

*This opinion is nonprecedential except as provided by
Minn. R. Civ. App. P. 136.01, subd. 1(c).*

**STATE OF MINNESOTA
IN COURT OF APPEALS
A23-0890
A23-1267**

In re the Marriage of:

Helena Koivu, petitioner,
Appellant (A23-0890),
Respondent (A23-1267),

vs.

Mikko Sakari Koivu,
Respondent (A23-0890),
Appellant (A23-1267),

M. Sue Wilson Law Offices, P.A., intervenor,
Respondent (A23-1267).

**Filed October 14, 2024
Affirmed
Johnson, Judge**

Hennepin County District Court
File No. 27-FA-20-872

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Considered and decided by Johnson, Presiding Judge; Segal, Chief Judge; and Halbrooks, Judge.*

NONPRECEDENTIAL OPINION

JOHNSON, Judge

In this marital-dissolution case, a consensual special magistrate determined that the law of Finland applies to the parties' antenuptial agreement and that, under Finnish law, the antenuptial agreement is valid and enforceable. The magistrate also determined that payments made by one party to the other party during the pendency of the case must be offset from the amount due under the antenuptial agreement. In addition, the district court and the magistrate made multiple awards of need-based attorney fees. We conclude that the district court and the magistrate did not err in any of the challenged rulings. Therefore, we affirm.

FACTS

Helena Koivu and Mikko Sakari Koivu met in Helsinki, Finland, in the summer of 2012. At the time, Mikko was a citizen of Finland, and Helena was a citizen of Estonia who lived in Finland. Mikko was a professional hockey player based in Minnesota. Helena relocated to Minnesota to live with Mikko in the latter part of 2012. Helena and Mikko agreed in July 2013 to get married.

In May 2014, Helena and Mikko traveled to Turku, Finland, for their wedding. Mikko retained a Finnish attorney to prepare an antenuptial agreement. Two or three days

* Retired judge of the Minnesota Court of Appeals, serving by appointment pursuant to Minn. Const. art. VI, § 10.

before the wedding in July 2014, Mikko and Helena met with the attorney and discussed a draft of the antenuptial agreement. Mikko and Helena returned to the attorney's office one or two days later and signed the agreement. Mikko and Helena were married on the following day.

The antenuptial agreement consists of two documents. The first document, entitled "Prenuptial Agreement," provides that, in the event of a divorce, neither spouse would be entitled to the other spouse's property, regardless of whether the property was acquired before or during the marriage. The second document, entitled "Precontract for Division of the Property of the Spouses," provides that, if the marriage were to end for any reason other than Mikko's death, Mikko would buy Helena an apartment at a price of not less than €500,000 or would purchase an apartment for a lesser amount and pay her the difference in cash. In addition, Mikko would make five annual payments of €100,000 to Helena or, at her election, would make a single payment of €500,000, adjusted for inflation. These payments were described in the agreement as "spousal support" in consideration of Helena's "work as stay-at-home mother" and "to ensure her financial and economic well-being and safety." Both documents included identical choice-of-law provisions, which state (according to an English translation), "We agree that the Finnish law will be applicable to our matrimonial property rights, regardless of where our habitual residence or domicile at the time is."

For the next five years, Mikko and Helena lived in Minnesota, and their family expanded to include three children. Mikko and Helena separated in late 2019. Helena petitioned the district court for the dissolution of the marriage in February 2020.

In April 2020, Helena moved for, among other things, an order allowing her to continue living in the parties' marital home, requiring Mikko to pay all expenses related to the home, and requiring Mikko to pay her "temporary familial support" in the amount of \$20,000 per month pursuant to Minnesota Statutes section 518.131 (2022). Mikko did not dispute Helena's need for financial support but argued that her needs were adequately met because he was paying and would continue to pay her housing expenses as well as her charges on two credit cards with a total credit limit of \$15,000. The district court ordered Mikko to continue paying "all reasonable expenses of the household and the children" and to continue paying Helena's credit-card charges on a monthly basis. Helena later moved to increase the amount of temporary support, but the motion was denied. The temporary-support order eventually was modified to require Mikko to make direct payments to Helena of \$15,000 per month in lieu of paying her credit-card charges.

Meanwhile, Mikko moved to, among other things, enforce the antenuptial agreement, including its choice-of-law provision. In response, Helena filed an affidavit stating that she signed the antenuptial agreement under duress, and she argued that the district court should declare the antenuptial agreement, including the choice-of-law provision, unenforceable under Minnesota law. The enforceability of the antenuptial agreement and its choice-of-law provision remained unresolved for approximately two years while the parties litigated various other issues in both the district court and the appellate courts. *See Koivu v. Koivu*, No. A20-0814, 2021 WL 856105 (Minn. App. Mar. 8, 2021), *rev. denied* (Minn. May 26, 2021).

In April 2022, the parties stipulated to the appointment of a consensual special magistrate, with authority to decide all issues in the case and to issue a binding decision, subject only to the right to appeal. *See* Minn. Stat. § 484.74, subd. 2a (2022); Minn. R. Gen. Prac. 114.02(a)(2), 310.01(a). The magistrate resolved the parties' disputes concerning the antenuptial agreement in three stages. First, the magistrate considered whether Finnish law or Minnesota law applies to the question of the validity of the antenuptial agreement. The magistrate filed an order in July 2022 in which he concluded that the choice-of-law provision in the antenuptial agreement is enforceable and, thus, that Finnish law applies to the question of the validity of the antenuptial agreement. Second, the magistrate considered whether the antenuptial agreement is valid under Finnish law. The magistrate filed an order in January 2023 in which he concluded that the antenuptial agreement is valid and enforceable. Third, the magistrate considered the amount that Mikko is required to pay to Helena to fulfill his contractual obligation under the antenuptial agreement. In the judgment and decree, which was filed in July 2023, the magistrate determined that Mikko is contractually obligated to pay Helena \$1,139,942, which is equivalent to €1,000,000 after an adjustment for inflation since July 2014. The magistrate also determined that the payments that Mikko already had made to Helena or had made for her benefit during the pendency of the dissolution proceeding must be offset from the amount owed under the antenuptial agreement. After making those offsets, the magistrate ordered Mikko to pay Helena the balance of \$196,458.

Both Helena and Mikko filed notices of appeal, and Helena filed a notice of related appeal. This court consolidated the appeals, designated Helena the appellant and cross-respondent, and designated Mikko the respondent and cross-appellant.

DECISION

I. Helena's Appeal

Helena makes two arguments for reversal. She first argues that the magistrate erred by applying Finnish law. She argues in the alternative that the magistrate erred by offsetting Mikko's contractual spousal-support obligation by the amounts of money that he paid to her or paid for her benefit while the dissolution proceeding was pending. We address each argument in turn.

A. Choice of Law Regarding Antenuptial Agreement

Helena first argues that the magistrate erred by applying Finnish law, instead of Minnesota law, to the question of the enforceability of the antenuptial agreement.

In Minnesota, parties to a contract generally may agree on the law that applies to the contract. The supreme court has recognized this principle by stating, "We are . . . committed to the rule that the parties, acting in good faith and without an intent to evade the law, may agree that the law of either state shall govern." *Combined Ins. Co. v. Bode*, 77 N.W.2d 533, 536 (Minn. 1956); *see also Milliken & Co. v. Eagle Packaging Co.*, 295 N.W.2d 377, 380 n.1 (Minn. 1980).

In *Hagstrom v. American Circuit Breaker Corp.*, 518 N.W.2d 46 (Minn. App. 1994), *rev. denied* (Minn. Aug. 24, 1994), a contractual choice-of-law provision specified North Carolina law. *Id.* at 47. The parties did not introduce any evidence that North

Carolina law “was selected in bad faith” or that either party had “act[ed] out of an attempt to evade Minnesota’s law.” *Id.* at 49. This court noted that the non-drafting party “was given time to review the agreement and did not object” and that “the parties were merely selecting a state’s law, as Minnesota has provided they may do.” *Id.* Accordingly, we concluded that the parties’ choice-of-law provision was enforceable. *Id.*

In this case, the magistrate reviewed the factual record in light of *Combined Insurance* and *Hagstrom*. The magistrate summarized the factual record by stating, “No evidence exists that either party knew what law would otherwise apply, knew what Minnesota or any other state’s law was, or knew whether any other law would be significantly different from Finnish law.” The magistrate reasoned that there is “no inference of improper intent to avoid Minnesota law” because the marriage was between a Finnish citizen and an Estonian citizen, the agreement was drafted in the Finnish language, and the agreement was signed in Finland. The magistrate acknowledged Helena’s arguments concerning duress and coercion but reasoned that those arguments were focused on the antenuptial agreement’s financial terms, not on its contractual choice-of-law provision. Accordingly, the magistrate concluded that Helena could not show that the contractual choice-of-law provision is invalid.

On appeal, Helena argues that the magistrate erred by enforcing the contractual choice-of-law provision. But the evidence on which she relies is focused on the financial terms of the antenuptial agreement, not the choice-of-law provision. One of Helena’s affidavits refers to the choice-of-law provision only by saying that she “did not understand” it. That assertion does not tend to prove that Mikko or his attorney had bad faith or an

intent to evade Minnesota law. Mikko submitted an affidavit of the Finnish attorney, who states that he believed in 2014 that a choice-of-law provision was appropriate because, given the nature of Mikko's employment, it was difficult to predict where he might live in the future. The Finnish attorney also states that, at the time he drafted the antenuptial agreement, he was "unfamiliar with U.S. law." Helena does not rebut the Finnish attorney's affidavit. Thus, Helena's evidence is incapable of proving that Mikko or his attorney acted in bad faith or with an intent to evade Minnesota law. *See id.*

Because Helena has not shown that the choice-of-law provision is unenforceable, it is "unnecessary to determine by the law of which state it would have to be decided had they not so agreed." *Smith v. Parsons*, 57 N.W. 311, 313 (Minn. 1893). In other words, because the parties entered into an enforceable contractual choice-of-law provision, it is unnecessary to apply the common-law test that would apply if there were no contractual choice-of-law provision. *See id.*; *Cargill, Inc. v. Evanston Ins. Co.*, 642 N.W.2d 80, 89-90 (Minn. App. 2002); *Hagstrom*, 518 N.W.2d at 48-49; *see also Jundt v. Jundt*, Nos. A05-0693 & -0955, 2006 WL 917592, at *3 (Minn. App. Apr. 11, 2006) (enforcing contractual choice-of-law provision in antenuptial agreement); Minn. R. Civ. App. P. 136.01, subd. 1(c) (providing that nonprecedential opinions are "not binding authority" but "may be cited as persuasive authority").

Thus, the magistrate did not err by concluding that Finnish law applies to the question of whether the antenuptial agreement is enforceable. We note that Helena does not challenge the magistrate's subsequent decision that the antenuptial agreement is enforceable under Finnish law.

B. Offsets

Helena argues in the alternative that, if Finnish law applies such that the antenuptial agreement is enforceable, the magistrate erred by ordering that Mikko's contractual obligation to pay her \$1,139,942 must be offset by the payments that Mikko made to her or made for her benefit during the pendency of the dissolution proceeding.

As explained above, Mikko was ordered to pay, and did pay, household- and child-related expenses while the dissolution action was pending. In addition, Mikko paid Helena's credit-card charges or made direct payments to her of \$15,000 per month. Mikko also made various other one-time payments to Helena. The magistrate calculated that the total amount of all of Mikko's payments was \$1,238,334. The magistrate determined that the total amount of those payments should be credited toward Mikko's contractual spousal-support obligation. After making those offsets, the magistrate concluded that Mikko must pay Helena \$196,458 to satisfy the remaining balance of his contractual obligation.

Helena contends that the magistrate erred by offsetting the amounts of Mikko's prior payments. She contends that the payments were not intended to provide her with "substantive relief" but, rather, were intended to be "remedial." If the payments were characterized as "procedural" instead of "substantive," the payments would be governed by the law of the forum state, without regard for the contractual choice-of-law provision in the antenuptial agreement. *See Fleeger v. Wyeth*, 771 N.W.2d 524, 526-29 (Minn. 2009) (holding that Minnesota six-year statute of limitations is procedural and, thus, applies in Minnesota court instead of Pennsylvania two-year statute of limitations); *Davis v. Furlong*, 328 N.W.2d 150, 152-53 (Minn. 1983) (holding that Minnesota rule concerning joinder of

parties is procedural and, thus, applies in Minnesota court instead of Wisconsin direct-action statute).

The magistrate correctly ruled that Mikko's prior payments to Helena are substantive, not procedural, in nature. Under the antenuptial agreement, Mikko is obligated to make payments to Helena that are described as "spousal support," and he was required to do so "within one month of the date of making an application for divorce." The magistrate reasoned that Mikko's contractual obligation to make immediate spousal-support payments to Helena is analogous to an obligation to temporarily pay spousal maintenance during the pendency of a dissolution action under Minnesota law. In light of that determination, Mikko's contractual obligation to make payments to Helena is substantive in nature, not procedural. *See Schumacher v. Schumacher*, 676 N.W.2d 685, 690 (Minn. App. 2004) (holding that Iowa immunity statute was substantive and, thus, applicable in Minnesota court because it "creates, defines, and regulates rights" (quotation omitted)). Consequently, Helena's and Mikko's contractual rights and obligations concerning spousal-support payments took the place of the rights and obligations that otherwise would have existed under Minnesota law. If the magistrate had not made the challenged offsets, Helena would have received both the amounts that she was due under the antenuptial agreement and additional amounts that would have been due to her but were bargained away.

Thus, the magistrate did not err by offsetting Mikko's contractual spousal-support obligation by the amounts that he paid to Helena or paid for her benefit during the pendency of the dissolution proceeding.

II. Mikko's Appeal

Mikko makes two arguments for reversal. He first argues that the magistrate erred by applying Minnesota law to Helena's motion for need-based attorney fees. He argues in the alternative that the magistrate erred by ordering Mikko to pay almost all of Helena's attorney fees. We address each argument in turn.

A. Choice of Law Regarding Attorney Fees

Mikko first argues that the magistrate erred by applying Minnesota law, rather than Finnish law, to Helena's multiple requests for attorney fees. He contends that Finnish law should apply, in which case Helena would not be entitled to any award of attorney fees because Finnish law does not provide for an order requiring one party to a dissolution proceeding to pay the attorney fees incurred by the other party.

The magistrate decided this issue in a February 2023 order. The magistrate first determined that need-based attorney fees are outside the scope of the antenuptial agreement's choice-of-law provision, which states that Finnish law would apply only to the parties' "matrimonial property rights." The magistrate then applied Minnesota's common-law multi-factor balancing test and concluded that Minnesota law applies. *See Milkovich v. Saari*, 203 N.W.2d 408, 410-17 (Minn. 1973).

Mikko contends that Helena's requests for need-based attorney fees should be governed by the contractual choice-of-law provision in the antenuptial agreement on the ground that, under Minnesota law, the choice of foreign law in a contract "automatically includes related non-contractual claims." In support of that argument, he cites *Northwest Airlines, Inc. v. Astraeva Aviation Services, Inc.*, 111 F.3d 1386 (8th Cir. 1997) (applying

Minnesota choice-of-law law), which concerned a contract for the maintenance and refurbishment of aircraft. *Id.* at 1389. After a dispute arose, each party sued the other for breach of contract, and one party sued the other in tort. *Id.* at 1389-90. The federal appellate court held that a contractual choice-of-law provision governed not only the breach-of-contract claims but also certain tort claims that “stem[med] from” or “concern[ed]” the parties’ contracts and were “closely related to the interpretation of the contracts and fall within the ambit of the express agreement that the contracts would be governed by Minnesota law.” *Id.* at 1392.

Assuming without deciding that the *Northwest Airlines* opinion accurately reflects Minnesota law, Mikko’s argument fails on the ground that Helena’s requests for need-based attorney fees are not closely related to her contractual right to spousal support under the antenuptial agreement. A request for need-based attorney fees is based on “a distinct group of operative facts, which are different in kind from the facts relevant to the merits of the underlying claim or claims.” *Phillips v. LaPlante*, 823 N.W.2d 903, 907 (Minn. App. 2012). Accordingly, a request for need-based attorney fees is “a separate claim, not an issue that is ancillary to [an] underlying spousal-maintenance claim.” *Id.* This case is analogous to *Phillips* in that the facts relevant to Mikko’s contractual obligation to pay spousal support under the antenuptial agreement (which are few and undisputed) are distinct from the facts relevant to Helena’s requests for need-based attorney fees. This case is unlike *Northwest Airlines*, in which both the contract claims and the tort claims were focused on the parties’ respective contractual obligations. Thus, the magistrate properly

reasoned that Helena’s requests for need-based attorney fees are not governed by the contractual choice-of-law provision in the antenuptial agreement.

Mikko does not challenge the next step in the magistrate’s analysis, the application of the common-law choice-influencing factors. *See Milkovich*, 203 N.W.2d at 410-17. Rather, Mikko concedes that, if the choice-of-law provision in the antenuptial agreement does not apply to attorney fees, Minnesota law applies. Thus, the magistrate did not err by applying Minnesota law to Helena’s requests for need-based attorney fees.

B. Amount of Fee Awards

Mikko argues in the alternative that the magistrate erred by ordering Mikko to pay almost all of Helena’s attorney fees.

The relevant statute provides that, in a proceeding for the dissolution of a marriage, the district court “shall award attorney fees, costs, and disbursements in an amount necessary to enable a party to carry on or contest the proceeding” if it finds:

(1) that the fees are necessary for the good faith assertion of the party’s rights in the proceeding and will not contribute unnecessarily to the length and expense of the proceeding;

(2) that the party from whom fees, costs, and disbursements are sought has the means to pay them; and

(3) that the party to whom fees, costs, and disbursements are awarded does not have the means to pay them.

Minn. Stat. § 518.14, subd. 1 (2022). This court applies an abuse-of-discretion standard of review to a district court’s award of need-based attorney fees under Minnesota law. *Gully v. Gully*, 599 N.W.2d 814, 825 (Minn. 1999).

In this case, the district court and the magistrate awarded need-based attorney fees to Helena in several orders. Mikko asserts that the total amount awarded is approximately \$830,000. Mikko contends that the total amount of the awards is excessive because it is more than the spousal-support payments that Mikko made to Helena while the dissolution proceeding was pending. Mikko's contention appears to be focused on the third requirement of need-based fees: that the party requesting fees "does not have the means to pay them." *See* Minn. Stat. § 518.14, subd. 1(3).

Mikko does not challenge particular orders granting need-based attorney fees; instead, he simply challenges the total amount awarded. He asks this court either to reverse or to reverse and remand, without being more specific about whether he is seeking complete or partial reversal or about the issues that might need resolution on remand. But for any particular order, it is necessary to know whether, at that particular time, Helena had the means to pay her attorney fees. *See* Minn. Stat. § 518.14, subd. 1(3). Mikko emphasizes the total amount of spousal-support payments that he made to Helena during the pendency of the dissolution action. But some, if not most, of those payments (such as payments for household expenses and credit-card charges) were in a form that would not allow Helena to retain the funds or to spend them on attorney fees.

The magistrate stated in February 2023 that Helena needed more than \$5,000 per month to continue to litigate the issues that were yet to be resolved. Helena asserts in her reply brief that, at the time of the judgment and decree, she had retained none of the funds that she had received from Mikko. Mikko does not contradict these assertions and does not point to any particular amount of money actually in Helena's possession that could be

used to pay her attorney fees. Consequently, Mikko has not established that the district court or the magistrate committed an abuse of discretion by determining that Helena did not have the means to pay her attorney fees. *See Beck v. Kaplan*, 566 N.W.2d 723, 727 (Minn. 1997) (reasoning that party requesting need-based fees need not deplete “limited capital assets”); *Kremer v. Kremer*, 889 N.W.2d 41, 55 (Minn. App. 2017) (reasoning that requested fees were necessary for good-faith assertion of rights), *aff’d*, 912 N.W.2d 617 (Minn. 2018).

Thus, the district court and the magistrate did not err in awarding need-based attorney fees to Helena.

Affirmed.