

SUPREME COURT OF IDAHO

Foster v. Schorr

139 Idaho 563 (2003) · Decided December 23, 2003

SUMMARY

The Idaho Supreme Court affirmed rulings enforcing a property settlement agreement between divorced spouses. The court held that the agreement required continued maintenance payments despite the recipient’s remarriage, did not warrant reformation for unilateral mistake, and supported rent for the former marital residence and payment of cancer insurance premiums. The court also affirmed attorney-fee awards and credited the appellant for rent previously paid.

CASE DETAILS

COURT	Supreme Court of Idaho
WRITING FOR THE COURT	Trout, Chief Justice; Schroeder, Justice; Kidwell, Justice; Eismann, Justice; Burdick, Justice
JURISDICTION	Idaho
DECIDED	December 23, 2003
DISPOSITION	affirmed
PROCEDURAL POSTURE	Ronald Foster appealed the district court's judgment declining to reform or invalidate provisions of a property settlement agreement, the order requiring him to pay rent for remaining in the former marital residence after the agreed departure date, the order requiring him to pay cancer-insurance premiums, and the award of attorney fees.
STANDARD OF REVIEW	The opinion does not state a single general standard of review. It reviews the district court's contract interpretation and reformation rulings, factual findings concerning mistake and fiduciary breach, and enforcement of the property settlement agreement; the summary-judgment ruling is reviewed as to the maintenance obligation.
PRECEDENTIAL VALUE	Published Idaho Supreme Court opinion; precedential
PARTIES	Ronald Foster v. Judith Schorr

TOPICS

- dissolution of marriage
- spousal support
- contract interpretation
- reformation
- family law procedure

PRACTICE AREAS

family law

contracts

remedies

real estate

QUESTIONS PRESENTED

1. Whether Schorr's remarriage automatically terminated Foster's contractual maintenance obligation under the property settlement agreement.
2. Whether Foster's alleged unilateral mistake concerning the encumbrance payoff date warranted reformation of the property settlement agreement.
3. Whether Schorr owed Foster a fiduciary duty during negotiation of the property settlement agreement and breached that duty by failing to disclose Foster's alleged mistake.
4. Whether Foster was required to pay \$1,000 per month in rent for remaining in the residence after July 1, 1997, and whether he was entitled to a credit for \$3,300 previously paid.
5. Whether the property settlement agreement required Foster to pay premiums for a cancer-insurance policy acquired by Schorr after the original coverage was terminated.
6. Whether Schorr was entitled to attorney fees under the attorney-fee provision of the property settlement agreement.

HOLDINGS

1. A maintenance obligation does not terminate upon the recipient's remarriage when the parties have expressly agreed in writing that the obligation is nonmodifiable and continues for the stated contractual period.
2. Foster's alleged unilateral mistake about the encumbrance payoff date did not warrant reformation of the property settlement agreement.
3. Although spouses owe each other a fiduciary duty that continues until the marriage is finally dissolved, Schorr did not breach that duty because the evidence did not show that she misled Foster or otherwise violated the duty.
4. Foster was required to pay \$1,000 per month for the months he remained in the residence after July 1, 1997, subject to a \$3,300 credit for rent previously paid.
5. The PSA required Foster to maintain cancer medical insurance for Schorr, but it did not require that the policy be carried through Foster's own insurance or that Schorr remain a beneficiary of a policy owned by Foster; Foster could satisfy the obligation by paying premiums on a policy acquired by Schorr.
6. A nonbreaching spouse seeking to enforce a divorce settlement agreement is entitled to attorney fees when the agreement provides for fees incurred to enforce its terms.

KEY QUOTATIONS

"This clear language demonstrates the intent of the parties, embodied in the PSA, was that it not be modified by a court for any reason." (139 Idaho at 566)

“The provision simply requires Foster to “maintain” Schorr as the beneficiary of “a cancer medical insurance policy.”” (139 Idaho at 567)

“Where a divorce settlement agreement contains a provision granting attorney fees to the spouse seeking to enforce its terms, the award of fees is proper when the non-breaching spouse seeks to uphold the agreement.” (139 Idaho at 567)

FACTUAL BACKGROUND

Ronald Foster and Judith Schorr divorced in 1990 after thirty years of marriage and entered into a property settlement agreement that was not merged into the divorce decree. The agreement required Foster to pay Schorr monthly maintenance until January 2006 or her death, maintain cancer medical insurance for her, and vacate the former residence on July 1, 1997, or when the encumbrance was paid, whichever occurred first. Schorr remarried in 1992, the insurance carrier terminated Foster's coverage in 1994, and Foster remained in the residence after July 1, 1997 without paying the orally agreed \$1,000 monthly rent. Foster claimed he mistakenly believed the encumbrance would be paid in 1997 rather than 2000 and sought reformation of the agreement.

PROCEDURAL HISTORY

Foster and Schorr entered into a property settlement agreement in connection with their 1990 divorce. Foster later sought termination of his maintenance obligation and declaratory relief concerning the former residence; Schorr counterclaimed for breaches involving maintenance, insurance, and failure to vacate. The district court granted partial summary judgment to Schorr on maintenance and, after trial, rejected Foster's reformation and other defenses, ordered rent and insurance payments, and awarded attorney fees. The Idaho Supreme Court affirmed, allowing Foster a \$3,300 credit against the rent award and awarding Schorr attorney fees on appeal.

DISPOSITION

affirmed

CASES CITED

- *Greene v. Greene*, 102 Idaho 891, 643 P.2d 1061 (1982)
- *McHan v. McHan*, 69 Idaho 496, 84 P.2d 984 (1938)
- *Keller v. Keller*, 130 Idaho 661, 665, 946 P.2d 623, 627 (1997)
- *Smith v. Smith*, 124 Idaho 431, 440, 860 P.2d 634, 643 (1993)
- *Compton v. Compton*, 101 Idaho 328, 336, 612 P.2d 1175, 1182 (1980)
- *Badell v. Badell*, 122 Idaho 442, 449-450, 835 P.2d 677, 684-85 (Ct. App. 1992)