Circuit Court for Cecil County
Case No. C-07-CV-17-000446

UNREPORTED

IN THE COURT OF SPECIAL APPEALS

OF MARYLAND

No. 2318

September Term, 2018

ESTATE OF NORMAN J. CARTER

v.

R&M ENTERPRISES, INC., ET AL.

Fader, C.J.,
Beachley,
Battaglia, Lynne A.
(Senior Judge, Specially Assigned),

JJ.

Opinion by Fader, C.J.

Filed: May 22, 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.

The Estate of Norman J. Carter, the appellant, asks this Court to reverse an order of the Circuit Court for Cecil County granting summary judgment in favor of R&M Enterprises, Inc. ("R&M") and Buttonwood Beach Marina, Inc. ("Buttonwood"), the appellees. The Estate first contends that the court should not have considered the motion for summary judgment at all. Even if the motion were properly presented, the Estate argues, the court should have denied it because the record revealed genuine disputes of material fact. Although we hold that the motion was properly before the court, ultimately we conclude that there remained a genuine dispute of material fact regarding whether the agreement at the center of this dispute remained in effect. We will therefore vacate the award of summary judgment and remand for further proceedings consistent with this opinion.

BACKGROUND

R&M, Buttonwood, and the Stockholders

R&M is a real estate investment and holding company that owns and operates Buttonwood Beach, a recreational vehicle resort in Earleville, Maryland. Buttonwood leases waterfront property from R&M and operates a marina on that property. Until Mr. Carter's death, R&M and Buttonwood were both owned by the same four individuals. Leonard E. Wilson and Robert A. Parrack[1] each owned 27 shares of each company and

[1] Mr. Parrack owned these shares as a joint tenant with his wife, Janet Parrack.

Deborah L. Carter and Mr. Carter each owned 13½ shares.[2] Each of these individuals had varying degrees of involvement in R&M and Buttonwood. Mr. Wilson was the president and general counsel of both entities. Mr. Parrack provided accounting services and acted as treasurer. Deborah Carter served as corporate secretary, a role in which, among other duties, she kept minutes of R&M board meetings. She also assumed a general manager role over time. Mr. Carter was the outdoor supervisor at Buttonwood and served as vice president of both entities.

The Redemption Agreement

This dispute centers on a Redemption Agreement that was entered into by R&M, Buttonwood, and the four stockholders on August 1, 2007. In basic terms, the Redemption Agreement provided that upon the death of any of the stockholders, R&M would buy out that stockholder's shares using the proceeds of life insurance policies that the company had taken out on the stockholders' lives for that purpose. Specifically, the agreement:

- Recited that R&M had taken out life insurance policies on the lives of each of the four stockholders in the amounts of $500,000, with respect to Messrs. Wilson and Parrack, and $250,000, with respect to Mr. Carter and Deborah Carter. That insurance was "purchased for the purpose of financing a stockholders redemption agreement in the event of the death of certain of the stockholders";

- Provided, in paragraphs 1 and 2, that in the event of the death of Messrs. Wilson or Parrack, each agreed to sell all of his stock in R&M and Buttonwood back to the respective companies "for the sum of

[2] Although Mr. Carter and Deborah Carter were apparently engaged at one point, they were never legally married. Nonetheless, Deborah Carter legally changed her surname to "Carter." Mr. Carter's spouse at the time of his death was Gertrude Carter. To avoid confusion, we refer to Deborah Carter and Gertrude Carter using their first and last names.

$500,000.00, the said sum to be paid within thirty days from the date of collection of insurance proceeds on the life of" the stockholder;

- Provided, in paragraphs 3 and 4, that in the event of the death of Mr. Carter or Deborah Carter, each agreed to transfer all of his or her stock in R&M and Buttonwood to the other (i.e., Mr. Carter to Deborah Carter and vice versa), in exchange for "the payment to [his or her] Estate of $250,000.00, said sum to be advanced by R&M [] from the proceeds of the insurance policy as hereinbefore referenced."

According to Mr. Wilson's deposition testimony, the stockholders had agreed that the sums of $500,000 and $250,000 were "a fair price at that time," but they did not receive any independent valuation of the stock.

The last provision of the Redemption Agreement that is relevant to the current dispute is paragraph 5, which provides: "The term of this Agreement shall be the maturity date of the insurance policies in force."[3] The agreement does not define "maturity date" or "the insurance policies in force."

The Insurance Policies

Although the Redemption Agreement referenced four different insurance policies in place at the time the parties entered into the Redemption Agreement—one on each of the stockholders—and there were apparently three others in place at the time of Mr. Carter's death—one on each of the stockholders other than Mr. Wilson—only one policy is included in the record. That is Empire General Life Assurance Company policy

[3] The Redemption Agreement also provides a right of first refusal to the stockholders with respect to the sale of each other's shares. The right of first refusal is not at issue here.

number 00485596, which R&M took out on the life of Mr. Carter effective as of August 26, 2005. The Policy Schedule page provides the following information:

POLICY SCHEDULE

FACE AMOUNT: $250,000
AGE AT ISSUE: 62
SEX: MALE
INSURED: NORMAN J CARTER
OWNER: R & M ENTERPRISES INC

POLICY NUMBER: 00485596
DATE OF ISSUE: August 26, 2005
EXPIRY DATE: August 26, 2039

PREMIUM CLASS: STANDARD, NONSMOKER
INITIAL PREMIUM PERIOD: 10 YEARS
CHANGE OF PLAN PERIOD: 10 YEARS

SCHEDULE OF BENEFITS AND PREMIUMS

FORM NO	BENEFITS	BENEFIT AMOUNT	ANNUAL PREMIUM	INITIAL PREMIUM PERIOD
	LIFE INSURANCE	$ 250,000	$1,422.50*	10 YEARS

*SEE PAGE 3A FOR SUBSEQUENT PREMIUMS.

The next page of the policy, page 3A, identifies the annual premiums payable for the insurance. The annual premiums were to remain constant at $1,422.50 throughout the ten-year "initial premium period," and then increase fairly precipitously, beginning at $26,500 in policy year 11 and rising to $233,800 in policy year 34, when Mr. Carter would have been 95 years old. The Empire General policy does not use the term "maturity" anywhere in its terms, but does define Termination, as follows:

> **Termination**. All coverage under this policy will terminate when any one of the following events occurs:
>
> (1) The policy reaches its Expiry Date.
>
> (2) The Owner requests that coverage terminate. Such written request will require the return of this policy.

(3) The Insured dies.

(4) The Grace Period ends and the required premium has not been paid.

Deborah Carter testified that R&M owned similar Empire General policies on her life and those of Messrs. Wilson and Parrack at the time they all entered into the Redemption Agreement in 2007.

In August 2015, before the end of the Empire General policies' ten-year initial premium period, R&M sought to obtain "coverage that was affordable to fund the buy-sell agreement." According to Deborah Carter, R&M successfully converted the Empire General policies taken out on herself and Messrs. Carter and Parrack to policies with Protective Life Insurance Company providing the same death benefits.[4] With respect to Mr. Carter, as summarized by the Estate's expert witness in his expert report:

> Application to replace the maturing [Empire General] Term policy #E00485596 with a Universal Life policy was signed and submitted on August 17, 2015 to Protective Life Insurance Company in the amount of $250,000.00 death benefit. Protective Life issued Universal Life policy #B00706852 with a policy effective date of 08/26/2015 covering the life of Norman J. Carter in the amount of $250,000.00.

Although the policy itself is not included, the record contains a Protective Life "application for conversion or exchange," dated August 17, 2015 and signed by Mr. Carter,[5] and a Protective Life "amendment to application," dated September 11, 2015, which identifies

[4] According to its website, "[i]n 2007, Protective Life Insurance Company acquired Empire General Life Insurance Co." *See Empire General Life Insurance Co.*, https://www.spectruminsurancegroup.com/empire-general/ (last visited May 20, 2020) (emphasis removed).

[5] Deborah Carter also testified that Mr. Carter signed this application himself.

the Protective Life policy as an "[e]vidence free conversion of policy E00485596 to B00706852." The amendment is signed by Deborah Carter, as Secretary of R&M, and by Mr. Carter.

Although R&M succeeded in continuing insurance coverage on the lives of three of its stockholders in 2015, it did not do so on the life of Mr. Wilson, who was older than the other stockholders. As reflected in the minutes of an R&M Board of Directors meeting, insurance providing a $500,000 death benefit for Mr. Wilson would have cost $425,115 annually. As a result, Mr. Wilson "was not insured at the renewal of the term policies in August 2015." Mr. Wilson later agreed that, in light of the insurance situation, his estate would accept $250,000 paid directly by R&M for his shares. He made that announcement at a January 18, 2017 meeting of the R&M Board of Directors, which Mr. Carter did not attend.[6] Minutes of an October 2017 Board meeting, held months after Mr. Carter's death, reflect that the remaining stockholders accepted Mr. Wilson's proposal and, on that basis, voted to "keep the current Redemption Agreement dated August 1, 2007, valid and enforceable."

The Underlying Dispute

Mr. Carter passed away on February 27, 2017. The Orphan's Court for Cecil County appointed Gertrude Carter as Personal Representative of the Estate.

[6] The minutes of the meeting reflect that Mr. Carter had been diagnosed with Alzheimer's disease and placed in a rehabilitative facility in December 2016.

After collecting the insurance proceeds from Protective Life, R&M sent Gertrude Carter, in her capacity as Personal Representative, a check for $250,000 and asked that she surrender Mr. Carter's shares of R&M and Buttonwood. Gertrude Carter, however, refused to surrender any of Mr. Carter's stock to R&M. On August 14, 2017, R&M and Buttonwood filed suit in the circuit court against the Estate, seeking specific performance of the Redemption Agreement. In September 2017, Gertrude Carter returned R&M's $250,000 check.

Summary Judgment

Along with their complaint, R&M and Buttonwood filed a motion for summary judgment, in which they asserted that there were no genuine disputes of material fact and that they were entitled to a judgment enforcing the Redemption Agreement. In response, Gertrude Carter submitted an affidavit of defense not available pursuant to Rule 2-501(d). The affidavit asserted that "[u]nder Provision 5 of the Redemption Agreement, the term of that Agreement is synonymous with the maturity date of the insurance in force on August 1, 2007," and, therefore, that the Estate

> must be able to review both the insurance policies in effect on August 1, 2007 and on February 27, 2017 to determine the maturity date of those policies in force on August 1, 2007 to establish that the Redemption Agreement was in force on February 27, 2017 when Norman J. Carter died.

Because R&M had refused to provide copies of those policies, Gertrude Carter contended that discovery was required before the Estate could be in position to oppose the motion for summary judgment.

The court held a hearing on the motion in December. At the close of the hearing, the court ruled from the bench that it would "deny the Motion for Summary Judgment at this point." However, the court went on, "You may wish to re-file it after the discovery date has concluded and the matter is going to have to be argued on the principles of contract construction, what does this contract mean?" The court subsequently issued a written order denying the motion "at this time because the Defendant has raised a defense to the Motion for Summary Judgment pursuant to Md. Rule 2-501(d) and presented an Affidavit of Defense Not Available."

On April 17, 2018, R&M filed a line to renew the motion for summary judgment. R&M did not present any new arguments or evidence, but simply attached the original summary judgment papers to the line. In response, the Estate first argued that the plaintiffs were not entitled to renew their motion because there had been no "change of fact or law which would warrant re-submission." On the merits, the Estate contended that discovery had evinced a genuine dispute of material fact as to whether the Redemption Agreement had terminated before Mr. Carter's death.

A different judge held a hearing on the renewed motion in mid-August, by which time discovery had been completed. The court concluded that the motion had been properly renewed and also agreed with R&M and Buttonwood on the merits. In explaining its ruling, the court quoted at length from a passage in R&M's and Buttonwood's summary judgment brief that argued that the Redemption Agreement: (1) was "valid and enforceable," and "fair, reasonable, and certain in all [its] terms"; (2) "provide[d] a clear

valuation of the shares at a price agreed to by each shareholder"; (3) "set[] forth the manner in which the buyout will occur"; and (4) was duly executed by Mr. Carter and the other stockholders. The court concluded that there were no material factual disputes, that R&M had performed under the agreement, and that the Estate was required to comply by surrendering Mr. Carter's shares in R&M and Buttonwood. The Estate timely appealed.

DISCUSSION

A court may grant summary judgment only if "there is no genuine dispute as to any material fact" and "the party in whose favor judgment is entered is entitled to judgment as a matter of law." *George v. Balt. County*, 463 Md. 263, 272 (2019) (quoting Md. Rule 2-501(f)). "Whether summary judgment was granted properly is a question of law," reviewed "without deference to the deciding . . . court." *Id.* (quoting *Lightolier v. Hoon*, 387 Md. 539, 551 (2005)). "We review the record in the light most favorable to the non-moving party and construe any reasonable inferences that may be drawn from the well-pled facts against the moving party." *George*, 463 Md. at 272 (quoting *Barclay v. Briscoe*, 427 Md. 270, 282 (2012)). "When analyzing the decision of the circuit court, we consider only the grounds for granting summary judgment relied upon by the court." *Macias v. Summit Mgmt.*, 243 Md. App. 294, 313 (2019).

I. THE RENEWED MOTION FOR SUMMARY JUDGMENT WAS PROPERLY BEFORE THE COURT.

The Estate first contends that the renewed motion for summary judgment was not properly before the circuit court because the plaintiffs had not demonstrated a change in circumstances after that motion had previously been denied. That argument is meritless.

The motion was denied in response to an affidavit of defense not available, pursuant to Rule 2-501(d).[7] The court denied the motion for the express purpose of allowing discovery to proceed, and with the express contemplation that the motion could be re-filed later. The renewed motion was thus properly before the court.

II. THE COURT ERRED IN GRANTING SUMMARY JUDGMENT TO R&M.

The Estate contends that the circuit court erred in granting summary judgment to R&M and Buttonwood because "[t]he record in this case is replete with genuine disputes between the parties about material facts." Although we do not agree fully with that assertion, we do agree that there is at least one genuine dispute of material fact that should have precluded the entry of summary judgment. That dispute concerns whether the Redemption Agreement remained in effect after August 2015, once there was no longer an insurance policy in force on Mr. Wilson's life.

When reviewing a grant of summary judgment, "we must first ascertain, independently, whether a dispute of material fact exists in the record on appeal." *Macias*, 243 Md. App. at 313. If "any material facts are in dispute . . . , we resolve them in favor of the non-moving party." *John L. Mattingly Constr. Co. v. Hartford Underwriters Ins.*, 415 Md. 313, 325 (2010) (quoting *Blondell v. Littlepage*, 413 Md. 96, 110 (2010)). "If no

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[7] Rule 2-501(d) provides:

> *Affidavit of Defense Not Available.* If the court is satisfied from the affidavit of a party opposing a motion for summary judgment that the facts essential to justify the opposition cannot be set forth for reasons stated in the affidavit, the court may deny the motion or may order a continuance to permit affidavits to be obtained or discovery to be conducted or may enter any other order that justice requires.

material facts are in dispute, [we] must determine whether the Circuit Court correctly entered summary judgment as a matter of law." *Id.*

"The interpretation of a contract, including the determination of whether a contract is ambiguous, is a question of law, subject to *de novo* review by an appellate court." *Erie Ins. Exch. v. Estate of Reeside*, 200 Md. App. 453, 461 (2011) (quoting *Maslow v. Vanguri*, 168 Md. App. 298, 317 (2006)). We interpret contracts under "the objective theory of contract interpretation." *Credible Behavioral Health, Inc. v. Johnson*, 466 Md. 380, 393 (2019). "Under this approach, the primary goal of contract interpretation is to ascertain the intent of the parties in entering the agreement and to interpret 'the contract in a manner consistent with that intent.'" *Id.* (brackets omitted) (quoting *Ocean Petroleum Co. v. Yanek*, 416 Md. 74, 88 (2010)). Accordingly, "unless a contract's language is ambiguous, we give effect to that language as written without concern for the subjective intent of the parties at the time of formation." *Ocean Petroleum*, 416 Md. at 86. That is, where the language is unambiguous, "we consider the contract from the perspective of a reasonable person standing in the parties' shoes at the time of the contract's formation." *Id.* To determine whether a contract is ambiguous, we "consider[] 'the character of the contract, its purpose, and the facts and circumstances of the parties at the time of the execution.'" *Phoenix Servs. Ltd. P'ship v. Johns Hopkins Hosp.*, 167 Md. App. 327, 392 (2006) (quoting *Pacific Indem. Co. v. Interstate Fire & Cas. Co.*, 302 Md. 383, 388 (1985)).

All of the Estate's assertions of material factual disputes relate to a single issue, which is whether the Redemption Agreement remained in effect at the time of Mr. Carter's

death in 2017. That issue turns on the proper interpretation of paragraph 5 of the agreement, which provides: "The term of this Agreement shall be the maturity date of the insurance policies in force." The Estate contends that the Redemption Agreement had terminated before Mr. Carter's death because the Empire General policy on his life that was in force when the parties entered into the Redemption Agreement matured on August 26, 2015. Moreover, the Estate argues, although R&M obtained a replacement policy on Mr. Carter's life, the Redemption Agreement nonetheless terminated because R&M did not obtain a replacement policy on Mr. Wilson's life. Although we disagree with the Estate's first contention, we agree that there is a genuine dispute of material fact regarding whether the Redemption Agreement survived the failure to maintain coverage on Mr. Wilson's life after August 2015.

A. Background Regarding Term Life Insurance Policies

Because the outcome of this appeal ultimately turns on the meaning of "the maturity date of the policies in force" in paragraph 5 of the Redemption Agreement, we pause to provide some background on term life insurance policies. "Term life insurance provides coverage over a specified period of time. Typically, term insurance policies are written for 1, 5, 10, or 20 years, or to a specified age." Nat'l Ass'n Ins. Comm'rs, Ctr. for Ins. Pol'y & Res., *Life Insurance*, https://content.naic.org/cipr_topics/topic_life_insurance.htm (last updated May 6, 2020). One common type of term life insurance is a level term policy. Such a policy typically features a policy "face value"—that is, the amount to be paid upon the death of the individual covered—that remains the same over the term period. *Id.* "Term

insurance may have premiums that increase annually or," like the policy here, "premiums that remain fixed for a certain number of years, such as five or ten years, and then are adjusted." Karol K. Sparks, *Insurance Activities of Banks* § 16.02 (2d ed. 2020-2 Supp.). It is incumbent upon the policy owner to continue paying the increased premiums if she or he wishes to continue coverage. *See* William J. Brisk and Susana Lannik, *Long-term Care Insurance Crisis Calls for Creativity*, 46 Est. Plan. (RIA) 25, 26 (May 2019).

In contrast to term insurance, permanent insurance builds up tax deferred cash value. Nat'l Ass'n Ins. Comm'rs, *supra*. *See generally id.* (defining and describing features of common types of permanent life insurance). A permanent life insurance policy is said to "mature" when the cash value of the policy equals the face value of the policy. Chris Brantley, *How to Change the Maturity Date on Whole Life Insurance Policy*, Zacks.com, https://finance.zacks.com/change-maturity-date-whole-life-insurance-policy-11413.html (last visited May 20, 2020). Term life insurance policies technically do not "mature" in the same sense permanent policies do because they do not accrue cash value.[8] *See* Douglas R. Richmond, *Liability Issues in the Sale of Life Insurance*, 40 Tort Trial & Ins. Prac. L.J. 877, 878-79 (2005) ("Assuming that the insured does not die, at the end of the term, the policy expires with no maturity value.").

Although normally associated with permanent life insurance, "maturity" is sometimes used to refer to the end of a term life insurance policy. *See, e.g.*, Mike Parker,

[8] Black's Law Dictionary defines "maturity date" as "[t]he date when a debt falls due, such as a debt on a promissory note or bond." *Maturity Date*, Black's Law Dictionary (11th ed. 2019).

What to Expect When Term Insurance Reaches Maturity, Zacks.com, https://finance.zacks.com/expect-term-insurance-reaches-maturity-6704.html ("Once your policy matures, or reaches the end of its term, it ceases to exist. Your term life insurance policy expires and your coverage stops.") (last visited May 20, 2020). The expert report submitted by the Estate's expert witness, Tony L. Bennett, a Chartered Property Casualty Underwriter and Certified Insurance Counselor, reflects this same use of maturity in connection with term life insurance:

> In simple terms, the maturity of a life insurance policy is the point in time when the policy ceases to operate. Maturity is achieved in several different ways, depending on the type of policy in question. A policy will reach maturity at the death of the insured, and the benefit paid out. A life policy can reach maturity at a given age of the insured . . . . A term policy will mature at the end of the initial term that was purchased and issued. Failure to pay the required premium will cause the policy to mature and expire. Failure on the part of an insured to pay back a loan against the policy will cause the policy to mature and expire.
>
> When one purchases a term life insurance policy, it will contain dates as to when the policy will mature. With Term life insurance the coverage runs for a pre-agreed period, with options being any defined period expressed in annual increments. If the insured selected a term life insurance product and is still alive at the end of the period of insurance there will be no payment made by the insurance company. The policy will expire.
>
> If, however, the insured dies during the period of insurance, the agreed benefit amount will be paid as a lump sum to the beneficiary(s). The policy has reached maturity and will then expire in exactly the same way."

B. Interpretation of Paragraph 5 of the Redemption Agreement

With that background, we turn back to paragraph 5 of the Redemption Agreement, which provides: "The term of this Agreement shall be the maturity date of the insurance policies in force." The Redemption Agreement does not define "maturity date," nor does

the Empire General policy itself even use that term. However, the common use of the term "maturity" to refer to the termination of term life insurance, in whatever manner that termination occurs, is fully consistent with the context and apparent purpose of the Redemption Agreement, which is a buyout agreement funded by insurance policies. It makes logical sense that the "term" of the Redemption Agreement would last as long as, but no longer than, the funding mechanism supporting it.

R&M does not offer an alternative interpretation of paragraph 5. Instead, R&M suggests, and the circuit court seemed to agree, that the primary purpose of the Redemption Agreement was to establish the value of each stockholder's interest in the corporations. Thus, R&M seems to argue, the Estate's obligation to surrender Mr. Carter's shares in return for payment of $250,000 continued to exist, and to be enforceable, regardless of the existence of insurance. That interpretation, however, is inconsistent with paragraph 5, which expressly ties the continued existence of the agreement to the ongoing validity of the insurance policies.

In sum, we conclude that paragraph 5 of the Redemption Agreement unambiguously ties the termination date of that agreement to the termination of insurance coverage obtained by R&M to fund the stockholder buyout. We turn next to the two bases on which the Estate contends that the Redemption Agreement terminated before Mr. Carter's death.

C. Conversion of the Empire General Insurance Policy on Mr. Carter's Life in 2015 Did Not Terminate the Redemption Agreement.

The Estate contends that the conversion of Mr. Carter's Empire General policy to the Protective Life policy in 2015 was a "maturity" event that triggered the termination of the Redemption Agreement as of August 26, 2015, for two reasons: (1) there was a gap between the effective dates of the policies from August 26 to September 11, 2015; and (2) the Empire General policy was no longer "in force" after August 26, 2015. With respect to the first point, the summary judgment record contains no evidence of a "gap" in coverage. To the contrary, the application completed by R&M and Mr. Carter was for "conversion or exchange" of the Empire General policy, not for a new policy, and there is no evidence it was treated otherwise. Moreover, the Estate's expert conceded in his expert report that the converted policy was effective as of August 26, 2015, the end date of the initial premium period of the Empire General policy. The record on appeal contains no contrary evidence to generate a dispute of material fact regarding whether there was a gap in coverage.[9]

Although the Estate is certainly correct that the Empire General policy was no longer in force after August 26, 2015, we disagree that the conversion of that policy to the Protective Life policy constituted a "maturity" event for purposes of paragraph 5. First,

[9] Although we remain unclear regarding the source of the Estate's contention that there was a "gap" in the effective dates of the policies, it is possible that the Estate is relying on the fact that an amendment to the Protective Life policy that identified it as a conversion of the Empire General policy was signed September 11, 2015. However, the date on which a policy amendment is signed does not necessarily govern the policy's effective date.

paragraph 5 ties the life of the Redemption Agreement to "the maturity date of the insurance policies in force," without specifying whether that means the specific policies "in force" as of August 1, 2007, or insurance policies continuously "in force" during the term. If the intent were to tie the termination date of the Redemption Agreement to the specific Empire General policies that were then in place, without allowing for the replacement of those policies by others, the agreement could easily have said so. Instead, the agreement referred generally to the policies "in force." Black's Law Dictionary defines "in force" to mean "[i]n effect; operative; binding." "In force," *Black's Law Dictionary* (11th ed. 2019); *see also* "In force," *Merriam-Webster's Collegiate Dictionary* 489 (11th ed. 2014) ("valid, operative"). The common understanding of "in force" suggests that the Redemption Agreement was to last as long as there were operative, binding, and valid insurance policies in effect to fund it.

Second, the Estate's interpretation is at odds with the apparent purpose of the agreement to provide a funding mechanism for the buyout. With regard to that purpose, nothing in the agreement or the context surrounding it suggests that there was anything unique about the Empire General policies. Although those policies had been in effect since 2005, the agreement does not reference them by any distinguishing feature (e.g., policy number, term, issuing company, etc.), nor has the Estate proffered any reason why those particular policies bore any relevance to the agreement. The Estate also has not presented any evidence or argument to suggest that the Protective Life policies were not equally capable of funding the buyout.

Third, under the terms of the Empire General policy, what occurred as of August 26, 2015 was not a termination event. The policy identified four termination events: (1) reaching its expiration date (of August 26, 2039); (2) the owner's request for termination; (3) the insured's death; or (4) failure to pay the premium before the end of a grace period. The evidence in the summary judgment record does not establish that any of those events transpired as of August 26, 2015. Instead, the Empire General policy on Mr. Carter's life was converted to another policy, issued by Empire General's successor, which provided the same amount of coverage but with a new premium schedule. In other words, the insurance coverage remained in force, just under another policy. Nothing in the Redemption Agreement or the Empire General policy, and nothing about the context in which the Redemption Agreement was entered, suggests an objective intent for the Redemption Agreement to terminate upon the conversion of one $250,000 life insurance policy to another with a more affordable premium.

The Estate argues that there are genuine disputes of material fact regarding whether the conversion of the Empire General policy to the Protective Life policy triggered paragraph 5. First, the Estate points to a letter Mr. Wilson wrote to Mr. Carter in 2007, in which he expressed a belief that the insurance would "run[] out, in about eight years," and that the stockholders would then "probably have to work on some other buyout method as we will all be too old for insurance in the event we are all still here." The Estate contends that this letter creates a genuine dispute of material fact regarding whether the Redemption Agreement actually terminated in 2015. We disagree. For the reasons already discussed,

the Redemption Agreement is not ambiguous on this point and, therefore, we need not consider extrinsic evidence to interpret it. Moreover, even if we were to consider the letter, it would not change our analysis. The Empire General policies did not "run[] out" in 2015, nor were they scheduled to do so; rather, the premiums were scheduled to increase. And Mr. Wilson's prediction that the stockholders would need to find an alternative mechanism to fund the buyout when those premiums started to increase turned out to be right only with respect to himself. Insurance for Mr. Wilson was apparently too expensive to continue—a fact which will drive our analysis in the next section—but that did not preclude R&M from securing continued insurance coverage on Mr. Carter's life.

Second, the Estate contends that a genuine dispute of material fact is created by the opinion of its expert witness that the Empire General policy on Mr. Carter's life "was allowed to mature and expire on August 26, 2015 effectively allowing the Redemption Agreement to expire." The interpretation of a contract is an issue of law, however, not of fact. *See Erie Ins. Exch.*, 200 Md. App. at 460. We have taken into account the views of the Estate's expert witness concerning the factual issues raised on summary judgment, including the definition of maturity in the insurance context. But we do not defer to the Estate's expert witness regarding the proper interpretation of paragraph 5 of the Redemption Agreement. *See Alban v. Fiels*, 210 Md. App. 1, 22 (2013) ("[E]xpert witnesses ordinarily may not give opinions on questions of law.").

In sum, we conclude that the conversion of Mr. Carter's Empire General policy to a Protective Life policy in 2015 did not trigger the termination of the Redemption Agreement pursuant to paragraph 5.

D. A Genuine Dispute of Material Fact Exists Regarding Whether the Termination of Insurance Coverage on Mr. Wilson's Life Terminated the Redemption Agreement in 2015.

The Estate also contends that the termination of insurance coverage on Mr. Wilson's life in 2015 was a "maturity" event that triggered the termination of the Redemption Agreement. On that issue, we conclude that there is a genuine dispute of material fact that should have precluded the award of summary judgment.

Paragraph 5 provides that the term of the Redemption Agreement is the "maturity date of the insurance policies in force." As we have already discussed, the insurance coverage on Mr. Carter did not mature when it was converted and continued under a new policy number. The parties appear to agree that the insurance coverage on Deborah Carter and Mr. Parrack was handled in the same way as that on Mr. Carter. But it is also undisputed that the insurance coverage on Mr. Wilson's life terminated as of August 26, 2015 and was not replaced. For purposes of paragraph 5, the coverage on Mr. Wilson's life therefore reached its "maturity date." We see nothing in the Redemption Agreement itself that resolves whether termination under paragraph 5 is triggered when insurance policies remain in force with respect to only three of the four stockholders. We conclude that the Redemption Agreement is ambiguous on that point and that nothing in the summary judgment record allows us to resolve that question as a matter of law.

We observe that the three remaining stockholders appear to have resolved this issue among themselves by their agreement to alter the Redemption Agreement to provide for a reduced buyout amount for Mr. Wilson's shares, to be paid directly by R&M instead of with insurance proceeds. That agreement was not concluded until after Mr. Carter passed away, however, and we have been pointed to nothing in the summary judgment record that establishes that he (or any authorized agent) consented to it. Notably, it was on the basis of their agreement to that alternative treatment of Mr. Wilson's shares that the three remaining stockholders voted to "keep the current Redemption Agreement dated August 1, 2007, valid and enforceable." That begs the question whether the Redemption Agreement was valid and enforceable before they came to that resolution.

In sum, we hold that a genuine dispute of material fact exists regarding whether the Redemption Agreement expired upon the termination of insurance coverage on Mr. Wilson. *See Titan Indem. Co. v. Gaitan Enters.*, 220 F. Supp. 3d 626, 630 (D. Md. 2016) ("When . . . 'there is a *bona fide* ambiguity in the contract's language or legitimate doubt as to its application under the circumstances . . . the contract [is] submitted to the trier of the fact for interpretation.'" (quoting *Bd. of Educ. v. Plymouth Rubber Co.*, 82 Md. App. 9, 26 (1990))). We therefore conclude that summary judgment should not have been awarded, and will remand for further proceedings.

JUDGMENT OF THE CIRCUIT COURT FOR CECIL COUNTY VACATED AND REMANDED FOR FURTHER PROCEEDINGS CONSISTENT WITH THIS OPINION. COSTS TO BE PAID BY THE APPELLEE.