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**STATE OF MINNESOTA
IN COURT OF APPEALS
A17-0084**

In re the Marriage of:
Dawn R. Imme, n/k/a Dawn RaNee Edwardson, petitioner,
Appellant,

vs.

Michael B. Imme,
Respondent.

**Filed August 28, 2017
Affirmed
Bjorkman, Judge**

Anoka County District Court
File No. 02-FA-11-1788

Nathan M. Hansen, Peggy L. Stevens, North St. Paul, Minnesota (for appellant)

Michael B. Imme, Coon Rapids, Minnesota (pro se respondent)

Considered and decided by Bjorkman, Presiding Judge; Hooten, Judge; and
Bratvold, Judge.

UNPUBLISHED OPINION

BJORKMAN, Judge

Appellant-wife challenges an order enforcing the requirement in the stipulated dissolution judgment that she reimburse respondent-husband for debt she was obligated to pay. We affirm.

FACTS

The marriage of appellant-wife Dawn R. Edwardson and respondent-husband Michael B. Imme was dissolved in 2012. The stipulated dissolution judgment divided the joint debts, assigning amounts owed to Wings Financial and Discover to wife, and requiring that she “indemnify and hold [husband] harmless from any obligation to make payment of the same.”

Although the parties waived spousal maintenance, the district court retained jurisdiction over the issue of maintenance in the event that “one of the parties files bankruptcy or fails to pay any of the bills or obligations set forth in the total agreement.” In that instance, the judgment permits the aggrieved party to seek relief and provides “maintenance shall be awarded by the [c]ourt to include the dollar amount or debt of the monies owed by the other party together with attorney’s fees.”

On April 1, 2014, wife filed for Chapter 13 bankruptcy protection. 11 U.S.C. §§ 1301-1330 (2012). Husband received notice and was identified as a creditor, but did not participate in the bankruptcy proceeding. Wife’s restructured debt payments did not include the amounts owed to Wings Financial or Discover. Both companies eventually sued husband to recover the outstanding balance and interest. Husband has been making monthly payments on these accounts ever since.

On October 19, 2016, husband moved the district court to enforce wife’s hold-harmless obligation, seeking an order directing wife to pay him for the Wings Financial and Discover debts and for the attorney fees associated with bringing the motion. Wife argued that her debt obligation was discharged in the bankruptcy proceeding. After a

hearing, the district court granted husband's motion, ruling that wife is obligated to pay husband the amount of the debt and related attorney fees. Wife appeals.

DECISION

Stipulated dissolution judgments are generally treated as contracts to which courts apply the general rules of construction. *Grachek v. Grachek*, 750 N.W.2d 328, 333 (Minn. App. 2008), *review denied* (Minn. Aug. 19, 2008); *see also Nelson v. Nelson*, 806 N.W.2d 870, 872 (Minn. App. 2011) ("Courts treat stipulated marriage-dissolution judgments as contracts for purposes of construction."). When contract language is unambiguous, its plain and ordinary meaning controls. *Bus. Bank v. Hanson*, 769 N.W.2d 285, 288 (Minn. 2009). The interpretation of unambiguous contract language presents a question of law that we review de novo. *Terminal Transp., Inc. v. Minn. Ins. Guar. Ass'n*, 862 N.W.2d 487, 489 (Minn. App. 2015), *review denied* (Minn. June 30, 2015).

The stipulated dissolution judgment obligates wife to pay joint debts owed to Wings Financial and Discover. And the judgment requires that wife "indemnify and hold [husband] harmless from any obligation to make payment" of the Wings Financial and Discover debts. If wife fails to meet these obligations or files bankruptcy, the judgment permits husband to seek relief in district court and provides that "maintenance shall be awarded by the [c]ourt to include the dollar amount or debt of the monies owed by the other party together with attorney's fees." Wife does not argue that this stipulated language is ambiguous. Accordingly, we consider her arguments in light of the plain and ordinary meaning of the stipulated dissolution judgment. *Hanson*, 769 N.W.2d at 288.

Wife first argues enforcement of the judgment is precluded by bankruptcy law. She specifically contends that her obligation to hold husband harmless and reimburse him for debt assigned to her is not a domestic-support obligation and therefore should have been discharged. This argument is unavailing.

11 U.S.C. § 523(a) (2012) identifies debts that are not subject to discharge in Chapter 13 bankruptcy proceedings:

(a) A discharge under section . . . 1328(b) of this title does not discharge an individual debtor from any debt—

. . . .

(5) for a domestic support obligation;

. . . .

(15) to a spouse, former spouse, or child of the debtor and not of the kind described in paragraph (5) that is incurred by the debtor in the course of a divorce or separation or in connection with a separation agreement, divorce decree or other order of a court of record[.]

In *Fast v. Fast*, a former husband relied on this provision when seeking to avoid his obligation under a dissolution judgment to hold his former wife harmless with respect to joint debt assigned to him. 766 N.W.2d 47, 48-49 (Minn. App. 2009). This court rejected the argument, concluding that under 11 U.S.C. § 523(a)(15), “obligations to a spouse resulting from separation agreements and dissolution judgments are not dischargeable.” *Id.* at 49. While *Fast* involved a Chapter 7 bankruptcy proceeding, section 523 applies equally to Chapter 13 proceedings. See 11 U.S.C. § 523(a) (stating that this section applies to “[a] discharge under section 727, 1141, 1228(a), 1228(b), and 1328(b) of this title”).

The circumstances here are more compelling than those in *Fast*. Not only did wife, as in *Fast*, agree to hold husband harmless for the joint debt assignment to her, but the

stipulated dissolution judgment explicitly provides for the relief husband sought and obtained. In the event that a party seeks bankruptcy protection or fails to pay their obligations, “the aggrieved party may make proper application to the [c]ourt for appropriate relief; and maintenance shall be awarded by the [c]ourt to include the dollar amount or debt of the monies owed by the other party together with attorney’s fees.” As in *Fast*, we conclude that the district court did not err in enforcing these agreed-to provisions.

Wife next asserts that husband is not entitled to enforce the stipulated dissolution judgment because he did not object to wife’s bankruptcy petition. We disagree. We expressly rejected this argument in *Fast*, stating that “[s]pouses are no longer required to participate in the bankruptcy proceedings to preserve their rights to enforce such marital obligations.” 766 N.W.2d at 49.

Finally, wife argues that the district court erred by awarding maintenance because she is entitled to an evidentiary hearing and is unable to pay maintenance. We are not persuaded. In awarding maintenance, district courts are generally required to consider the parties’ respective income and reasonable expenses. Minn. Stat. § 518.552, subd. 2(a) (2016). But where, as here, the parties stipulated to a non-statutory basis for awarding maintenance, a lack of statutory findings is not fatal. See *Beck v. Kaplan*, 566 N.W.2d 723, 726 (Minn. 1997) (stating that it is neither unreasonable nor unfair to hold the parties to their negotiated agreement because, at the time it was reached, it undoubtedly balanced their compromised interests). And a maintenance obligation is not invalid simply because it produces a deficit for the obligor. *Ganyo v. Engen*, 446 N.W.2d 683, 687 (Minn. App. 1989). We are persuaded that the district court did not err by enforcing the clear terms of

the stipulated dissolution judgment. To relieve wife of her agreed-to obligations at this point would alter the parties' bargained-for exchange. When settling a disputed marriage dissolution, both parties presumably accept some detriment they may not have incurred if they fully litigated the case and prevailed. Husband likely did so in part based on the assurance that he would be compensated if wife did not pay the debts assigned to her. We discern no reason to deprive husband of the benefits of his bargain. On this record, the district court did not err in awarding maintenance to husband pursuant to the stipulated dissolution judgment.

Affirmed.