

SUPREME JUDICIAL COURT OF MAINE

Sharon Blanchard v. Ronald Blanchard

2016 ME 140 (2016) · No. Cum-15-504 · Decided September 6, 2016

SUMMARY

The Maine Supreme Judicial Court affirmed a divorce judgment holding that the parties’ 1986 premarital agreement was valid and enforceable under Maine common law. The court rejected challenges based on fraud, lack of disclosure, and unconscionability, declined to enforce a later 2010 loan in the divorce proceeding because the agreement had not been amended, and upheld the judgment concerning unpaid interim spousal support.

CASE DETAILS

COURT	Supreme Judicial Court of Maine
WRITING FOR THE COURT	Saufley, C.J.; Alexander, J.; Mead, J.; Gorman, J.; Jabar, J.; Hjelm, J.; Humphrey, J.
JURISDICTION	Maine
DECIDED	September 6, 2016
DOCKET	Cum-15-504
DISPOSITION	affirmed
PROCEDURAL POSTURE	Sharon Blanchard appealed from a District Court judgment finding that the parties had executed a valid premarital agreement, resolving property and support issues, and granting a divorce.
STANDARD OF REVIEW	The court reviewed factual findings for clear error, the legal determination of the premarital agreement's validity and enforceability de novo, unconscionability de novo based on the facts found by the trial court, and the treatment of temporary spousal support for abuse of discretion.
PRECEDENTIAL VALUE	Published opinion; precedential under Maine law
PARTIES	Sharon Blanchard v. Ronald Blanchard

TOPICS

- prenuptial agreements
- unconscionability
- equitable distribution
- spousal support
- appellate procedure

PRACTICE AREAS

family law

contracts

appellate procedure

remedies

QUESTIONS PRESENTED

1. Whether the 1986 premarital agreement was invalid under the common-law standards applicable before Maine enacted the Uniform Premarital Agreement Act.
2. Whether the premarital agreement was unconscionable because of the circumstances of its execution or because its terms were substantively one-sided.
3. Whether the trial court was required to enforce Sharon's 2010 business loan as part of the divorce proceeding despite its omission from the premarital agreement.
4. Whether the trial court abused its discretion by not expressly ordering payment of unpaid interim spousal support.

HOLDINGS

1. A premarital agreement executed before Maine's Uniform Premarital Agreement Act is valid under the applicable common-law principles when there is no fraud or imposition, full and complete disclosure, and adequate provisions for each spouse. When the provisions are clearly disproportionate to one spouse's wealth, a presumption of fraud arises, which the enforcing party may rebut by proving fairness, notice, understanding, and adequacy. Ronald rebutted the presumption, and the agreement was valid and enforceable.
2. The premarital agreement was not unconscionable. The evidence did not compel findings contrary to the trial court's determination that the agreement was not procedurally or substantively unconscionable.
3. The trial court did not err or abuse its discretion by declining to enforce the 2010 business loan as part of the divorce proceeding because the loan was not included in or added to the premarital agreement, which released the parties' marital rights.
4. The court would not disturb the judgment despite its failure expressly to address unpaid interim spousal support because, absent a motion for further findings, the court assumed the trial court found facts supporting a retroactive modification of the temporary support obligation, and the record did not establish an abuse of discretion.

KEY QUOTATIONS

“For a premarital agreement to be valid, “there shall be no fraud or imposition practiced,” “full and complete disclosure shall be made,” and adequate provisions shall be made for each spouse.” (§13)

“Unconscionability can be considered through two lenses: procedural and substantive.” (§19)

FACTUAL BACKGROUND

Sharon and Ronald Blanchard executed a premarital agreement on June 18, 1986, four days before their marriage. Ronald had substantially greater wealth, but both parties exchanged financial disclosures, Sharon had at least six weeks to review the agreement, requested revisions, and stated that she had consulted independent

counsel. The agreement released Sharon's marital rights in Ronald's property while providing specified benefits upon a divorce after five years, including repayment of a \$2,100 loan with interest and temporary spousal support. During the divorce proceedings, Sharon also sought repayment of a 2010 business loan that was not included in the premarital agreement and unpaid interim spousal support.

PROCEDURAL HISTORY

Sharon filed for divorce in December 2012. After extensive proceedings, the District Court held a bifurcated trial on the validity of the premarital agreement and the divorce, upheld the agreement, declined to enforce a 2010 business loan in the divorce proceeding, resolved the agreement-based obligations, and entered a judgment of divorce. Sharon appealed, challenging the agreement's validity and unconscionability, the treatment of the 2010 loan, and the failure expressly to address unpaid interim spousal support.

DISPOSITION

affirmed

CASES CITED

- In re Heather G., 2002 ME 151, 805 A.2d 249
- Premier Capital, Inc. v. Doucette, 2002 ME 83, 797 A.2d 32
- Morey v. Stratton, 2000 ME 147, 756 A.2d 496
- Hoag v. Dick, 2002 ME 92, 799 A.2d 391
- Bedrick v. Bedrick, 17 A.3d 17 (Conn. 2011)
- Estate of Martin, 2008 ME 7, 938 A.2d 812
- Coppola v. Coppola, 2007 ME 147, 938 A.2d 786
- Wilson v. Wilson, 157 Me. 119, 170 A.2d 679 (1961)
- E.H. Ashley & Co. v. Wells Fargo Alarm Servs., 907 F.2d 1274 (1st Cir. 1990)
- Young v. Lagasse, 2016 ME 96
- Barrett v. McDonald Invs., Inc., 2005 ME 43, 870 A.2d 146
- Jay Cashman, Inc. v. Portland Pipe Line Corp., 559 F. Supp. 2d 85 (D. Me. 2008)
- American Airlines v. Wolens, 513 U.S. 219 (1995)
- Bither v. Packard, 115 Me. 306, 98 A. 929 (1916)
- Nadeau v. Nadeau, 2008 ME 147, 957 A.2d 108