Circuit Court for Baltimore County
Case No.: 03C11010759

UNREPORTED

IN THE COURT OF SPECIAL APPEALS

OF MARYLAND

No. 228

September Term, 2015

MAS ASSOCIATES, LLC, et al.

v.

HARRY S. KOROTKI

Meredith,
Wright,
Reed

JJ.

Opinion by Reed, J.

Filed: September 21, 2018

This appeal arises out of a suit filed in the Circuit Court for Baltimore County by Harry Korotki ("Appellee") against Greentree Mortgage Corporation, Wax Properties, LLC, MAS Associates, LLC, and the partnership between Joel Wax and Mark Greenberg (collectively "Appellants"). Appellee sought repayment of two loans that he contributed as capital to the proposed merged business, MAS Associates, LLC ("MAS"). Appellee sued Appellants for, *inter alia*, breach of contract and declaratory judgment under the Revised Uniform Partnership Act ("RUPA"). Appellee also brought a breach of contract claim as a result of an unsigned interim agreement that outlined the duties of the parties during the period between pre and post-merger.

After a seven-day bench trial, the circuit court found in favor of Appellee, dismissing the breach of contract claim and finding that there existed a partnership among Appellants and Appellee, thus Appellee was entitled to an apportionment of his interest in the partnership. Accordingly, the court ordered Appellants to pay Appellee, in total, $1,097,866.00.[1] It is from this order that Appellants have filed this timely appeal and present three questions for our review, which we have rephrased for clarity:[2]

> I. Did the trial court err in finding that there was no meeting of the minds as to the Interim Agreement?

[1] The trial court awarded Appellee $793,000.00 at the rate of 10% with interest per annum from March 10, 2011 until the date payment is made. Therefore Appellee was entitled, The Amount of Judgement + Pre-Judgment Interest + Other Fees to equal $1,097,866.00. Thus, (793,000.00 + 260, 712.00 + 44,154.00) = $1,097,866.00.

[2] Appellee presents two "counter" questions for our review, they are mere resuscitations of Appellants' questions, and will be answered in turn with Appellants'.

II. Did the trial court err in concluding that a partnership existed under the Maryland Revised Uniform Partnership Act ("RUPA") between MAS Associates, LLC, and its three managerial employees?

III. Did the trial court err and/or abuse its discretion, in awarding Appellee the value of a one-third ownership interest in MAS Associates, LLC as partnership property?

For the reasons set forth below, we answer Appellants questions in the negative, holding that the circuit court did not erroneously find that there was no meeting of the minds to the interim agreement. With respect to the second and third question, we agree with the court's analysis regarding the partnership agreement and awarding Appellee the value of his interest in MAS Associates, LLC. Accordingly, we affirm the trial court.

FACTUAL AND PROCEDURAL BACKGROUND

During the economic recession of 2009, Harry Korotki ("Appellee") sought to initiate a merger with the mortgage lending company he owned, Savings First Mortgage, LLC ("Savings First"), and two other licensed mortgage entities: Greentree Mortgage Corporation ("Greentree"), owned by Appellant Joel Wax ("Mr. Wax"), and Appellant MAS Associates, LLC d/b/a Equity Mortgage Lending ("MAS"), owned by Saralee Greenberg ("Ms. Greenberg") and Appellant Ken Venick ("Mr.Venick"). Mark J. Greenberg ("Mr. Greenberg"), though not a member of any individual LLC, served as

MAS's manager and CEO.[3] Post-merger, the three companies were to operate as one, with MAS absorbing Greentree and Savings First, to become the surviving entity.

In an effort to memorialize their merger, each of the pre-merger companies was represented by its own lawyer; however, because of the regulations governing mortgage companies, the parties selected independent counsel from Gordon Feinblatt, LLC ("independent counsel") to ensure that regulations were being followed. At the time of the pre-merger negotiations, it would have been impossible to combine the businesses without some interim steps for the purposes of licensing.[4] Accordingly, on October 19, 2009, independent counsel prepared an "Issues Outline," a document that summarized the October 13, 2009, discussion held between Appellee, Appellants, and independent counsel. The "Issues Outline" served as an outline for the "Interim Agreement." It included arrangements, obligations, and structure of the business during the Interim-period. The Interim period consisted of the time between signing the pre-merger documents and the completion of regulatory requirements.[5] The "Issues Outline" served as the guide for which the "Interim Agreement" ("the Agreement") was based.

[3] For the purposes of this opinion, all Appellants will be referred to collectively as "Appellants."

[4] According to Appellants, as a licensed mortgage lender and broker, MAS faced regulatory oversight. Each state has registration and licensing obligations that must be satisfied in order to operate as a mortgage lender. Most states in which a mortgage lender operates, must be notified of, and approve, a change of ownership before the change occurs.

[5] During the Interim period Appellee and Mr. Wax would surrender the mortgage lending licenses for their businesses, report to Mr. Greenberg as MAS employees, and work

During the Fall of 2009, independent counsel drafted the Agreement between Appellants and Appellee. The purpose of the Agreement was to memorialize the parties' intention to "ultimately [change the membership of [MAS] and the membership percentages…" Regulatory approvals were necessary in advance of the effectuation of the Agreement, therefore, it was "put in place to mark the time." The approval period, which was slated to last for three years or more, was intended to provide time for each of the states in which MAS operated, to accept the change in ownership, and to act as a limitations period to insulate MAS from potential creditors. The approval period was to commence on November 30, 2009, and unless extended by an agreement between Appellants and Appellee, would continue until the arrival of November 30, 2012, and the completion of MAS's membership changes. The Agreement also set forth several key provisions for the operation of the business – including, *inter alia,* employment of Appellee and Mr. Wax,[6]

to obtain the approvals for Appellee, Mr. Greenberg, and Mr. Wax to acquire ownership interest in MAS. Ms. Greenberg was to transfer her entire membership in the Company to Mark, as soon as the Parties' deemed it "expeditious to do so." After, the Company would "diligently pursue all Approvals required for [Appellee and Appellants] to be admitted as a 33 1/3% member of the company."

[6] Section 6.1 of the Agreement, required that Appellee and Mr. Wax would become employees of MAS, being paid W-2 compensation, for the duration of the approval period. Section 9.1 allowed Mr. Greenberg the right to terminate the arrangements provided for in the Agreement. If such action is taken, Appellee and Mr. Wax would "receive payment of an amount equal to one-third (1/3) of the total capital of [MAS]."

requirements for Ms. Greenberg to divest her interest in MAS, separation of excluded businesses into separate entities,[7] and capital contributions.[8]

By November 17, 2009, MAS had opened five new bank accounts that authorized Appellee, Mr. Greenberg, and Mr. Wax to authorize checks and bind MAS to any financial obligations. By November 30, 2009, all three had deposited their share of the contribution funds into the new MAS operating account. This was done in order to keep their contributions separate and distinct from the assets MAS earned and had received, prior to the new venture.

On November 25, 2009, independent counsel circulated the initial draft Agreement to the parties and their attorneys for review. They also indicated that an additional eight documents related to the merger, would be forthcoming. These included a draft Operating Agreement, which was subsequently circulated on November 27, 2009. The parties proceeded to negotiate the terms of the Agreement and the Operating Agreement until mid-February 2010, at which time a new red-lined draft of each document was circulated

[7] Prior to the merger, MAS handled several different businesses, including loan servicing and real estate investment. Section 4.1 of the Agreement, required that they would separate those excluded businesses into new entities.

[8] Section 7 of the Agreement required Appellee and Mr. Wax to make a loan to Mr. Greenberg in the amount of $150,000.00, who would then gift the capital to Ms. Greenberg to be transferred to MAS as capital contribution. Section 8.2 stated, if either Appellee or Mr. Wax resigned from employment before the end of the approval period, they "will not be entitled to receive repayment of any loans made pursuant to this Agreement, and such loans will be deemed forgiven in the nature of a capital contribution."

amongst the parties and their counsel. Shortly after receiving their copies of the red-lined drafts, the parties decided to proceed with their business relationship without signing the Agreement. The parties agreed, because they were not generating any assets, it was not financially sound to continue absorbing legal fees. Rather, they proceeded without signing any of the documents prepared by independent counsel, except for the lease between Wax Properties and MAS.[9]

Despite not signing the Agreement, on November 25, 2009, Appellee, Mr. Greenberg, and Mr. Wax began to follow the Agreement "in principle." Around November 30, 2009, they underwent the process of physically merging their individual businesses. Savings First's and Greentree's employees (approximately 40 and 20 in number, respectively) joined MAS's workforce; Savings First sold its furnishings to MAS for $51,633; and MAS's business operations moved to the office space, owned by Wax Properties, located at 2 Park Center. Additionally, between November 24 and November 30, 2009, Appellee, Mr. Wax, and Mr. Greenberg each contributed $150,000.00 to the newly-combined mortgage lending business, as required by Section 7 of the Agreement, *See supra* note 7.

[9] Prior to, and during, the merger, Mr. Wax owned and managed Wax Properties, LLC., as a commercial landlord of an office space located at 2 Park Center Court, Suite 200 in Owings Mills, Baltimore County, MD. It was agreed that the new venture would rent the space for the location of MAS.

By June 28, 2010, the combined mortgage lending business had finally begun to generate assets. As a result, Appellee circulated an email to both Mr. Greenberg and Mr. Wax suggesting that the three of them should start receiving a salary of $10,000.00 per month, to which they agreed. Further, they agreed to not move forward with any other business decisions unless they all consented. In fact, day-to-day executive functions of MAS were shared amongst Appellee, Mr. Greenberg, and Mr. Wax.

In addition to making salary and hiring and firing decisions together, Appellee, Mr. Wax, and Mr. Greenberg also shared the profits of MAS's mortgage lending business equally. On December 15, 2010, the three men divided MAS's profits among themselves, each receiving $120,000.00. That next week, on December 22, 2010, they each made an additional capital contribution of $125,000.00. Then, on December 30, 2010, they received a second profit distribution, this time each drawing $64,500.00. As the company grew, so did its need to secure additional lines of credit. Both Mr. Greenberg and Mr. Wax pledged their personal resources as collateral to secure a line of credit. Appellee refused, explaining that ownership was not sensible for him because he had more assets than the other executives.[10]

Less than three months later, On March 10, 2011, Appellee notified Mr. Greenberg and Mr. Wax of his decision to quit. Appellee based his decision on the advice of his doctor,

[10] Appellant argues that Appellee revealed that he faced criminal charges in 2009 for possession of prescription pain killers. They believe this hindered MAS's ability to secure additional lines of credit.

Dr. Feinberg, whom he had been seeing since 1999 for anxiety disorders. He alleged that it left him "unable to continue [his] job responsibilities." Appellee claimed that he was entitled to a disability-related buyout under the "Issues Outline" that he asserted replaced the Agreement in February 2010.

When Mr. Greenberg and Mr. Wax allegedly refused to negotiate the terms of his departure, Appellee filed a Complaint in the Circuit Court for Baltimore County for, *inter alia*, breach of contract and declaratory judgment under RUPA. The bench trial lasted seven days. Following the trial, the trial judge dismissed the breach of contract claim because "there was never any meeting of the minds as to the [unsigned] interim agreement or the [unsigned] operating agreement" and, therefore, no "contract existed between [Appellee] and any of the [Appellants] for which a breach of contract action can flow." However, the trial judge found that a partnership existed between Appellee, Mr. Greenberg, and Mr. Wax, based upon "the [parties'] intent, community of interest, [and] the sharing of profits, capital and control." The trial judge valued Appellee's interest in the partnership at $793,000.00, awarding him that amount plus $44,154.00 in commissions.

Following the trial judge's oral ruling, Appellants filed a Motion to Alter or Amend Judgment, which prompted the trial judge to issue an order further explaining his ruling from the bench. In denying the Motion to Alter of Amend Judgment, the trial judge explained that the one-third valuation of the partnership ($793,000.00) was arrived at by excluding the value of MAS' home improvement lending business and loan servicing

business, because those portions profited only Mr. Greenberg. On April 8, 2015, Appellants noted a timely appeal to this Court.

STANDARD OF REVIEW

When, as with the case here, an action is tried without a jury, our standard of review is governed by Md. Rule 8-131. This rule provides that an appellate court will not "set aside the judgement of the trial court on the evidence unless clearly erroneous, and will give due regard to the opportunity of the trial court to judge the credibility of the witnesses." Md. Rule 8-131 (c). Therefore, if there is some competent and material evidence "to support the factual findings of the trial court, those findings cannot be held to be clearly erroneous." *Yivo Institute for Jewish Research v. Zaleski*, 386 Md. 654, 663 (2005). Further, under the clearly erroneous standard, this Court does not sit as a trial court, instead, our task "is limited to deciding whether the circuit court's factual findings were supported by substantial evidence in the record." *W. Wolfe Enterprises, Inc. v. Maryland Nat'l Golf, L.P.,* 165 Md. App. 339, 343-44 (2005). As such, we must consider all of the evidence produced at trial in the light most favorable to Appellee. If it is determined by this Court that there was "competent or material evidence in the record to supports the court's conclusion" it will not be disturbed. *Lemley v. Lemley,* 109 Md. App. 620, 628 (1996).

Nevertheless, factual determinations of the circuit court are afforded deference upon appellate review. Thus, the clearly erroneous standard does not apply to the trial court's

determinations of legal questions or conclusions of law based on findings of fact. *See Ins. Co. of N. Am. v. Miller*, 362 Md. 361, 372 (2001) (quoting *Heat & Power Corp. v. Air Prods. & Chem. Inc.*, 320 Md. 584, 591 (1990)). Rather, where it requires this Court to do interpretation and application of Maryland's statutory and case law, this Court must determine whether the trial court's conclusions are legally correct under the de novo standard. *See Walter v. Gunter*, 367 Md. 386, 392 (2002).

DISCUSSION

I. The Interim Agreement and a Meeting of the Minds

A. Parties' Contentions

Appellants argue that the trial judge erred in dismissing their breach of contract claim because the "finding that there was no meeting of the minds as to the Interim Agreement ("The Agreement") is directly contradicted by the evidence." Moreover, they contend, "[b]ecause the record inexorably establishes a meeting of the minds as to the Agreement, that document should be enforced to conclude that there was no partnership." They assert that "the terms of the Interim Agreement and February 2010 documentation that independent counsel assembled are clear evidence of the parties' intention *not* to form a partnership." (emphasis in original). Appellants assert that argument because the words "partner" or "partnership" do not appear in the Agreement or in the "Issues Outline."

Appellee argues that there was no evidence of a finalized, signed, or an effective Agreement. Thus, when Appellants agreed to "shelve" the February 9, 2010 drafts of the

Agreement, the Operating Agreement, and the other related documents, there was no intention to effectuate the Agreement.

B. Analysis

Prior to determining whether there was an intention to create a partnership, we must first turn our attention to whether the Interim Agreement ("The Agreement") is valid and enforceable. For that to be the case, a meeting of the minds is necessary. A meeting of the minds requires a manifestation of mutual assent. *See* RESTATEMENT (SECOND) OF CONTRACTS §17 cmt. at c (1981) ("the element of agreement is sometimes referred to as a 'meeting of the minds.' The parties to most contracts give actual as well as apparent assent, but it is clear that a mental reservation of a party to a bargain does not impair the obligation he purports to undertake. The phrase used here, therefore, is 'manifestation of mutual assent,' as in the definition of 'agreement'"). Therefore, a manifestation of mutual assent is an essential prerequisite to the creation or formation. *See Creel v. Lilly*, 354 Md. 77, 101 (1999). Moreover, in determining whether the parties intended to be bound to a contract, Maryland courts have long adhered to objective contract interpretation. *See Anderson Adventures, LLC v. Sam & Murphy, Inc.*, 176 Md. App. 164, 178 (2007). Meaning, "[i]f a contract is unambiguous, the court must give effect to its plain meaning and not contemplate what the parties may have subjectively intended by certain terms at the time of formation." *Nova Research, Inc. v. Penske Truck Leasing Co., L.P.*, 405 Md. 435, 448

(2008). Accordingly, this Court must "presume that the parties meant what they expressed." *Anderson,* 176 Md. App. At 178.

A manifestation of mutual assent requires two elements: (1) an intent to be bound, and (2) definiteness of terms. *See Cohran v. Norkunas*, 398 Md. 1 (2007) (citing JOSEPH M. PERILLO, CORBIN ON CONTRACTS, §2.8 p. 131 (Rev. ed. 1993)). If the parties do not intend to be bound until a final agreement is executed, then there is no contract. *Id.* at 14. In the case *sub judice*, we assume the Agreement contained all of the material terms, therefore we need not address whether the terms were definite. Thus, we will look at the Agreement and the actions of the parties to determine whether there was an intention to be bound. One such way, is to examine the contract for signatures and whether it is required as a condition precedent.

The purpose of a signature to a contract is "to demonstrate 'mutuality or assent' which could as well be shown by conduct of the parties." *See Porter v. General Boiler Casing Co., Inc.,* 284 Md. 402 (1979) (internal citations omitted). Ordinarily, signatures are neither required in order to bring a contract into existence, nor necessary to the execution of a written contract. *See Stern v. Bd. Of Regents*, 380 Md. 637, 731 (2004). However, when the terms of the contract make the parties' signature a condition to the formation of the contract, it is necessary. *See Porter,* 284 Md. at 410-11 (1979) ("the making of a valid contract requires…no signatures unless the parties have made them necessary at the time they expressed their assent and as a condition modifying that assent.")

(quoting ARTHUR L. CORBIN, CORBIN ON CONTRACTS §31, at 114 (1963)). *See also, Eastover Stores v. Minnix,* 219 Md. 658. 665-66 (1959) stating,

> …it is possible for parties to enter into a binding informal or oral agreement to execute a written contract; and, if the parties contemplate that an agreement between them shall be reduced to writing before it shall become binding and complete, there is no contract until the writing is signed. And the intention of the parties in this respect must be determined by the facts and circumstances in each particular case.

Accordingly, signatures create a condition precedent in a contract. A condition precedent is "a fact, other than mere lapse of time, which, unless excused, must exist or occur before a duty of immediate performance of a promise arises." *Chirichella v. Erwin,* 270 Md. 178, 182 (1973); *see also, Pradhan v. Maisel*, 26 Md. App. 671, 677 (1975) ("where a contractual duty is subject to a condition precedent, whether express or implied, there is no duty of performance until the condition precedent is either performed or excused.")

In addition to signatures, federal courts have identified several other factors that may be relevant to determine whether the parties have manifested an intention to be bound. Those factors include: (1) the language of the preliminary agreement; (2) the existence of open terms; (3) whether partial performance has occurred; (4) the context of the negotiations; and (5) the custom of such transactions, such as whether a standard form contract is widely used in similar transactions. *See Cohran*, 395 Md. 1, 15 (2007) (citing *Teachers Ins. and Annuity Ass'n v. Tribune Co.,* 670 F. Supp. 491, 499-503 (S.D.N.Y. 1987). Nevertheless, the agreement itself is the most important factor in determining what

the parties intended. *See Shillman v. Hobsetter*, 249 Md. 678, 689(1968) ("In determining the intention of the parties, the language of the instrument is the primary source for that determination."); *see also*, *Teachers Ins.*, 670 F. Supp. at 499 (The…first and most important factor looks to the language of the preliminary agreement for indication whether the parties considered it binding or whether they intended not to be bound until the conclusion of final formalities.").

When ruling on the issue of whether there was no meeting of the minds to the interim agreement, the trial court ruled:

> [there is] certainly no written contract, no written, signed contract in existence. What we do have is a series of writings continuously exchanged and modified to some extent. At least as to the interim agreement…*In this Court's opinion there was never any meeting of the minds as to either the interim agreement or the operating agreement. What the parties did do was agree that they wouldn't continue negotiations concerning the writings as they no longer wanted to incur legal fees*. I think we called it lawyer fatigue. And I get that. So what they did was they decided they were just going to work things out because things were going along ok.

(emphasis added). Essentially, the trial court found that because the parties had negotiated the Agreement multiple times, sent multiple drafts, and still could not agree to its terms, they had no intention to be bound. We are inclined to agree.

Because we review this case for error, we look to the evidence adduced at trial to determine whether the court's decision was clearly erroneous. Based on the testamentary evidence, it appears to this Court that Appellants and Appellee never intended to be bound

by the Agreement because, "business wasn't doing well and [Mr. Greenberg] didn't want to spend any more [money on] attorney's fees." The parties felt that because they were not making as much money as anticipated, had they continued negotiating the agreement, they were "essentially going to be out of business." Moreover, the Agreement was not "completely finalized because there were still some…loose ends specifically with [Mr. Venick] that needed to be taken care of." It is clear from these facts, that although the parties intended to be bound at some point, they had no intention of being bound to the Agreement at that time. It follows that, an intention to be bound in the future, does not predicate an intention to be bound at the time of negotiation.

Looking at the document itself, the Agreement possesses a condition precedent. It states, "…the Parties enter into this Agreement by affixing their signatures below with the intention of being legally bound." Accordingly, had the parties intended to be bound by the Agreement – as it appeared at that time, they would have signed it, leading to an intention to be bound. There are no factors here that suggests that the parties intended to be bound to the Agreement at that time. Therefore, we affirm the trial court.

Appellants attempt to argue that because the parties followed the Agreement in "principle" that they are bound by partial performance. Not so, the parties used the Agreement as a road map to guide their merger until they could find an agreement that was acceptable to all parties. This is evident when obligations of the Agreement were not complied with by all parties. Portions of these obligations would have been essential for

the merger to be in effect. Thus, we hold that there was enough material evidence adduced at trial for the court to determine that there was no manifestation of intent by the parties to be bound. Further, at no time after the parties began working together, did they execute or sign an agreement to solidify their obligations to each other. Accordingly, we hold that based on the evidence adduced at trial, the circuit court did not make an error.

II. Existence of a Partnership or a Joint Venture

A. Parties' Contentions

Appellants contend that "there is no separate combined mortgage lending business; there is only MAS Associates, LLC." Thus, Appellants argue because MD. CODE ANN., CORPS. & ASS'NS §9A-202(c) provides that "[a]n unincorporated association or entity created under a law other than [RUPA, the Maryland Uniform Partnership Act and its amendments, or a comparable partnership statute of another jurisdiction] is *not* a partnership," MAS Associates, a limited liability company created under the LLC Act, "cannot be a partnership as a matter of law." (Emphasis added by Appellants). Further, in its reply brief, Appellants argue that there was no meeting of the minds as to a verbal partnership. Rather, Appellants claim, the lack of agreement proves that Appellee was an employee of MAS instead of a partner.

In support of this assertion, that Appellee was an employee, Appellants point to MD. CODE ANN., CORPS. & ASS'NS §9A-202(d)(3)(ii), which provides that "[a] person who received a share of the profits of a business is presumed to be a partner in the business,

unless the profits were received in payment for[, *inter alia*,] services as an independent contractor or of wages or other compensation to an employee." Appellants maintain that, because "[t]he profits that [Appellee] received in 2010 and 2011 were paid as W-2 wages and [Appellee] named MAS Associates, LLC as his employer in his 2010 tax returns," the legal effect of MD. CODE ANN., CORPS. & ASS'NS §§ 9A-202(d)(3)(ii) is that [Appellee] was an employee of MAS, not a partner. Likewise, Appellants point to the following as further evidence that a partnership was never formed: (1) both of Appellee's contribution checks contain the word "loan" in the memo line; (2) MAS's mortgage lending business continued to operate using the same license it had obtained before Appellee and Mr. Wax came on board; and (3) the non-existence of a signed Interim Agreement or Operating Agreement.

Appellee argues that a partnership existed not on the basis of a valid written agreement, because one was never signed, but rather on the basis of the "totality of the transactions." He asserts that the evidence of W-2 wages does not mean that a partnership did not exist in this case, because even independent counsel admitted in its testimony that one can be both an employee and an owner at the same time. Appellee contends that the court properly treated the $150,000.00 and $125,000.00 checks as capital contributions, despite the notation of "loan" on the memo lines. He maintains that Appellee, Mr. Greenberg, and Mr. Wax carried on as if they were partners, making capital contributions and sharing profits equally, whereas Ms. Greenberg and Mr. Venick, though the owners of

MAS on paper, acted in a manner that was wholly inconsistent with that of owners, at least when it came to the mortgage lending business.

B. Analysis

A joint venture[11] is created when two or more persons combine in a joint business enterprise for their mutual benefit with an understanding that they will share in profits and losses and have a voice in its management. *See Finch v. Hughes Aircraft Co.,* 57 Md. App. 190 (1984). Whether or not a joint venture exists, depends upon the intentions of the parties, similar to partnership. *Id.* at 236 ("[the intention of the parties] is to be determined from the facts of the case and in accordance with ordinary rules governing interpretation of contracts."). There exists no real distinction between a partnership and a joint venture. *See Beard v. Beard*, 185 Md. 178, 185-86 (1945) ("there is no real distinction between a joint adventure and what is termed a partnership for a single transaction. To constitute a joint adventure, the parties must intend to be associated as partners, either as general partners, or merely for the duration of the joint adventure.") (internal citations omitted). Because a joint venture is a partnership for a single transaction or a certain period of time, we apply

[11] Neither party in either its briefs or previous pleadings, make mention of the alleged partnership as a joint venture. Instead, we have interpreted the parties' intentions to work together until a formal merger can be conducted. It is clear from the facts that the parties intended to merge their respective businesses with MAS being the surviving entity. Because no such merger was conducted, as evidenced by the regulatory oversight indicated in *supra* note 3, the parties began to operate in a way that would bypass the need to notify the states in which MAS operates of a change of ownership. Moreover, in its ruling and response to Appellants Motion to Alter/Amend, the trial court calls the alleged partnership a "venture" on numerous occasions.

partnership law. *See Geo. Bert. Cropper, Inc. v. Wisterco Investments, Inc.*, 284 Md. 601, 614 (1979) ("We shall apply partnership law here in our determination of the controversy since it is partnership law which is applicable to joint ventures.").

We hold, irrespective of the parties not signing the Agreement, Appellee and Appellants entered into a joint venture for the short period of time between not signing the Agreement, and when they could agree on the terms of a merger, or sign a new interim agreement. This is evidenced by the parties continuing to work towards merging their respective companies despite not having a signed agreement. Further, the parties did not legally merge their companies, choosing to work as an alleged joint venture instead of notifying the states in which they operate, of a change of ownership. *See* note 3, *supra.* We interpret this behavior as an intention to create a joint venture, up and until, the ownership of MAS was changed and regulatory requirements were followed.

1. Intention to Create a Partnership/ Joint Venture

A partnership is an association of two or more persons to carry on as co-owners of a business. *See* MD. CODE ANN., CORPS. & ASS'NS §9A-101(i). Accordingly, there is no requirement that a partnership be formally established in a writing, as long as the definition is met. Thus, "whether or not a partnership exists is to be gathered from the intention of the parties revealed by their conduct and the circumstances surrounding their relationship and the transactions between them." *Presutti v. Presutti*, 270 Md. 193, 197-98 (1973); *see also*, *Miller v. Salabes*, 225 Md. 53, 55-56 (1961) ("the existence of a partnership *vel non*,

is a matter of the parties' intention proved by their expressed agreement, or inferred from their acts and conduct."); *McBriety v. Phillips*, 180 Md. 569, 574(1942) (The parties do not need to describe their business venture as a partnership, in order to create one, and their declared or verbal intention as to whether they intend to form a partnership is not controlling.); *LaRoque v. LaHood*, 93 Md. App. 625, 642 (1992) ("…[the intention of the parties to a partnership] may be manifest by the terms of their agreement…or by the circumstances surrounding the transaction.").

Since the intention can be manifested by the circumstances surrounding the transaction, a written agreement is not necessary to create a partnership, a partnership *inter sese* does not exist against the consent and intention of the parties; however, their intentions must be gleamed from proof. *See Garner v. Garner*, 31 Md. App. 641, 647 (1976); *see also, Presutti,* 270 Md. 193 (1973) (holding that where there is no express agreement to form a partnership, the court is to question whether a partnership exists by the intention of parties that is revealed by their conduct and circumstances). Essentially, like ducks, if it looks like a partnership, walks like a partnership, acts like a partnership, it's probably a partnership.

The burden of proving the existence of a partnership is on the party that alleges its existence. *See M. Lit., Inc. v. Berger*, 225 Md. 241, 248 (1961). If it is clear to this Court from the agreement, or lack thereof, and acts of the alleged partners, coupled with the circumstances surrounding the business that the parties did not intend to create a

partnership, we will hold that one did not exist. *See Madison Nat. Bank v. Newrath*, 261 Md. 321 (1971).

Generally, a partnership agreement governs the relationship amongst partners and their obligations to each other and the partnership. *See Della Ratta v. Larkin*, 382 Md. 553, 564 (2004). Because a partnership agreement creates a contractual relationship, the tenants of contract law are applicable to its interpretation. *See Klein v. Weiss,* 284 Md. 36, 63 (1978). Thus, we must first look to the available agreements between Appellants and Appellee to determine whether there was a written manifestation of intent to create a partnership. *See Shillman,* 249 Md. 678, 689 (1968). As mentioned in the section *supra*, there was no manifestation of intent to assent to the Agreement, therefore, assuming *arguendo*, if the agreement had included the terms partner or partnership, they would not have been bound. There exists no other document in the record that would indicate that the parties indicated an intention to be bound to a partnership. However, even when there exists no written agreement, this Court could still find an intention to create a partnership, if there is profit sharing and a community of interest in the business. *See Berthold v. Goldsmith*, 65 U.S. 536 (1860) (holding that in a partnership there must be a community). Although not every community of interest necessitates a partnership, it can be seen as evidence of a partnership absent an agreement. *Id.*

2. Profit Sharing as a Presumption of Partnership and Employee versus Partner

Because the existence of a partnership will not be presumed, but proven, there are several scenarios that can prove the existence or non-existence of a partnership. Thus, we look at the community of interest in the business, to wit, the profits derived therefrom, any capital contributed, and control. *See Morgart v. Smouse,* 112 Md. 615 (1910); *see also, Shipley v. Perlberg,* 140 Md. App. 257 (2001). First, we turn our attention to the receipt of a share in the business's profits and losses. *See Miller*, 225 Md. 53, 56 (1961) ("the receipt by a person of a share of the profits of a partnership business (with certain exceptions noted [in what is now MD. CODE ANN., CORPS. & ASS'NS §9A-202(d)]) is prima facie evidence that he is a partner in the business. The probative force of the sharing of profits is not conclusive on the question of the existence of a partnership, but may be rebutted by a showing of fact to the contrary."); *see also,* RUPA §202 c. 3. ("…a sharing of profits is a stronger indication of partnership than a sharing of gross receipts… Section 202(c) (3) states that a 'person who receives a share of the profits of a business is presumed to be a partner in the business, unless the profits were received in payment of a debt, for services, or rent, of an annuity, of interest on a loan or for the sale of goodwill or property."). Nevertheless, the mere showing of a division of profits is not, in itself, sufficient to show a partnership. *See Berger*, 225 Md. at 247 (1961). In fact, if the division

of profits was received in payment of a debt, as wages of an employee, rent, annuity, or as interest on a loan, then it is not probative of a partnership.[12]

In this case, the record establishes that the parties decided to, after an economic turnaround resulting in a profit for the business, began to distribute dividends to Appellee and Appellants. In an email presented at trial, Appellee states that because the business was making a profit, the parties should meet to consider monthly salaries.[13] This

[12] MD. CODE ANN., MD. CODE ANN., CORPS. & ASS'NS §9A-202(d)(3) states:

> A person who receives a share of the profits of a business is presumed to be a partner in the business, unless the profits were received in payment:
>
> (i) Of a debt by installments or otherwise;
>
> (ii) For services as an independent contractor or of wages or other compensation to an employee;
>
> (iii) Of rent;
>
> (iv) Of an annuity or other retirement or health benefit to a beneficiary, representative, or designee of a deceased or retired partner;
>
> (v) Of interest or other charge on a loan, even if the amount of payment varies with the profits of the business, including a direct or indirect present or future ownership of the collateral, or rights to income, proceeds, or increase in value derived from the collateral; or
>
> (vi) For the sale of the goodwill of a business or other property by installments or otherwise.

[13] In Appellee's email he states:

suggestion, made by Appellee, was based in profit sharing. Had MAS not turned a profit, it is unlikely that such a suggestion would have been made. On direct examination, Appellee testified the payment was a "draw against [the business's] profits." Appellant claims that "the profits [Appellee] received… were paid as W-2 wages, and [Appellee] named MAS Associates, LLC as his employer in his 2010 tax returns." Essentially, the monies received were not a share of the profits, but rather income as an employee. We shall discuss that assertion in the following section.

Employee versus Partner

Generally, a partner is not an employee. *See Bull v. Schuberth*, 2 Md. 38 (1852) (A laborer who received compensation for his services and a share of the net profits of his employer's business, but no other interest in the capital or profits, is not a partner with his employer). Moreover, the use of the word "co-owners," in the definition of partnership negates any notion that an employee is supposed to be a partner. *See* MD. CODE ANN., CORPS. & ASS'NS § 9A-101(i). Many courts have attempted to tackle whether, under certain circumstances, a partner can be considered an employee. For example, in Maryland

> …Looks like we will be at around $150,000 profit for the month. I guess we can all sit down this week and discuss monthly salaries as I think we all might like to start taking a paycheck…I would think somewhere around $10K per month for each of us would be a good start, and if the numbers continue, we could raise this in 90 days, and if we have a tough month, then maybe we all agree not to take anything. Anyway, let's talk about this.

a partner can be considered an employee for worker's compensation purposes, as long as an election is made and they devote full-time to the business of the partnership. *See* MD. CODE ANN., LAB & EMPL § 9-219 (b). Further, for tax purposes a partner may be considered an employee. *See Armstrong v. Phinney*, 394 F. 2d 661 (5th Cir. 1968). *But cf. Wilson v. U.S.*, 376 F. 2d 280 (1967). Nevertheless, if a person does not have any other interest in the capital of profits, they are an employee, not a partner.

In its reply brief, Appellants contend that all of the licenses to operate a mortgage business were in MAS's name. *See supra* notes 3 and 10. In support of its contention, it cites *Gosman v. Gosman*, 271 Md. 514, 518 (1974), where the court found that a partnership existed in part because of licenses with the partner's names. While Appellant is correct, the licenses in the venture were in MAS's name – because that was the only entity that was still licensed. The parties agreed, at some point, to operate under MAS's license after surrendering their own. At any rate, this is not a strong enough assertion to suggest that Appellee was an employee. Appellant further contends that because the bank accounts used were owned by MAS and because no buildings or any other property – real or otherwise, were acquired in the name of a partnership, one does not exist. We disagree. The evidence adduced at trial could have pointed the trial court in a direction showing that the contribution the partnership received was seed money,[14] as will be discussed *infra*, and

[14] Seed money is money used for setting up a new enterprise. *See Seed Money Dictionary*, Merriam-Webster, https://www.merriam-webster.com/dictionary/seed%20money (last visited, April 9, 2018).

that the parties were acting as a joint venture until the time where the merger would be completed and an interim agreement that was acceptable to all parties, was introduced.

We cannot definitively say, at this juncture, with just a share in the profits that there exists a partnership. We must next examine Appellee's community of interest in the alleged partnership— whether Appellee contributed capital or shared control, to determine whether a partnership truly exists.

3. Financial Contribution and Management

Another scenario in which a person is deemed a partner includes, whether the organization accepts a parties' capital contribution. *See Queen v. Schultz*, 888 F. Supp. 2d 145, 165 (D.D.C. 2012) ("look to the presence or absences of the attributes of co-ownership, including…capital contributions."). In Maryland, capital contributions are generally applicable to other corporate entities, like LLC's and limited partnerships. Thus, we will look at contributions as defined by the Revised Uniform Partnership Act ("RUPA"). Contributions, as defined by the Comments in RUPA are, "property or a benefit provided by a person to a partnership to become a partner or in the person's capacity as a partner." *See* RUPA §101 c. 13(a).

A voice in the management of business can further be indicative of a partnership. Although an old case, the Court of Appeals in Maryland in *Southern Can Company of Baltimore City v. Hartlove*, 152 Md. 303 (1927) (citing MEACHAM, ELEMENTS OF PARTNERSHIP (2d. Ed.), ruled:

> Care must therefore be taken to discriminate between the cases of an alleged loan, with a share of the profits by way of interest, and a real partnership disguised as a loan; for if it appears that the transaction is a mere device to obtain the advantages of a partnership, without the responsibilities, it will be held to be a partnership, whatever the parties may have called it. The interest is usually to be found, according to later cases, in the powers of control of the alleged lender. He has any voice or part in controlling the management of the business as a principal therein? He has, by virtue of the arrangement, such an interest in the business that he can be regarded both as principal and agent for the others.

In determining there was a partnership based on the contribution of all individuals involved, the trial court ruled:

> They each put in an equal amount of money. I understand that it is called a loan, but in this Court's opinion it was a capital contribution for purposes of funding a new venture sharing profits equally, and they did that. And when the sharing of profits reduced the net worth, which they had to maintain, they each contributed equally to increasing the net worth.

We agree. Both Appellants and Appellee each contributed $150,000 to MAS in an effort to fund the new venture. The purpose of the business arrangement was for Appellee, Mr. Wax, and Mr. Greenberg, to merge their respective mortgage lending businesses with MAS absorbing the other entities and remaining as the surviving mortgage entity. In an effort to fund that new venture, the parties were to contribute $150,000 to the accounts as seed money. In it's brief Appellants state: "Appellee and Mr. Wax each loaned $150,000 to Ms. Greenberg, which Ms. Greenberg then transferred to MAS's accounts as capital

contribution." The purpose of that money was to contribute to the new venture, regardless of the descriptive memo line on the instrument.

In regard to management, the trial court, in making its decision ruled that "each maintained equal control over their business. No one made a decision without everybody else agreeing to it." The facts suggest the same, Appellee had equal management power as Appellants. They agreed to do all of the hiring and firing as a decision making team. In Mr. Wax's direct examination, he states that he wouldn't want either Mr. Greenberg or Appellee to make a decision without them. In fact, he states "there are plenty of things I could have done that didn't require the three of us, but I never had a partner before that…" All parties agreed to share management of the day-to-day business decisions and operation of the venture. Accordingly, we hold that Appellee shared in the profits of the business and had equal share in management over the business. Therefore, we hold that there was a joint venture, between Appellee and Appellants, using MAS as the vehicle to conduct business until the parties could officiate their merger and follow regulatory guidelines to change ownership of MAS.

C. Conclusion

Appellants make a very interesting policy argument in its contention that Appellee was not a partner. It states:

> If the circuit court's reasoning is allowed to stand, business executives across the state of Maryland will be delighted to learn that they can acquire legal partnership interests in their employer, regardless of how that employer is legally

> organized, by doing nothing more than joining the workforce after a merger and sharing decision-making authority with others, then forcing their employer to buy them out when they resign. This cannot be the result that the General Assembly intended.

Appellant is correct, this is neither what the General Assembly intends, nor what this Court is ruling. This Court is not holding that a business executive who only has, perhaps management rights and is paid a salary in wages, can acquire partnership interests through their work with the business. Rather, this Court is holding that if there is no written document to solidify what the parties intended, thereby leaving it to a court to sort through the facts, in which a writing would have certainly been helpful, then the evidence adduced at trial is all the Court has in making its determination. We cannot say with certainty that, had we been sitting as the finder of fact, and had this evidence had come before this Court, we would have found—as did the trial court below—that Appellee proved the existence of a partnership[15] by the preponderance of the evidence. Nevertheless, in reviewing the record before us, we cannot say that the trial court's determination was clearly erroneous.

[15] The parties only presented their questions in regards to a partnership. We considered whether it was possible for Appellee to have become a member of the LLC, through some sort of oral or implied modification to the organization's Operating Agreement. After a cursory glance at the Operating Agreement, it states that any amendments to the operating agreement must be made in writing with the consent of its members. Accordingly, the original members of the LLC were Ms. Greenberg and Mr. Venick, therefore no modification bearing Appellee's or Mr. Wax's name appears. As such, it renders the notion that Appellee became a member through some sort of oral agreement moot.

III. One-Third Partnership Interest

A. Parties' Contention

Appellants argue that "the trial court's decision to name MAS as a fourth partner was an abuse of discretion because it was not a theory advanced by Appellee." Also, that the court erred in calculating the buyout price owed to Appellee upon his decision to quit the mortgage lending business. In a footnote in its brief, it argues:

> Even if the Court rejects all of these arguments, it is inescapable that the amount of the judgment must be reduced by hundreds of thousands of dollars. As Judge King noted, '[i]n the absence of agreement to the contrary, each partner in the partnership is entitled to an equal share of the profits,' The court found that there were *four* partners….yet awarded Appellee a one-*third* partnership interest, without any evidence that there would be an unequal sharing of profits.

(emphasis in original). It further contends that in determining there was a fourth partner, the trial court abused its discretion because it was not a theory advanced by Appellee. Appellant also maintains, but does not include any guiding principle, case law, or statute, "in order to determine this buyout price, therefore, a party seeking relief must both establish the existence of partnership assets and present expert testimony about the value of those assets. [Appellee] failed to do either." Further, Appellant argues that there was no evidence adduced at trial that MAS was partnership property—because no testimony existed to prove that the parties transferred MAS to the partnership.

Appellee asserts that he, Mr. Greenberg, and Mr. Wax made salary and bonus decisions together, entered into binding business contracts together, created new bank

accounts to keep the mortgage lending business's money separate and distinct from the money of MAS's other businesses, and represented themselves to third-parties as co-owners of the mortgage lending business. All of this evidence, according to Appellee, supports the trial judge's ruling that a partnership indeed existed between himself, Mr. Greenberg, and Mr. Wax. Finally, Appellee contends that the trial judge properly calculated his one-third share of the combined mortgage lending business.

We hold the court's decision was not to include MAS as a fourth member of the partnership, but the vehicle by which the joint venture conducted its business. Therefore, the trial court did not err in finding that Appellee was entitled to a one-third interest in the partnership property.

B. Standard of Review

An abuse of discretion occurs "where no reasonable person would take the view adopted by the [trial] court," or when the court acts without reference to any guiding rules or principles. *See North v. North*, 102 Md. App. 1, 13 (1994). An abuse occurs when a judge exercises their discretion in a capricious manner or when they act beyond the letter or reason of the law. *Ricks v. State*, 312 Md. 11, 31 (1988). Because trial judges are afforded such broad discretion, absent some serious error, abuse of discretion, or autocratic action, the appellate courts will not disturb those decisions. *Sumpter v. Sumpter*, 436 Md. 74, 82 (2013). Thus, we review this question through the lens of giving deference to the

trial court and recognizing that the abuse of discretion standard is only reviewable when there exists extraordinary circumstances.

C. Discussion

1. Abuse of Discretion

Prior to discussing the dissociation issue, we must first turn our attention to the idea that the trial court abused its discretion in determining that MAS was a fourth partner. We are inclined to agree with the trial court. In a ruling in order following Appellants Motion to Alter, Amend, or Revise Judgement, the court held "the formation of a partnership was raised as an issue in the pleading and, more important, the entire case turned on whether or not a partnership was formed; therefore, the Defendants had notice and opportunity to be heard on this question." Because partnership was raised in the pleadings, and the bulk of the case turned on that issue, it is logical that the trial court then determined the existence of a partnership and its partners, even if it was not explicitly raised in Appellee's pleadings. Thus, there is no abuse of discretion and we shall continue with the clearly erroneous standard, explained *supra*.

2. Partnership Dissolution and Property

A partnership does not automatically dissolve due to changes in its membership, rather, the existing partners may remain partners should they elect to buy out the dissociating partner. *See Creel v. Lilly*, 354 Md. 77, 90 (1999). The buy-out price is determined by the amount that would have been distributable to the dissociating partner

under the provision of RUPA governing winding up the partnership's business. *See* MD. CODE ANN., CORPS. & ASS'NS §9A-807, *see also, Bollinger v. Bollinger,* 242 Md. 307 (1966) (an ex-partner was entitled to interest, from date of partnership dissolution, on value of his share in the partnership). Thus, in order to determine the amount of interest owed to a withdrawing partner, the court must look at the partnership assets and property and apportion those assets depending on the partner's share. As mentioned *supra*, we follow the maxims of partnership law as it is applied to joint ventures.

Partnership Property

Partnership property is property of the partnership and not that of the partners individually. *See* MD. CODE ANN., CORPS. & ASS'NS §9A-203. Even if the property is not held in the name of the partnership, it can still be construed as partnership property depending on the intention of the parties. *See Matter of Urban Development Co. and Associates*, 452 F. Supp. 902, 905 (1978) ("the key to whether property not held in the partnership name is partnership property is 'the intention of the parties to devote it to partnership purposes.'") (internal citations omitted). The intention of the parties can be gleamed by weighing all the pertinent facts and circumstances. *See U.S. v. Chapel Chase Joint Venture Inc.*, 753 F. Supp. 179 (1996); *see also, Kay v. Gitomer*, 253 Md. 32, 35-36 (1969) ("…the intention of the parties to devote it to partnership purposes, to be found

from the facts and circumstances surrounding the transaction considered in connection with the conduct of the parties in relation to the property.").

Further, if partnership assets and funds are used to purchase the property, there is a strong presumption that the property belongs to the partnership. *See Price v. McFee*, 196 Md. 443 (1950); *see also,* MD. CODE ANN., CORPS. & ASS'NS §9A-204 (c) ("Property is presumed to be partnership property if purchased with partnership assets, even if not acquired in the name of the partnership or of one or more partners with an indication the instrument transferring title to the property of the person's capacity as a partner or of the existence of a partnership.").

When the trial court apportioned the partnership interest in Appellee's favor, it ruled that the partnership comprised of Mr. Greenberg, Mr. Wax, Appellee, and MAS. In determining that MAS was not a partner in this venture, it ruled "MAS did not share in the partnership profits equally with Mr. Greenberg, Mr. Wax, and [Appellee]. MAS provided the license for the partnership to operate the mortgage lending business and, in return, the partnership paid the rent, utility bills, and provided additional funds necessary to operate the excluded businesses." It further ruled, Appellee was entitled "to the assets of the accounts to operate the business, and [Appellee] is entitled to his proportionate share of the business' value at the time of his dissociation." Accordingly, the court considered testimony and a valuation of the combined mortgage lending businesses to determine the valuation of one-third interest in the business.

We agree, but take a different approach. Appellee was, at the time of his dissociation, entitled to an interest in the partnership's assets. Those assets include any profits earned by MAS, not earned by the excluded businesses. We explain.

MAS Associates, LLC, is a Limited Liability Company, with only two members, Saralee Greenberg and Ken Venick. According to its SDAT filings, Mr. Greenberg is listed as the resident agent. Indeed, none of the partners of the joint venture are listed as owners of the LLC, and the fact that Mr. Greenberg is listed as the resident agent, does not predicate ownership. But the goal and intent of the parties was to change the ownership of the LLC In pursuit of that quest, the parties contributed money to fund the LLC, ran the LLC – with no guidance, input, or financial aid from Mrs. Greenberg and Mr. Venick.[16] Moreover, the

[16] The trial court ruled, in response to Appellants Motion to Alter, Amend or Revise Judgement, "[n]otwithstanding the fact that Mrs. Greenberg and Mr. Venick were the owners of MAS on paper, their conduct was wholly inconsistent with that of owners under the Maryland Corporations and Associations Article and their own LLC Operating Agreement." The court also noted:

> If Mrs. Greenberg ever had any actual control over the company, she abandoned all control when Appellee and Appellants combined their mortgage lending business in December 2009. In fact the [Appellants] admit to the same, stating 'Mrs. Greenberg testified…that she was not involved in the negotiations between [Appellants and Appellee], nor did she actively participate in day-to-day operations of MAS after December 1, 2009.' Starting in December 2009, [Appellants and Appellee] operated their business as equal owners, making decisions together, managing the day-to-day operations together and sharing in the profits and losses together… the evidence showed when it was convenient for [the parties] to be

parties presented themselves to the public as owners. It is feasible, that the parties' "'intended or attempted to change their business [ownership] structure' so that [Appellee, Mr. Greenberg, and Mr. Wax] eventually became members of the LLC" It follows that the parties intended to own MAS, but did not follow through, perhaps to curtail the necessity to file the adequate paperwork to effectuate a merger.[17] This Court is not ruling that a group of alleged partners can acquire ownership status in an already established LLC – one that was in existence long before the creation of the partnership. Rather, we are ruling that when a partnership attempts to acquire the ownership rights of an established LLC – even through a failed merger, funds the business, attempts to secure lines of credit for the business, begins the process of exercising ownership, holds themselves out as owners of the LLC, and uses the LLC as a vehicle by which to conduct business –because the parties

> partners – in securing lines of credit, in dealing with employees, and in opening bank accounts – they were partners.

[17] In Appellants' reply brief, it cites an opinion from an Arizona appellate court, *Vortex Corp. v. Denkewicz*, 235 Ariz. 551 (Ariz. Ct. App. 2014), in support of its contention that both the trial court and Appellee are incorrect when arguing that the parties used MAS as a vehicle for partnership operations. This case is distinct from *Vortex,* because although facts of that case are similar to the issues presented before this Court, the intention of the parties is different. In *Vortex,* the parties were using an already established LLC to conduct business but had no intention to form a partnership. The Arizona appellate court dismissed that claim because the parties were already working through the LLC and had no intent to create a partnership with the LLC's members. Here, the parties manifested an intent to create a partnership and to use the long-standing LLC as a way to conduct business until regulatory guidelines could be followed.

refused to follow regulatory guidelines in changing names on licenses, it is partnership property.

Finally, we understand Appellants' confusion as to the one-fourth interest issue. It is clear from the trial court's ruling that MAS was not a partner in the partnership, but merely the vehicle in which the partnership operated. Instead, the partnership consisted of Mr. Wax, Mr. Greenberg, and Appellee. We thus believe that Appellee is entitled to his contributions that were made in an effort to fund the business. Looking at the trial court's ruling, and its subsequent ruling to Appellant's Motion to Alter/Amend or Revise Judgement, it is clear that the court estimated his value to the partnership at $793,000 with 10% interest per annum from March 10, 2011. We hold that the court calculated this with regard to the testimony and evidence adduced at trial. Therefore, we hold that its determination was not clearly erroneous and affirm the trial court.

JUDGMENT OF THE CIRCUIT COURT FOR BALTIMORE COUNTY AFFIRMED. COSTS TO BE PAID BY APPELLANT.