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Clerk of the
Appellate Courts

IN THE COURT OF APPEALS OF TENNESSEE
AT KNOXVILLE
June 17, 2026 Session

**ROBERT C. BULLARD v. DIANE K. WOLFORD,
EXECUTRIX OF THE ESTATE OF JAMES L. (BUCKY) WOLFORD, ET AL.**

**Appeal from the Chancery Court for Hamilton County
No. 17-0834 Jeffery M. Atherton, Chancellor**

No. E2025-00558-COA-R3-CV

This appeal involves a breach of contract action for specific performance for the purchase of a decedent's ownership interest in a company pursuant to an option agreement. The plaintiff alleged that the defendants wrongfully refused to facilitate the transfer of the decedent's interest upon his passing. The trial court, with the assistance of a jury empaneled to answer specific findings of fact, ruled in favor of the plaintiff. We now reverse, holding that the plaintiff failed to exercise his option to purchase in accordance with the terms of the operating agreement.

**Tenn. R. App. P. 3 Appeal as of Right; Judgment of the Chancery Court
Reversed; Case Remanded**

JOHN W. MCCLARTY, P.J., E.S., delivered the opinion of the court, in which THOMAS R. FRIERSON, II, and WILLIAM E. PHILLIPS II, JJ., joined.

Anthony A. Jackson, Chattanooga, Tennessee, for the appellant, Diane K. Wolford, Executrix of the Estate of James L. (Bucky) Wolford.

Theresa L. Critchfield, Chattanooga, Tennessee, for the appellant, the Irrevocable Trust of James L. Wolford.

David E. Harrison and C. Michelle Allsup, Chattanooga, Tennessee, for the appellee, Robert C. Bullard.

OPINION

I. BACKGROUND

James L. (Bucky) Wolford (“Decedent”) formed River View of Tennessee, LLC (“River View”) on July 9, 2002. River View, known as Brabson Place in Chattanooga, is a single-purpose entity that houses several corporate entities on its first floor, including companies owned by Decedent and Robert C. Bullard (“Plaintiff”). The fourth floor of the building serves as the Wolfords’ personal residence, where Decedent lived with his wife, Diane K. Wolford (“Wife”), prior to his passing.

Decedent was the sole owner of River View until July 2005, when Decedent sold half of his ownership interest to Plaintiff. The sale was reflected in an amendment to the operating agreement, which was executed in September 2006. The amendment contained three provisions pertinent to this appeal. They are as follows:

1. Section 11.1(a) permits “a transfer of Membership Interest upon the death of such Member to his or her estate, family members or trusts established for his or her family members.”
2. Section 11.2(b) provides that within 30 days of a triggering event, e.g., the death of a member, River View shall have the option to purchase the departing member’s interest. If River View does not exercise the option to purchase, an existing member may purchase the departing member’s interest within 30 days of the termination of River View’s option to purchase.
3. Section 11.2(d) provides that the purchase price of the Membership Interest shall be equal to the product of the fair market value of the Company’s appraised value and the percentage of the Membership Interest. In determining the fair market value, the departing member and the party purchasing the Membership Interest shall each select a qualified appraiser, whose appraisals must be conducted within 60 days of the triggering event. If the lower fair market value is no more than 10% less than the higher value, the two values will be averaged to establish the fair market value for the purchase of the Membership Interest. If the lower value is more than 10% less than the higher value, then the two appraisers shall choose a third qualified appraiser to assist in determining the value by majority decision.

In 2015, Decedent executed an Irrevocable Trust Agreement (“the Trust”), and in March 2016, Decedent executed a last will and testament with specific bequests that did not include the Membership Interest in River View. However, he left the “residual” of his estate, “including real, personal, or mixed property” to the Trust.

Decedent passed away on September 1, 2017. On September 29, Decedent's estate was opened with Wife appointed as Executrix. On October 18, Wife, acting as Executrix of the estate and upon the advice of counsel, transferred Decedent's Membership Interest in River View to herself, along with other businesses owned by Decedent.

On October 24, 2017, Plaintiff gave notice that he intended to purchase Decedent's Membership Interest in accordance with Section 11.2(b) of the operating agreement. Wife refused, asserting that the Membership Interest had transferred to Decedent's estate upon his death and was not available for purchase in accordance with Section 11.1(a). On November 15, Plaintiff advised that a closing for the purchase of Decedent's membership interest would take place on November 22. Wife continued to refuse the transfer and did not appear at the scheduled meeting.

On November 22, 2017, Plaintiff filed the instant action against Wife, individually and as the Executrix of Decedent's estate, alleging breach of contract. He sought specific performance of his option to purchase or damages as a result of the breach. In support of his complaint, he filed an appraisal, dated November 1, estimating River View's value at approximately \$2.4 million.

At some point, Wife transferred the Membership Interest to the Trust by signing a document with an "effective date" of January 1, 2018. Wife moved to dismiss Plaintiff's complaint, citing the transfer in accordance with the operating agreement. Plaintiff moved for summary judgment, citing the option to purchase. On August 3, 2018, the court found that Plaintiff held a valid option to purchase but reserved ruling on whether Plaintiff had exercised his option.

In February 2022, a jury was empaneled to make specific findings of fact to aid the court. During the hearing, it was revealed that Plaintiff's appraisal, dated November 1, 2017, was woefully deficient and had been backdated by the appraiser to November 1 from November 14 in an effort to evidence compliance with the operating agreement. Wife, as Executrix, confirmed that she refused to cooperate based upon her contention that the Trust was the rightful owner of the Membership Interest in accordance Section 11.1(a).

In February 2022, the jury found that Plaintiff exercised his option to purchase on October 24, 2017, and that Wife repudiated her obligation to coordinate the transfer of the Membership Interest pursuant to the terms of the operating agreement. On April 1, 2022, Plaintiff moved to add the Trust as an indispensable party to the action. The court agreed and added the Trust to the action on March 10, 2023.

On March 29, 2023, Plaintiff filed an amended complaint against Wife, individually and as Executrix of the estate and as Trustee of the Trust (collectively "Defendants"). Plaintiff again alleged breach of contract, requesting specific performance or money damages. He also added new claims for equitable indemnification, tortious interference of

contract, and civil conspiracy, alleging that Defendants conspired together to breach the operating agreement and prevent Plaintiff from obtaining the benefits of such agreement. On June 8, 2023, Plaintiff filed a second amended complaint, in which he added a request for declaratory relief regarding the Trust's claim of ownership.

Following a hearing on November 19, 2024, the court confirmed that Plaintiff held an option to purchase the Membership Interest but had not obtained an appraisal within the time allotted by the operating agreement. The court found that Wife, as the Executrix of the estate, repudiated the option contract and wrongfully conveyed the interest to herself and then erroneously transferred the interest to the Trust. Recognizing the "unclean hands" of all parties, the court "reset" the clock, "surrounding the necessity of an appraisal of River View, the option to purchase the Wolford Interest by [River View] and the option to purchase the Wolford Interest by Plaintiff." Defendants then filed this timely appeal.

During the pendency of the appeal, Plaintiff filed a motion to enforce the judgment, stating that he had obtained an appraisal and exercised his option to purchase. Defendants filed a motion to stay enforcement of the judgment. The court granted the motion to stay.

II. ISSUES

We consolidate and restate the determinative issues on appeal as follows:

- A. Whether the trial court held subject matter jurisdiction.
- B. Whether dismissal of the action as time-barred was required.
- C. Whether the Membership Interest automatically transferred to the Trust upon Decedent's death.
- D. Whether Plaintiff held a valid option to purchase.
- E. Whether Plaintiff properly exercised his option to purchase.
- F. Whether the court erred in denying Plaintiff's motion to enforce the judgment and in granting Defendants' motion to stay the proceedings pending the appeal.

III. STANDARD OF REVIEW

A jury was empaneled in this action to render specific findings of fact to aid the court in its decision-making. “Findings of fact by a jury [in a civil action] shall be set aside only if there is no material evidence to support the verdict.” Tenn. R. App. P. 13(d); *Whaley v. Perkins*, 197 S.W.3d 665 (Tenn. 2006). The trial court’s conclusions of law are subject to a de novo review with no presumption of correctness. *Blackburn v. Blackburn*, 270 S.W.3d 42, 47 (Tenn. 2008); *Union Carbide Corp. v. Huddleston*, 854 S.W.2d 87, 91 (Tenn. 1993). “The interpretation of a contract is a matter of law that requires a de novo review on appeal.” *Guiliano v. Cleo, Inc.*, 995 S.W.2d 88, 95 (Tenn. 1999) (citing *Hamblen Cnty. v. City of Morristown*, 656 S.W.2d 331, 335–36 (Tenn. 1983)).

IV. DISCUSSION

In addressing the various issues raised on appeal, we must first clarify the rights and responsibilities of the parties involved in accordance with the operating agreement and estate law in general. We note that the Membership Interest immediately transferred to Decedent’s estate at the time of his passing as personal property in need of distribution in accordance with Tennessee Code Annotated section 31-2-103, which provides as follows:

Upon qualifying, the personal representative shall be vested with the personal property of the decedent for the purpose of first paying administration expenses, taxes, and funeral expenses and then for the payment of all other debts or obligations of the decedent as provided in § 30-2-317. If the decedent’s personal property is insufficient for the discharge or payment of a decedent’s obligations, the personal representative may utilize the decedent’s real property in accordance with title 30, chapter 2, part 4. After payment of debts and charges against the estate, the personal representative shall distribute the personal property of an intestate decedent to the decedent’s heirs as prescribed in § 31-2-104, and the property of a testate decedent to the distributees as prescribed in the decedent’s will.

Despite the immediate transfer of the Membership Interest to the estate, Plaintiff still held a valid option to purchase the Membership Interest within the 60 days that followed Decedent’s passing. Plaintiff notified Wife of his intent to purchase the Membership Interest on October 24, 2017. The only hurdle remaining was the establishment of the fair market value of the Company, from which the value of the Membership Interest could be ascertained. The parties were required to select qualified appraisers to submit their estimation of the fair market value of the Company and to submit such appraisals within 60 days of Decedent’s passing.

Neither party complied with this requirement. Wife outright refused, while Plaintiff selected an appraiser but failed to present a completed appraisal within the time allotted by the operating agreement. The operating agreement did not address the consequence of either party's failure to secure an appraisal within the allotted time. Wife argues that Plaintiff's failure to secure the appraisal within the option period was in violation of the operating agreement and is fatal to Plaintiff's claim.¹ We agree.

This action involves two contracts, the operating agreement and the option contract within the operating agreement. Our Supreme Court explained the principles of contract interpretation as follows:

When resolving disputes concerning contract interpretation, our task is to ascertain the intention of the parties based upon the usual, natural, and ordinary meaning of the contractual language. If a contract's language is clear and unambiguous, then the literal meaning of the language controls the outcome of the contract dispute. Additionally, all provisions in the contract should be construed in harmony with each other, if possible, to promote consistency and to avoid repugnancy between the various provisions of a single contract.

Teter v. Republic Parking Sys., Inc., 181 S.W.3d 330, 342 (Tenn. 2005) (internal quotations and citations omitted).

Absent an agreement holding otherwise in an option contract, the "acceptance must be made and conditions performed within the time limited by the option." *See Adams v. Swift*, 500 S.W.2d 437, 440–41 (Tenn. Ct. App. 1973) *see also Woodruff v. Nat'l Life Ins. Co.*, No. E2008-00605-COA-R3-CV, 2009 WL 792824, at *5 (Tenn. Ct. App. Mar. 26, 2009) ("With respect to a unilateral or option contract, it is a well-established and uniform rule that the acceptance of an offer must exactly and precisely accord with the terms of the offer") (citation omitted). In *Adams*, the plaintiff paid \$500 to secure an option to purchase land from the defendants. 500 S.W.2d at 438–39. The terms of the agreement provided that such option may be exercised at any time prior to January 20, 1970. *Id.* The parties agreed to a purchase price of \$15,100, payable in cash, with the initial option payment of \$500 credited on the purchase price. *Id.* On January 15, 1970, the plaintiff wrote the defendants, advising that he desired to exercise the option to purchase the property. *Id.* at 439. He thereafter advised, on January 28, that a closing had been scheduled for February

¹ For his part, Plaintiff maintains that Wife is no longer a necessary party to this appeal, having failed to initiate appellate review immediately after the jury's decision. This issue is wholly without merit. Prior to the trial court's issuance of its final order on March 23, 2025, the court had not entered a final judgment that adjudicated all the claims or the rights and liabilities of all the parties in accordance with Rule 3(a) of the Tennessee Rules of Appellate Procedure.

2; however, he never remitted payment prior to January 20. *Id.* at 439–40. Defendants refused to treat the notice as a valid exercise of the option and advised the plaintiff that the option had expired. *Id.* The plaintiff filed suit for specific performance of the option. *Id.* A panel of this court held that payment of the purchase price was a condition precedent to the exercise of the option, noting that “[n]o provision [wa]s made in the option [] for it to be exercised by notice only.” *Id.* at 441–42.

This court has likewise held that “[i]t is the performance of *all* required acts that converts an offer into a contract.” *Woodruff*, 2009 WL 792824, at *4. Acceptance of an option contract may be by acts, words, or both. *See generally Ray v. Thomas*, 232 S.W.2d 32, 34–35 (Tenn. 1950). In *Ray*, a provision in a trust deed secured a right in the first party to survey the land when “the Mississippi River reached a 2.2 point on the Memphis gauge” and to either receive a credit of \$10 per acre if there was a deficiency in the acreage or be held liable for an additional \$10 per acre if there was a surplus of acreage. *Id.* at 32. The property was transferred a few times before the current owner filed a complaint in which he sought credit toward his indebtedness based upon the option agreement. *Id.* at 33. This court held that such option expired when no survey was made the first time the Mississippi River reached a 2.2 point on the Memphis gauge. *Id.* at 34–36

The operating agreement here is silent as to the mode of acceptance of the option contract. However, the option agreement requires the submission of an appraisal within 60 days of the triggering event, e.g. Decedent’s passing. The record is clear that Plaintiff did not submit a qualified appraisal within 60 days of Decedent’s passing. Instead, he attempted to deceive the parties and the trial court by submitting a back-dated appraisal. Permitting a judicial “mulligan” for Plaintiff to comply with the terms is not permitted pursuant to the terms of the agreement.

In ruling in favor of Plaintiff, the trial court considered Wife’s repudiation of the option contract by her failure to submit her own qualified appraisal and otherwise cooperate. Wife’s cooperation or lack thereof did not absolve Plaintiff from his obligation to perform the required act of submitting an appraisal within the option period. This court has long held and repeatedly affirmed that it is a condition precedent to recovery in a breach of contract action to prove both repudiation and the party’s own ability to perform notwithstanding the repudiation. *Ching-Ming Chen v. Advantage Co.*, 713 S.W.2d 79, 81 (Tenn. Ct. App. 1986); *see also JRS Dev., LLC v. Jwaad*, No. M2025-00231-COA-R3-CV, 2026 WL 1871859, at *5 (Tenn. Ct. App. June 30, 2026) (“When a seller’s anticipatory repudiation excuses a buyer’s formal tender, the buyer must still demonstrate a readiness and ability to perform but for the seller’s breach of contract.”) (citations omitted). In *Ching-Ming Chen*, this court held that the trial court erred by failing to instruct the jury that it was possible for the defendant to breach a contract but yet not be held liable for such breach if the plaintiff could not establish his own ability to comply with the terms. 713

S.W.2d at 81. The plaintiff “must at least show a readiness to perform.” *Id.* Citing *Ching-Ming Chen*, a panel of this court recently upheld a trial court’s finding that the buyer was entitled to damages based upon the seller’s breach of contract when the buyer presented sufficient evidence of his readiness to perform under the terms of the contract. *Jwaad*, 2026 WL 1861859, at *5. Here, it is undisputed that Plaintiff failed to secure an appraisal within 60 days of Decedent’s passing. With all of the above considerations in mind, we hold that there was no material evidence presented to establish that Plaintiff exercised his option to purchase in accordance with the terms of the operating agreement. Plaintiff cannot now force the transfer of the Membership Interest by submitting a qualified appraisal. In so holding, we note that any issues not specifically addressed in this opinion are pretermitted by this court’s decision.

V. CONCLUSION

For the reasons stated above, we reverse the judgment of the trial court and remand for such further proceedings as may be necessary and consistent with this opinion. Costs of the appeal are taxed to the appellee, Robert C. Bullard.

s/John W. McClarty
JOHN W. McCLARTY, JUDGE