

Filed in Open Court

STATE OF INDIANA)
COUNTY OF LAKE)
IN THE MATTER OF THE GUARDIANSHIP)
OF RONALD L. SEVALD, ADULT)

2012) 057772 IN THE LAKE CIRCUIT SUPERIOR COURT)
2012 AUG 24 PM 12:57)
2293 North Main Street)
Crown Point, IN 46307)

CLERK LAKE CIRCUIT COURT)
Case No: 45C01-1006-GU-70)

JUDGMENT AND ORDER

This matter came before the Court on an evidentiary hearing occurring October 20, 2011 to consider the Guardian's Final Report/Accounting, Petition for Attorney Fees, and Petition to Close Guardianship filed on May 17, 2011 ("Final Accounting") and the Objection to Guardian's Final Report/Accounting, Petition for Attorney Fees, and Petition to Close Guardianship filed on June 7, 2011 ("Objection").

Preliminarily, the Court reviews prior orders: At the hearing held on June 9, 2011 and again through the written Order dated June 28, 2011, this Court ordered Stuart Sevald (the "Guardian") to obtain a surety bond in the amount of \$50,000 upon certain terms and conditions ("the Bond") and the Court ordered the parties to conduct discovery for sixty (60) days.

At the hearing on August 23, 2011 and again through the written Order dated October 20, 2011, this Court 1) found the Guardian, Stuart Sevald, in contempt for failing to comply with discovery previously ordered by the Court; 2) GRANTED Steven Sevald's Motion to Compel and ordered Stuart to provide full and complete responses no later than 5:00 p.m. on Tuesday, September 6, 2011 to Steven S. Sevald's First Set of Interrogatories to the Guardian Stuart M. Sevald and Steven S. Sevald's First Set of Requests for the Production of Documents to the Guardian Stuart M. Sevald, all via delivery directly to the Law Office of Jonathan D. Petersen, 608 165th Street, Suite 201, Hammond, IN 46324; and 3) set this matter for hearing as indicated above on October 20, 2011 (hereinafter the "August 23, 2011 Order").

Stuart Sevald's Motion for Continuance was also addressed, which was filed by fax on October 12, 2011, and counsel for Steven Sevald having filed their Objections; the Court now DENIES Stuart M. Sevald's Motion for Continuance, but ORDERS that Stuart M. Sevald may participate in the hearing on October 20, 2011 by telephone.

At the Hearing on October 20, 2011:

Appearing: **Stuart M. Sevald, pro se**, Guardian of the Estate of Ronald L. Sevald

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DULY ENTERED FOR TAXATION SUBJECT TO
FINAL ACCEPTANCE FOR TRANSFER

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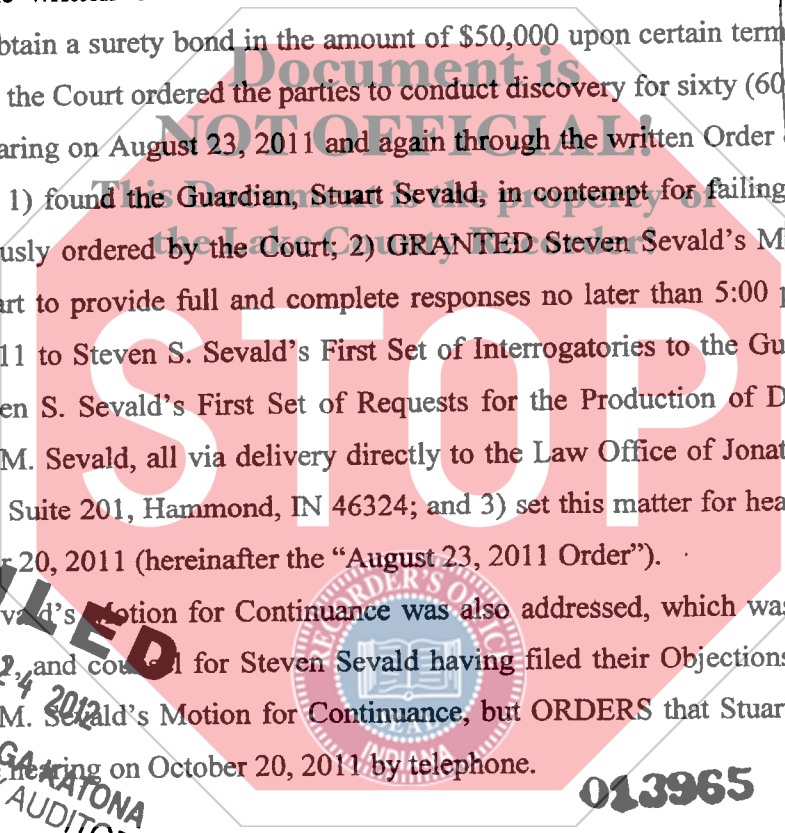
PEGGY HOLINGA KATONA
LAKE COUNTY AUDITOR

RECEIVED

FEB 14 2012

CLERK LAKE CIRCUIT COURT

Re-recorded for proper chain of title



STATE OF INDIANA
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STATE OF INDIANA
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Co-Guardian of the Person of Ronald L. Sevald ("Stuart") and, **Jonathan D. Petersen** and **Pamela Cleary** attorneys for Steven S. Sevald, Co-Guardian of the Person of Ronald L. Sevald, Adult.

No Court Reporter was present since no written request having been made pursuant to L.R.45-P.R.00 Rule 47.

Evidence was admitted and testimony was taken of Steven Sevald ("Steven"), Farhad Radfar, and Stuart M. Sevald.

The Court makes the following FINDINGS OF FACT:

- 1) Ronald L. Sevald suffered from dementia and was incapacitated during the time period starting no later than June 2, 2010 until his death on February 4, 2011.
- 2) Stuart M. Sevald is a resident of Nevada.
- 3) Stuart invoked the jurisdiction of this Court on June 15, 2010 to establish a guardianship over the person of his father Ronald L. Sevald and the estate of Ronald L. Sevald.
- 4) Stuart Sevald is a party to this matter and the Court possesses jurisdiction over him and the property of the estate of Ronald L. Sevald.
- 5) Steven Sevald is the son of Ronald L. Sevald and has lived in Lake County, Indiana for most of his life and presently lives in Lake County, Indiana.
- 6) Stuart M. Sevald was the guardian over the estate of Ronald L. Sevald.
- 7) Stuart M. Sevald and Steven Sevald were the co-guardians over the person of Ronald L. Sevald.
- 8) Stuart failed to obtain the Bond as ordered by the Court.
- 9) The Estate of Ronald L. Sevald ("the Estate") consists of no less than the following property:
 - a) Real property commonly known as 435 Old Stone Road, Munster, IN 46321 and legally described as follows:

Residential Apartment Unit B-6 and Garage Unit 12-X, Stone Ridge Condominium, a Horizontal Property Regime, as recorded in Document Nos 473672 and 473673, under the date of June 14, 1978, and Amendments of Declaration recorded as Document No. 606685, under the date of November 12, 1980 and as Document No. 729484, under the date of October 14, 1983, and as amended by Amendment of Declaration recorded September 20, 1985, as Document No. 821014, in the Recorder's Office of Lake County, Indiana, and the undivided interest in the common elements appertaining thereto.

Property Number: 45-06-24-451-0141.000-027

("the Condominium");

- b) A 1999 Buick LeSabre ("the Car");
- c) Sixty four (64) works of art comprising fine art, art frames, statues and rare musical instruments ("the Artwork"); and,
- d) Other money and assets described in the Final Accounting with a value no less than \$2,193.67.

10) Although the Condominium is presently titled in the name of Stuart M. Sevald, the Condominium is actually property of the Estate.

- a) The Condominium was purchased by Ronald L. Sevald in November 2002 for cash.
- b) During this same time frame, Steven had purchased a restaurant business known as McGees located on Rimbach Street in Hammond, Indiana ("McGees").
- c) McGees failed and exposed Steven to potential and actual judgments against him personally.
- d) Pursuant to the Ronald L. Sevald Revocable Trust of November 20, 2000 then in existence, Steven thought and believed that he was the successor trustee of that trust and that the assets of his father, Ronald L. Sevald would be exposed to, or attached, to satisfy the creditors of McGees.
- e) Consequently, Steven suggested to his father and Stuart that the Condominium be placed in Stuart's name as trustee for safekeeping.
- f) Stuart paid no consideration for the conveyance of the Condominium.
- g) Starting in 2005 and after Steven's bankruptcy, Steven asked Stuart to convey the Condominium back to their father, Ronald L. Sevald, or the trust; Steven made multiple requests to Stuart that were all ignored by Stuart.

11) The Car is valued in an amount no less than five thousand one hundred twelve dollars (\$5,112), but Stuart failed to account for the Car.

12) With respect to the Artwork:

- a) Stuart obtained independent valuations of the artwork, but concealed the values.
- b) Any ambiguities that exist with respect to the values for sold or remaining Artwork were created by Stuart as a result of his refusal to cooperate in discovery and his refusal to obey orders of this Court.
- c) Stuart sold various pieces of the Artwork.
- d) Stuart removed the remaining Artwork from Indiana.
- e) Farhad Radfar is an expert witness qualified to testify as to the valuation of fine art, art frames, statues and rare musical instruments and his expert testimony would and did assist the Court to understand the evidence.
- f) The sales prices for the pieces of Artwork that were sold do not reflect the fair market value for items of that provenance. For example, Exhibit #1, Violin in the Style of Carlo Antonio Toncni should have sold for an amount in excess of one million dollars (\$1,000,000) but was reported to have sold for five hundred dollars (\$500).
- g) The remaining Artwork possesses a value no less than nine hundred thousand dollars (\$900,000).
- 13) Stuart has had benefit of counsel in this matter.
- a) Attorney Michael Miller represented Stuart M. Sevald from the creation of the guardianship on June 15, 2010 until April 14, 2011.
- b) Attorney Carla Pyle represented Stuart M. Sevald from April 14, 2011 until September 29, 2011.
- 14) Stuart disobeyed the August 23, 2011 Order and failed to provide full and complete responses no later than 5:00 p.m on Tuesday, September 6, 2011 to Steven S. Sevald's First Set of Interrogatories to the Guardian Stuart M. Sevald and Steven S. Sevald's First Set of Requests for the Production of Documents to the Guardian Stuart M. Sevald, all via delivery directly to the Law Office of Jonathan D. Petersen, 608 165th Street, Suite 201, Hammond, IN 46324.
- 15) Stuart Sevald, in his capacity as Guardian for the estate of Ronald L. Sevald was a trustee for the property of the Estate and he had fiduciary duties as defined under IC 29-3-8 *et. seq.* and other applicable law.

- 16) Stuart greatly misrepresented to the Court the value and extent of the property of the Estate.
- 17) Stuart co-mingled property of the Estate with his personal property.
- 18) Stuart failed to account for property of the Estate entrusted to him, including and not limited to, the Condominium, the Car, and the Artwork.
- 19) Stuart misappropriated and defalcated property of the Estate.
- 20) Based upon FINDING No. 9(d) "Money and assets in the Final Accounting of \$2,193.67, FINDING No. 11 "valued of the 1999 LeSabre \$5,112, and FINDING No. 12(g) "remaining Artwork \$900,000, a money judgment should be entered in the total sum of \$907,305.67 against Stuart M. Sevald in favor of the Estate of Ronald L. Sevald which said money judgment results form Stuart's misappropriation and defalcation of the assets of the Estate.

IT IS ORDERED AS FOLLOWS:

- A) Stuart M. Sevald is removed as Guardian of the Estate of Ronald L. Sevald.
- B) Steven Sevald is appointed Guardian of the Estate of Ronald L. Sevald subject to filing his OATH as successor Guardian of the Estate of Ronald L. Sevald.
- C) Pursuant to IC 29-3-7-1, Steven Sevald as Guardian of the Estate of Ronald L. Sevald is relieved from complying with LOCAL RULES OF PROCEDURE APPLICABLE TO GUARDIANSHIPS: L.R.45-P.R.00 Rules 56, 66, 69 and FORM E. CERTIFICATE OF ACCOUNT RESTRICTION.
- D) A money judgment is entered in amount of \$907,305.67 against Stuart M. Sevald in favor of the Estate of Ronald L. Sevald.
- E) Linda Prince, secretary with the Law Office of Jonathan Petersen, is appointed a commissioner of the Court and ordered to execute a deed for the property commonly described 435 Old Stone Road, Unit 6, Munster, IN 46321 to Steven Sevald as Guardian of the Estate of Ronald L. Sevald attached herewith as Exhibit "A."
- F) Steven Sevald as Guardian of Estate of Ronald L. Sevald is ordered to liquidate the Condominium by commercially practicable means.
- G) Upon liquidation of the Condominium, Steven Sevald shall file a final accounting.

- H) The Law Office of Jonathan Petersen may submit a petition for fees reimbursable by the Estate for work incurred identifying assets belonging to the estate and other services at the time Steven Sevald files his final accounting.
- I) Stuart Sevald is found in continuing contempt of this Court and ordered to pay, in addition to other relief already ordered, such attorney fees to the attorneys for Steven Sevald as may be shown by a subsequent hearing as requested by Steven.
- J) The Court expressly determines under Trial Rule 54(B) or Trial Rule 54(C) that there is no just reason for delay, and in writing expressly directs entry of judgment under Trial Rule 54(B) as to fewer than all the claims or parties.

SO ORDERED this 13 day of February, 2012

[Signature] 2/9/12
pc

James C. Pas

NOT OFFICIAL!

This Document is the property of the Lake County Recorder!

STOP

CERTIFICATION OF CLERK

As legal custodian I hereby certify that the above and foregoing is a copy derived from microfilm records filmed and maintained by this office.

Witness my hand and the seal of the court this 27th day of FEBRUARY, 2012

[Signature]
Clerk of the Lake Circuit and Superior Courts

By: *Sonja Frieson*
Deputy Clerk