

# SUPERIOR COURT OF PENNSYLVANIA

## Huss v. Weaver

2014 PA Super 238 · No. No. 1703 WDA 2013 · Decided October 21, 2014

### SUMMARY

The Pennsylvania Superior Court reviewed the dismissal of Amy Huss’s claims against James P. Weaver arising from an agreement concerning child custody, visitation, and a \$10,000 payment for each custody or visitation modification filing. The court held that the payment provision was not shown to violate dominant public policy and that the trial court improperly dismissed the breach of contract, negligent misrepresentation, and fraud claims at the preliminary-objections stage. The order was reversed and the case was remanded.

### CASE DETAILS

|                       |                                                                                                                                                                                                                                             |
|-----------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| COURT                 | Superior Court of Pennsylvania                                                                                                                                                                                                              |
| WRITING FOR THE COURT | Donohue, J.; Allen, J.; Musmanno, J.                                                                                                                                                                                                        |
| JURISDICTION          | Pennsylvania                                                                                                                                                                                                                                |
| DECIDED               | October 21, 2014                                                                                                                                                                                                                            |
| DOCKET                | No. 1703 WDA 2013                                                                                                                                                                                                                           |
| DISPOSITION           | reversed_and_remanded                                                                                                                                                                                                                       |
| PROCEDURAL POSTURE    | Appeal from an order granting preliminary objections in the nature of demurrers and dismissing an amended complaint with prejudice.                                                                                                         |
| STANDARD OF REVIEW    | Review of an order sustaining preliminary objections in the nature of demurrers is de novo and plenary. The court derives salient facts solely from the complaint and treats well-pleaded material facts and reasonable inferences as true. |
| PRECEDENTIAL VALUE    | Published Pennsylvania Superior Court opinion; precedential unless otherwise limited by Pennsylvania law.                                                                                                                                   |
| PARTIES               | Amy Huss v. James P. Weaver                                                                                                                                                                                                                 |

### TOPICS

[child custody](#) [visitation](#) [contracts](#) [motions to dismiss](#) [appellate procedure](#)

### PRACTICE AREAS

## QUESTIONS PRESENTED

1. Whether the agreement's \$10,000 payment provision for each custody or visitation modification filing is unenforceable as against public policy.
2. Whether dismissal of Huss's negligent-misrepresentation and fraud claims on demurrer was proper on the ground that she could not establish damages.
3. Whether Weaver should be estopped from asserting unenforceability because he drafted the agreement and advised Huss that it was legal and enforceable.

## HOLDINGS

1. The \$10,000 clause is not unenforceable as against public policy on the basis that custody and visitation agreements remain subject to court modification in the child's best interests.
2. Dismissal of the negligent-misrepresentation and fraud claims was error because, if the \$10,000 clause is enforceable, damages for Weaver's alleged breach may be available.
3. The parol evidence rule does not bar testimony explaining, clarifying, or resolving an ambiguity concerning whether the payment provision was intended to provide a defense fund.

## KEY QUOTATIONS

*“Public policy is to be ascertained by reference to the laws and legal precedents and not from general considerations of supposed public interest.” (-7)*

*“In no sense, however, do custody and visitation agreements involve the bargaining away of the rights of the children, and hence they are not unenforceable as against public policy on the same basis as are agreements regarding child support.” (-9)*

## FACTUAL BACKGROUND

In October 2008, Huss and Weaver entered into an agreement concerning custody, visitation, support, and modification of those provisions if their relationship ended and they had a child. The agreement provided that Weaver would pay Huss \$10,000 for each complaint, motion, petition, or similar pleading he filed seeking to modify custody or visitation. After the parties' son was born, Weaver filed custody litigation, allegedly made numerous modification filings, and refused to make the required payments. Huss sued for breach of contract and later added negligent-misrepresentation and fraud claims, alleging that Weaver, who had provided her legal advice and helped draft the agreement, misrepresented its legality.

## PROCEDURAL HISTORY

Huss filed a breach-of-contract complaint alleging that Weaver failed to make \$10,000 payments required for each attempt to modify custody or visitation terms in their agreement. She later amended the complaint to add negligent-misrepresentation and fraud claims. The Washington County Court of Common Pleas sustained Weaver's preliminary objections and dismissed the amended complaint with prejudice, ruling that the payment

provision violated public policy and that Huss could not establish damages for the tort claims. The Superior Court reversed and remanded.

#### DISPOSITION

reversed\_and\_remanded

#### REMAND INSTRUCTIONS

Remand for further proceedings consistent with the opinion, including consideration of Huss's claims after rejecting the public-policy basis for dismissal. Jurisdiction was relinquished.

#### CASES CITED

- Knorr v. Knorr, 588 A.2d 503, 505 (Pa. 1991)
- Mumma v. Mumma, 550 A.2d 1341, 1343 (Pa. Super. 1988)
- Yates v. Yates, 963 A.2d 535, 539 (Pa. Super. 2008)
- Ferguson v. McKiernan, 940 A.2d 1236, 1245 n.16 (Pa. 2007)
- Hall v. Amica Mut. Ins. Co., 538 Pa. 337, 347-48, 648 A.2d 755, 760 (1994)
- Eichelman v. Nationwide Ins. Co., 711 A.2d 1006, 1008 (Pa. 1998)
- Mamlin v. Genoe, 340 Pa. 320, 325, 17 A.2d 407, 409 (1941)
- Sams v. Sams, 808 A.2d 206, 211, 213 (Pa. Super. 2002)
- Ruth F. v. Robert B., 690 A.2d 1171, 1172 (Pa. Super. 1997)
- Hyde v. Hyde, 618 A.2d 406, 408 (Pa. Super. 1992)
- Kesler v. Weniger, 744 A.2d 794, 796 (Pa. Super. 2000)
- Com. ex rel. Veihdeffer v. Veihdeffer, 344 A.2d 613, 614 (Pa. Super. 1975)
- Lee v. Child Care Service Delaware County, 337 A.2d 586, 590 (Pa. 1975)
- Kraisinger v. Kraisinger, 928 A.2d 197, 337, 345 (Pa. Super. 2007)
- Martin v. Rite Aid of Pennsylvania, Inc., 80 A.3d 813, 814 (Pa. Super. 2013)
- Steuart v. McChesney, 444 A.2d 659, 663 (Pa. 1982)
- Insurance Adjustment Bureau, Inc. v. Allstate Ins. Co., 905 A.2d 462, 468 (Pa. 2006)

#### OPINION

##### PER CURIAM.

J-A23019-14 2014 PA Super 238 AMY HUSS,: IN THE SUPERIOR COURT OF: PENNSYLVANIA Appellant: v.: JAMES P. WEAVER,: Appellee: No. 1703 WDA 2013 Appeal from the Order September 25, 2013, Court of Common Pleas, Washington County, Civil Division at No. 2013-1209 BEFORE: DONOHUE, ALLEN and MUSMANNO, JJ. OPINION BY DONOHUE, J.: FILED OCTOBER 21, 2014 Appellant, Amy Huss (“Huss”), appeals from the

trial court's grant of preliminary objections dismissing her action against Appellee, James P. Weaver ("Weaver").

In October 2008, Huss and Weaver entered into a contract (the "Agreement"), in which they agreed that if their relationship resulted in the birth of a child, Huss would have primary physical custody and Weaver would have specified visitation rights, and that if Weaver sought court modification of these terms he would pay Huss \$10,000 for each such attempt.

The parties had a son in November 2010 and Weaver filed a complaint for custody in December 2010. Huss then filed a complaint alleging that Weaver has failed to abide by his contractual promise to make the required \$10,000 payments.

The trial court dismissed Huss' complaint, J-A23019-14 ruling that the provision for \$10,000 payments was void as against public policy. For the reasons that follow, we reverse. Huss filed her initial complaint on March 7, 2013, alleging a single count for breach of contract.

In response to preliminary objections filed by Weaver, on April 19, 2013, Huss filed an amended complaint, adding causes of action for negligent misrepresentation and fraud. On May 7, 2013, Weaver filed preliminary objections in the nature of demurrers to the amended complaint, asserting that the \$10,000 modification provision of the Agreement violates public policy and that the negligent misrepresentation and fraud causes of action are barred by the economic loss doctrine.

On September 25, 2013, the trial court entered an order and opinion granting Weaver's preliminary objections and dismissing Huss' amended complaint with prejudice. In her amended complaint, Huss alleges that the parties entered into the Agreement on October 17, 2008, that at that time Weaver was a practicing attorney with the law firm of Buchanan Ingersoll & Rooney in Pittsburgh, and that he had provided Huss with "legal representation in various legal matters." Amended Complaint, 10/17/2008, at ¶¶ 3-6.

Huss further alleges that Weaver, along with a colleague at the Buchanan Ingersoll & Rooney law firm, drafted the Agreement. Id. at 5. For present purposes, the relevant provisions of the Agreement are as follows: -2- J-A23019-14 WHEREAS, currently [Huss] is a real estate agent capable of earning large commissions if she works excessive hours and [Weaver] is an attorney capable of earning a large salary; and WHEREAS, in the event that [Huss] has a child or children of [Weaver] and the parties' relationship is ended by either party, whether or not the parties are married at the time of the termination of the relationship, the parties desire to set forth their agreement as to the custody of such child or children.

NOW THEREFORE the parties for and in consideration of the covenants contained in this Agreement, and intending to be legally bound thereby, agree as follows: 1. Custody. In the event that either [Weaver] or [Huss] terminates the relationship with the other, whether or not they are

married at the time of such termination, the legal custody of any child by this Agreement shall be shared by [Weaver] and [Huss] shall have primary physical custody of such children.

In the event such termination of the relationship occurs, [Weaver] agrees that he will not pursue full physical custody of any child by this agreement and further agrees that he will not attempt to use the fact that [Huss] must work excessive hours selling real estate in order to earn large commissions to pursue custody of such child or children. 2. Visitation.

In the event that either [Weaver] or [Huss] terminates the relationship with the other, whether they are married at the time of such termination, [Weaver] shall be entitled to unsupervised visitation with any child by this Agreement as follows: a. So long as the parties reside within 50 miles of one another, [Weaver] shall be entitled to every other weekend beginning at 7 p.m.

Friday evening and ending 4 p.m. Sunday evening. [Weaver] agrees to be responsible for transportation. b. In the event that the parties reside more than 50 miles from one another, [Weaver] shall be entitled to one month during the summer as agreed to by the parties. -3- J-A23019-14 c. [Huss] has the right to relocate out of state if she desires. 3. Support.

[Weaver] agrees that, regardless of any custody arrangement between the parties, [Weaver] waives any rights to pursue [Huss] for child support for any child. [Weaver] further agrees to pay [Huss] child support for any child or children to be agreed upon [by] the parties or determined by Domestic Relations. 4. Modification of Agreement. This Agreement may only be modified or amended by the parties by a written instrument signed by both [Weaver] and [Huss].

The parties acknowledge that this Agreement may be modified or superseded by a court of competent jurisdiction. In the event that [Weaver] files a complaint, motion, petition or similar pleading seeking the modification or amendment of the custody and/or visitation provisions set forth herein, [Weaver] agrees to pay [Huss] \$10,000 for each modification or amendment sought.

5. Voluntary Agreement. Each party understands that in the absence of this Agreement, as a matter of law, that he or she might be entitled to a greater level of custody or more visitation than is provided herein. Both parties acknowledge that they have read this Agreement carefully and thoroughly, and each considers the provisions of this Agreement to be fair, just and reasonable, and that they fully understand each of its provisions and are executing the same freely and voluntarily, without coercion or other compulsion.

Id. at ¶ 3 (Exhibit A) (emphasis added). Huss alleges that Weaver has breached the above-highlighted portion of the Agreement, since the birth of their son the parties have been “embroiled in litigation” regarding custody and visitation issues, that in those proceedings Weaver has filed numerous “complaints, motions, petitions, and/or similar pleadings,” and that he has -4- J-A23019-14 failed and refused to pay her \$10,000 for each such filing.

Id. at 9-12. Finally, Huss contends that Weaver, as her legal advisor, either negligently or intentionally misrepresented to her that she should enter into the Agreement, which “she in fact did not wish to enter,” and that in connection therewith he never indicated to her that he believed any of its provisions to be against public policy. Id. at ¶¶ 14-19, 28-32.

In its written opinion in support of its grant of Weaver’s preliminary objections, the trial court first cited to cases holding that parents may not bargain away their child’s right to receive child support. Trial Court Opinion, 9/25/2013, at 2 (citing *Knorr v. Knorr*, 588 A.2d 503, 505 (Pa. 1991)).

The trial court then noted that custody agreements between parents are subject to court modification in the best interests of the child. Id. (citing *Mumma v. Mumma*, 550 A.2d 1341, 1343 (Pa. Super. 1988)). Based on these tenets, the trial court reasoned as follows: Imposing a fee upon [Weaver] to pay \$10,000 if he decides to file a modification of child custody is against the public policy of assuring continuing contact between child and parent.

It substantially impairs the Court’s power and the Commonwealth’s duty to determine what is in a child’s best interest. ‘Our paramount concern in child custody matters is the best interests of the children.’ *Yates v. Yates*, 963 A.2d 535, 539 (Pa. Super. 2008). It is against public policy to impose a fee on one party in order to determine the best interests of the child. -5- J-A23019-14 Id. at 2-3.1 On appeal, Huss raises two issues for our consideration and determination: 1.

Did the lower court err in concluding that the parties’ Agreement was not enforceable as a matter of public policy? 2. Whether [Weaver, an attorney] who drafted a contract should be estopped from asserting the contract is unenforceable when he advised [Huss] the contract was legal and enforceable? Huss’ Brief at 3.

In reviewing a trial court’s grant of preliminary objections in the nature of demurrers, our standard of review is de novo and the scope of our review is plenary. See., e.g., *Martin v. Rite Aid of Pennsylvania, Inc.*, 80 A.3d 813, 814 (Pa. Super. 2013).

We must derive the salient facts solely from the complaint, and we must treat all well-pleaded material facts in the complaint, and all inferences reasonably deduced therefrom, as true. Id. Huss’ first issue on appeal requires us to determine whether the above highlighted “\$10,000 clause” is unenforceable as against public policy.

In 1 The trial court also indicated that the provision in paragraph 3 of the Agreement preventing Weaver from filing for child support from Huss if he is ever awarded custody violates public policy. Id. at 2. In her present action, however, Huss is not attempting to enforce this provision and thus its enforceability is not at issue here.

Moreover, its enforceability should have no effect on the issues currently ripe for resolution, since the Agreement contains a severability clause providing that if any of its provisions is determined to conflict with Pennsylvania law, “the remaining terms of the Agreement shall remain in full force and effect.” Amended Complaint, 10/17/2008, at ¶ 3 (Exhibit A, ¶ 7). -6- J-A23019-14 *Ferguson v. McKiernan*, 940 A.2d 1236 (Pa.

2007), our Supreme Court instructed us on the proper legal standards to apply when deciding such issues: In assessing whether a contractual agreement violates public policy ‘this Court is mindful that public policy is more than a vague goal which may be used to circumvent the plain meaning of the contract.’ *Hall v. Amica Mut. Ins. Co.*, 538 Pa. 337, 347, 648 A.2d 755, 760 (1994) [....]

Public policy is to be ascertained by reference to the laws and legal precedents and not from general considerations of supposed public interest. As the term ‘public policy’ is vague, there must be found definite indications in the law of the sovereignty to justify the invalidation of a contract as contrary to that policy.... Only dominant public policy would justify such action.

In the absence of a plain indication of that policy through long governmental practice or statutory enactments, or of violations of obvious ethical or moral standards, the Court should not assume to declare contracts... contrary to public policy.

The courts must be content to await legislative action. *Id.* at 347–48, 648 A.2d at 760 (citations omitted). This Court has further elaborated that: It is only when a given policy is so obviously for or against the public health, safety, morals or welfare that there is a virtual unanimity of opinion in regard to it, that a court may constitute itself the voice of the community in so declaring [that the contract is against public policy]. -7- J-A23019-14 *Mamlin v. Genoe*, 340 Pa. 320, 325, 17 A.2d 407, 409 (1941).

*Ferguson*, 940 A.2d at 1245 n.16 (quoting *Eichelman v. N'wide Ins. Co.*, 711 A.2d 1006, 1008 (Pa. 1998)). Contrary to the trial court, we have not identified any “dominant public policy” grounded in governmental practice, statutory enactments, or violations of obvious ethical or moral standards, that provides a basis for declaring the “\$10,000 clause” in the Agreement to be unenforceable as against public policy.

The trial court founded its analysis on *Knorr*, in which our Supreme Court held that parents have no power to “bargain away the rights of their children,” and that if an agreement between parents for child support provides “less than required or less than can be given,” courts may ignore the agreement and require a satisfactory level of support. *Knorr*, 588 A.2d at 505.

Subsequent to *Knorr*, this Court has routinely held that a child’s right to adequate support payments cannot be bargained away and that any release or compromise on child support obligations is invalid if it prejudices the child’s welfare. See, e.g., *Sams v. Sams*, 808 A.2d 206,

211 (Pa. Super. 2002); *Ruth F. v. Robert B.*, 690 A.2d 1171, 1172 (Pa. Super. 1997); *Hyde v. Hyde*, 618 A.2d 406, 408 (Pa.

Super. 1992). No similar appellate authority, however, exists with respect to agreements between parents regarding custody and visitation. While custody and visitation agreements are always subject to modification by the -8- J-A23019-14 courts in the best interests of the child, *Mumma*, 550 A.2d at 1343, we are unaware of any cases in which Pennsylvania courts have declared such contracts to be unenforceable as against public policy.

The reason for this distinction would appear to be obvious, since the right to child support belongs to the child, and thus cannot be “bargained away” by the parents. See *Kesler v. Weniger*, 744 A.2d 794, 796 (Pa. Super. 2000) (“[T]he right to support is a right of the child, not the mother or father ....”).

Accordingly, when the parents agree among themselves to provide an inadequate level of child support, the child’s rights have been violated and thus the agreement may be declared void as against public policy. See, e.g., *Sams*, 808 A.2d at 213 (“[T]he agreement [is] invalid on public policy grounds, because Mother had no power to bargain away her children’s right to support by reducing Father’s obligation from \$3,400/month support to \$1,000/month.”).

Rights to custody and visitation, on the other hand, belong to the parents (or guardians). 23 Pa.C.S.A. § 5322; Pa.R.C.P. 1915.1(b). Because children are not mere chattel, agreements regarding custody and visitation are always subject to court review and adjustment in the best interests of the child. *Mumma*, 550 A.2d at 1343; *Com. ex rel. Veihdeffer v. Veihdeffer*, 344 A.2d 613, 614 (Pa.

Super. 1975) (“A child cannot be made the subject of a contract with the same force and effect as if it were a mere chattel ....”). In no sense, however, do custody and visitation agreements -9- J-A23019-14 involve the bargaining away of the rights of the children, and hence they are not unenforceable as against public policy on the same basis as are agreements regarding child support.

See generally *Lee v. Child Care Service Delaware County*, 337 A.2d 586, 590 (Pa. 1975) (“Pennsylvania precedents merely provide that contracts for custody of children will not foreclose a court from making a contrary disposition in the best interests of the child. This doctrine does not support appellants’ claim that ‘placement agreements’ are void as against public policy.”).

The trial court nevertheless argued that the “\$10,000 clause” is unenforceable as against public policy because it “substantially impairs the Court’s power and the Commonwealth’s duty to determine what is in a child’s best interests.” Trial Court Opinion, 9/25/2013, at 2-3.



To this end, in its written opinion, the trial court refers to the “10,000 clause” as a “fee,” an “impediment,” an “impairment,” and would have a “chilling effect” on the filing of custody complaints or modification petitions. *Id.* at 2-5.

In support of this position, in his appellate brief Weaver cites to this Court’s decision in *Kraisinger v. Kraisinger*, 928 A.2d 197 (Pa. Super. 2007), in which we struck as invalid a provision in a child support agreement requiring the mother to pay father’s legal fees if she challenged the amount of child support set forth in their agreement. *Id.* at 345.

The parties’ agreement specifically provided that the attorneys’ fees provision was included to “discourage frivolous filings.” *Id.* at 337. In accord with the rationale - 10 - J-A23019-14 employed in the above-discussed child support cases, we concluded that “[w]e cannot tolerate a provision which penalizes a parent for pursuing her children’s rights.” *Id.* at 345.

The issue of whether a provision in a custody/visitation contract that places a serious impediment on either party’s ability to seek court modification in the best interests of the child is not presently before this Court. No language in the Agreement at issue here provides either that the “\$10,000 clause” is intended to discourage Weaver from seeking court intervention, or evidences that the payment would act as an impediment to his ability to do so.

Whether the “\$10,000 clause” would act as an impediment would depend, first and foremost, upon Weaver’s financial ability to pay it. In the Agreement, however, Weaver plainly acknowledged that he “is an attorney capable of earning a large salary.” Amended Complaint, 10/17/2008 (Exhibit A). He also straightforwardly recognized that all of the terms of the Agreement (including the “\$10,000 clause” in the immediately preceding paragraph) are “fair, just and reasonable.” *Id.* at ¶ 5.

Finally, Weaver agreed that he fully understood each of the Agreement’s provisions and executed it “freely and voluntarily, without coercion or other compulsion.” *Id.* As set forth above, our standard of review in this circumstance provides that the salient facts must be derived solely from Huss’ amended complaint (including the attached Agreement), and that we must treat all - 11 - J-A23019-14 well-pleaded material facts in the amended complaint, and all inferences reasonably deduced therefrom, as true.

*Martin*, 80 A.3d at 814. No facts of record support a finding that the “\$10,000 clause” constituted an impediment to Weaver’s ability to seek court modification of any of the terms of the Agreement. Huss contends that the “\$10,000 clause” was intended as a “defense fund” in the event of litigation regarding the Agreement. Huss’ Brief at 12. While we agree with the trial court that the Agreement contains no specific language to support this suggestion, we cannot also agree that the parol evidence rule would bar her from testifying about her understanding of the parties’ intentions with respect to this payment.

See, e.g., *Steuart v. McChesney*, 444 A.2d 659, 663 (Pa. 1982) (parol evidence is admissible to explain, clarify, and resolve ambiguities). Whether the parties intended to provide Huss with a “defense fund” to assist with the cost of any future litigation may depend upon the parties’ relative abilities to afford the expense of any such future litigation.

In this regard, the first “WHEREAS” clause in the Agreement is ambiguous, as it leaves their relative financial capabilities unclear. Weaver is described as an attorney “capable of earning a large salary,” while Huss is a real estate agent “capable of earning large commissions if she works excessive hours.” Amended Complaint, 10/17/2008 (Exhibit A) (emphasis added).

Without parol evidence, we cannot ascertain whether this provision intended to convey that the parties - 12 - J-A23019-14 have approximately the same capabilities to earn large salaries/commissions, or alternatively if Weaver is best able to earn more money (since he apparently can do so without working excessive hours, which arguably would be difficult for Huss to do after the birth of their child).<sup>2</sup> In short, whether the parties recognized Weaver’s superior ability to finance the cost of future litigation, and thus provided for a “defense fund” in the Agreement, is not clear.

For these reasons, we conclude that the trial court erred in ruling that the “10,000 clause” in the Agreement is unenforceable as against public policy. The record does not reflect that this provision constitutes any limitation on Weaver’s ability to seek court intervention to modify the custody and/or visitation provisions in the Agreement between these parties in the best interests of the child.

The trial court dismissed Huss’ claims for negligent misrepresentation and fraud because she “cannot point to any real damages.” Trial Court Opinion, 9/25/2013, at 5. Based upon our ruling hereinabove that the “\$10,000 clause” is not unenforceable as against public policy, however, <sup>2</sup> In her amended complaint, Huss alleges that Weaver drafted the Agreement. Amended Complaint, 10/17/2008, at ¶ 5.

Ordinary principles of contract interpretation provide that ambiguities are to be construed against the drafter, *Insurance Adjustment Bureau, Inc. v. Allstate Ins. Co.*, 905 A.2d 462, 468 (Pa. 2006), further strengthening Huss’ contention that the “\$10,000 clause” was intended as a defense fund. - 13 - J-A23019-14 damages for Weaver’s breach of this provision may be available to Huss.

As a result, dismissal of these causes of action on demurrers was also error. Order reversed.<sup>3</sup> Case remanded. Jurisdiction relinquished. Musmanno, J. joins this Opinion. Allen, J. files a Dissenting Opinion. Judgment Entered. Joseph D. Seletyn, Esq. Prothonotary Date: 10/21/2014 <sup>3</sup> In light of our disposition of Huss’ first issue on appeal, it is not necessary to address her second issue. - 14 -