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**Morning News**

## **Shurtleff wants to freeze FLDS trust fund**

### *Attorney general seeks to suspend Jeffs' authority*

**By Jenifer Dobner**

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The state Attorney General's Office has asked a court to freeze assets of a southern Utah polygamous church's trust fund and replace its top leaders — including reclusive prophet Warren Jeffs — with an independent third party.

The state is seeking the immediate suspension of Jeffs' authority, along with that of five other trustees, over the trust fund for the Fundamentalist Church of Jesus Christ of Latter Day Saints. The trust, called the United Effort Plan, controls church property and assets.

The trust fund has been estimated to be as much as \$100 million, but no one knows for sure, Attorney General Mark Shurtleff said Thursday.

A hearing on the state's request is scheduled today in Salt Lake City's 3rd District Court.

Church members formed the trust during the 1940s, willingly turning over their property to the church, so that all could share in the community's assets. FLDS members in good standing are allowed to build homes on trust land but are considered tenants at will by church authorities.

Recent court rulings have held that dissident members of the FLDS church must be reimbursed for improvements made to trust property. The "unjust enrichment" ruling was most recently applied to Colorado City resident Ross Chatwin, an excommunicated member of the polygamous church.

Shurtleff said Thursday's move is necessary because there is evidence that trustees have recently started to divest some trust assets and are not acting in the best interests of all church members.

"In stepping in today, we are protecting members of the FLDS church," Shurtleff told The Associated Press. "We think it's very clear, and we think the court will see, that (Jeffs) has breached his fiduciary duties."

Jeffs is thought to be on a 2,000-acre ranch near Eldorado, Texas, where he reportedly plans to move select members of the church.

Some ousted church members believe Jeffs is draining the church's trust in order to fund construction of the Texas compound and fear he will evict from their homes those who remain behind.

Salt Lake City attorney Rod Parker, who has long represented the FLDS church, said he might not represent them in this action.

But Parker, who was traveling and had not seen the court filing, said Shurtleff's actions do not respect the religious roots of the trust.

"A component of the trust is to respect the religious purpose of the trust," Parker said. "The trust is very clear as far as how it is to be managed and what people can expect from it."

Parker said he thinks Shurtleff's filing is another effort to "smoke out" Jeffs from wherever he is. He also

denied that Jeffs intends on leaving some church members helpless by selling the homes or businesses out from under them.

"I don't see that happening," Parker said.

Shurtleff said attorneys in his office will recommend the court appoint the Salt Lake financial and estate planning law firm Callister, Nebeker & McCullough to manage the trust. He said his own office was uncomfortable taking control of the trust.

"We just felt it was better and cleaner and people would be more likely to believe we were really trying to help members of the church this way," Shurtleff said.

Jeffs is the target of two civil lawsuits in 3rd District Court that allege the 48-year-old leader sexually abused a nephew and is sending young men away from their homes and families to provide more brides for older men.

A third lawsuit, filed in 5th District Court last month, alleges that Jeffs conducted fraudulent financial transactions by transferring UEP property to private buyers that the FLDS church controls.

During an April 28 hearing on one of the civil suits, Judge Stephen Roth said he could not dissolve the UEP board of trustees as requested by the plaintiffs.

"On its face, the UEP is a charitable trust. Both the Utah and Arizona attorneys general recognize they have some interest in protecting the assets and potential beneficiaries of the trust," Roth said in addressing a motion that would have ordered the trustees to be replaced. "These two cases are essentially cases for monetary relief. To seek, obtain and force judgment. I don't believe I have the legal responsibility to take over the trust and administer it."

Roth said there was a more appropriate way to tackle the legal issues and gave Shurtleff 10 days to decide if he wanted to intervene.

"I urge you to file another lawsuit. Hit it head on," the judge said.

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*Contributing: Nancy Perkins, Deseret Morning News*

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