

NEW YORK COURT OF APPEALS

Graev v. Graev

11 N.Y.3d 262, 898 N.E.2d 909 (2008) · Decided October 21, 2008

SUMMARY

The New York Court of Appeals held that the term "cohabitation" in the parties' settlement agreement was ambiguous because neither dictionaries nor New York case law supplied a uniform meaning. The court reversed and remitted the case for further proceedings, including consideration of extrinsic evidence concerning the parties' intent regarding termination of spousal support.

CASE DETAILS

COURT	New York Court of Appeals
WRITING FOR THE COURT	Read, J.; Graffeo, J.
JURISDICTION	New York
DECIDED	October 21, 2008
DISPOSITION	reversed_and_remanded
PROCEDURAL POSTURE	The former wife moved to enforce spousal-support provisions in a settlement agreement, and the former husband cross-moved for summary judgment claiming that the wife's relationship with another man constituted a contractual termination event. After Supreme Court ordered a hearing and later ruled for the wife, the Appellate Division affirmed. The New York Court of Appeals reversed and remitted.
STANDARD OF REVIEW	Contract interpretation is reviewed as a question of law; the court also reviewed the lower court's determination that the contractual term had a plain meaning and was unambiguous.
PRECEDENTIAL VALUE	published precedential opinion
PARTIES	Lawrence Graev v. Linda Graev

TOPICS

- spousal support
- family law
- contract interpretation
- statutory interpretation
- appellate procedure

PRACTICE AREAS

- family law
- contracts
- appellate procedure

QUESTIONS PRESENTED

1. Whether the term "cohabitation" in the parties' settlement agreement had a definite plain meaning requiring shared household expenses or an economic unit.
2. Whether the term "cohabitation" was ambiguous and therefore required consideration of extrinsic evidence concerning the parties' intent.
3. Whether the case should be remitted for further proceedings to determine the contractual meaning of cohabitation and whether the wife's conduct satisfied that meaning.

HOLDINGS

1. The term "cohabitation" was ambiguous as used in the settlement agreement; neither dictionary definitions nor New York case law supplied an authoritative plain meaning.
2. Cohabitation under the settlement agreement was not necessarily determined by whether the couple shared household expenses or functioned as a single economic unit.
3. Because the contractual term was ambiguous, the case had to be remitted for further proceedings allowing consideration of extrinsic evidence of the parties' intent.

KEY QUOTATIONS

"Rather, the word "cohabitation" is ambiguous as used in this settlement agreement: neither the dictionary nor New York case law supplies an authoritative or "plain" meaning." (271)

"We did not equate the word "cohabitation" with "changed economic circumstances" alone." (273)

"Without extrinsic evidence as to the parties' intent, there is no way to assess the particular factors inherent in the dictionary meanings or case law discussions of "cohabitation" the parties may have meant to embrace or emphasize." (274)

FACTUAL BACKGROUND

The parties' 1997 settlement agreement required Lawrence Graev to pay Linda Graev monthly spousal support until a specified date or the occurrence of certain termination events, including Linda's cohabitation with an unrelated adult for 60 substantially consecutive days. During the summer of 2004, Linda and MP spent more than 60 substantially consecutive nights together at her Connecticut vacation home, maintained a long-term romantic relationship, socialized as a couple, and performed chores and errands together. MP nevertheless maintained a separate residence, did not contribute to the costs of Linda's home, and the evidence did not establish that they functioned as a single economic unit.

PROCEDURAL HISTORY

The parties' divorce actions were consolidated, and their 1997 settlement agreement was incorporated but not merged into the judgment of divorce. Supreme Court ordered a hearing on whether the wife's relationship constituted cohabitation, then concluded after trial that it did not because the couple did not share household expenses or function as an economic unit. The Appellate Division affirmed, holding that cohabitation had a plain

meaning requiring an economic relationship. The Court of Appeals reversed, held the term ambiguous in this agreement, and remitted for consideration of extrinsic evidence concerning the parties' intent.

DISPOSITION

reversed_and_remanded

REMAND INSTRUCTIONS

Remand to Supreme Court for further proceedings consistent with the opinion, including consideration of extrinsic evidence concerning the parties' intent regarding the meaning of "cohabitation" in the settlement agreement.

CASES CITED

- Graev v. Graev, 46 A.D.3d 445 (1st Dep't 2007)
- Brown v. Brown, 122 A.D.2d 762 (2d Dep't 1986)
- Matter of Watson v. Watson, 39 A.D.2d 660 (1st Dep't 1972)
- Olstein v. Olstein, 309 A.D.2d 697 (1st Dep't 2003)
- Famoso v. Famoso, 267 A.D.2d 274 (2d Dep't 1999)
- Markhoff v. Markhoff, 225 A.D.2d 1000 (3d Dep't 1996)
- Scharnweber v. Scharnweber, 105 A.D.2d 1080 (4th Dep't 1984), *aff'd*, 65 N.Y.2d 1016 (1985)
- Matter of Emrich v. Emrich, 173 A.D.2d 818 (2d Dep't 1991)
- Salas v. Salas, 128 A.D.2d 849 (2d Dep't 1987), *lv. dismissed*, 70 N.Y.2d 747 (1987)
- Matter of Ciardullo v. Ciardullo, 27 A.D.3d 735 (2d Dep't 2006)
- Clark v. Clark, 33 A.D.3d 836 (2d Dep't 2006)