

IN THE COURT OF COMMON PLEAS OF LYCOMING COUNTY, PA

B.L.,	:	
Plaintiff	:	
	:	
v.	:	No. 03-21,390
	:	
J.J.,	:	
Defendant	:	

OPINION and ORDER

In this case, the court is asked to interpret a postnuptial agreement signed by the parties. Husband claims the agreement waives Wife’s right to spousal support to the extent that support is calculated using the income generated by Husband’s trailer court property. Husband contends spousal support must be calculated using only the income he receives from his employment.¹ Wife claims the agreement does not so limit her right to receive spousal support. The Master found that the agreement precludes Wife from receiving any spousal support whatsoever.

Prenuptial and postnuptial agreements are permitted and even encouraged as methods of determining marital property rights. Sabad v. Fessenden, 825 A.2d 682 (Pa. Super. 2003). The interpretation, enforcement, and available remedies regarding such agreements are determined in accordance with traditional principles of contract law. Id. at 688. Generally, the parties are bound by their agreements, absent fraud, misrepresentation or duress. They are bound without regard to whether the terms were read and fully understood, and irrespective of whether the agreements embodied reasonable or good bargains. Id.

In the case at hand, the court is asked to interpret such an agreement. The rules of interpretation are set forth in Sabad, supra, at 688, as follows:

¹ This would result in Wife receiving about \$60 per month in spousal support.

In interpreting an antenuptial agreement, the court must determine the intention of the parties. When the words of a contract are clear and unambiguous, the intent of the parties is to be discovered from the express language of the agreement. Where ambiguity exists, however, the courts are free to construe the terms against the drafter and to consider extrinsic evidence in so doing.

(Citations omitted.)

Husband's argument centers around Paragraph (1) of the Agreement, titled, "Property to be Separately Owned." It states,

Each shall separately retain all rights in is/her property interests of whatsoever nature and all proceeds and income therefrom and/or any successor entities, whether now owned or hereafter acquired, and each shall have the absolute and unrestricted right to dispose of such separate property, free from any claim that may be made by the other by reason of their marriage, and with the same effect as if no marriage has been consummated between them. *Further, all income earned by either party after the marriage and all resulting assets and additional income generated therefrom shall be the separate property of each party free from any such marital claims.*

(Italics added.) Husband points to the italicized language, arguing that calculating spousal support by using the income generated by Husband's assets would constitute a marital claim to such assets. While this is an ingenious argument, the language of the entire agreement indicates that such was not the parties' intent. The primary purpose of the agreement, and the main impetus behind it, was clearly to protect certain of Husband's assets—specifically, the trailer court property.

This intention is demonstrated throughout the agreement, starting with the "whereas" clauses at the very beginning of the document:

WHEREAS, the parties were married on December 17, 1996; and
WHEREAS, each of the parties owns individually real and personal property, the nature and extent of the holdings of each party having been disclosed to the other; and
WHEREAS, the parties desire that certain property now owned shall, for testamentary or inter vivos disposition, be free from any claim of the other that may accrue by reason of their marriage; and
WHEREAS, certain business opportunities have arisen for Husband which require that certain property be free from any claims of Wife.

These “business opportunities” are no doubt the transfer of trailer court property from Husband’s parents to Husband.

The next evidence of the parties’ intention is paragraph 1(E), which specifically mentions the “contemplated real estate ownership and development” on the real estate known as the Harvest Moon Trailer Park, and which states that Wife releases any claims to the property, stock and/or partnership rights that Husband may acquire with respect to that real estate.

The most important evidence of the parties’ intention, however, is paragraph 3, which states,

Each waives and releases all right and interest, statutory or otherwise, they may have by reason of the marriage as to said separate property of the other upon divorce. Said waiver shall not without further agreement, release rights as to spousal support, alimony pendente lite, alimony and counsel fees, but shall only act as a release as to and [sic] equitable distribution of each other’s separate property.

The next evidence of intent is paragraph 8, titled, “Intent and Purpose,” which states,

It is the intention and purpose of this Agreement to provide for continued individual ownership of the certain family assets and both parties recognize that the continued individual ownership is beneficial and sufficient consideration for this Agreement.

Lastly, the court notes the frequent mention and emphasis, throughout the document, of the term “separate property.”

In conclusion, a fair reading of the clear language of the agreement demonstrates that the parties intended to preclude Wife from making a claim on the trailer court property in equitable distribution, and also from making a direct claim to the income generated by the trailer court property. The parties did not intend, however, to limit her right to receive spousal support as calculated under the support Guidelines. If they had wanted to impose such a limitation, they could easily have inserted it in paragraph 3.

Instead, paragraph 3 specifically states that waiver of separate property does *not* constitute a waiver of spousal support. This is clear and unambiguous language.

One of the basic principles of contract law is that a court must attempt to give effect to all clauses of a contract, and if possible, avoid an interpretation that renders them contradictory. Granting spousal support to Wife gives full effect to the entire agreement.

For all these reasons, the court finds that Wife is entitled to spousal support, and that the support should be calculated according to the formula set forth in the Guidelines, which includes all of Husband's income. Spousal support is calculated to be \$260.30 per month, and the mortgage contribution is calculated to be \$106 per month.²

² Although no party filed exceptions to the Master's calculation of the mortgage contribution, it appears the Master erred in failing to include the child support Wife is receiving as part of her income. See Rule 1910.16-6(e).

ORDER

AND NOW, this _____ day of March, 2004, for the reasons stated in the foregoing opinion, the plaintiff's Exception #2 to the Master's order of January 14, 2004 is granted. Exceptions #1 and #3 have been withdrawn and are therefore dismissed. It is further ordered that:

1. James L. Liberti shall be obligated to pay spousal support of \$260.30 per month.
2. James L. Liberti shall be obligated to pay a mortgage contribution of \$106 per month.
3. In all other respects, the Master's order of January 14, 2004 is affirmed.

BY THE COURT,

Richard A. Gray, J.

cc: Dana Jacques, Esq., Law Clerk
Hon. Richard A. Gray
Joy McCoy, Esq.
Christina Dinges, Esq.
Domestic Relations (MR)
Gerald Seevers, Esq.
Gary Weber, Esq.