MAINE SUPREME JUDICIAL COURT Reporter of Decisions
Decision: 2026 ME 110
Docket: BCD-25-555
Argued: October 8, 2026
Decided: November 19, 2026

Panel: STANFILL, C.J., and MEAD, CONNORS, DOUGLAS, and LIPEZ, JJ.

SEAL COVE AUTO MUSEUM

v.

JOHN J. SANFORD et al.

LIPEZ, J.

[¶1] In 2020, the parties to this appeal, Seal Cove Auto Museum, the Richard C. Paine, Jr., Automobile Collection Charitable Trust (the Trust or the Charitable Trust), and the Trust's trustees, John J. Sanford and John Peabody Monks Higgins (the Trustees), entered into a settlement agreement and an amended relationship agreement to resolve a legal dispute. In 2022, after the Trust announced a plan to donate $1,000,000 to the Owls Head Transportation Museum, Seal Cove filed a motion to enforce, arguing that the donation to Owls Head violated the Trust's and the Trustees' obligations under the agreements. After a bench trial, the Business and Consumer Docket (*Duddy, J.*) denied the motion, and Seal Cove now appeals, primarily asserting that the trial court misinterpreted relevant provisions of the amended relationship agreement and

erred in finding that the Trust had not breached that agreement. Upon review of Seal Cove's arguments, we conclude that they lack merit, and we accordingly affirm.

I. BACKGROUND

[¶2] This is not the first time that we have addressed an appeal involving these parties. As we explained in *Attorney General v. Sanford*:

> Richard Paine Jr. established Seal Cove in 1963 and the Richard C. Paine, Jr., Automobile Collection Charitable Trust (the Trust) in 1986. The Trust and Seal Cove were established to maintain and display Paine's large collection of antique automobiles. Following Paine's death in 2007, the Trust acquired most of Paine's automobiles and an endowment to support maintenance and display of the automobile collection. Sanford and Higgins presently serve as trustees of the Trust.
>
> . . . The Declaration of Trust expressly permits, but does not require, the Trustees to make distributions of Trust income or principal to Seal Cove.

2020 ME 19, ¶¶ 4-5, 225 A.3d 1026.[1] We draw the following description of this chapter of the dispute between the parties from the trial court's order on the motion to enforce.

[1] In *Sanford*, we concluded that Seal Cove possesses the rights of a qualified beneficiary of the Trust and that the trial court had accordingly erred in dismissing for lack of standing Seal Cove's complaint alleging that the Trustees had received excessive fees and engaged in self-dealing. 2020 ME 19, ¶¶ 7, 22, 225 A.3d 1026.

[¶3] Seal Cove, the Trust, and the Trustees have engaged in substantial litigation. Following their most recent dispute, the parties entered into the settlement and amended relationship agreements, the latter effective January 1, 2021, that are the subject of this appeal.

[¶4] The Trust consists of three categories of assets: (1) the acquisition fund; (2) the endowment fund—referred to in the amended relationship agreement as "Endowment Assets"; and (3) the tangible assets. Under the settlement agreement, the Trust agreed to transfer $700,000 from the acquisition fund to the endowment fund and the Trustees agreed to pay $350,000 to the endowment fund. In addition, the amended relationship agreement, which is incorporated into the settlement agreement, provides:

> The Charitable Trust will manage its own intangible property free of any control by [Seal Cove], provided that the Trustees agree to make investment decisions consistent with the goal of providing [Seal Cove] at least $200,000 of annual support during the term of this Agreement while at the same time reasonably protecting and maintaining the value of the corpus of the Charitable Trust.

The amended relationship agreement also obligates the Trust to provide Seal Cove annually with "the greater of (1) $200,000.00 or (2) 4.5 percent of its 'Endowment Assets' as averaged over the past twelve fiscal quarters for use as [Seal Cove] may determine for [Seal Cove]'s corporate and legal purposes."

[¶5] In December 2021, Sanford informed Seal Cove that the Trust intended to donate $1,000,000 from its endowment fund to Owls Head. The Trust paid the first installment of $500,000 to Owls Head at the end of that month, with the remaining $500,000 to be paid over five years.

[¶6] In response, Seal Cove filed a motion to enforce the settlement agreement in September 2022, alleging that the Trust's commitment to Owls Head violated the agreement's terms. As a remedy for the claimed breach, Seal Cove sought an order "directing the Trustees to seek return of the funds already donated to [Owls Head] and to cancel [their] pledge of future donations."

[¶7] After a pretrial dispute regarding the scope of Seal Cove's motion, the details of which we describe below, the matter proceeded to a two-day evidentiary hearing at which the court heard testimony from the president of Seal Cove's board, the then-executive director of Seal Cove, the Trustees, and an expert on trust management.

[¶8] On November 13, 2025, the court entered judgment denying Seal Cove's motion to enforce. The court concluded that the amended relationship agreement unambiguously gives "the Trustees exclusive discretion to manage the Trust's funds as long as they (1) provide [Seal Cove] with, at minimum, $200,000 a year; and (2) reasonably maintain the value of the corpus of the

Trust," and that Seal Cove had presented no evidence that the Trustees acted in derogation of these obligations. In particular, the court found that the value of the Trust had increased since the parties entered into the settlement agreement and that the donation to Owls Head accordingly had not unreasonably depleted the value of the Trust or impaired its long-term financial stability. This timely appeal by Seal Cove followed. *See* M.R. App. P. 2B(c)(1).

II. DISCUSSION

[¶9] Seal Cove's arguments on appeal are twofold: first, that the trial court abused its discretion in limiting the scope of the hearing on the motion to enforce; and second, that the court erred in determining that Seal Cove had not established a breach of the agreements. We address each argument in turn.

A. Scope of Hearing

[¶10] Seal Cove asserts that the trial court's decision to limit the scope of the evidence presented at the final hearing on the motion to enforce constituted an abuse of discretion. We disagree.

[¶11] "A trial court has broad discretion to control the order and timing of presentation of evidence and to set and enforce reasonable time limits on testimonial hearings." *E.g.*, *Capelety v. Estes*, 2023 ME 50, ¶ 20, 300 A.3d 817 (quotation marks omitted); *see* M.R. Evid. 611(a) ("The court must exercise

reasonable control over the mode and order of examining witnesses and presenting evidence so as to: (1) Make those procedures effective for determining the truth; (2) Avoid wasting time; and (3) Protect witnesses from harassment or undue embarrassment."). Similarly, evidence must be relevant to be admissible. M.R. Evid. 401, 402 (providing that evidence must be "of consequence in determining the action" to be relevant and thus admissible). We review a court's trial-management decisions, including its evidentiary rulings, for an abuse of discretion. *Capelety*, 2023 ME 50, ¶ 17, 300 A.3d 817.

[¶12] At issue here is the trial court's decision made prior to the final hearing, and reaffirmed at the hearing itself, to permit the parties to address only "whether the Court should enter an [o]rder directing the Trustees to seek return of the funds already donated to Owls Head . . . and to cancel [their] pledge of future donations." This pretrial decision was prompted by Seal Cove's request to present evidence pertaining to several collateral issues—among them the Trustees' actions regarding insurance, tax returns, accounting, and membership dues to an automobile club—that it argued were relevant to the broader question of whether the Trust had fulfilled "[its] obligations to Seal

Cove." At the final hearing, the court scrupulously enforced its pretrial order, including by excluding large quantities of Seal Cove's proffered evidence.[2]

[¶13] Seal Cove contends that "evidence of how the Trustees behaved more generally . . . is key to evaluating whether the Owls Head gift constituted a breach," and that it was essentially impossible for it to prove that the Trust and the Trustees breached the settlement agreement without the ability to introduce evidence of the Trustees' alleged "other misdeeds" because "the Trustees' state of mind in connection with the Owls Head donation was key to Seal Cove's theory that [the Trust and the Trustees] violated their contractual and fiduciary duties in making it." This contention is not persuasive.

[¶14] The motion to enforce asked the court to decide only whether the gift to Owls Head violated the settlement and amended relationship agreements. As we discuss below, that question is answered by a relatively simple breach-of-contract analysis. Resolution of Seal Cove's motion did not require the court to assess whether the Trust and the Trustees fulfilled their

[2] The excluded evidence, according to Seal Cove, pertained to the Trustees' decision-making process regarding the gift to Owls Head; whether the Trust intended to reimburse Seal Cove for the costs associated with materials for maintaining operative vehicles; whether the Trust or its Trustees owed Seal Cove fiduciary duties and breached such duties; the long-term plan by the Trustees to donate or move the Trust's collection of cars to Owls Head; a disputed valuation of the Trust's tangible assets based on a 2018 expert report from prior litigation; whether the Trustees have ever set written goals for the Trust; whether the Trustees considered selling the Trust's most valuable tangible asset; and whether the Trustees were aware of an allegation that an Owls Head employee misappropriated funds in 2016.

fiduciary obligations writ large to Seal Cove. Indeed, Seal Cove could have brought a standalone claim for breach of fiduciary duty; it did not.[3] The trial court accordingly acted well within its discretion by limiting the scope of the hearing to only the question posed by the motion to enforce and by excluding evidence that was irrelevant to resolution of that question. *See* M.R. Evid. 401, 402.

B. Denial of Motion to Enforce

[¶15] The issue the court did decide—whether the Owls Head donation constituted a breach of the settlement and amended relationship agreements—turned on the court's interpretation and application of two provisions of the amended relationship agreement: (1) paragraph 4, which obligates the Trustees to "make investment decisions consistent with the goal of providing [Seal Cove] at least $200,000 of annual support during the term of this Agreement while at the same time *reasonably protecting and maintaining the value of the corpus of the Charitable Trust*" (emphasis added); and (2) paragraph 6, which requires the Trust to "provide to [Seal Cove] annually the greater of (1) $200,000.00 or (2) 4.5 percent of its 'Endowment Assets' as averaged over the past twelve fiscal quarters."

[3] We express no opinion as to whether such a claim would be viable.

[¶16] The crux of Seal Cove's claim is that by authorizing the donation to Owls Head, the Trustees breached their obligation under paragraph 4 to "reasonably protect[] and maintain[] the value of the corpus of the Charitable Trust," because the donation depleted the endowment fund used for the annual payments to Seal Cove. The court found to the contrary, interpreting paragraph 4 to require the Trustees to protect and maintain the entirety of the Trust's assets, not just those in the endowment fund, and then concluding that despite the commitment to Owls Head, the corpus of the Trust remained robust and the Trustees had kept up with the Trust's annual obligations to Seal Cove as set forth in paragraph 6.

[¶17] We first address Seal Cove's argument that the court misinterpreted the meaning of the word "corpus" in paragraph 4 of the amended relationship agreement and then address its argument that the court erred as a factual matter in finding that there was no breach.

1. Meaning of "Corpus"

[¶18] Seal Cove contends that the trial court erred as a matter of law when it interpreted the word "corpus" in paragraph 4 of the amended relationship agreement to refer unambiguously to the entirety of the Trust's

assets. In Seal Cove's view, that word, when read in context of the entire agreement, referred instead to the assets in the endowment fund only.

[¶19] We review de novo whether a contract is ambiguous. *E.g.*, *55 Oak St. LLC v. RDR Enters., Inc.*, 2022 ME 28, ¶ 15, 275 A.3d 316. If the contract is unambiguous, then we review its language de novo as matter of law, *id.*, considering only the plain meaning of the language within "the four corners of the instrument without resort to extrinsic evidence," *Alrig USA Acquisitions LLC v. MBD Realty LLC*, 2025 ME 11, ¶ 12, 331 A.3d 372 (quotation marks omitted). If, on the other hand, the language is ambiguous, meaning that it is reasonably susceptible to different interpretations, then we review the fact finder's interpretation of the contract for clear error. *55 Oak St. LLC*, 2022 ME 28, ¶ 15, 275 A.3d 316.

[¶20] Here, we agree with the trial court that the operative language of the amended relationship agreement "unambiguously . . . refers to the value of the entire Trust, not a discrete fund within the Trust." The pertinent language is in paragraph 4, regarding "the corpus of the Charitable Trust." "Charitable Trust" is a defined term in the amended relationship agreement: it refers to "the Richard C. Paine Jr. Automobile Collection Charitable Trust"—that is, to the entire Trust. Although the agreement does not define "corpus," that word is

commonly defined as "[t]he property for which a trustee is responsible; the trust principal." *Corpus*, Black's Law Dictionary (12th ed. 2024); *see also Corpus*, Webster's New World College Dictionary (5th ed. 2016) (defining "corpus" as, inter alia, "the main body of substance of anything" or "the principal, as distinguished from the interest or income, of an estate, fund, etc."). We see no other way to read the phrase "the corpus of the Charitable Trust" than as referring to the principal of the entire Trust. Seal Cove's argument—that "corpus" should be read to refer to the endowment assets only—distorts the language beyond its plain meaning. This is particularly so given that the term "Endowment Assets" is separately defined in paragraph 6 of the agreement yet appears nowhere in paragraph 4.[4] The trial court accordingly did not err as a matter of law in interpreting the amended relationship agreement.

2. No Breach

[¶21] Finally, we address Seal Cove's assertion that the court erred by finding that there was no breach of the settlement and amended relationship agreements because, despite the gift to Owls Head, the value of the Trust had increased since the parties entered into the agreements. Whether a breach of

[4] Paragraph 6 defines "Endowment Assets" as "the Charitable Trust's investments and other intangible assets, less current liabilities and less the Acquisitions Fund as described below."

contract occurred is a finding of fact that we review for clear error. *E.g.*, *H&B Realty, LLC v. JJ Cars, LLC*, 2021 ME 14, ¶ 10, 246 A.3d 1176.

[¶22] Seal Cove's argument, distilled to its essence, is that the donation to Owls Head was both unreasonably large and reflective of bad faith on the part of the Trustees.[5] As the trial court noted, the amended relationship agreement requires the Trust and the Trustees to do two things of consequence: reasonably protect and maintain the value of the Trust and honor the Trust's annual financial obligations to Seal Cove. The court's finding that the donation to Owls Head did not unreasonably deplete the value of the Trust or impair its long-term financial viability is amply supported by competent evidence in the record. We accordingly discern no error in the court's conclusion that Seal Cove failed to establish that the Trust or the Trustees breached the settlement or amended relationship agreements.

The entry is:

[5] We have considered Seal Cove's subsidiary arguments on these points and conclude that they are unpersuasive.

Judgment affirmed.

Timothy J. Bryant, Esq. (orally), and Thomas C. LeBlond, Esq., Preti, Flaherty, Beliveau & Pachios, LLP, Portland, for appellant Seal Cove Auto Museum

George T. Dilworth, Esq. (orally), and Susan M. Weidner, Esq., Drummond Woodsum, Portland, for appellees John J. Sanford, John Peabody Monk Higgins, and the Richard C. Paine, Jr. Automobile Collection Charitable Trust

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