

IN THE
SUPREME COURT OF THE REPUBLIC OF PALAU
APPELLATE DIVISION

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SUPREME COURT
OF THE
REPUBLIC OF PALAU

**OCHEGARUCHEI CLAN, ADELBAI RAMSON JULIO, and
OBIL-TELUK KAMILLA ELECHESEL KAIICH HOLDER,**
Appellants,
v.
BENITO THOMAS, et al.,
Appellees.

Cite as: 2020 Palau 11
Civil Appeal No. 19-018
Appeal from Civil Action No. 17-313

Argued: February 25, 2020
Decided: April 17, 2020

Counsel for Appellants Rachel A. Dimitruk
Counsel for Appellees Siegfried B. Nakamura

BEFORE: JOHN K. RECHUCHER, Acting Chief Justice
GREGORY DOLIN, Associate Justice
KEVIN BENNARDO, Associate Justice

Appeal from the Trial Division, the Honorable Oldiais Ngiraikelau, Presiding Justice,
presiding.

OPINION

PER CURIAM:

[¶ 1] Appellants (jointly, “Ochedaruchei Clan” or “the Clan”) challenge the Trial Division’s Order denying their Motion to Set Aside a Portion of the Stipulation Between the Parties pursuant to Rule 60 of the Rules of Civil Procedure. For the reasons set forth below, we **AFFIRM**.

BACKGROUND

[¶ 2] In April 2019, the parties negotiated a settlement and entered into a Stipulation regarding ownership of certain parcels of land in Ngerbelau Hamlet, Angaur State. Of relevance to this appeal, the Stipulation addressed a Lease Agreement that was then being negotiated between the parties and the Republic of Palau. The parties contemplated leasing part of their lands to the Government for establishment of a U.S. Aerial Domain Awareness (“ADA”) site. The Stipulation addressed how the profits from the lease, once consummated, would be allocated.

[¶ 3] At the time the Stipulation was agreed to, a lease agreement was not yet signed, consequently, neither the exact area to be leased nor the total amount of money the parties expected to recover from the endeavor were mentioned in the Stipulation. The Stipulation stated that the leased land “may include” five specific lots, Stipulation at 3, and that the Republic would pay \$16 per square meter for the leased land. Furthermore, the Stipulation specified that regardless of the lots actually leased, Ochedaruchei Clan would receive one million dollars, and that Appellees would receive the remainder of the lease proceeds. Finally, the parties agreed that “[i]n the event that [the] Lease Agreement is not entered into, then the Stipulation is void.” Stipulation at 4. On April 18, 2019, the Trial Division approved the Stipulation.

[¶ 4] A few days later, on April 30, the parties signed a Lease Agreement, leasing 271,807 square meters to the Republic. At \$16 per square meter, the proceeds from the transaction totaled \$4,348,912.

[¶ 5] Shortly thereafter, Ochedaruchei Clan filed a motion with the trial court to invalidate the portion of the Stipulation concerning the Lease Agreement. In support of the motion, the Clan argued that it entered into the Stipulation with the mistaken understanding “that the total amount of the lease proceeds would be approximately \$2.6 million as the size of the [leased] property was more or less approximately 163,000 square meters.” Pls.’ Am. Mot. Pursuant to Rule 60(b) (May 13, 2019) at 2. The Clan argued that relief from judgment was appropriate under Rule of Civil Procedure 60(b)(1) due to “mistake” or “surprise,” and under Rule 60(b)(6) due to “extraordinary circumstances” and equitable principles. While the motion

was pending, the Republic issued payments to the parties as called for in the Lease Agreement, and the Clan accepted the payment of one million dollars. On July 18, 2019, after substantial briefing, the Trial Division denied the Clan's motion to invalidate a portion of the Stipulation. This timely appeal followed.

STANDARD OF REVIEW

[¶ 6] We review denials of Rule 60(b) motions for abuse of discretion. *See, e.g., Soweï Clan v. Sechedui Clan*, 13 ROP 124, 128 (2006). Under this rubric, “a trial court’s decision will not be overturned unless that decision was clearly wrong.” *Estate of Tmetuchl v. Aimeliik State*, 13 ROP 176, 177 (2006) (internal quotation marks omitted). That said, “application of the wrong legal standard constitutes a *per se* abuse of discretion and warrants reversal.” *Whipps v. Idesmang*, 2017 Palau 24 ¶ 8.

[¶ 7] We review a trial court’s factual determinations for clear error, *Kiuluul v. Elilai Clan*, 2017 Palau 14 ¶ 4, and will reverse such “findings . . . only if no reasonable trier of fact could have reached the same conclusion based on the evidence in the record,” *Ngarbechesis Klobak v. Ueki*, 2018 Palau 17 ¶ 9 (internal quotation marks omitted).

DISCUSSION

[¶ 8] Ochedaruchei Clan contends that the trial court erred in three ways warranting reversal. In the alternative, the Clan contends that we must vacate and remand for the trial court to clarify the basis of its decision. *See Whipps*, 2017 Palau 24 ¶ 5 (“[I]f the basis for the trial court’s determination is not sufficiently clear to allow meaningful appellate review, we may remand for clarification.”). As we explain, even recognizing the inadequacies of the trial court’s written decision, we affirm its judgment.

A.

[¶ 9] The Clan first argues that the trial court “abused its discretion when it failed to apply the correct legal standard for Rule 60(b)(1).” Opening Br. at 6. Specifically, the Clan contends that the trial court failed to apply the legal

standard for analyzing a party's "unilateral mistake" as a basis for relief under Rule 60(b)(1).¹

[¶ 10] Rule 60(b)(1) provides that a court "may relieve a party . . . from a final judgment, order, or proceeding [based on] *mistake*, inadvertence, surprise, or excusable neglect." (Emphasis added.) "When . . . a party appeals a stipulation on the grounds of mistake, the validity of the stipulation is determined by reference to contract law." *Mesubed v. Urebau Clan*, 20 ROP 166, 168 (2013). As the Restatement of Contracts explains,

[w]here a mistake of one party at the time a contract was made as to a basic assumption on which he made the contract has a material effect on the agreed exchange of performance that is adverse to him, the contract is voidable by him if he does not bear the risk of the mistake . . . and (a) the effect of the mistake is such that enforcement of the contract would be unconscionable, or (b) the other party had reason to know of the mistake or his fault caused the mistake.

Restatement (Second) of Contracts § 153; *see also* 17A Am. Jur. 2d *Contracts* § 199 (2019) ("A party who makes a unilateral mistake as to a basic assumption on which the contract was made may void the contract if he or she does not bear the risk of the mistake."). A party bears the risk of a mistake when, *inter alia*, "he is aware, at the time the contract is made, the he has only limited knowledge with respect to the facts to which the mistake relates but treats his limited knowledge as sufficient." Restatement (Second) of Contracts § 154. We have not used the term "unilateral mistake" consistently in our jurisprudence, but it is clear that Palau follows the Restatement's standard for assessing the "mistake of one party." *See Mesubed*, 20 ROP at 168.

[¶ 11] Although the Trial Division's description of the facts indicates a recognition that the Clan was claiming mistake, *see* Tr. Div. Order at 6 ("Plaintiffs relied on the different iterations of the Lease Agreement, which

¹ Although Appellants raised both "mutual mistake" and "unilateral mistake" before the trial court, we follow Appellants' lead in focusing on "unilateral mistake" on appeal. Appellants have not maintained on appeal their contention that they are entitled to relief from judgment under Rule 60(b)(1) based on "surprise."

listed an area much smaller in size [than in the executed Lease Agreement]), its explanation of its legal analysis was cursory at best. The court below neither clearly identified nor clearly applied the pertinent “unilateral mistake” legal standards outlined above. Indeed, the trial court’s only citations to case law involve Rule 60(b)(6) motions or Rule 60(b)(1) motions regarding “excusable neglect,” not Rule 60(b)(1) motions regarding “mistake.”² *See* Tr. Div. Order at 4. From this seeming oversight by the trial court springs the Clan’s suggestion that we remand the matter so that the trial court can more fully explain its reasoning and address the “unilateral mistake” argument in the first instance. We decline the invitation.

[¶ 12] A remand in this case would be a waste of scarce judicial resources. Even if the trial court’s *reasoning* is somewhat unclear, and even if the trial court should have fully addressed the Clan’s arguments in the first instance, it is well established that we may affirm the trial court’s *judgment* on “any basis apparent in the record.” *Idid Clan v. Palau Pub. Lands Auth.*, 2016 Palau 7 ¶ 7 n.7 (quoting *Inglai Clan v. Emesiochel*, 3 ROP Intrm. 219, 222 (1992)). Further, affirming the judgment for a reason not fully articulated by the trial court is prudent where the record only supports one conclusion. That is, a remand is pointless where, as a matter of law, one party is entitled to a judgment in its favor. In this case, we determine that the Clan’s claim for relief under Rule 60(b)(1) based on “mistake” cannot be maintained as a matter of law.

[¶ 13] Assuming without deciding that Ochedaruchei Clan has otherwise demonstrated the existence of all other requisite elements of a unilateral mistake, the record supports only one conclusion, that the Clan bore the risk of its mistake. To reiterate, “[a] party bears the risk of mistake when ‘he is aware, at the time the contract is made, that he has only limited knowledge

² The trial court quoted *Dalton v. Borja*, 8 ROP Intrm. 302, 304 (2001), for the broad proposition that “[r]elief pursuant to Rule 60(b) will not be granted unless the movant establishes both injury and that circumstances beyond her control prevented timely action to protect her interests.” Tr. Div. Order at 4. However, for this proposition *Dalton* cites to *Irruul v. Gerbing*, 8 ROP Intrm. 153, 154 (2000), which deals specifically with the “extraordinary circumstances” standard for granting relief under Rule 60(b)(6). Similarly, *Ngeliei v. Rengulbai*, 3 ROP Intrm. 4, 10 (1991) and *United States v. Cirami*, 563 F.2d 26, 30 (2d Cir. 1977) concern “excusable neglect” under Rule 60(b)(1) and “extraordinary circumstances” under Rule 60(b)(6), respectively, not “mistake.”

with respect to which the mistake relates but treats his limited knowledge as sufficient.” *Mesubed*, 20 ROP at 168 (quoting Restatement (Second) of Contracts § 154). The Clan contends that it “did not bear the risk of mistake because [it] reasonably relied upon the terms of the Final Lease Agreement provided by the Republic of Palau, many of which were incorporated into the Stipulation and Order.” Opening Br. at 9. Essentially, the Clan contends that it was justified in relying on a draft version of the Lease Agreement, first circulated on September 27, 2018, which stated that the size of the ADA site was 163,430 square meters. *See* Appellants’ Ex. C at 2, Recital b. But even if this was the extant version of the Lease Agreement at the time the parties entered into the Stipulation, it was still merely an unexecuted draft rather than a “*Final Lease Agreement*.”³ Indeed, the Stipulation does not specifically reference the September 27, 2018 draft, does not in any way attempt to incorporate the draft’s terms as to the constituent lot sizes or the total size of the ADA site, and specifically contemplates that the parties might not be able to enter into a Lease Agreement, thereby voiding the Stipulation. Further, the record demonstrates that Ochedaruchei Clan was on notice that there was some question as to the actual size of the ADA site, and perhaps even the actual size of the constituent lots, based on differing size estimates in the December 19, 2017 Access Agreement and the two subsequent drafts of the Lease Agreement. *See* Appellants’ Exs. A, B, C. Thus, when the Clan signed the Stipulation, it functionally entered into a contract despite knowing that it had only limited knowledge as to the final size of the ADA site. *See Mesubed*, 20 ROP at 168. Because Ochedaruchei Clan was aware that its knowledge was limited but decided to proceed regardless, it bore the risk of mistakes in its assumptions. We therefore affirm the trial court’s denial of relief pursuant to Rule 60(b)(1).⁴

³ We recognize that the Republic of Palau referred to the September 27, 2018 document as the “revised *final* draft lease agreement.” *See* Appellants’ Ex. C at 1 (emphasis added). However, we do not think this characterization changes the fundamental fact that the September 27, 2018 document was proposed, unexecuted, non-binding, and subject to revision.

⁴ We reject Ochedaruchei Clan’s contention that its “mistake” should be evaluated in light of purported fraud, misrepresentation, or sharp practices by the Republic of Palau in how it negotiated the Lease Agreement. Without opining on whether the Republic acted improperly, we note that the Clan is seeking relief from a Stipulation that it signed *with Appellees*, not with the Republic, and that the Stipulation specifically provided the Clan with a mechanism

B.

[¶ 14] Ochedaruchei Clan next argues that “the trial court abused its discretion when it found that Rule 60(b)(6) did not apply when the Republic of Palau misrepresented the size of the lease.” Opening Br. at 12. According to the Clan, the “prevarication by the Republic” (in allegedly failing to properly disclose the expected size of the ADA site during the Lease Agreement negotiations) constitutes “extraordinary circumstances” warranting relief. *Id.*

[¶ 15] Rule 60(b)(6) provides for relief from judgment for “any other reason justifying relief from the operation of the judgment.” We have explained that “[t]his catch-all provision ‘affords relief from a final judgment only under extraordinary circumstances.’” *Estate of Tmetuchl v. Siksei*, 14 ROP 129, 130 (2007) (quoting *Irruul v. Gerbing*, 8 ROP Intrm. 153, 154 (2000)). Extraordinary circumstances justifying relief under Rule 60(b)(6) are “circumstances beyond [a party’s] control [that] prevented timely action to protect [the party’s] interests,” *Dalton v. Borja*, 8 ROP Intrm. 302, 304 (2001), or “unforeseen contingencies,” *Doe v. Doe*, 6 ROP Intrm. 221, 223 (1997) (internal quotation marks omitted).

[¶ 16] Because the Trial Division applied the proper legal standard for determining whether 60(b)(6) relief is warranted, *see* Trial Ct. Order at 4 (citing *Dalton* and *Irruul*), our role is limited to ensuring that, in denying relief, the Trial Division did not abuse its discretion. Ochedaruchei Clan fails to carry its heavy burden of convincing us that the trial court was “clearly wrong” in its discretionary determination as to the appropriateness of Rule 60(b)(6) relief. *Estate of Tmetuchl*, 13 ROP at 177. As the trial court correctly noted, even after signing the Stipulation, Ochedaruchei Clan had the option of refusing to sign the Lease Agreement, which would have voided the Stipulation and enabled the Clan to take any necessary action to protect its interests. Nor does the Clan’s contention that it “would have been required to

for voiding the agreement should it have been dissatisfied with the separately negotiated Lease Agreement. We also reject the Clan’s attempt to analogize its situation to that in *Siegel v. Levy Org. Dev. Co., Inc.*, 607 N.E.2d 194 (Ill. 1992). To the extent that *Siegel* is persuasive authority, it is clearly distinguishable on its facts and relies on a “due care” standard for analyzing a unilateral mistake that we do not follow. *Siegel*, 607 N.E.2d at 199-200.

file a Rule 60(b) motion even if Appellants had refused to sign the lease agreement,” Opening Br. at 13, change our analysis. By its terms, the Stipulation would have been “void”—not “voidable”—if the Clan had not signed the Lease Agreement. *See* Tr. Div. Judgment ¶ 5 (Apr. 18, 2019).⁵ The filing of a Rule 60(b)(4) motion to have the Stipulation set aside as void would be no more than a procedural formality, calling for the trial court to exercise its ministerial, rather than discretionary, function. Simply put, Ochedaruchi Clan was not helplessly at the mercy of any purported bad behavior by the Republic. In the end, we cannot say that the Trial Division erred in determining that Appellants’ situation does not fit the “extraordinary circumstances” framework.

C.

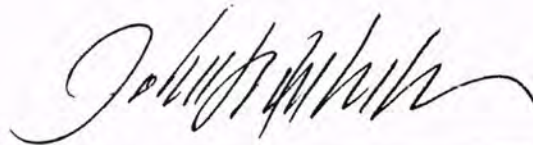
[¶ 17] Finally, we reject Ochedaruchi Clan’s assertion that the Trial Division “abused its discretion by making a clearly erroneous finding that Appellants should have ‘reasonably expected’” the size of the ADA site to be larger than what was represented in the September 27, 2018 draft lease agreement. Opening Br. at 16. Despite the Clan’s convoluted framing of the issue, it, at base, is challenging a factual determination by the trial court that does not appear to us to be erroneous, much less *clearly* so. *See Kiuluul*, 2017 Palau 14 ¶ 4. To the contrary, the record indicates that Ochedaruchi Clan was aware (based on differing estimates in the project documents over time) that the final size of the ADA site could differ from what was specified in the September 27, 2018 document. The Clan was aware that representations of the size of the ADA site and the constituent lots varied over time, and therefore, it could have reasonably expected the size of the ADA site in a final lease agreement to differ from the size in the September 27, 2018 document. Nor are we persuaded that the Trial Division’s specific finding that the Clan could have expected the *degree* of variance between the site size in the September 27, 2018 document and the final, executed Lease Agreement is so off the mark that “no reasonable trier of fact could have reached the same conclusion based on the evidence in the record.” *Ngarbechesis Klobak*, 2018 Palau 17 ¶ 9 (internal quotation marks omitted).

⁵ Although this document is denominated as an “Order” rather than a “Judgment,” the order granted the parties’ joint “Motion for Entry of Stipulated Judgment.”

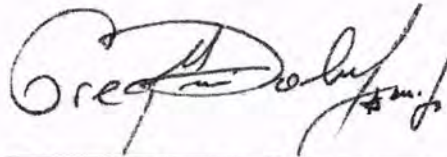
CONCLUSION

[¶ 18] The Trial Division's judgment is **AFFIRMED**.

SO ORDERED, this 17th day of April, 2020.



JOHN K. RECHUCHER
Acting Chief Justice



GREGORY DOLIN
Associate Justice

DOLIN, J., concurring:

[¶ 19] I join the opinion of the Court but write separately to respond to Justice Bennardo’s thoughtful dissent.

[¶ 20] There is much truth in the dissenting opinion—it is true that this is not the first time that the Appellate Division is “forced to do the Trial Division’s work.” *Ochedaruchei Clan*, *post*, ¶ 36 (Bennardo, J. dissenting). It is also true that “a trial court is required to issue a decision that reveals an understanding analysis of the evidence, a resolution of the material issues of ‘fact’ that penetrate beneath the generality of conclusions, and an application of the law to the facts.” *Id.* ¶ 33 (quoting *Beouch v. Sasao*, 16 ROP 116, 118 (2009)). Yet, ultimately, I am of opinion that the facts of this case counsel against heeding Justice Bennardo’s lament.

[¶ 21] As an appellate court, “our function is to examine the record with care, defer to the properly supported factual findings of the court of first instance, determine the applicable law, and ensure that the trier properly applied it to the facts as found.” *In re Carp*, 340 F.3d 15, 19 (1st Cir. 2003). It is for this reason that “[a]ppellate courts review judgments, not opinions,” *Rubel v. Pfizer Inc.*, 361 F.3d 1016, 1020 (7th Cir. 2004), and can affirm on any ground apparent in the record, *Idid Clan v. Palau Pub. Lands Auth.*, 2016 Palau 7 ¶ 7 n.7. The dissent is correct that when the task at hand involves making *factual determinations*, a trial court must provide sufficient findings in order for us to conduct meaningful appellate review. *Ochedaruchei Clan*, *post*, ¶ 34 (Bennardo, J. dissenting) (and cases cited therein). The reason is that our review of factual determination is limited. *See Island Paradise Resort Club v. Gibbons*, 2020 Palau 3 ¶ 14. Absent a sufficiently clear finding of fact by a trial court, we cannot exercise our appellate role of examining the record and “ensur[ing] that the trier properly applied [the law] to the facts as found.” *Carp*, 340 F.3d at 19. Thus, whenever the findings of fact are insufficient, a remand is quite appropriate.

[¶ 22] On the other hand, the rationale undergirding remands for the purposes of having a trial court do a more thorough *legal analysis* is much more tenuous. We review legal determinations and the application of law to fact *de novo*. *See ROP v. S.S. Enters., Inc.*, 9 ROP 48, 51 (2002) (review of a trial court’s legal determination includes within it the question of “whether

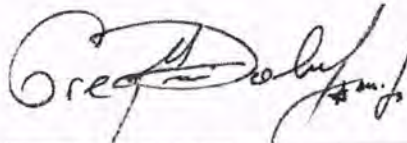
the substantive law was correctly applied”); *Ngiralmaw v. ROP*, 16 ROP 167, 169 (2009). Our standards of review require us to pay no deference to any conclusions of law or legal explanation a trial court provides. See *Ngeptuch Lineage v. Airai State*, 20 ROP 64, 65 (2013); *Island Paradise Resort Club*, 2020 Palau 3 ¶ 14. For this reason it appears that remands to trial courts for the purposes of better explaining their decisions serve no laudatory purpose and merely highlight our displeasure with what we perceive (rightly or wrongly) as insufficiently diligent work. But our discontent is not a sufficient reason, in my view, to require trial courts to engage in what, at the end of the day, may end up being little more than “busy work.”

[¶ 23] Furthermore, it is not clear to me how we are to enforce a remand “for clarification of [the trial court’s] legal reasoning.” *Ochedaruchei Clan*, *post*, ¶ 31 (Bennardo, J. dissenting). After all, trial judges are not students in our classroom where we get to take off points for submissions that we deem to not measure up to our standards. We simply cannot engage in an endless remand loop until we are satisfied that a trial judge has finally provided the depth of analysis we find satisfactory.

[¶ 24] Nor are trial courts equivalent to administrative agencies, which must support their promulgated rules and enforcement actions with sufficient reasoning. If an agency fails to adequately explain its reasoning, we can exercise our authority to set its decision aside as “arbitrary[] or capricious.” 6 PNC § 147(g)(6). In that case, the agency is a party to a lawsuit and, as a losing party, is “punished” for its arbitrary action by having its ability to enforce its rules against a prevailing litigant suppressed until such time as it adequately explains itself. Courts are altogether different. A trial court is not a litigant, and when it fails to fully explain its reasoning, a *vacatur* doesn’t “punish” the trial court—it “punishes” the litigants, who are forced to expend more time, money, and effort on litigating the case until such time as we are satisfied with the trial court’s exegesis. And if “justice delayed is justice denied,” then the delays occasioned by remands for better legal reasoning may well result in the denial of justice. In light of the above, I question whether we should continue to adhere to the line of cases that counsels *vacatur* and remand when only legal issues are in dispute.

[¶ 25] This is one of those cases. The relevant facts are not in dispute. See *Ochedaruchi Clan*, ante, ¶¶ 2-4, 13. The only issue for which the trial court arguably did not adequately explain its reasoning concerns whether the Clan is entitled to Rule 60 relief as a matter of law. See *id.* ¶¶ 9-13. Because this is a legal question, see *City of Phoenix v. Geyler*, 697 P.2d 1073, 1075 (Ariz. 1985) (*en banc*) (“[W]hether neglect or mistake is ‘excusable’[] [are] [d]eem[ed] . . . questions of law”); *Powell v. Weith*, 68 N.C. 342, 343 (1873) (“[M]istake, inadvertence, surprise, or excusable neglect, is a question of law”) (internal quotation marks omitted), we can resolve it in the first instance without the need for a remand.

[¶ 26] None of this is to say that Justice Bennardo is in error when he points out that our trial courts should conduct a comprehensive rather than truncated analysis of issues before them and provide complete answers to litigants. It is a duty of all levels of the Judiciary to say, when called upon, what the law is. See *Beouch*, 16 ROP at 119. I hope that our colleagues serving on the Trial Division, the Land Court, and the Court of Common Pleas take Justice Bennardo’s call to heart. Nevertheless, because in my view neither this Court nor the litigants would benefit from a remand (and likely a second round of appeal), I join in the Court’s opinion and its determination affirming the judgment below.



GREGORY DOLIN
Associate Justice

BENNARDO, J., dissenting:

[¶ 27] While I agree that the majority likely reached the proper outcome, I am unable to join the majority opinion because I disagree with the process it followed to arrive at that outcome. In short, before undertaking a review of the substance of the parties' arguments, I believe that we should have remanded the case and required the Trial Division to provide us with a more thorough explanation of its reasoning.

[¶ 28] I'll begin with a summary of the parties' briefing of the Appellants' motion in the Trial Division. Specifically, Appellants argued that relief from judgment was appropriate under Rule 60(b)(1) ("Mistake, inadvertence, surprise, or excusable neglect") and Rule 60(b)(6) ("Any other reason justifying relief from the operation of the judgment"). *See* Plaintiffs' Amended Expedited Motion Pursuant to Rule 60(b) (May 13, 2019). Appellees filed a responsive brief, *see* Defendants' Response (May 30, 2019) and Appellants filed a reply brief, *see* Plaintiffs' Reply (June 28, 2019).

[¶ 29] These three briefs, which total more than fifty pages, cited numerous primary and secondary legal authorities to support arguments for and against the motion. In the briefs, the parties made specific arguments comparing and contrasting their situation to certain precedents. For example, both parties made specific arguments relying on *Secharmidal v. Tmekei*, 6 ROP Intrm. 83 (App. Div. 1997). *See* Defendants' Response at 8 (analogizing the parties' situation to *Secharmidal*); Plaintiffs' Reply at 15-16 (distinguishing the parties' situation from *Secharmidal*).

[¶ 30] The Trial Division denied the motion. Tr. Div. Order (July 18, 2019). While the Trial Division's Order contains multiple pages of analysis, it does very little to situate that analysis within a legal framework. *See id.* at 3-7. It quotes the entirety of Rule 60(b) and includes two sentences about Rule 60(b) motions in general. *Id.* at 3-4. While the Order properly identifies that the motion was brought under subsections (1) and (6) of Rule 60(b), *id.* at 4, it does not identify the legal rules applicable to motions brought under either of those subsections. Additionally, it does not identify which parts of its analysis correlate with which of the rule's subsections.

[¶ 31] In their appellate brief, Appellants challenge not only the substance of the Trial Division's Order but also its sufficiency. While the Appellants seek reversal most of all, they alternatively ask us to remand to the Trial Division for clarification. I would have accepted that alternative invitation and remanded to the Trial Division for clarification of its legal reasoning.

[¶ 32] We review denials of Rule 60(b) motions for abuse of discretion. *See, e.g., Dalton v. Borja*, 8 ROP Intrm. 302, 304 (App. Div. 2001). One way for a court to abuse its discretion is for it to apply the incorrect legal standard. *See, e.g., Whipps v. Idesmang*, 2017 Palau 24 ¶ 8. Here, I cannot discern what legal standard the Trial Division applied because its Order does not sufficiently explain the legal components of its analysis. Because I do not know what legal standard the Trial Division applied, I am confounded as to how I can determine whether the Trial Division abused its discretion by applying the incorrect legal standard.

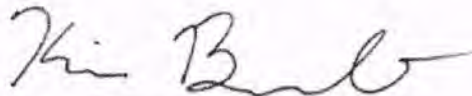
[¶ 33] As this Court has noted previously, “a trial court is required to issue a decision that ‘reveals an understanding analysis of the evidence, a resolution of the material issues of ‘fact’ that penetrate beneath the generality of conclusions, and an application of the law to the facts.’” *Beouch v. Sasao*, 16 ROP 116, 118 (App. Div. 2009) (quoting *WCTC v. Meteolochol*, 14 ROP 58, 61 (App. Div. 2007)). The provenance of this quotation reaches back over two decades in our courts and even longer elsewhere. *See Fritz v. Blailes*, 6 ROP Intrm. 152, 153 (App. Div. 1997) (quoting James Moore, 5A *Moore's Federal Practice* ¶ 52.05[1] (1984)).

[¶ 34] When “we cannot discern the legal and factual basis for the trial court's [decision],” we are “unable to conduct a full and fair review of [the] decision.” *Estate of Tmilchol v. Kumangai*, 13 ROP 179, 182 (App. Div. 2006). In these situations, “where a lower court has not clearly set forth the basis for its decision, remand for further elaboration is appropriate.” *Id.*; *see also Smanderang v. Elias*, 9 ROP 123, 124 (App. Div. 2002) (vacating and remanding “because the [Land Claims Hearing Office] failed to articulate the basis for its decision”); *Tangadik v. Bitlaol*, 8 ROP Intrm. 204, 205 (App. Div. 2000) (vacating and remanding because “the opinion of the Land Court does not clearly set forth the basis for its determination”); *Temael v. Beketaut*, 8 ROP Intrm. 101, 101 (App. Div. 2000) (vacating and remanding because

“[t]he Land Court’s findings of fact and conclusions of law do not make clear the basis for its [determination]”).

[¶ 35] Unfortunately, we again find ourselves in this not unfamiliar position. The Trial Division’s Order simply does not provide enough information for us to meaningfully review it. For the Appellate Division to be able to conduct meaningful appellate review, it is essential for a trial court to clearly articulate both its findings of fact and its legal analysis. While the Trial Division’s Order contains considerable analysis of the facts before it, it fails to sufficiently explain how those facts interact with existing law to warrant its outcome.

[¶ 36] Without such an explanation, we are forced to do the Trial Division’s work ourselves. That is essentially what the majority opinion has done. While I do not disagree with the substance of the majority’s analysis, I dissent because I disagree with its process. The Appellate Division should review the trial court’s work; it should not do the trial court’s work. The better course would have been to remand and require the Trial Division to more fully develop its analysis before this Court undertook its review.



KEVIN BENNARDO
Associate Justice