

Utah AG sets hearing for trust

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CEDAR CITY - The Utah Attorney General's office has set a hearing for July 21 to appoint new trustees to oversee the estimated \$150 million United Effort Plan Trust, the financial foundation of the Fundamentalist Church of Jesus Christ of Latter Day Saints.

"Under law, I have the responsibility to protect beneficiaries of charitable trusts," Attorney General Mark Shurtleff said during a telephone interview. "If trustees are breaching their duty to those beneficiaries, by law, we step in and notify the court and ask the court to take steps to protect the individuals and beneficiaries.

"This is not the first time we've done it, but we did it in this case because we found Warren Jeffs and other trustees had violated their duties to the members of the FLDS church."

Judge Constandinos "Deno" Himonas will consider petitions appointing new trustees to the property trust set up by the patriarchs of the polygamist sect 65 years ago who based their ideals upon communal living principles. The trust includes 30 businesses, 700 homes and the property of nearly 10,000 residents living in Hildale and Colorado City.

Currently, there are two petitions proposing trustees to replace FLDS President Warren Jeffs, Truman Barlow, LeRoy Jeffs, William Jessop (a.k.a. William Timpson) and James Zitting. Probate Judge Glenn Iwasaki froze the trust last month following reports that Jeffs and the trustees had started liquidating assets.

A "Notice of Interested Parties and Response to Petitions" was filed by Richard Jessop Ream, Thomas Samuel Steed, Don Ronald Fischer, Dean Joseph Barlow, Walter Scott Fischer, Richard Gilbert and Brent Jeffs that proposes Lee Van Dam, Carolyn Jessop, Winston Blackmore, Don Timpson, Rayo S. Johnson, Roger Williams, John Nielsen and Margaret Cook as trustees.

Also, Richard L. Holm, John W. Nielson and Merril T. Stubbs have

filed a "Private Beneficiaries Notices of Proposed Trustees" proposing the same trustees, plus Richard L. Holm, George R. Hammon and Merrill J. Harker.

Hildale Mayor David Zitting said to his knowledge there is no city involvement with the appointment of new trustees. He declined further comment.

However, Shurtleff said for generations, members of the church have paid money and property into the UEP trust that was sued a year ago from parties seeking monetary damages. He said the trustees did not defend the trust against the lawsuit, which in turn, gives judgment to the plaintiffs.

"What happens to the people living in those homes they don't own if the huge money damages award is given? They're kicked out of their homes," Shurtleff said. "Additionally, the court also found evidence of fraudulent transactions of the trust money to other individuals and corporations that also violated the duty to the members of the church...I'm trying to protect them."

"We want those people to know that they have a right to have their names considered as trustees. We'd love members of the FLDS church to come forward and submit names to be trustees."

He said interested parties can object to these or any other proposed trustees at, or prior, to the hearing. Shurtleff said his office has not proposed or endorsed any individual as a trustee.

Anyone proposing trustees should file a petition with the court 10 days before the hearing date and publish a notice according to court orders. If suitable trustees are not proposed, Himonas could establish a process to name trustees or expand the role of the special fiduciary. Bruce Wisan, a certified public accountant, was appointed to that role to protect certain assets of the trust and investigate trust property.

Other pending litigation against Jeffs stems from an indictment by Arizona authorities who have charged him with arranging a polygamist marriage between a 16-year-old girl and a 28-year-old man.

Utah officials also are looking for the church president to answer two civil lawsuits filed against him, including one by Jeffs' nephew who alleges he sexually abused him. Shurtleff said a separate legal team from his office is dealing with those issues apart from the trust matter. Jeffs' whereabouts are unknown.

"Warren Jeffs is a fugitive from justice. He's been charged with two crimes and a warrant has been issued... He's evading justice right now, and we'd like to get him in custody so he can be held accountable for his crimes," Shurtleff said. "It is our hope that we can convince these people that we're not trying to take over their church, but we want them to understand what it's really about, and that is protecting them. Right now, no one is protecting them."

A meeting is tentatively scheduled July 8 in Colorado City for Shurtleff to explain to FLDS members the purpose and process of proposing trustees. A meeting time and place will be announced soon, he said.

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