



By order of the Court, Associate Judge Wesley M. Bogdan

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FOR PUBLICATION



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Case Number: 18-0102-CV
Wesley Bogdan

IN THE SUPERIOR COURT
FOR THE
COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS

NORTHERN MARIANA HOUSING CORPORATION,

Plaintiff,

v.

ANA C. CELIS and the Estate of DANIEL SABLAN CELIS,

Defendants.

CIVIL ACTION NO. 18-0102

ORDER DENYING PROPOSED JUDGMENT AND NOTICE SETTING SHOW CAUSE HEARING

I. INTRODUCTION

THIS MATTER was last before the Court upon Plaintiff's Continued Motion for Default Judgment on March 12, 2019. Plaintiff Northern Mariana Housing Corporation appeared through its Attorney, Michael A. White. Defendant Ana C. Celis failed to appear, either through counsel or in person. For the reasons set out below, this Court denies the proposed Judgment.

II. STATEMENT OF FACTS

1. This case concerns a Promissory Note in the sum of \$42,000.00 and a mortgage of real property that Ana C. Celis and Daniel Sablan Celis entered into with Plaintiff on or about August 1, 1985.
2. The Promissory Note was revised in 1993 (First Revision Agreement) and the balance due increased from \$42,000.00 to \$59,192.95.
3. The Promissory Note was also revised in 2010 (Second Revision Agreement) increasing the principal balance due to \$62,275.16.

- 1 4. Ana C. Celis and Daniel Sablan Celis are signatories to the First Revision Agreement, but
2 there is no signature by Daniel Sablan Celis on the Second Revision Agreement.
- 3 5. On March 22, 2018, Plaintiff filed Civil Action No. 18-0102 alleging that “Defendants”
4 failed to make all the payments provided for in the Promissory Note/Revision Agreements
5 and demanding judgment over and against Defendants for the principal sum of \$61,247.31;
6 prejudgment interest from July 1, 2014 to the date of judgment at the rate of 6% per annum;
7 reasonable attorney’s fees; costs; and 9% interest on the total of the foregoing from the date
8 of judgment.
- 9 6. The named Defendants are Ana C. Celis in her individual capacity and Ana C. Celis as the
10 Administratrix of the Estate of Daniel S. Celis.
- 11 7. The Complaint also requests this Court’s authority and an Order to sell the mortgaged
12 property securing the Promissory Note/Revision Agreements.
- 13 8. The Complaint alleges the mortgaged property at issue is part of the Estate of Daniel S.
14 Celis.
- 15 9. The Complaint and Summons were served on April 2, 2018 and Plaintiff filed two separate
16 Declarations of Service reflecting service of process on Mrs. Celis in her individual capacity
17 and service on Mrs. Celis as Administratrix.
- 18 10. On September 19, 2018, Plaintiff filed a Request to Enter Default and a supporting
19 declaration representing that the time within which Defendants may answer or otherwise
20 move as to the Complaint has expired.
- 21 11. Defendants have not filed an Answer to the Complaint and the time to answer or otherwise
22 move has not been extended.
- 23 12. On September 19, 2018, the Clerk of Court entered Default of the Defendants pursuant to
24 N.M.I. R. Civ. P. 55(a).

1 13. On September 19, 2018, Plaintiff also filed a Request for Default Judgment and a proposed
2 Notice of Hearing for its motion.

3 14. On October 23, 2018, the Court held a hearing on Plaintiff's Motion for Default Judgment.

4 15. Following review of the submissions and presentation by Plaintiff's legal counsel at the
5 hearing, this Court thereafter issued a Sua Sponte Order on December 10, 2018 requiring
6 Plaintiff to provide to the Court with debt verification information concerning the
7 underlying Promissory Note and Revision Agreements as related to the total debt amount
8 due and the requested mortgage foreclosure sale and certain other averments in the
9 Complaint as provided for under Com. R. Civ. P. 55(b)(2).

10 16. On December 11, 2018, Plaintiff requested one month's extension of time to file the debt
11 verification information with the Court.

12 17. The Court granted Plaintiff's request and provided a new deadline of January 29, 2019.

13 18. At a January 29, 2019 hearing, Plaintiff requested a second extension of the deadline to
14 submit the debt verification information.

15 19. The Court granted Plaintiff's request and provided a new deadline of March 12, 2019.

16 20. Plaintiff failed to file the debt verification information by March 12, 2019 (or, at any time
17 thereafter).

18 21. Instead, Plaintiff on February 8, 2019 filed a document entitled Stipulation for Judgment
19 which was ostensibly signed by the Defendant Anna C. Celis in her individual capacity *and*
20 on behalf of the Estate of Daniel S. Celis on February 7, 2019.

21 22. The Stipulation for Judgment provides that the Court may enter a judgment in favor of the
22 Plaintiff and against the Defendants in the principal sum in the amount of \$61,247.37; for
23 pre-judgment interest from July 15, 2015 at the rate of 6.0% per annum in the amount of
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1 Estate; (ii) it did not know if the decedent had left a will; and (iii) that Mrs. Celis was the
2 only known heir.

3 30. Plaintiff explicitly set out that it will provide the Probate Court with such other and further
4 information as will enable the probate to be expedited.

5 31. The Superior Court granted Plaintiff's Proposed Order providing Notice of a Hearing on the
6 Petition for Letters of Administration (by enacting the draft document prepared by
7 Plaintiff's legal counsel on July 3, 2017).

8 32. Commonwealth Superior Court Rules of Probate Procedures requires that the Petitioner
9 serve or mail the heirs of the decedent the Notice of the Hearing of the Petition for the
10 Letters of Administration and publication of the Notice in a local newspaper.

11 33. A Declaration of Mailing of the Notice of the Hearing on the Petition for the Letters of
12 Administration was filed with the Court indicating that Plaintiff, as the Petitioner, mailed to
13 Mrs. Celis Notice of the Hearing 10 days prior to the date.

14 34. However, no affidavit or declaration showing compliance with the newspaper publication
15 requirement set out in the Commonwealth Superior Court Rules of Probate Procedures is on
16 record with the Court.

17 35. The Hearing of the Petition for the Letters of Administration and appointment of Mrs. Celis
18 as the Administratrix was held July 27, 2017 and no one—other than for Plaintiff's legal
19 counsel—appeared at the hearing.

20 36. The Superior Court on July 31, 2017 entered the Proposed Order appointing Ana C. Celis as
21 Administratrix of the Estate in Civil Action No. 17-0149 (by enacting the draft document
22 prepared by Plaintiff's legal counsel).

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1 37. The Order drafted by Plaintiff's legal counsel and entered by the Probate Court requires
2 Mrs. Celis to forthwith file her Oath of Administration and thereafter perform her duties in
3 compliance with the applicable laws, rules of procedure, and further Orders of the Court.

4 38. The July 31, 2017 Order Appointing Administratrix further prohibits the disposition of any
5 estate assets or payment of the decedent's debts without the Probate Court's approval and
6 Order.

7 39. The Administratrix has not, from Court records, filed an Oath of Administration or
8 performed her other duties to be in compliance with the applicable laws, rules of procedure
9 or orders of the Court.

10 40. Following the Court's appointment of Ana C. Celis as Administratrix for the Estate—no
11 additional pleadings or filings of any type have been made in Civil Action 17-0149.

12 41. Plaintiff has not provided the Court with any further information as would enable the
13 probate to be expedited.

14 42. Plaintiff's counsel has however negotiated with Ana C. Celis and entered into a Stipulation
15 for Judgment which requires her to pay estate debt and dispose of estate property.

16 =====

17 43. Plaintiff does not in this case reference or explain that notice to and the permission of
18 Probate Court is a legal necessity before the Administratrix can make payment of estate debt
19 or dispose of estate property.

20 44. Plaintiff does not in this case inform this Court with the true status and unsettled nature of
21 Civil Action 17-0149, nor inform or provide this Court (or the Probate Court) with any
22 information as would enable the probate to be expedited.

23 45. Paragraph 3 of the Complaint, without full disclosure, explains that the Estate of Daniel S.
24 Celis is lawfully-constituted pursuant to the Order of the Court in Civil Action No. 17-0149.

1 46. In Paragraph 6 of the instant Complaint, Plaintiff claims that Mrs. Celis signed the Second
2 Revision Agreement “on behalf of Daniel S. Celis” in 2010 – two years after the death of
3 Daniel S. Celis and seven years before Plaintiff petitioned the Probate Court to open an
4 estate case for Daniel S. Celis.

5 III. ISSUES PRESENTED

6 Among the issues presented, the two most dominant are: (i) Whether this Court is required
7 to ‘rubber stamp’ approve (sign and/or put into effect) the terms of the Stipulation for
8 Judgment/Proposed Judgment which was negotiated and prepared by Plaintiff’s legal counsel and
9 signed by the opposing party who is unrepresented in her individual capacity (and as the
10 Administratrix of an on-going probate case); and (ii) Whether Plaintiff’s and/or its legal counsel’s
11 actions have violated Com. Rule Civ. P. 11 by failing to make a reasonable factual inquiry, correct
12 false impressions (by offering evidence a lawyer knows or, should know to be false and incomplete;
13 and/or misinforming this tribunal for improper purpose) and/or violated court orders and other duties
14 owed the court.

15 IV. LEGAL STANDARDS

16 Stipulated judgments bear the earmarks both of judgments entered after litigation and
17 contracts derived through mutual agreement. *Local No. 93, Int’l Ass’n of Firefighters v. Cleveland*,
18 478 U.S. 501, 519 (1986). A stipulated judgment is a judgment, and entry thereof is a judicial act
19 that a court has discretion to perform. *Villacres v. ABM Indus. Inc.*, 189 Cal. App. 4th 562, 597, 117
20 Cal. Rptr. 3d 398, 426 (2010) (emphasis added). Although a court may not add to or make a new
21 stipulation without mutual consent of the parties, it may reject a stipulation that is contrary to public
22 policy or one that incorporates an erroneous rule of law. *Cal. State Auto. Ass’n Inter-Ins. Bureau v.*
23 *Superior Court*, 788 P.2d 1156, 1159 (Cal. 1990) (citations omitted). After due consideration of the
24 facts, the court cannot surrender its duty to see that the judgment to be entered is a just one, nor is

1 the court to act as a “mere puppet” in the matter. *Id.* (quoting *City of Los Angeles v. Harper*, 48
2 P.2d 75, 77 (Cal. 1935).

3 Commonwealth Rule of Civil Procedure No. 11 (Signing of Pleadings, Motions, and Other
4 Papers; Representations to Court; Sanctions) provides that when an attorney presents to the court a
5 pleading, written motion or other legal papers: The lawyer is certifying to the best of that lawyer’s
6 knowledge, information and belief formed after an inquiry reasonable under the circumstances that
7 the allegations and factual contention are true and that the pleading or motion has not been
8 presented for any improper purpose or to cause unnecessary delay or increase in costs. Rule 11
9 expressly provides for the imposition of sanctions by the Court for violations after notice and a
10 show cause hearing. *Commonwealth v. Borja*, 3 NMI 156, 171 n.13 (1992). The Commonwealth’s
11 Rule 11, like its federal rule counterpart, imposes a duty on attorneys to certify that they have
12 conducted a reasonable inquiry and have determined that any papers filed with the court are well-
13 grounded in fact, legally tenable and not interposed for any improper purpose. *See Smith v. L.A.*
14 *Unified Sch. Dist.*, No. CV 16-2358 SS, 2018 U.S. Dist. LEXIS 225369, at *3 (C.D. Cal. July 12,
15 2018) (citing *Islamic Shura Council of S. California v. F.B.I.*, 757 F.3d 870, 872 (9th Cir. 2014)
16 (per curiam) (quoting *Cooter & Gell v. Hartmarx Corp.*, 496 U.S. 384, 393 (1990)). An attorney
17 who signs a paper without such a substantiated belief shall be penalized by an appropriate sanction.
18 *Cooter*, 496 U.S. at 393.

19 V. DISCUSSION

20 This is a difficult case as many issues are presented, but this Court denies the proposed
21 Judgment for the following reasons.

22 A. Plaintiff’s Failure to Comply with a Lawful Order of the Court

23 First, the Commonwealth Rules of Civil Procedure clearly provide that if, in order to enable
24 the Court to enter default judgment (or, to carry it into effect), it is necessary to take an account or

1 to determine the amount of damages or to establish the truth of any averment by evidence or to
2 make an investigation of any other matter, the court may conduct such hearings or order such
3 references as it deems necessary and proper. Com. R. Civ. P. 55(b).

4 On December 10, 2018, this Court did in fact find further investigation necessary and
5 ordered Plaintiff to present relevant information to establish the truth of the averments and confirm
6 the damages requested (and to take into account the related probate case). In response, Plaintiff
7 requested two extensions to comply, but then instead of providing that information negotiated a
8 Stipulation for Judgment with Mrs. Celis in her individual capacity and as the Administratrix of her
9 deceased husband. The debt verification information requested has never been provided and
10 Plaintiff submits that the previous order is moot.

11 However, contrary to Plaintiff's suggestion, the issues which gave rise to the need for
12 further investigation and the requested information were and still are at issue and are necessary to
13 review before this Court can grant this or any proposed Judgment. Exactly how the amounts of
14 money damages including the principle balance, prejudgment interest (and attorney fees and costs)
15 were arrived at and calculated as set out in the proposed Judgment still requires verification and
16 Plaintiff's decision to disregard a pending Order for which it had requested two extensions of time
17 in which to comply is not well taken. *See Saipan Lau Lau Dev., Inc. v. Superior Ct.*, 2001 MP 2, p.
18 22 (stating a party must comply with a court order until it is reversed by orderly and proper
19 proceedings); *See also United States v. United Mine Workers*, 330 U.S. 258, 309-10 (1947) ("Only
20 when a court is so obviously traveling outside its orbit of authority as to be merely usurping judicial
21 forms and facilities may an order issued by a court be disobeyed and treated as though it were a
22 letter to a newspaper.").

23 This failure to comply with this Court's order leaves unresolved factual issues surrounding
24 the damages claimed by Plaintiff that prevent this Court from granting the stipulated judgment.

1 Moreover, Plaintiff's and/or its counsel's failure to comply with a court order may be grounds for
2 sanctions for contempt of court², so a show cause hearing is necessary.

3 **B. Factual Issues Raised in the Pleadings – the Second Revision Agreement**

4 Second, the proposed Judgment is denied because the substantive concerns, first recognized
5 during the default judgment process and for which this Court ordered additional information,
6 continue to exist without appropriate resolution or explanation. Plaintiff submitted several
7 supporting documents in support of its claim for foreclosure and filed with its Complaint. One such
8 document identified as Exhibit C is a Second Revision Agreement which Plaintiff in its Complaint
9 alleges was signed by Mrs. Celis in 2010 on behalf of her husband.

10 Given the fact that the Second Revision Agreement was signed more than two years after
11 Mr. Celis passed—and seven years before an Administratrix was appointed to his estate—this claim
12 requires explanation. There is no evidence or suggestion on the record to show that Mrs. Celis had
13 a power of attorney or some other lawful authority of a Court to sign any legal documents on behalf
14 of her deceased husband in 2010. Plaintiff's claim is therefore unsupported and irregular. This
15 Court notes further for the record that the Second Revision Agreement in fact only reflects Mrs.
16 Celis' signature once on that document—in what clearly appears to be individual capacity with no
17 further explanation or clarification. There is no reference to Mr. Celis' death or suggestion the Mrs.
18 Celis ever signed that document in anything other than in her personal capacity.

19 Moreover, Plaintiff did not submit its Petition and the Court did not grant Letters of
20 Administration until 2017—seven years after the date Plaintiff claims Mrs. Celis signed legal
21 documents “on behalf” of Mr. Celis who passed in 2008. Absent some other authorization, it would
22 not have been possible for Mrs. Celis to sign the Second Revision Agreement on behalf of her

23 ² *Matsunaga v. Matsunaga*, 2001 MP 11 ¶ 16 (“Civil contempt occurs when a party fails to comply with a court order.”)
24 (citing *Commonwealth v. Borja*, 3 N.M.I. 156, 162-163 (1992)).

1 husband as Plaintiff claims. Plaintiff's submission of the Stipulation for Judgment and proposed
2 Judgment does not excuse these deficiencies or answer this Court's inquiry and concern.
3 Regardless of whatever the parties may have agreed to during settlement negotiations, the
4 substantive issues related to the execution of the Second Revision Agreement remain and this Court
5 cannot simply ignore apparent legal deficiencies and give this document the full force of the
6 Judiciary through the proposed Judgment.

7 **C. Factual Issues With The First Revision Agreement – Term of Payment**

8 Third, this Court cannot grant the stipulated judgment because some explanation is required
9 for the fact that the Second Revision Agreement omits and makes no mention in its recitation of the
10 pertinent facts of the existence of the Second Revision Agreement. However, the Second Revision
11 Agreement is nonetheless attached as Plaintiff's Exhibit B to the Complaint and increased the total
12 debt due from the amount of the original Promissory Note of \$42,000.00 to more than \$59,000.00
13 and was signed by both Mr. and Mrs. Celis. The principal balance due in 1993 was listed as
14 \$59,192.95 which does not seem to track the reported principal balance as reported in the Second
15 Revision Agreement.

16 The First Revision Agreement also contains one conspicuous issue with respect to the
17 'Terms of Payment' revision which seemingly provided that the monthly payments of \$432.18 shall
18 be made on the Promissory Note on the 1st day of each month beginning on October 1, 1993 and
19 will increase to \$638.06 beginning on February 1, 1993. Obviously, if the monthly payments of
20 \$432.18 were to begin on October 1, 1993 and those monthly payments were to increase to \$638.06
21 beginning on February 1, 1993—then this revision term makes no sequential sense.³ It may simply
22 be that this language and/or the dates were transposed. Nonetheless, this Court first noted this
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24 ³ \$432.18 is the amount of repayment set out in the original Promissory Note dated August 1, 1985.

1 oddity during its review of Plaintiff's request for a default judgment and was a supporting reason
2 the Sua Sponte Order was issued on December 10, 2018 requiring Plaintiff to provide to the Court
3 with additional information concerning the underlying note and revision agreements—especially
4 given Plaintiff's efforts to foreclose on real property guaranteeing the Promissory Note for
5 nonpayment as discussed below. Without this information, the Court cannot grant a judgment
6 giving these documents the full force of the Judiciary.

7 **D. Issues With Mortgage Foreclosure/Authority to Sell the Property**

8 Additionally, this Court cannot automatically sign and put into place the proposed Judgment
9 because of the mortgage foreclosure provisions contained in the proposed Judgment and the
10 Judiciary's duties as set out in controlling Commonwealth statutory law. The proposed judgment
11 expressly provides that the Defendants will be required to pay \$78,302.48 (together with interest on
12 at the rate of 9% per annum from December 26, 2018) within three months from the date of that
13 proposed Judgment and if that total is not paid within such period, that the mortgaged property
14 "may be sold in accordance with law." As such, compliance with Commonwealth statutory law
15 concerning foreclosures of mortgages at 2 CMC § 4537(d) requires strict compliance and (i) a
16 determination as to whether the facts asserted in the complaint with respect to the debt are true; and
17 (ii) the rendering of a judgment for the sum so found due.

18 Plaintiff would prefer this Court accept as true that the amounts listed in the Complaint and
19 the facts pled are correct without further inquiry. Plaintiff would also ask the Court to assume and
20 not question whether an elderly widow without counsel or representation knowingly and
21 intelligently signed the Stipulation for Judgment fully aware of the legal consequences. However,
22 because the proposed Judgment would authorize the foreclosure and public auction of what appears
23 to be Mrs. Celis' mortgaged home, this Court has an affirmative duty to (i) confirm the underlying
24 facts and to confirm the amount of debt at issue; and (ii) bring into full consideration the existence

1 and status of the related Probate Case. Plaintiff's failure to submit the debt verification information
2 requested prevents this Court from being able to perform its statutory duty and, due to the
3 discrepancies discovered in those documents Plaintiff has submitted, this Court cannot simply
4 accept as true Plaintiff's assertions and grant judgment.

5 **E. No Rubber Stamping**

6 Relatedly then, this Court must deny the proposed Judgment and Plaintiff's argument that
7 this Court has no choice but to sign the proposed Judgment because the parties have reached an
8 agreement. Such a proposition is untrue in this case because although a settlement agreement
9 wherein all the parties in the matter are represented by an attorney should be presumed to be
10 reasonable, fair, and in conformity with law, see *Mack v. Minneapolis*, 333 N.W.2d 744, 745
11 (Minn. 1983)(emphasis added), Mrs. Celis is woefully unrepresented in two capacities and
12 somehow entered into negotiations and executed a legal document as the Administratrix without
13 first giving notice and getting approval of the Probate Court or complying with her statutory duties
14 as administratrix.

15 Under the facts, and as supported by a wide sample of holdings from various jurisdictions in
16 all types of cases, this Court finds it is not required to automatically sign and put into legal effect a
17 proposed judgment submitted to the Court—especially in a situation such as exists here where a pro
18 se defendant has entered into and signed an ultra virus Stipulation for Judgment in violation of a
19 court order with counsel for the Plaintiff. See *Metro. Life Ins. Co. v. Hanni*, No. 1:17-CV-80-TLS,
20 2017 U.S. Dist. LEXIS 222698, at *5-6 (N.D. Ind. Sep. 14, 2017)(unlike a stipulated dismissal,
21 which parties may take as of right, litigants wishing the Court to issue a stipulated judgment cannot
22 expect the Court unreflectively to endorse their agreement with the full authority of the federal
23 judiciary)(citing *N.L.R.B. v. Brooke Indus., Inc.*, 867 F.2d 434, 436 (7th Cir. 1989) (parties were
24 “incorrect to contend that [the judge had] no choice but to rubber stamp their proposal” by issuing a

1 consent judgment)); *United States v. Atlas Lederer Co.*, 494 F. Supp. 2d 629, 633 (S.D. Ohio 2005)
2 (a court must not act as a rubber stamp when deciding whether to approve a consent decree); *Neal v.*
3 *Neal*, 281 S.W.3d 330, 334 (Mo. Ct. App. 2009) (the verbatim adoption of a proposed judgment or
4 order is not a favored practice and the judiciary is not and should not be a rubber stamp for anyone);
5 *Cory v. Leasure*, 491 B.R. 476, 478 (W.D. Ky. 2013) (in determining whether to approve a
6 settlement agreement, the court may not rubber stamp the agreement or merely rely upon one
7 party's word that the compromise is reasonable); *Int'l Union of Elec. Workers, Local 791 v. Hurd*
8 *Corp.*, 7 F. App'x 329, 333 (6th Cir. 2001) (courts must not act as mere rubber stamps of approval
9 on all arbitration awards); *In re Endoscopy Ctr. of S. Nev., LLC*, 451 B.R. 527, 536 (Bankr. D. Nev.
10 2011) (in deciding whether to approve a proposed settlement, the bankruptcy court must make an
11 informed decision; it is not permitted to act as a mere rubber stamp and must make an independent
12 determination that the compromise is fair and equitable); *Redman v. Radioshack Corp.*, 768 F.3d
13 622, 629 (7th Cir. 2014) (a trial judge's instinct, in our adversarial system of legal justice, is to
14 approve a settlement trusting the parties to have negotiated to a just result as an alternative to
15 bearing the risks and costs of litigation, but the law quite rightly requires more than a judicial
16 rubber stamp when the parties have agreed to settle); *United States v. Davis*, 11 F. Supp. 2d 183,
17 189 (D.R.I. 1998) (the Court does not serve simply as a rubber stamp that automatically places its
18 imprimatur on a proposed settlement, rather, the Court must make an independent judgment as to
19 whether the proposed settlement is fair and reasonable); *Istre v. La. Tank Specialties, LLC*, No. 14-
20 339, 2016 U.S. Dist. LEXIS 28662, at *3 (E.D. La. Mar. 7, 2016) (when deciding whether to
21 approve a proposed settlement, the Court must assess whether the proposed settlement is both (1)
22 the product of a bona fide dispute over the applicable provisions of law; and (2) fair and
23 reasonable).

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1 As set out in *Midland Funding, LLC v. Tripp*, 134 Conn. App. 195, 196, 38 A.3d 221, 222
2 (2012):

3 A stipulated judgment is a contract of the parties acknowledged in open
4 court and ordered to be recorded by a court of competent jurisdiction. While
5 a stipulated or consent judgment is not a judicial determination of any
6 litigated right, it is a judicial function and an exercise of the judicial power
7 to render judgment on consent. A judgment upon consent is a judicial act.
8 There is no doubt that the parties may enter into any agreement they choose.
9 By seeking to transform their private agreement into a judgment of court,
10 however, the parties invoke the judicial power of the court. Such a judicial
11 act, like all judicial acts, necessarily involves the court's exercise of its
12 powers of law and equity. The parties cannot, by giving each other
13 consideration, compel a court to render a judgment in accordance with a
14 stipulation that the court, in the exercise of its discretion, is unwilling to
15 accept. A judge is not a mere umpire in a forensic encounter but a minister
16 of justice, and it follows that an agreement is not necessarily binding on the
17 court and may justifiably be disregarded in a particular case.

18 This Court therefore exercises its judgment to find that the ambiguity, inequity, and
19 violations of court orders surrounding this case justify denying the motion for stipulated judgment.

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20 **F. Rule 11 and Reasonable Factual Inquiries**

21 Finally, the proposed Judgment must be denied, and a Rule 11 Show Cause hearing is
22 necessary, because Mrs. Celis in both her individual capacity and as Administratrix does not have
23 the authority to pay estate debt or to dispose of estate property without the approval of the Probate
24 Court in Civil Action 17-0149. As set out below, Plaintiff's legal counsel knows or should have
known that approval of the Stipulation for Judgment by the Probate Court was necessary; and even
if he did not, Rule 11 imposes a duty on attorneys to certify that they have conducted a reasonable
inquiry and have determined that any papers filed with the court are well-grounded in fact, legally
tenable and not interposed for any improper purpose. Unfortunately, those certifications do not
appear to be true under the facts of this case.

1 **1) Reasonable Inquiry Shows Mrs. Celis Lacks Authority to Dispose of Estate Assets**

2 Under the Order Appointing Administratrix—prepared by Plaintiff’s legal counsel and
3 ultimately enacted by the Probate Court—Mrs. Celis was to forthwith file her Oath of
4 Administration and thereafter perform her duties as prescribed in applicable laws, rules of
5 procedure, and the further orders of the court. Under the Probate Code, the Administratrix’
6 responsibilities include filing an inventory of the estate within 60 days of appointment, taking
7 possession of the estate and its debts, paying the debts of the estate with the court’s consent,
8 maintaining awareness of prior or pending probate or civil matters that conflict with the proposed
9 distribution, petitioning for the court’s permission before making any payments or distributions
10 from the estate, fulfilling instructions and orders of the Court, fulfilling the notice requirements for
11 creditor claims, and fulfilling the requirements for final distribution of the estate.

12 This Court’s review of the records in Civil Action 17-0149 show that Mrs. Celis has never
13 appeared before that court either at the hearing in which she was appointed as Administratrix or at
14 anytime thereafter. This Court notes Mrs. Celis has never appeared in this case as well. Also
15 unknown is whether Mrs. Celis actually ever received notice of her appointment as those papers
16 were served via mail instead of personal service and no USPS return receipt is part of the record. In
17 any event, it does not appear that Mrs. Celis has filed an oath of administration or satisfied any of
18 the duties of a willing Administratrix. As no oath has been filed, the Court cannot find that Mrs.
19 Celis is able to act as Administratrix of the Estate and/or act in the Estate’s stead in the present case.

20 Moreover, under the Order Appointing Administratrix—again, prepared by Plaintiff’s legal
21 counsel and ultimately enacted by the Probate Court—Mrs. Celis was ordered not to dispose of any
22 Estate assets in her possession or pay any of Decedent’s debts without first obtaining a proper court
23 Order. *See In the Matter of the Estate of Daniel Sablan Celis*, Civ. No. 17-0149 (NMI Super. Ct.
24 Jun. 28, 2017) (Petition for Letters of Administration at ¶ 10). This Court will not usurp the

1 Probate Court's authority over the Administratrix and the Estate. Therefore, this Court cannot grant
2 judgment that involves assets of the Estate as the facts do not show that Mrs. Celis has the authority
3 to dispose of Estate property or awareness of the duties of an administratrix.

4 **2) Violation of Rule 11 and Another Court Order**

5 Rule 11 required from Plaintiff at least a minimal factual inquiry into the status of the
6 Probate Case it opened and started in order to obtain payment and foreclose on mortgaged property.
7 Reasonable inquiry therein would have readily shown that the intestate probate case exists in name
8 only and that the legal basis for Plaintiff's claims against the Estate via Mrs. Celis in this case are
9 not well-grounded in fact and therefore legally untenable. Plaintiff's suggestion on Page One of its
10 Complaint that the Estate of Daniel S. Celis was a proper defendant in this case via the naming of
11 Mrs. Celis as the Administrator of the estate was less than candid misinformation when the readily
12 attainable facts, as stated above, show that Mrs. Celis lacked authority because she had never taken
13 an oath of administration and, even had she done so, could not dispose of any Estate assets without
14 permission of the Probate Court.

15 Likewise, Plaintiff's counsel seeks nearly \$4,000 in legal fees in this action and through this
16 Stipulation of Judgment and submission of a proposed Judgment process which is contrary to the
17 lawful process by which attorney fees are awarded in the Commonwealth. Awards of attorney fees
18 require judicial review and approval. *See In re Estate of Malite*, 2010 MP 20 & 2016 MP 20.
19 Unfortunately, with these facts taken together this Court cannot help but question whether the
20 submission and filing of the Stipulation for Judgment and proposed Judgment at issue were
21 interposed for an improper purpose: to circumvent proper judicial oversight.

22 Plaintiff should not have initiated this debt collection and mortgage foreclosure action
23 without first confirming that the administration of the Estate was on-going and proper. Rule 11
24

