

**COURT OF CHANCERY
OF THE
STATE OF DELAWARE**

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MASTER IN CHANCERY

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RE: IMO The Estate of Aldon S. Hall
C.A. No. 8122-MA

Dear Counsel:

At the conclusion of my final report dated October 2, 2014, I allowed the parties to supplement the record with additional documentation regarding a joint account at the Dover Federal Credit Union ("Credit Union") owned by Mr. Hall and his son Anthony, and two Certificate of Deposit accounts at Citizens Bank and PNC Bank and a brokerage account at Infinex Financial that were listed as jointly-owned by the decedent and Respondent Catherine Taylor Hall on the amended

inventory of the Estate of Aldon S. Hall. I also requested Respondent to account for rents that she had collected from a tenant residing on Mr. Hall's solely-owned property before and after Mr. Hall's death. Respondent filed a "Further Account" in the Sussex County Register of Wills. After reviewing this account and the supplemental bank documentation, my recommendation to the Court is as follows.

Respondent filed a "Further Account" in the Sussex County Register of Wills Office showing additional assets received into the estate occurring after filing of the inventory as rental income for 32699 Jones Road through March 2014 totaling \$6,240.00 and contributions by Catherine Taylor Hall in an amount equal to \$83,275.32, which equals \$89,515.32 in total probate assets.¹ Attorney's fees in the amount of \$85,131.65, plus \$25.00 in final closing costs, were also shown on the Further Account. By my calculation, there should be a balance of \$4,358.67 remaining in the hands of the personal representative. Instead, a balance of zero is shown on the Further Account. The "Further Account" will have to be revised by Respondent to correct these errors.

The additional documentation provided to the Court by Respondent shows that the Citizens Bank Certificate of Deposit account ending in 2425 (item 3 on

¹ The "Further Account" starts with a balance of \$0.00 per First and Final Account filed March 23, 2013. Nevertheless, it appears to contain a typographical error since it shows \$85,515.32 as the total probate assets. This is not the only error on the document because total expenses are shown as \$89,490.32, when the only

Schedule D of the amended inventory) was a joint account with right of survivorship. Petitioner now concedes that this account was a true joint account. Therefore, this account was correctly listed on the amended inventory as jointly held with Respondent.

There was no signature card or titling documents available for PNC Bank Certificate of Deposit account ending in 5805 (item 6 on Schedule D). The notice from PNC Bank's records custodian simply stated that Mr. Hall's "name was removed and Catherine was processed as the first name on the account on 2/23/2012[.]"² Respondent argues that PNC's inability to locate the signature cards or any other documents "should not thwart Mr. Hall's established pattern of adding Respondent's name to these accounts as a joint owner with the right of survivorship."³ Petitioner disagrees, arguing that the Court's finding of a pattern was reached in the context of other account documents that were in evidence. Since no documents were produced for this account, Petitioner contends that Respondent has failed to overcome the presumption against joint tenancy. Petitioner misconstrues my previous analysis. Petitioners had challenged the ownership of PNC Bank accounts ending in 4621 and 2233 that were titled in the names of Mr. Hall, his father, Aldon D. Hall, and Respondent, and claimed that

expense listed is attorney's fees in the amount of \$85,131.65. Docket Item ("DI") 59.

² Certification of Counsel, Ex. D. DI 51.

they were merely convenience accounts based on Aaron's testimony that he had been told Catherine's name was on the accounts to pay bills and do what needed to be done around the property. In my final report, I pointed to the evidence showing Mr. Hall as having added his wife's name to his accounts at Citizens Bank, the Bank of Delmarva, and the Credit Union, which were explicitly denominated as joint accounts with right of survivorship. I concluded, therefore, that Mr. Hall's pattern of naming his wife as a joint tenant with right of survivorship was sufficiently clear and convincing as to overcome the presumption that Respondent's name was on these two PNC Bank accounts (ending in 4621 and 2233) merely for convenience or as a tenant in common with Mr. Hall. The absence of any signature cards for the PNC Bank Certificate of Deposit account ending in 5805 does not alter this analysis or "thwart" Mr. Hall's established pattern of adding his wife as a joint tenant with right of survivorship on his bank accounts. Therefore, I find that the Certificate of Deposit account ending in 5805 was a true joint account and was correctly listed on the amended inventory as jointly held with Respondent.

Respondent provided documentation from Delmarva Investment Services showing that by letter dated April 22, 2009, Mr. Hall requested that his wife be added to his Infinex brokerage account. In this letter, Mr. Hall stated: "I

³ *Id.* at ¶ 8.

understand that by adding her, I am relinquishing 50% of the account to her.”⁴ Petitioner now argues that this letter of instruction demonstrates that Mr. Hall intended only to create a tenancy in common, and not a true joint account, with Respondent. The letter of instruction, however, is not all that was provided. There is also a copy of the completed Application that contains on page 3 of this eight-page document, subsection XII entitled “SIGNATURES” the following printed information:

Please review your information, read the Agreement and sign below.

By signing below, I am stating that I HAVE RECEIVED A COPY OF THIS APPLICATION.

NOTE: This document contains a predispute arbitration clause found on page 7 in paragraphs 13 & 14.⁵

Mr. Hall and Respondent both signed their names directly below this printed information on April 22, 2009. The Agreement is found on pages six and seven of this document. Paragraph 10 of the Agreement is entitled “Joint Accounts” and states:

If this is a joint account, unless we notify you otherwise and provide such documentation as you require, the brokerage account(s) shall be held by us jointly with rights of survivorship (payable to either or the survivor of us). Each joint tenant irrevocably appoints the other as attorney in fact to take all action on his or her behalf and to represent him or her in all respects in

⁴ *Id.*, Ex. C.

⁵ *Id.*

connection with the Agreement. You shall be fully protected in acting, but shall not be required to act upon the instructions of either of us. Each of us shall be liable jointly and individually, for any amounts due to you pursuant to the Agreement, whether incurred by either or both of us.⁶

By signing this document, Mr. Hall changed his brokerage account from a solely-owned account into a true joint account with Respondent. Therefore, the amended inventory correctly reflects the ownership of this account.

Finally, the two Credit Union accounts listed as joint accounts in the amended inventory have different membership numbers than Dover Federal Credit Union account opened in 1978 by Mr. Hall and held jointly with his son, the Petitioner. The first page of JX 18 is a printout from the Credit Union containing a comment dated December 24, 2009, stating:

Members want to close account so Aldon can add his wife, but they aren't able to have joint member Anthony sign to allow this, so I spoke with my manager Breda Porter and she says it would be OK to leave the CD so the members can keep their rate.

This printout contains the Membership number 71852007. JX 18 also included photocopies of the application cards signed by Mr. Hall and his son in 1978, but these documents were partially obscured. Another set of photocopies supplied by Petitioner more clearly shows that these cards bear Membership numbers 71852007 (Mr. Hall's application card) and 71852.0 (Petitioner's application card). According to the printout in JX18, this joint account may have been a certificate of

⁶ *Id.*

deposit that remained open for some period of time to maintain its interest rate. According to a Affidavit supplied by the Credit Union, on the same day they inquired about closing the joint account, December 24, 2009, Mr. Hall and Respondent opened a new account (Membership number 808376000) consisting of a primary shares account that was a saving account and a money market account that was assigned an additional suffix (80837688) for the purpose of writing checks. These two accounts were joint accounts with right of survivorship, as shown by the Affidavit and the application completed by Mr. Hall and Respondent which contained explicit language to that effect.⁷ Petitioner argues that Respondent managed to transfer title to his joint account without his permission, but other than Petitioner's own testimony that he had learned that his account had been closed by Respondent in her capacity as power of attorney for Mr. Hall,⁸ there is no evidence of when or how this joint account was closed, how much money was in the account when it was closed, or where the money went. If this joint account had been closed on December 24, 2009, there would have been no need for Respondent to have used her power of attorney since Mr. Hall was present at

⁷ *Id.*, Ex. A.

⁸ Transcript of Trial ("TT") on February 3, 2014, at 31-32. Respondent admitted that she had driven her husband to the Credit Union, but she did not remember any discussion about Anthony being a co-owner of an account there, and only admitted that she had participated in some transfers there. TT 291-293.

the Credit Union and capable of executing documents on his own.⁹ Petitioner's claim that he is entitled to at least half of the funds in the Credit Union joint accounts is without any basis in fact or law.

I recommend that the Court order Respondent to revise her Account to correct the miscalculations in total probate assets and total expenses listed, and distribute the balance remaining in her hands to the beneficiary of the Estate of Aldon S. Hall.

Respectfully,

/s/ Kim E. Ayvazian

Kim E. Ayvazian
Master in Chancery

KEA/kekz

⁹ The Durable Power of Attorney naming Respondent as attorney in fact for Mr. Hall was executed by Mr. Hall on December 22, 2009. JX6.