

Circuit Court for Baltimore County
Case No. 03-C-17-008783

UNREPORTED
IN THE COURT OF SPECIAL APPEALS
OF MARYLAND

No. 913

September Term, 2019

ANNE F. PINEAU

v.

STEPHEN A. GEPPI

Meredith,
Nazarian,
Arthur,

JJ.

Opinion by Arthur, J.

Filed: April 20, 2020

*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.

Appellant Anne F. Pineau, her husband Richard S. Pineau, and appellee Stephen A. Geppi were co-guarantors and co-obligors on a commercial loan that was secured by an interest in real estate. The borrower defaulted, and the real estate was sold at a foreclosure sale, but the sale proceeds were insufficient to satisfy the full amount due. Mr. Geppi eventually reached an agreement with the lender's assignee, under which he paid a portion of the deficiency, and the assignee agreed to forgive the rest.

In the aftermath of the default, Mr. Pineau filed suit against Mr. Geppi, and Mr. Geppi counterclaimed. Later, Mr. Geppi filed a separate suit against Mrs. Pineau. In both the counterclaim against Mr. Pineau and the separate suit against Mrs. Pineau, Mr. Geppi alleged that he had paid more than his proportionate share of a joint liability and, hence, that he was entitled to contribution from his co-obligors.

The Circuit Court for Baltimore County ruled that Mr. Geppi was not entitled to contribution from Mr. Pineau. Mr. Geppi appealed, and this Court affirmed. *Stephen A. Geppi v. Richard S. Pineau, et al.*, No. 1363, September Term 2017, 2019 WL 6040499 (Md. App. Nov. 14, 2019). In affirming the judgment in favor of Mr. Pineau, this Court reasoned that Mr. Geppi had expressly waived his right to contribution when he signed the loan documents. On March 27, 2020, the Court of Appeals denied Mr. Geppi's petition for a writ of certiorari.

Meanwhile, the Circuit Court for Baltimore County had entered judgment against Mrs. Pineau and in favor of Mr. Geppi on his contribution claim against her. Mrs. Pineau's timely appeal from that judgment is before us now.

In light of the Court of Appeals’ denial of the petition for a writ of certiorari in Mr. Geppi’s case against Mr. Pineau, both Mr. Geppi and Mrs. Pineau agree that the judgment against Mrs. Pineau cannot stand, and they have filed a “Consent Motion to Reverse and Vacate the Trial Court’s Judgment Against Anne E. Pineau.”

We too agree that the judgment cannot stand. Simply put, if Mr. Geppi expressly waived his right to contribution against Mr. Pineau when he signed the loan documents, he must also have waived his right to contribution against Mrs. Pineau when he signed those same documents. The circuit court committed legal error when it entered judgment against Mrs. Pineau on the basis of claims that Mr. Geppi had expressly waived.

Because the judgment below was based on an erroneous legal premise and is being replaced in its entirety by the contrary judgment of this Court, the appropriate remedy is to reverse. *Carpenter Realty Corp. v. Imbesi*, 369 Md. 549, 562 (2002) (“[a] reversal is defined as ‘the annulling or setting aside by an appellate court of a decision of a lower court’”) (quoting *Litman v. Mass. Mut. Life Ins. Co.*, 825 F.2d 1506, 1514 n.11 (11th Cir. 1987)).

**JUDGMENT OF THE CIRCUIT COURT
FOR BALTIMORE COUNTY REVERSED;
COSTS TO BE PAID BY APPELLEE.**