

SUPREME COURT OF GEORGIA

DeRyke v. Teets, 288 Ga. 160

702 S.E.2d 205 (2010) · No. No. S10A0710 · Decided November 8, 2010

SUMMARY

The Supreme Court of Georgia held that a divorce settlement agreement incorporated into a divorce decree unambiguously waived the former husband's interest in the former wife's employee benefits, including benefits for which he remained the designated beneficiary. The court ruled that the former wife's failure to change the beneficiary designation did not constitute a voluntary provision of benefits under the agreement, reversed the denial of contempt proceedings, and remanded for the trial court to consider willfulness and contempt.

CASE DETAILS

COURT	Supreme Court of Georgia
WRITING FOR THE COURT	Hines, Justice; All the Justices
JURISDICTION	Georgia
DECIDED	November 8, 2010
DOCKET	No. S10A0710
DISPOSITION	reversed_and_remanded
PROCEDURAL POSTURE	DeRyke, administrator of Christina Teets's estate, appealed the superior court's denial of an application for citation of contempt against Brant Teets. The Supreme Court of Georgia granted a discretionary appeal.
PRECEDENTIAL VALUE	published precedential opinion of the Supreme Court of Georgia
PARTIES	Henry Steven DeRyke, as administrator of the estate of Christina Teets v. Brant Teets

TOPICS

family law procedure divorce contract interpretation appellate procedure remedies

PRACTICE AREAS

family law contracts appellate procedure remedies

QUESTIONS PRESENTED

1. Whether the settlement agreement incorporated into the divorce decree unambiguously waived Brant Teets's beneficiary designation and claim to Christina Teets's employee benefits.
2. Whether Christina Teets's failure to change her beneficiary designation constituted voluntarily providing benefits to Brant at a subsequent date under the settlement agreement.
3. Whether the superior court properly denied the contempt application after interpreting the agreement.

HOLDINGS

1. The settlement agreement was clear and unambiguous and operated as a complete waiver of Brant Teets's beneficiary designation and any interest in Christina Teets's employee benefits at the time of the divorce.
2. Inaction by the former spouse was insufficient to vitiate the unequivocal waiver or constitute voluntary provision of benefits at a subsequent date; an affirmative act was required.
3. The superior court must determine whether Brant Teets acted willfully and whether contempt is warranted after applying the Supreme Court's interpretation of the agreement.

KEY QUOTATIONS

“Therefore, the Agreement operated as a complete waiver of the Ex-Husband's beneficiary designation.” (at 207)

“Simply, in such circumstances, inaction is insufficient to vitiate such an unequivocal waiver.” (at 208)

FACTUAL BACKGROUND

Christina Teets and Brant Teets divorced in September 2008 under a settlement agreement waiving each party's rights to the other's pension, profit-sharing, and employee-benefit plans, while allowing a party to voluntarily provide benefits at a later date. Christina had previously designated Brant as the beneficiary of her GE benefits and did not change that designation before dying by suicide five days after the divorce. After Brant claimed the approximately \$200,000 life-insurance benefit and approximately \$42,000 securities account, the estate sought contempt based on the agreement's waiver provision.

PROCEDURAL HISTORY

The parties' settlement agreement was incorporated into their September 25, 2008 divorce decree. After Christina Teets died shortly after the divorce without changing her GE beneficiary designation, Brant Teets claimed the employee benefits and DeRyke filed a contempt application alleging that the settlement agreement waived Brant's rights. The superior court found the agreement clear and unambiguous but concluded that Brant had not willfully violated it, denied contempt, and denied his motion to stay; the Supreme Court reversed and remanded.

DISPOSITION

reversed_and_remanded

REMAND INSTRUCTIONS

The superior court must reconsider the contempt application consistently with the Supreme Court's interpretation that the agreement waived Brant Teets's beneficiary designation and that inaction did not constitute voluntary provision of benefits. The superior court retains responsibility for determining willfulness and contempt.

CASES CITED

- Gonzalez v. Crocket, 287 Ga. 430, 433, 696 S.E.2d 623 (2010)
- Page v. Baylard, 281 Ga. 586, 587(1), 642 S.E.2d 14 (2007)
- Kruse v. Todd, 260 Ga. 63, 389 S.E.2d 488 (1990)
- Young v. Stump, 294 Ga. App. 351, 669 S.E.2d 148 (2008)
- Darroch v. Willis, 286 Ga. 566, 690 S.E.2d 410 (2010)
- Bradley v. Adams, 240 Ga. 129, 130, 239 S.E.2d 681 (1977)
- Barrett v. Barrett, 242 Ga. 250, 248 S.E.2d 655 (1978)