflecting that the petition was ever ruled upon (although, as noted above, nearly three years later, Judge Cox discovered an undated order in the court's file that appears to bear Judge Carr's initials on the signature line of the proposed order submitted by Worsham and Worsham-PC).

But the first question presented in Worsham's brief is whether the Circuit Court for Harford County erred in denying the second motion to dismiss. Given the conflicting statements that were presented by Worsham at that juncture – at

various times insisting that a check be made payable to “Michael Worsham Attorney Trust Account,” and at other times insisting that the funds be returned to BLO, and at other times insisting that a check be made payable to “Michael C. Worsham, P.C.,” all while refusing to provide any taxpayer ID number – it was not error for the circuit court to deny the second motion to dismiss.²

When Judge Cox later reviewed the file, including the transcript of the December 2012 hearing before Judge Carr, Judge Cox commented:

There was, . . . in Judge Carr’s view, a legitimate matter in dispute. So I think the interpleader was properly entered when it was in effect entered by Judge Carr back in 2012. . . . Judge Carr, in effect, during that hearing made a finding that [the complaint for interpleader was filed] in good faith and I understand why he made that finding.”

² At a later point in the litigation, in a paper filed November 3, 2014, Worsham asserted that Worsham-PC was not a proper party to the case (and did not need to be represented by counsel) because:

[T]he only remaining action for the Court to take is to distribute the \$71,456.61 in deposited funds held by the Court to Michael C. Worsham. **[Worsham-PC] did not have an agreement with Bromberg or BLO.** The relevant fee agreement for the underlying class action suit was between Michael C. Worsham and the client/plaintiff Tray Eason, and not MCWPC [referred to in this opinion as Worsham-PC]. A copy of the executed August 2007 Class Action Contingent Fee Agreement demonstrating that MCWPC is not involved is attached as Exhibit 1 herein.

The attached fee agreement made no mention of Worsham-PC, and was signed by “Michael C. Worsham, Esq.” only.

Because the funds were *in custodia legis*, it was not error for the court to deny the motion to dismiss and remain in possession of the monies until a determination could be made regarding the correct payee.

B. Whether the Baltimore County Circuit Court erred in granting summary judgment to B[LO] on Worsham’s Counterclaim, and denying Worsham’s discovery motion.³

Skipping ahead a few years, Worsham’s second question presented asks whether the Circuit Court for Baltimore County erred in granting summary judgment on the counterclaim he filed late in the litigation. On June 4, 2015, Worsham filed a counterclaim against BLO, asserting two counts, captioned “Tort arising from breach of contract and malicious acts by Bromberg,” and “Abuse of Process.”

A summary of the basis for the counterclaim was set forth in an introductory paragraph, stating that it was Worsham’s contention that BLO “has maintained a bogus interpleader claim, and continued to do so for years after the federal government which [BLO] wrongly named as an interpleader Defendant explicitly stated that it was not asserting any claim to the funds.” Further, the counterclaim stated, “[BLO and its] counsel have also made false and malicious claims, including that Worsham was engaged in money laundering, and that the IRS had an interest in the funds, to try to influence [the Circuit] Court against Worsham and further delay release of the funds to Worsham.”

³ Although the second question presented in Worsham’s opening brief includes the phrase “and denying Worsham’s discovery motion,” the section of the brief addressing this question makes no further argument regarding a “discovery motion.” Consequently, we will not address anything regarding a “discovery motion.”

Other allegations in the counterclaim included claims that BLO and its counsel had maintained the interpleader action for over three years in an “attempt to punish Worsham, and to generate fees for B[LO’s] counsel.” Count 1 alleged, in essence, that BLO had breached its contract to pay Worsham his (or his firm’s) share of attorney’s fees due out of the Eason settlement; that BLO had been motivated by spite and malice, and also the desire to generate a claim for counsel fees; and that “the breaking of the contract and conduct [of Bromberg and BLO] generally was done with spite and malice.” Count 1 did not contain an *ad damnum* clause, but concluded with this allegation:

There is a direct nexus between the breach of contract and abuse of process such that the tortious abuse of process conduct and the contract are so intertwined that one cannot be viewed in isolation from the other, for which Worsham seeks punitive damages.

Count 2 of Worsham’s counterclaim alleged that “Bromberg, and Bromberg’s counsel, used the interpleader process for an illegal or improper purpose to satisfy an ulterior motive, including *inter alia*, to try to generate fees for Bromberg’s counsel, and to harm Worsham by keeping the funds from Worsham for as long as possible.” The counterclaim requested compensatory and punitive damages.

On September 16, 2015, BLO moved for summary judgment on Worsham’s counterclaim, or in the alternative, dismissal of the counterclaim. BLO asserted that both counts were barred by the clean hands doctrine and collateral estoppel, and also asserted that both counts failed to state a claim upon which relief could be granted. BLO expressly waived any objection based upon the fact that the counterclaim was not filed within “30 days after the time for filing [counter-plaintiff’s] answer” as permitted in

Maryland Rule 2-331(d). BLO stated: “Given the long history of Mr. Worsham’s litigation strategy, either striking the Counterclaim, or dismissing it without prejudice [pursuant to Rule 2-331(d)], would do nothing other than subject this Court and B[LO] to future litigation.”

BLO’s assertion that the counterclaim was barred by the clean hands doctrine and collateral estoppel was based upon statements made by the Court of Appeals in its opinion filed December 23, 2014, explaining why it had ordered disbarment of Mr. Worsham on October 3, 2014. *Attorney Grievance Commission v. Worsham*, 441 Md. 105 (2014). In that opinion, the Court of Appeals explained that Worsham “apparently concedes . . . that beginning in 2005 and for the subsequent seven years, he neither filed federal and State income tax returns nor paid income taxes.” *Id.* at 112. The Court concluded in the disciplinary case that there was a connection between Worsham’s liability for unpaid income taxes and his demand that Bromberg and BLO make the check for \$71,456.61 payable to “Michael Worsham Attorney Trust Account.” The Court explained, *id.* at 112-14:

Deliberate Attempt to Conceal Income from Federal and State Tax Agencies

Evidence introduced at the hearing concerning Mr. Worsham’s relationships with clients and co-counsel indicated that he attempted to avoid notice by tax agencies. In particular, Mr. Worsham was co-counsel for a class of plaintiffs in a class action in the United States District Court for the District of Maryland. When the case settled in 2012, the sums due counsel for the plaintiffs were forwarded to his co-counsel, Brian L. Bromberg, an attorney licensed in New York. Mr. Worsham’s share of the attorneys’ fees and costs totaled \$71,456.61.

In connection with the distribution of counsel fees, Mr. Bromberg asked Mr. Worsham to provide him with a completed IRS Form W-9. Mr. Worsham refused to provide a Form W-9 and instead insisted that a check totaling \$71,456.61 “that is due to me for fees and costs” be made out to “Michael Worsham Attorney Trust Account.” Because Mr. Worsham refused to supply a W-9, Mr. Bromberg sent a check payable to Mr. Worsham for \$51,448.75, which represented Mr. Worsham’s share, less the mandatory 28% federal tax withholding. Mr. Bromberg also advised Mr. Worsham that a Form 1099 reporting the income would be filed with the IRS.

Mr. Worsham responded by returning the check and filing a motion to enforce the settlement. In his motion, Mr. Worsham alleged that attorneys’ fees and costs, totaling \$71,456.61 were due to him under the settlement agreement and that he was not obligated to provide a Form W-9 because the form did not have a federal Office of Management and Budget control number.

Mr. Bromberg then filed an interpleader action and deposited the full amount (\$71,456.61) of Mr. Worsham’s share into the registry of the Circuit Court for Harford County. He advised the court that he did so to avoid a possible violation of the tax laws when processing Mr. Worsham’s payment.

Before the hearing judge in this case, Mr. Worsham testified that he wished to deposit his share of the funds into his attorney trust account because, at the time, he believed that it included client funds. He testified that he later came to understand that the funds did not belong in his trust account, but that he had never considered asking Mr. Bromberg for a check payable to his business account.

The hearing judge found that Mr. Worsham “willfully, knowingly, and purposefully attempted to deposit his earned fees into his Maryland attorney trust account for the sole purpose of defrauding and hiding this income from the federal and state taxing authorities.” The hearing judge discounted Mr. Worsham’s testimony that he originally thought the sum included client funds as dishonest, noting that Mr. Worsham had referred to the funds at that time as “my fees and costs.”

The Court of Appeals noted in its opinion that, “[a]s always, we accept the hearing judge’s findings of fact unless they are clearly erroneous.” *Id.* at 118. The Court relied

upon the hearing judge's findings regarding the BLO dispute in support of its conclusion that Worsham violated MLRPC 8.4(c) and (d), "and as a result, MLRPC 8.4(a)." *Id.* at 132. The Court explained: "The willful misuse of an attorney trust account in order to conceal money from creditors, including the IRS, is 'conduct involving fraud, deceit, or misrepresentation' in violation of MLRPC 8.4(c)." *Id.* at 131. And "the willful misuse of attorney accounts to conceal money from IRS garnishment is conduct prejudicial to the administration of justice in violation of 8.4(d)." *Id.* Consequently, the Court stated:

We thus agree that Mr. Worsham's attempt to misuse his attorney trust account to conceal money from the federal and State taxing authorities was conduct rife with dishonesty and deceit and was prejudicial to the administration of justice. Mr. Worsham attempted to deposit earned fees into his attorney trust account, which would have been a violation of the MLRPC had he been successful, . . . and **did so with the purpose of defrauding and hiding this income from the federal and State tax agencies.** Not only was this a misuse of his attorney trust account, but by filing a motion to enforce the settlement, Mr. Worsham attempted to use the power of the court to require Mr. Bromberg to issue a check for earned fees and costs to Mr. Worsham's trust account. Such conduct violated MLRPC 8.4(c) and (d) and as a result, MLRPC 8.4(a).

Id. at 131-32 (emphasis added).

In support of its motion for summary judgment on the counterclaim, BLO argued that, in light of the findings of fact finally litigated in the disciplinary case against Worsham, and the Circuit Court for Harford County's denial of Worsham's second motion to dismiss the complaint for interpleader, Worsham would be unable to prevail upon either of the counts in his counterclaim.

On October 30, 2015, the Circuit Court for Harford County (having exhausted availability of judges who were not recused from this case) ordered that "this matter is

hereby transferred to the Circuit Court for Baltimore County for all further proceedings.”

At a hearing conducted on open motions on December 18, 2015, Judge Cox granted BLO’s motion for summary judgment on Worsham’s counterclaim.

At the hearing on December 18, 2015, Judge Cox announced that she was granting BLO’s motion for summary judgment. As noted above, she explained her ruling as follows:

I find that the counterclaim doesn’t survive a Motion for Summary Judgment. Count one is not really a cause of action, it’s a tort arising out of contract and I’m not sure what that was. It really would be a question of whether there’s a breach of contract and I don’t find that there was one or that it survives summary judgment. They’ve been trying to pay the fees that were owed for some time now but wanted a protection of the [o]rder from the [c]ourt to prevent some later claim that it was improperly handled or unethically handled. So I don’t find any cause of action on that.

The second count is abuse of process and, again, on a Motion for Summary Judgment[,] based upon findings made Judge Carr[,] [b]ased upon my own independent review of this file in its entirety[,] and the back and forth between you, I don’t find that there’s any basis to get past a Motion for Summary Judgment on the elements of abuse of process. So the Motion for Summary Judgment will be entered on the counter-claim.

(Paragraph formatting added.)

“The question of whether the trial court properly granted summary judgment is a question of law and is subject to *de novo* review on appeal.” *Standard Fire Ins. Co. v. Berrett*, 395 Md. 439, 450 (2006). We perceive no error of law in Judge Cox’s ruling.

The damages alleged in the counterclaim were related to the delay caused by the litigation regarding the payment of the \$71,456.61 (including anxiety caused by litigation, the inconvenience of having to participate in litigation, delay in access to the

funds, and collateral consequences of not receiving earlier payment of the funds), as well as punitive damages. But, as BLO pointed out in its motion for summary judgment, the Circuit Court for Harford County had ruled at the hearing on December 13, 2012, that there was sufficient uncertainty with respect to whom the funds should be paid to justify BLO's efforts to pay the money into court, and the opinion of the Court of Appeals in the disbarment case concluded that Mr. Worsham had not acted in good faith in his efforts to shield that income from the IRS and the Maryland tax collector. Under the circumstances, there was no merit to the counterclaim, and Judge Cox did not err in ruling that it was appropriate to enter summary judgment in favor of BLO on the counterclaim.

C. Whether the Baltimore County Circuit Court erred in granting summary judgment to Bromberg on the Interpleader Complaint.

In support of Worsham's third question presented, he urges us to rule that Judge Cox erred in "granting summary judgment" to Bromberg on the interpleader complaint. Although the docket entries reflect that the court entered summary judgment in favor of BLO with respect to Worsham's counterclaim, there is no docket entry stating that the court entered summary judgment in favor of Bromberg on its complaint for interpleader. The circuit court entered multiple orders on outstanding motions on December 22, 2015, the same day the court's order granting summary judgment in favor of BLO as to Worsham's counterclaim was entered. It appears to us that the orders Judge Cox entered with respect to the funds that had been paid into court on May 25, 2012, were generally authorized by Rule 2-221(b). The only disputed issue regarding the disbursement of

funds was whether any of the funds should be awarded to BLO for counsel fees, and Rule 2-221(b)(6) expressly authorizes the court to make that ruling. We perceive no error in Judge Cox's disposition of the pending motions.

D. Whether the Baltimore County Circuit Court erred in granting an attorney's fees award and costs to Bromberg on the Interpleader Complaint.

In Worsham's fourth question, he challenges the circuit court's award of attorney's fees to BLO. As noted above, Judge Cox ruled, pursuant to Maryland Rule 2-221(b), that the clerk should disburse to BLO \$4,830.50 from the funds being held. Judge Cox explained that, at the time Judge Carr denied Worsham's second motion to dismiss the interpleader complaint in December 2012, there was, "in effect, a dispute between the Bromberg firm as to how to issue the check and Mr. Worsham and/or his PC and whether they were the identical party or separate parties . . . and whether there was some potential tax piece of it that needed to be dealt with because of the things that were ongoing with Mr. Worsham" And, Judge Cox noted, that was, "at the time, in Judge Carr's view, a legitimate matter in dispute." Judge Cox observed: "Judge Carr, in effect, during that hearing made a finding that [the action] was [brought by BLO] in good faith[,] and I understand why he made that finding."

Rule 2-221(b)(6) provides that, when a complaint for interpleader has been filed,

[a]fter the defendants have had an opportunity to answer the complaint and oppose the request for interpleader, the court shall promptly schedule a hearing to determine the appropriate order to be entered. The order may:

* * *

(6) award the original plaintiff costs and reasonable attorney's fees from the property if that plaintiff brought the action in good faith as an impartial stakeholder; [and]

(7) direct the distribution of any part of the property not in dispute.

Based on Judge Cox's interpretation of Judge Carr's comments as finding that BLO had brought the interpleader action in good faith as an impartial stakeholder, together with the fact that BLO had paid the funds into court on the day the complaint was filed, and the fact that BLO had filed no objection to the funds being disbursed by the court as it determined appropriate, Judge Cox ruled that BLO was entitled to "reasonable fees for having filed the action." Based upon her review of the "detailed billings that were provided" by counsel for BLO, Judge Cox ruled: "I'm awarding fees in the amount in the [sic], and costs in the amount of \$4,830.50." The court ruled that, beyond that amount, "this just spiraled out of control," and the court declined to award BLO the full amount it sought.

Worsham's argument, in essence, is that the interpleader action was wholly unnecessary, and therefore, no attorney's fees whatsoever should have been awarded to BLO. We have already discussed why it was not reversible error for the circuit court to disagree with Worsham's argument that no interpleader action was appropriate. Accordingly, Rule 2-221(b)(6) conferred discretion upon the circuit court to award the party that filed the complaint for interpleader "costs and reasonable attorney's fees from the property." We perceive no abuse of discretion in Judge Cox's decision to award costs and fees, or in her assessment of the reasonable amount.

E. Worsham’s Post-Judgment Motions

1. January 5, 2016, Motion to Alter or Amend

On January 5, 2016, the clerk of court stamped as “filed” Worsham’s motion to alter or amend the circuit court’s December 22, 2015 judgment. The motion cited “Rules 2-534 and 2-535” as the authority for the requested relief. The circuit court denied Worsham’s motion to alter or amend on March 10, 2016. Worsham contends that the circuit court erred in denying his motion.⁴

In the motion to alter or amend judgment, Worsham asked the court to reverse the rulings made in December 2015, stating:

First, it is undisputed that BLO’s interpleader action was filed despite there being no adverse claimants to the \$71,456.61 in funds, which is the requirement for an interpleader action. At the December 18, 2015 motions hearing, the supposed basis which the Court announced in ruling for BLO – that there was confusion on BLO’s part between Worsham and his PC – did not exist when BLO filed suit, and was not the reason why BLO filed suit, and is irrelevant in any event. The ruling also does not take into account the fiduciary duty BLO had and has for Worsham, and BLO’s

⁴ There is some question whether the motion was filed within the time limit for motions filed pursuant to Rule 2-534, which must be “filed within ten days after entry of judgment.” The judgments Worsham sought to alter or amend were entered on the docket on December 22, 2015, and his motion was not stamped as received until January 5, 2016. Even after allowing extra time for the New Year’s Day holiday and the ensuing weekend, the tenth day after December 22 would have been January 4, 2016. In another motion filed by Worsham, he provided evidence that his motion was picked up from the post office on January 4, before 4 p.m., even if it did not get stamped as “filed” until January 5. Because Worsham’s motion to alter or amend also urged the court to exercise revisory power pursuant to Rule 2-535, and that rule states that the court “may take any action that it could have taken under Rule 2-534,” we shall assume, without deciding, that the motion was timely filed under Rule 2-534, as well as being timely filed under Rule 2-535(a).

inability when it filed suit in Spring 2012 to present a proper IOLTA check to Worsham.

Second and probably equally importantly, BLO has not paid or incurred any attorney's fees, which is a requirement for any award of fees.

The court summarily denied the motion. We review such rulings for abuse of discretion. *See Jones v. Rosenberg*, 178 Md. App. 54, 72 (2008) (“We review the circuit court’s decision to deny a request to revise its final judgment under the abuse of discretion standard.”). Because Worsham’s motion presented no new arguments or clear error of law, the circuit court did not abuse its discretion in denying the motion.

2. January 21, 2016, Motion to Revise

On January 21, 2016, Worsham filed a motion to exercise revisory power over the circuit court’s judgment under Rules 2-535(b) and 2-535(d). In this motion, Worsham contended that the clerk of the circuit court improperly docketed the filing date of his earlier motion to alter or amend as January 5, 2016. According to Worsham, the motion to alter or amend should have been deemed filed on January 4, 2016. In support of his motion, Worsham included a United States Postal Service tracking document, which stated: “Your item was picked up at a postal facility at 3:42 pm on January 4, 2016 in TOWSON, MD 21285.” Another entry of the tracking document similarly stated: “DATE & TIME January 4, 2016, 3:42 pm; STATUS OF ITEM Delivered, individual Picked Up at Postal Facility; LOCATION TOWSON, MD 21285.” But another entry on the tracking document stated: “Updated Delivery Day: January 5, 2016.” Worsham

wanted the circuit to order the clerk's office to "correct" the date of filing of his motion to alter or amend to January 4, 2016. But the circuit court denied Worsham's motion.

In BLO's brief, the appellee asserts: "If there was any error in the date of entry on the docket, such an error is harmless error that is irrelevant to the findings and decisions of the Trial Court and was not likely to have affected the verdict below."

We generally review a circuit court's ruling on revisory motions for an abuse of discretion. *See Pelletier v. Burson*, 213 Md. App. 284, 289-91 (2013). But, in this instance, because we have already treated Worsham's motion to alter or amend as timely filed, and his notice of appeal was date-stamped as "RECEIVED AND FILED" on January 21, 2016 (the 30th day after December 22, 2015), there was no prejudice flowing from the discrepancy between the information on the postal service's tracking document and the date-stamp placed on the motion by the clerk's office. Accordingly, we need not consider this issue further.

II. BLO's Cross-Appeal

A. BLO's Motion for Attorney's Fees and Costs under Rule 2-221(b)(6)

On September 16, 2015, BLO moved for attorney's fees and costs related to the interpleader action it initiated pursuant to Rule 2-221, requesting \$27,720.00 in attorney's fees and \$350.96 in costs as of that date. When Judge Cox held a hearing on December 18, 2015, to address pending motions, she awarded BLO \$4,830.50 under Rule 2-221(b)(6), as quoted above.

In BLO's brief, it asserts: "The Trial Court cited to no authority for its position that if reimbursement of costs and attorney fees were found to be appropriate, those costs and attorney fees were limited to only those costs and attorney fees related to the initial filing of an interpleader." Although BLO states further that "BLO is unable to find any cases, federal or Maryland, that support the Trial Court's legal position," BLO itself cited no authority contrary to trial court's ruling.

We perceive no error in the court's ruling. As noted above, Rule 2-221(b)(6) provides legal authority for the court, after hearing from the parties named in a complaint for interpleader, to "award the original plaintiff costs and reasonable attorney's fees from the property if that plaintiff brought the action in good faith as an impartial stakeholder." In our view, the plain language of this rule authorizes the court to exercise its discretion in deciding whether the original plaintiff should be reimbursed attorney's fees, and if so, what amount is reasonable. The rule states that "the order . . . *may* award . . . *reasonable* attorney's fees." (Emphasis added.) Both words "may" and "reasonable" call for the court to exercise its discretion. Here, the court did so, and BLO has provided no argument that persuades us that the court abused its discretion in making the award.

B. BLO's Request for Reimbursement under Rule 1-341

In its September 16, 2015 motion, BLO also requested reimbursement of attorney's fees and costs pursuant to Maryland Rule 1-341. At the motion hearing on December 18, 2015, however, counsel for BLO made no mention whatsoever of Rule 1-341. Indeed, when counsel for BLO argued in support of the fee request, counsel

indicated a willingness to be satisfied with “whatever the Court decides is appropriate.” And, when the court announced that it was going to award BLO \$4,830.00, BLO did not ask the circuit court to further consider any additional award pursuant to Rule 1-341. Nor did BLO subsequently move to alter or amend the circuit court’s judgment based upon its claim pursuant to Rule 1-341. And, in its brief as cross-appellant, BLO simply states: “BLO believes that Mr. Worsham’s conduct in this litigation, given the decisions of the U.S. Tax Court, the U.S. Court of Appeals for the Fourth Circuit, and the Court of Appeals of Maryland cannot leave any doubt that Mr. Worsham’s conduct was anything other than in bad faith and without substantial justification. *See*, Argument at § 1, *supra*.”

Because BLO made no post-judgment request for further consideration of an award pursuant to Rule 1-341 in the circuit court, we conclude that BLO did not preserve for appeal the question of whether the circuit court “commit[ted] an error when it failed to address [BLO’s] request for reimbursement under Rule 1-341.”

But, even if the issue had been preserved for appellate review, the result would be the same because we review such rulings for abuse of discretion. In *Legal Aid Bureau, Inc. v. Bishop’s Garth Assocs. Ltd. P’ship*, 75 Md. App. 214, 220-21 (1988), citing to *Century I Condominium Association, Inc. v. Plaza Condominium Joint Venture*, 64 Md. App. 107, 117 (1985), we said: “Once a court finds that a party or counsel has acted in bad faith or without substantial justification *the court* may apportion costs and reasonable attorney’s fees or *may choose not to award fees at all*.” (Emphasis added.) That decision is committed to the discretion of the circuit court, and will be disturbed only for an abuse

of discretion. *Williams v. Work*, 192 Md. App. 438, 467 (2010). BLO has not persuaded us that it was an abuse of discretion for Judge Cox not to award counsel fees pursuant to Rule 1-341 in this case.

**JUDGMENTS OF THE CIRCUIT COURT
FOR BALTIMORE COUNTY AFFIRMED.
COSTS TO BE PAID TWO-THIRDS BY
APPELLANT AND ONE-THIRD BY
APPELLEE.**