

NORTH DAKOTA SUPREME COURT

Praus v. Praus

786 N.W.2d 697 (N.D. 2010) · Decided August 17, 2010

SUMMARY

The North Dakota Supreme Court affirmed the denial of Ervin Praus’s motion under N.D.R.Civ.P. 60(b) seeking clarification of and relief from a divorce judgment. The court held that the marital settlement agreement was neither procedurally nor substantively unconscionable and that the evidence did not establish mistake, duress, fraud, or undue influence. The district court therefore did not abuse its discretion in denying relief.

CASE DETAILS

COURT	North Dakota Supreme Court
WRITING FOR THE COURT	Sandstrom, Justice; Gerald W. Vande Walle, Chief Justice; Daniel J. Grothers, Justice; Mary Muehlen Maring, Justice; Carol Ronning Kapsner, Justice
JURISDICTION	North Dakota
DECIDED	August 17, 2010
DISPOSITION	affirmed
PROCEDURAL POSTURE	Ervin Praus appealed from an order denying his North Dakota Rule of Civil Procedure 60(b) motion seeking clarification of and relief from a divorce judgment and settlement agreement.
STANDARD OF REVIEW	The denial of a motion to vacate a judgment under N.D.R.Civ.P. 60(b) is reviewed for abuse of discretion. Whether an agreement is unconscionable is a question of law, although factual findings are necessary to determine unconscionability. The appellate court does not reassess witness credibility.
PRECEDENTIAL VALUE	published precedential opinion
PARTIES	Ervin Praus v. Celestine Praus

TOPICS

- family law procedure
- divorce
- unconscionability
- motion for reconsideration
- appellate procedure

PRACTICE AREAS

QUESTIONS PRESENTED

1. Whether the divorce settlement agreement was procedurally unconscionable.
2. Whether the divorce settlement agreement was substantively unconscionable.
3. Whether Ervin Praus established mistake, duress, fraud, or undue influence warranting relief from the divorce judgment under N.D.R.Civ.P. 60(b).
4. Whether the district court abused its discretion in denying the Rule 60(b) motion.

HOLDINGS

1. The settlement agreement was not procedurally unconscionable because the parties engaged in extended negotiations and each was represented by two attorneys.
2. The settlement agreement was not substantively unconscionable even though it awarded Celestine a disproportionate share of the marital estate.
3. Ervin Praus failed to establish grounds under N.D.R.Civ.P. 60(b) for relief from the divorce judgment.
4. The district court did not abuse its discretion in denying Ervin Praus's motion for clarification and relief from the divorce judgment.

KEY QUOTATIONS

“An agreement is unconscionable if it is one no rational, undeluded person would make, and no honest and fair person would accept, or is blatantly one-sided and rankly unfair.” (§ 10)

“Unconscionability is a doctrine by which courts may deny enforcement of a contract because of procedural abuses arising out of the contract formation, or because of substantive abuses relating to the terms of the contract.” (§ 10)

“A motion under N.D.R.Civ.P. 60(b) is not intended to “be used to relieve a party from free, calculated and deliberate choices he or she has made.”” (§ 19)

FACTUAL BACKGROUND

Ervin and Celestine Praus were married for almost forty-five years before separating in December 2006. During their divorce proceedings, the parties, each represented by two attorneys, negotiated throughout most of the day scheduled for trial and reached a settlement dividing their real and personal property and resolving spousal support. The agreement awarded Celestine a disproportionate share of the marital property in lieu of ongoing alimony and expressly stated that the spousal-support provision was contractual and nonmodifiable. Four months after entry of judgment, Ervin claimed that hospitalization, medical conditions, fatigue, and confusion caused him to enter the agreement mistakenly, but the district court found no evidence that he lacked understanding or capacity at the time of settlement.

PROCEDURAL HISTORY

Celestine Praus obtained a divorce judgment incorporating the parties' negotiated settlement concerning marital property and spousal support. After entry of judgment, Ervin moved under Rule 60(b), asserting mistake, mental confusion, duress, fraud, undue influence, and unconscionability. The district court denied his motion and granted Celestine's motion to hold him in contempt for failing to deliver funds awarded under the decree. The North Dakota Supreme Court affirmed.

DISPOSITION

affirmed

CASES CITED

- Vann v. Vann, 2009 N.D. 118, 767 N.W.2d 855
- Cartier v. Northwestern Elec., Inc., 2010 N.D. 14, 777 N.W.2d 866
- Eberle v. Eberle, 2009 N.D. 107, 766 N.W.2d 477
- Weber v. Weber, 1999 N.D. 11, 589 N.W.2d 358
- American Bank Center v. Schuh, 2010 N.D. 124, 784 N.W.2d 468
- United States v. O'Neil, 709 F.2d 361 (5th Cir. 1983)
- Fleck v. Fleck, 2010 N.D. 24, 778 N.W.2d 572
- Manning v. Manning, 2006 N.D. 67, 711 N.W.2d 149
- Follman v. Upper Valley Special Educ. Unit, 2000 N.D. 72, 609 N.W.2d 90
- Shull v. Walcker, 2009 N.D. 142, 770 N.W.2d 274