

# Elderly Women Sue Conservators

JAMIE ROSS January 27, 2010



PHOENIX (CN) – Two federal RICO complaints claim that attorneys, doctors, fiduciaries and conservators exploited two vulnerable, wealthy women by having them involuntarily declared incapacitated or incompetent, giving the defendants control of the women and their assets. Once in control, the defendants siphoned off the women's cash and assets, then abandoned them when their trusts and assets were depleted, according to the complaints.

Kim Raynak, guardian of Marie J. Long, claims that the defendants took "the vast majority" of Long's wealth to pay for fees they charged to her trust, which once was valued at more than \$1.4 million.

Defendant Genevieve Olen, Long's niece, became trustee after Long suffered a stroke in May 2005 and moved Long "against her wishes" from Scottsdale to San Diego, according to the complaint. Raynak claims that Olen and other defendants failed to investigate whether Long, the "surviving spouse of a veteran of the United State military," was entitled to guardianship services through the Arizona Department of Veteran's Services at minimal or no cost, instead of causing \$17,000 in attorneys fees to be paid out of her trust monthly.

The defendant Sun Valley Group, Long's in-home care provider, "charged for everything its employees and agents did," including when an employee started a grease fire in Long's home and when employees made calls to each other, according to the complaint. With Sun Valley's decision to provide in-home care for Long, it quadrupled the amount of money it was collecting from the trust, the complaint says.

Raynak says the costly disbursements reduced Long's trust to \$44,000 in three years.

In the other lawsuit, Helga Mallet claims that she was wrongly declared incapacitated by Southwest Fiduciary after she was duped into transferring \$240,000 to a sweepstakes scam. She says Southwest Fiduciary appointed Gerd Zimmerman as successor trustee without her consent.

Mallet claims Southwest Fiduciary then "proceeded to spend virtually every penny" of her \$100,000 account "while doing nothing to protect her other assets." Gerd Zimmerman liquidated more than \$350,000 of Mallet's securities to cover a negative account balance, despite the bad market conditions, she says.

Mallet says the defendants sold her photo albums and other personal belongings and failed to pay the 77-year-old woman's mortgage payments.

Raynak and Mallet seek treble damages for breach of fiduciary duty, legal malpractice and civil rights violations.

The defendants in Raynak's complaint are Gary Olen, Arizona Care Management, Peter and Heather Frenette, Jerome Elwell, Warner Angle Hallum Jackson & Formanek, Lauren Garner, Jaburg & Wilk, Brenda Church, Gammage & Burnham, Frazer Ryan Goldberg & Arnold, Brian Theut, and Theut Theut & Theut.

Defendants in the Mallet complaint are Zimmermann Nielsen & Colleagues, The Sun Valley Group, Alisa Gray, Gray & Fassold, Peter and Heather Frenette, Charles M. Dyer, Khalil Saigh, Dyer & Ferris, and Gregory and Peggy Dovico.

Both plaintiffs are represented by Grant H. Goodman.