

SURROGATE’S COURT OF THE STATE OF NEW YORK
 COUNTY OF SUFFOLK

=====)	
In the Matter of the Application of Channing Edson, as)	
Beneficiary of the Estate of)	
	)	AMENDED VERIFIED
LEWIS L. EDSON a/k/a Lewis Lefferts Edson,	)	<u>PETITION</u>
)	
Deceased,	)	File No.:2013-2792/
)	
To Revoke the Letters Testamentary Issued to Evans Edson)	
and Lisa Edson)	
=====)	

TO THE SURROGATE’S COURT FOR THE COUNTY OF SUFFOLK:

The Petition of Channing Edson (“Channing”), residing at 17 Mill Pond Road, Port Washington, NY 11050, respectfully states as follows:

Preliminary Statement

1. Channing demands the immediate suspension and subsequent removal of Evans Edson and Lisa Edson as Co-Executors of the Estate (the “Estate”) of Lewis L. Edson (the “Decedent”) for gross violations of law and their fiduciary duties. These violations include, but are not limited to, the following:
 - a. Fraudulently using the Decedent’s personal credit card following his death;
 - b. Paying personal claims from Estate assets;
 - c. Engaging in financial dishonesty including perjury during sworn testimony;
 - d. Engaging in impermissible self-dealing, divided loyalty and conflicts of interest;
 - e. Engaging in Payroll fraud and other corporate frauds;
 - f. The unauthorized continuation of a business while using general estate assets, also without authorization in so doing;
 - g. Undeniable and real hostility that has impeded the Estate’s administration; and
 - h. Completely failing to understand and/or disregard their fiduciary duties while damaging and continuing to jeopardize the Estate.

The Decedent

2. The Decedent, Lewis L. Edson, died approximately five (5) years ago on **June 20, 2013**, residing at 30105 Main Road, Cutchogue, NY.

The Decedent's Estate

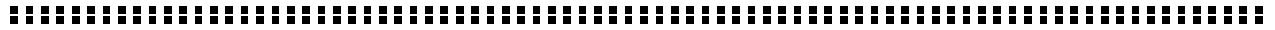
3. The Decedent's Estate consisted of approximately \$350,000 in cash / marketable securities. Other assets included substantial Real Property and Personal Tangible Property.
4. The Decedent operated a **sole proprietorship** known as Santa's Christmas Tree Farm (the "Farm") located on the same premise as his residence in which he sold Christmas Trees and related merchandise during the Christmas season.
5. The Decedent had several **personal** credit cards at the time of his death, one of which was a Citibank credit card, **account #: 4122 5100 3521 0833** in which he was the **sole** card holder, had a date of death balance of **\$1,980** and a credit line of \$33,600.
6. The date of death balance, card number and personal nature of this card is indicated on the Estate tax Return (**Ex. "A"**) filed by the Fiduciaries.

The Compelled Accounting Petitions & Discovery

7. Due to irregularities with the sworn Accounting documents, including but not limited to substantial payments to an unknown Citibank credit card (**Ex. "B"**) Co-Executors Evans Edson and Lisa Edson were questioned about these payments in their SCPA 2211 depositions on January 20, 2017.
8. The sworn deposition testimony of the Co-Executors related to the decedents Citibank credit card in part reads as follow:

Q. Was there a Citi card that was used to pay certain bills related to the estate?

A. No (Ex. "C")



Q. Do you recall if those credit cards were ever used subsequent to his death?

A. I don't (Ex. "D")

9. It would subsequently be learned, and as will be demonstrated below, the Co-Executors engaged not only in **perjury but also credit card fraud, identity theft, corporate fraud and tax fraud.**

10. After the Fiduciaries refusal to comply with Discovery Demands, which has now resulted in a Decision of the Court on April 25, 2018 (Ex. "E"), multiple third-party subpoenas were issued, including two (2) Subpoena Duces Tecum to Citibank seeking information on the Decedent's credit cards and other Estate related credit cards.

11. On March 18, 2018 Citibank complied with the first Subpoena and sent the account statements and proofs of payment for the Decedent's personal Citicard ending in 0833 (Ex. "F").

12. As demonstrated by the table below the "Fiduciaries" fraudulently charged approximately **\$104,713.91** on the Decedent's **personal** Citibank well over a year after his death and used approximately \$73,301.77 of Estate funds to pay for these charges (*see* Ex. "F").

	Post Death Fraudulent Credit Card Charges	Post Death Payment of Fraudulent Credit Card Charges with Estate Funds					
Jul-13	\$1,763.68						
Aug-13	\$5,150.38						
Sep-13	\$13,853.25	\$178.17	\$178.17				
Oct-13	\$9,108.74	\$5,000.00	\$5,000.00				
Nov-13	\$7,319.72	\$5,000.00					
Dec-13	\$15,747.65	\$10,000.00	\$12,005.40	\$4,117.35			
Jan-14	\$11,027.68	\$10,000.00					
Feb-14	\$2,859.60	\$3,000.00	\$4,323.00				
Mar-14	\$5,330.27	\$1,500.00					
Apr-14	\$6,731.68	\$500.00					
May-14	\$7,870.33	\$500.00					
Jun-14	\$15,130.93	\$1,000.00	\$1,000.00	\$500.00	\$1,000.00		
Jul-14	\$2,820.00	\$2,121.68	\$1,728.00	\$1,500.00	\$500.00	\$500.00	\$400.00
Aug-14		\$1,000.00	\$750.00				
Total	\$104,713.91						\$73,301.77

13. The funds used to pay for these fraudulent charges began with the Co-Executors transferring approximately **\$154,671.80** from the Decedent’s personal TD Ameritrade account (**Ex. “G”**) into a joint account Lisa Edson shared with the Decedent. (**Ex. “H”**).
14. The aforementioned transfer took place **within** several days of the Decedent’s death and months before being appointed as Co-Executors by this Court.
15. On or about May 8, 2018 additional documents stemming from a follow-up Subpoena to Citibank were received in which notes related to the Decedent’s Citibank account reflect two attempts on 8/27/2013, which is over two months **after** the Decedent’s death, to access his account in which the notes read, “*FAILED SECURITY WORD VERIFICATION.*” (**Ex. “I”**).
16. Finally, on the same day, the notes reflect two (2) successful attempts to add authorized users to the Decedent’s personal credit card account, including fiduciary Lisa Edson. (*see* **Ex. “I”**).
17. The Decedent’s account statements now reflect, three (3) cardholders (**Ex. “J”**) the two (2) Co-Executors and the Decedent who has now been deceased for several months at this point.
18. Of the approximate **\$104,000** of fraudulent charges, thousands of dollars were expended on alcohol, food and travel as demonstrated by select charges on the tables below: (*see* **Ex. “F”**)

Select Fraudulent credit card charges		
10/3/13	Bottles Liquors	\$ 39.07
12/1/13	Peconic Liquors	\$ 166.09
12/7/13	Peconic Liquors	\$ 186.43
12/21/13	Peconic Liquors	\$ 166.07
4/15/14	Murphy's Spirit Shop	\$ 44.51
5/31/14	Peconic Liquors	\$ 64.06
6/17/14	Peconic Liquors	\$ 185.58
8/3/14	Peconic Liquors	\$ 189.17
11/20/13	BJ Wholesale	\$ 214.02
11/21/13	King Kullen	\$ 57.16
4/19/14	King Kullen	\$ 204.32
12/4/13	BJ Wholesale	\$ 182.11
1/12/14	Lagaurdia Airport	\$165.00

Select Fraudulent credit card charges		
7/11/14	Norwegian Cruise	\$2,650.10
7/12/14	Delta Air - Deborah Ranson	\$356.00
7/12/14	Delta Air - Lisa Edson	\$356.00
7/11/14	OVC Cruise & Travel	\$312.23
10/5/13	Best Buy	\$1,031.85
6/18/14	SPLIA - Museum	\$300.00
6/2/14	Met Opera Grand Tier	\$291.50
11/25/13	Homeaway	\$249.17
10/2/13	Delta Air - Evans Edson	\$227.60
10/2/13	Delta Air - Lisa Edson	\$227.60
6/17/14	Met Opera Grand Tier	\$210.19
10/31/13	Bridgeport Ferry	\$197.00
10/12/13	International Charge - Greece	\$189.66

Select Fraudulent Restaurant Charges on Decedent's Personal Credit Card			
1/9/14	Ruth's Chris		\$365.54
1/11/14	Ruth's Chris		\$257.78
7/10/14	Hellenic Snack Bar		\$195.16
12/8/13	Grana		\$192.02
5/30/14	Eight Hands		\$189.01
12/1/13	Michaelangelos		\$188.15
3/1/14	Cliffs Elbow Room Too		\$184.82
12/15/13	Cliffs Elbow Room Too		\$184.67
3/9/14	Grana		\$151.98
6/20/14	Little Red Restaurant		\$133.71
9/18/13	BLT Steak		\$132.71
11/14/13	Michaelangelos		\$130.90
4/14/14	Michaelangelos		\$130.55
12/22/14	Grana		\$129.71
12/14/13	Touch of Venice		\$127.00
9/29/13	Cliffs Rendevous		\$126.91
1/8/14	Hard Rock		\$120.62
11/20/13	Tony's Asian Fusion		\$118.95
10/25/13	Michaelangelos		\$109.65
10/21/13	Little Pub		\$102.47

19. The fraudulent credit card charges include approximately \$3,362 for airfare and a **Norwegian Cruise** for Lisa Edson and her mother Deborah Ranson, as well as tickets to the Opera.
20. No less breathtaking, it was learned that of the approximate **\$104,000** of fraudulent credit card charges by the Fiduciaries, the Co-Executors subsequently **abandoned** approximately **\$25,000** of those charges, after paying the previous fraudulent charges with Estate funds.
21. The results of the second Citibank subpoena revealed that Citibank, who was never aware that Lewis L. Edson was actually deceased, eventually charged off the fraudulent balance of **\$25,104.62** on 6/30/2015 and issued a 1099-C. (Ex. "K").
22. Notably, despite the credit card having a date of death balance of approximately **only** \$1,980.00 (*see* Ex. "A") the 1099-C which is a tax document that classifies charged off debt as income

of the card holder, was issued to Lewis Edson, **not** the “Estate of” as Citibank was still unaware that the Decedent had died over two (2) years earlier (*see* Ex. “K”).

23. The \$25,104.62 from the 1099-C, which has been secreted, is now an **ongoing tax issue**, that is the result of the credit card fraud of the Co-Executors.
24. Further, tens of thousands of dollars of fraudulent purchases were for merchandise which was then resold in the unauthorized continuation of the Decedent’s former sole proprietorship which is now a corporation, likely amounting to additional criminal acts.
25. As a result of the aforementioned the Suffolk County District Attorney’s Office is now engaged in an active criminal investigation.

Post-Death Estate Related Credit Card Obtained by the Fiduciaries

26. As a result of additional third-party subpoenas, in this instance issued to People’s United Bank, the monthly banking statements of an account of the wholly owned business (Ex. “L”) revealed substantial payments of Estate funds being made to an **additional undisclosed** Chase Bank credit card.
27. Based on substantial payments of Estate funds being used to pay an unknown and undisclosed Chase credit card an additional third-party subpoena was issued to Chase Bank.
28. On or about April 27, 2018 the results of the Chase subpoena (Ex. “M”) were received in which it was revealed that Co-Executor Evans Edson had opened a **new** credit card in his name and the wholly owned Estate asset Santa’s Christmas Tree Farm.
29. As demonstrated in the annexed chart (Ex. “N”) the **\$195,244.75** charged on the new Chase credit card in the name of **Evans Edson – Santa’s Christmas Tree Farm**, including but not limited to the charges demonstrated in the below tables, were paid for with funds from the

account of the wholly owned Estate asset now known as Santa’s Christmas Tree Farm Inc, as seen on the bank statements (*see Ex. “L”*) and corresponding credit card statements. (*see Ex. “M”*).

30. The below tables, which are **not** exhaustive, represent **\$3,842.26**, **\$21,101.76** and **\$8,379.21** of charges (*see Ex. “M”*) paid **dollar for dollar** with funds of the Estate (**Ex. “L”**). A further inspection of the below tables and the annexed documents will reveal the egregiousness of these purchases.

Charges by Fiduciaries for Liquor & Alcohol on Chase Credit Card - 100% of which were paid for with Estate Funds: \$3,401.09					
12/1/17	Vintage Wines & Liquors	\$282.14	11/29/15	Peconic Liquor Store	\$98.16
11/22/14	Peconic Liquor Store	\$249.10	7/29/17	Micheals Wines & Liquors	\$97.70
12/4/15	Peconic Liquor Store	\$248.58	11/16/14	Peconic Liquor Store	\$95.94
12/21/15	Peconic Liquor Store	\$232.54	10/20/16	Peconic Liquor Store	\$80.32
12/6/14	Peconic Liquor Store	\$210.14	10/11/17	Peconic Liquor Store	\$76.00
11/8/14	Peconic Liquor Store	\$178.97	12/17/16	Peconic Liquor Store	\$64.08
11/8/14	Peconic Liquor Store	\$178.97	8/12/15	Peconic Liquor Store	\$58.64
11/13/15	Peconic Liquor Store	\$159.12	12/20/16	Showcase Wine & Liquor	\$54.04
9/18/17	Micheals Wines & Liquors	\$147.43	11/29/17	Vintage Wines & Liquors	\$49.93
12/12/15	Peconic Liquor Store	\$143.91	12/14/14	Peconic Liquor Store	\$48.85
11/16/16	Peconic Liquor Store	\$137.82	12/18/17	Peconic Liquor Store	\$43.82
11/27/15	Peconic Liquor Store	\$121.75	10/20/17	Peconic Liquor Store	\$27.13
12/11/17	Micheals Wines & Liquors	\$121.62	12/7/17	Greenport Harbor Brewing	\$37.00
12/17/17	Peconic Liquor Store	\$99.90	7/19/16	Peconic Liquor Store	\$33.64
			12/30/14	Peconic Liquor Store	\$23.85
					\$3,401.09

31. In a November 27, 2017 Facebook post the Co-Executors mother, the fiancé of Lisa Edson, Daniel Grace and “Employee” Toni Ann Sinning are pictured with alcohol during the operation of what is a family-oriented business whose value includes substantial goodwill, in which hard liquor by the name of Jägermeister as well as a Budweiser beer can are on display. (**Ex. “O”**).

32. The **slush fund** of the Co-Executors, the wholly owned Estate asset, i.e. Santa’s Christmas Tree Farm Inc. is further displayed in the aforementioned tables below:

Select Charges by Fiduciaries on Chase Credit Card for Food, Entertainment & Travel - 100% Paid with Estate Funds: <u>\$21,101.76</u>			Other Charges & Interest - 100% Paid With Estate Funds: <u>\$8,379.21</u>		
4/23/16	Paul LI Landscape Design	\$4,787.75	1/2/15	Village Taverna - New York	\$112.44
2/6/15	Apple Online Store Inc.	\$1,349.58	3/16/15	Retaurant Chez Daniel - Puerto Rico	\$59.90
3/7/15	Delta Air - San Juan, PR - JFK	\$825.60	4/15/15	Amazon Digital Services	\$71.89
3/7/15	Delta Air - San Juan, PR - JFK	\$825.60	4/16/15	Baja Beach Café - San Diego	\$83.72
12/6/17	Met Opera	\$890.00	4/20/15	Tom Ham's Restuarant - San Diego	\$72.64
1/3/15	Met Opera	\$765.00	4/28/15	Cystic Fibrosis Foundation - Donation	\$100.00
5/25/17	North Fork Weddings	\$550.00	5/13/15	Founders Tavern	\$88.58
10/8/15	PC Richards & Sons	\$520.12	12/19/15	Sophie's Restuaruant & Bar	\$110.00
8/7/15	Best Buy - Riverhead, NY	\$488.80	12/5/15	Pelegrino Pizza - Southampton	\$148.29
2/28/17	Cablevision / Nettel	\$466.99	5/15/16	King Kullen	\$132.01
5/4/15	Bed, Bath & Beyond	\$464.89	6/17/16	Tony' s Asian Fusion	\$86.29
12/17/14	CJ'S American Bar & Grill	\$433.55	7/3/16	Interest Charge	\$226.68
1/29/16	American Beech Restaurant & Bar	\$390.60	7/21/16	Modern Snack Bar	\$78.07
4/9/16	Apple Store - Danbury, Ct.	\$288.90	9/2/16	Interest Charge	\$256.25
12/6/16	Key Food - Mattituck	\$280.62	9/13/16	Love Lane Kitchen	\$98.65
1/15/16	Cuts Steakhouse - Atlanta, GA	\$268.26	10/3/16	Interest Charge	\$243.61
1/16/16	Sweet Georgia's Juke Joint - Atlanta, GA	\$233.28	10/21/16	Hellenic Snack Bar	\$92.22
1/17/16	Cuts Steakhouse - Atlanta, GA	\$112.20	11/3/16	Interest Charge	\$277.08
1/18/16	Cuts Steakhouse - Atlanta, GA	\$182.04	11/10/16	Bay Breeze Inn & Bistro	\$80.16
1/13/16	Alma Cocina - Atlanta, GA	\$304.70	11/15/16	Touch of Venice Restaurant & Bar	\$104.00
1/14/16	Trader Vics - Atlanta, GA	\$249.82	11/19/16	MJ Dawlings Steakhouse	\$148.29
12/11/16	King Kullen - Cutchogue	\$254.58	11/25/16	Michelangelos Restaurant	\$140.13
12/13/17	The Village Cheese Shoppe	\$277.93	12/2/16	Interest Charge	\$249.92
12/15/17	Sophies Bar & Grill - Southold	\$239.00	12/8/16	Braun's Seafood Market	\$73.15
12/26/14	Little Red Bar & Restaurant	\$226.73	9/1/17	Cliff's Rendevous Room Bar & Grill	\$82.93
12/26/14	Legends Bar & Grill	\$207.61	9/21/17	Sophie's Restuaruant & Bar	\$80.71
7/31/17	Hampton Maid Hotel - Hampton Bays	\$180.31	9/19/17	Michelangelos Restaurant	\$95.96
12/27/14	Legends Bar & Grill	\$177.00	12/31/16	Guideboat - Clothing & Gear	\$141.50
10/16/15	King Kullen	\$156.11	7/3/16	Interest Charge	\$161.16
9/17/17	Touch of Venice Restuaruant	\$155.00	9/9/17	King Kullen	\$94.83
1/21/15	CJ'S American Bar & Grill	\$139.34	12/3/17	Interest Charge	\$258.64
4/3/17	O'mally's Restaurant & Bar	\$134.60	8/3/17	Interest Charge	\$179.11
5/27/15	Mis En Chich St. Clothing Store - St. Petersburg, FL.	\$123.05	2/28/15	St. Barth Caravan Clothing Store	\$151.82
9/3/17	Main Road Biscuit Company	\$120.57	3/31/15	Juxtapose Clothing, St. Petersburg, FL.	\$197.84
11/19/17	Michelangelos Restaurant	\$118.08	9/13/17	Grodski Mower Service Southampton	\$101.56
11/15/17	Braun Seafood Market	\$116.95	10/7/17	Perabella Food Bar - Riverhead	\$87.12
2/5/15	Apple Store - Danbury, Ct.	\$105.29	5/11/16	Fontainebleau La Cote Miami Beach FL	\$152.40
9/7/17	Founders Tavern	\$105.05	11/29/14	Michelangelos Restaurant	\$115.36
12/11/15	King Kullen	\$134.31	11/14/14	Founders Tavern	\$78.76
12/22/16	Cliffs Elbow Room Bar & Restaurant	\$139.27	11/28/14	Walbaums	\$147.00
12/11/16	Michelangelos Restaurant	\$142.02	12/11/14	Riteaid	\$87.41
2/7/17	Wholefoods, Miami - FL	\$67.43	12/15/14	Shell Oil	\$81.03
4/17/17	Legends Bar & Grill	\$127.42	12/6/14	King Kullen	\$167.76
9/8/17	Michelangelos Restaurant	\$105.05	12/8/14	Michelangelos Restaurant	\$90.00
12/7/15	Legends Bar & Grill	\$114.48	12/13/14	Michelangelos Restaurant	\$169.50
10/10/17	Michelangelos Restaurant	\$91.25	12/29/14	Cliff's Elbow Bar & Grill	\$92.58
7/27/17	King Kullen - Cutchogue	\$262.68	1/13/15	Amtrak - Washington, DC	\$288.00
11/27/15	Michelangelos Restaurant	\$129.05	1/3/15	Holiday Inn - Syracuse	\$223.74
10/16/15	King Kullen	\$156.11	1/11/15	Doubletree Hotels - Atlanta	\$910.46
12/18/15	Michelangelos Restaurant	\$177.75	3/6/15	Bridgeport Ferry	\$128.00
11/22/14	Grana Pizza	\$149.53	3/31/15	Juxtapose Clothing, Tampa, FL.	\$88.81
8/1/17	Cliffs Elbow Room Bar & Restaurant	\$105.16	11/25/16	Speedway Gas & Convenience - Westbur	\$62.99
11/14/17	Michelangelos Restaurant	\$99.07	12/3/16	Red Bar Brasserie - Southampton	\$143.07
1/6/16	Michelangelos Restaurant	\$209.90	5/3/17	Interest Charge	\$85.35
7/3/17	Nugent & Potter - Southampton, NY	\$438.83	6/2/17	Interest Charge	\$130.28
12/14/17	North Fork Table & Inn	\$80.61	12/12/17	Touch of Venice Restaurant & Bar	\$124.28
12/16/17	Michelangelos Restaurant	\$109.17	12/19/17	Shell Oil - Watermill, NY	\$70.01
11/30/17	Touch of Venice Restuaruant	\$144.75	12/14/17	Shell Oil - Watermill, NY	\$70.97
12/6/17	Touch of Venice Restuaruant	\$130.95	12/3/17	Shell Oil - Watermill, NY	\$72.47
\$21,101.76			\$8,739.21		

Additional Unknown Credit Card Paid with Estate Funds

33. The subpoenaed bank statements (Ex. “P”) also reveal at least \$29,060.22 of payments with Estate funds to an additional undisclosed credit card in which it is of information and belief that this credit card belongs to Daniel Grace, fiancé of Co-Executor Lisa Edson.

Date	Payments From Estate Account Ending in:	Payee	Amount
9/14/14	....0008	Citi Cards	\$3,026.27
10/27/14	....0008	Citi Cards	\$9,979.87
11/26/14	....0008	Citi Cards	\$3,915.15
12/29/14	....0008	Citi Cards	\$3,800.00
11/29/16	....0008	Citi Cards	\$1,502.03
12/12/16	....0008	Citi Cards	\$1,582.09
12/19/16	....0008	Citi Cards	\$1,185.97
11/28/17	....0008	Citi Cards	\$3,180.77
12/18/17	....0008	Citi Cards	\$888.07
			\$29,060.22

Indebting the Estate to Themselves While Raiding Its Assets

34. It has now been discovered that while raiding tens of thousands of Estate funds including but not limited to during the fraudulent use of the Decedent’s personal credit, the Co-Executors have not only been “loaning” the Estate and the “Farm” money but have been charging interest on these “loans” via non-notarized promissory notes (Ex. “Q”) of between 9.00% - 11.00%.

35. Notably the table below represents a subset of checks and electronic payments amounting to \$75,222.18 to the Co-Executors and Daniel Grace, the fiancé of Lisa Edson, from Estate accounts, many of which are labeled “Interest, Travel, Expenses” (Ex. “R”):

Payment Type	Payee	Account	Date	Amount
Electronic Bill Payment	Lisa Edson	....0008	1/2/18	\$10,432.30
Electronic Bill Payment	Evans Edson	....0008	12/29/17	\$3,503.04
Electronic Bill Payment	Daniel Grace	....0008	12/29/17	\$5,082.20
Electronic Bill Payment	Lisa Edson	....0008	12/27/17	\$5,618.43
Electronic Bill Payment	Evans Edson	....0008	12/27/17	\$2,743.03
Electronic Bill Payment	Lisa Edson	....0008	1/19/16	\$1,824.76
Electronic Bill Payment	Evans Edson	....0008	12/22/15	\$1,094.43
Electronic Bill Payment	Lisa Edson	....0008	12/15/15	\$5,092.00
Electronic Bill Payment	Evans Edson	....0008	12/15/15	\$1,380.00
Electronic Bill Payment	Lisa Edson	....0008	12/14/15	\$4,887.02
Electronic Bill Payment	Evans Edson	....0008	12/14/15	\$2,541.85
Electronic Bill Payment	Lisa Edson	....0008	12/22/14	\$1,343.67
Electronic Bill Payment	Evans Edson	....0008	12/22/14	\$585.19
Check	Lisa Edson	....0008	12/23/16	\$6,024.63
Check	Lisa Edson	....0008	12/22/16	\$9,500.00
Check	Daniel Grace	....0008	12/22/16	\$2,420.66
Check	Evans Edson	....0008	12/23/16	\$3,306.67
Check	Evans Edson	....0008	12/22/16	\$3,078.95
Check	Lisa Edson	....0008	12/27/16	\$4,763.35
				\$75,222.18

36. The looting of the Estate assets, which includes credit card fraud, the simultaneous and subsequent indebting of the Estate to themselves, and the ongoing jeopardy that they have placed the Estate in carried over to providing their mother and themselves rent free accommodations at the Expense of the Estate.

37. Through their attorney, the Co-Executors had previously claimed that their mother was paying rent for residing in the Decedent's former's residence on the "Farm". (Ex. "S").

38. However, in sworn deposition testimony the Co-Executors now claimed she was living rent free as a result of a payment-in-kind scheme in which Lisa Edson also stated she stays their "all the time" as well. The sworn testimony is as follows:

Q. Was there a time that she paid rent?

A. Never.

Q. Are there times --

A. She's my mother, you know. **(Ex. "T")**

Q. Does your mom live on the property?

A. Yes.

Q. Does she pay rent?

A. Well, she doesn't pay monetarily. She works.

(Ex. "U")

Q. Do you or your brother ever stay at the house?

A. All the time. I do.

(Ex. "V")

39. Notably, and as previously demonstrated on records on file with this Court, the tax returns and the corporate financial statements **don't** account for any payment in kind or the impact on the business as a result bypassing the collection of rent for "work" which has now been ongoing for over four (4) years.

40. No less shocking, is the Co-Executors **claim** that they have lost the Decedent's Grady White boat to foreclosure as a result of the Estate not having enough funds to make the payments:

THE WITNESS: I don't recall if it was auctioned, but it was foreclosed on. The estate didn't have the assets to be able to pay for the debt. **(Ex. "W")**

41. **In addition** to the claimed foreclosure of what is/was a substantial Estate asset, the Amended Account **(Ex. "X")** attempts to conceal through categorization as "Repayment of Loan" what has ultimately been learned through investigation, of information and belief, was payment of

approximately \$21,484.44 in third party legal fees associated with the actions surrounding the Grady White boat which was the result of a Court Judgement. (Ex. “Y”)

Payroll Fraud & Checks to Cash

42. Not only have the Fiduciaries continued the Decedent’s former sole proprietorship without authorization from the Will or leave of this Court for nearly five (5) years, in so doing they have used general Estate assets to do so, while routinely writing tens of thousands of dollars’ worth of checks to cash, which often are then endorsed by the Co-Executors themselves.
43. As demonstrated in the Amended Account (Ex. “Z”), in just this one instance of many, Expenses for Maintaining Real Property for 2015 approximately \$46,402.49 of funds from the account of the General Estate were used to pay for expenses and “labor” of the “Farm”.
44. The SCPA 2211 testimony of Co-Executor LISA EDSON related to labor of the Farm is as follows:(Ex. “AA”)

Q. Next I wanted to ask about some listings for JJ Labor or Ivan Labor. There were two checks, number 115 and 116.

I want to ask if you have any recollection about the work that either of them did, JJ Labor or Ivan Labor?

A. They work for the farm.

Q. Do you recall whether they were paid by the estate?

A. I don’t recall.

Q. Do you have any recollection about the work they did?

A. They worked trimming trees, putting out pesticides, whatever labor need to be done around the farm that I can’t attend to or Evans can’t attend to.

Q. Is there a particular reason that they are paid – the payee is cash?

A. Because that’s how they get paid.

45. Not only are these expenses clearly labeled as “Gas for tractors & Farm Maintenance”, “Utilities, “Labor”, “Electric Repair”, the checks are often made out to cash and labeled as payment for operation of the business, yet the checks are often written from the general Estate Account, the account ending in9885, while many of these checks are then endorsed by the Co-Executors themselves and in some cases their mother, Deborah Ranson. **(Ex. “BB”)**.
46. Notably, the tax returns for each and every year, and in this instance 2015, reflect **\$0** in wages, yet another fraud, in this instance payroll fraud, as a result of the the failure to collect the required withholdings and make the mandatory employer matching, while altering the true performance of the corporation and exposing the Estate to significant liabilities. **(Ex. “CC”)**.
47. In another instance, tens of thousands of dollars of additional checks are written to both Cash and claimed employee Toni Ann Sinning, including but not limited to checks to Ms. Sinning in the amount of **\$7,285.15**, **\$2,074.00**, **\$2,550.00** and **\$1,782.64** in a few week period in 2016, in which the notes on the checks reference pay rate and hours **(Ex. “DD”)** yet, and once again, not a single dollar of wages are reflected on the corporate tax returns while in a recent email, Toni Ann Sinning has stated she is simply an “employee”.**(Ex. “EE”)**.

Well in Excess of \$400,000 of Unsupported Other Expenses

48. Despite the Co-Executors claiming they have **not** altered the state of the Decedent’s former sole proprietorship, the yearly entry for “Other Expenses” on the tax returns **(Ex. “FF”)**, and as demonstrated below has exponentially expanded each and every year that they have operated the business, all without authorization.

OTHER EXPENSES: POST-DEATH		OTHER EXPENSES: PRE-DEATH	
2013	\$39,030	2010	\$11,060
2014	\$93,831	2011	\$9,671
2015	\$133,777	2012	\$9,475
2016	\$172,701	\$30,206	
2017	N/A		
2018	N/A		
\$439,339			

49. Further, as demonstrated by the tables above, the “Other Expenses” have dwarfed the expenses claimed **by the Decedent** in the operation of his sole proprietorship. (Ex. “GG”).

50. Notably, and in spite of this Court’s Decision related to Discovery, the Co-Executors have failed to produce a single receipt, invoice or other documentation supporting what is now likely well in excess of **\$439,339** of “Other Expenses” despite the demands particularly those in points thirteen (13) and fourteen (14). (Ex. “GG-1”).

51. In an Affidavit recently filed by the Co-Executors they have claimed that despite the extreme divergence of the expenses from those incurred by the Decedent and that have exponentially expanded each and ever year under their reign, the following (Ex. “HH”):

“For the business operations, we are operating at the same level as SANTA’S was operating when my father was alive.”

Undeniable & Real Hostility Impeding Estate Administration

52. Without belaboring the Court, the undeniable and damaging hostility involved in the administration of this Estate has been evidenced and on full display, not only in the Motion

practice on file with this Court, but in the recent inability to agree to an on the record Stipulation in the early part of April 2018.

53. Without rehashing each and every instance of hostility, and despite the aforementioned fraud, self-dealing and other misfeasant and malfeasant acts committed by the Co-Executors, all of which are factually evidenced above, it is the Co-Executors who on the AMENDED / SUPPLEMENTED ACCOUNT, Schedule H - Statement of Interested Parties under the Proposed Distribution to Channing state the following: **(Ex. "II")**

"1/3 of estate T/B/T as surcharges and claims against share may result in reduction"

54. The unrelenting hostility by the Co-Executors is evening more unfathomable given their actions which have has since been uncovered, and include but are not limited to looting the Estate. It is now clear why On October 27, 2014, given the aforementioned actions which, Evans Edson was so hostile towards a beneficiary seeking information, in which he stated the following: **(Ex. "JJ")**

"Why don't you try to do something constructive rather then running up the bill with the lawyer."

"Only Give me...Give me...Give me." "Sad"

55. This hostility would continue with the Co-Executors former lawyer and romantic partner of Lisa Edson threatening in a letter to Channing of personal lawsuits **(Ex. "KK")**, which have since manifested with legal actions being filed and which is ongoing, in the Supreme Court of Suffolk County.

56. Notably, despite Co-Executors Lisa Edson stating that their former lawyer would do everything for free as a result of their relationship, and who was "dismissed" well over two (2) years ago,

Mr. Bashian was paid approximately \$270,000 while failing to file any affirmation of legal services. (Ex. “LL”).

57. Consistent with the pattern of hostility, frivolity and obstruction that Evans and Lisa and their counsel, have exhibited throughout their entire administration of the Estate, their counsel in a March 17, 2018 email has now resorted to making threats to drag out litigation until 2022. (Ex. “MM”).

How I Intend to Manage the Estate if the Respondents are Suspended / Removed

58. Should I be appointed Executor of the Estate, I plan to immediately but orderly, liquidate all Estate assets, and subsequently hold the funds resulting from the sale of said assets with a Court approved escrow agent until further Order of the Court.

59. Further, if financial feasible, I would be willing to use my own funds to secure a refunding bond in order to further assure the Court that the above referenced good faiths efforts to timely wind down the Estate will be conducted in a manner fitting of a Fiduciary.

Conclusion

60. Clearly in light of the foregoing, Evans and Lisa should be suspended and removed as Co-Executors of the Estate of Lewis L. Edson.

61. Upon information and belief, the names and addresses of all the person interested in this proceeding who are required to be cited herein or concerning whom the Court is required to have information are as follows:

<u>Name</u>	<u>Nature of Interest</u>	<u>Address</u>
Channing Edson	Petitioner	17 Mill Pond Road, Port Washington, NY 11050
Evans Edson	Respondent	25 Dover Avenue, Southampton, NY 11968
Lisa Edson	Respondent	1800 N. Bayshore Drive, Unit 1609, Miami, FL 33132

62. As previously mentioned, and as further described in the Affirmation of my attorney Adam B. Grossman, Esq. a previous application seeking the removal of the Co-Executors is pending with this Court, however, as a result of new information that was not available to me at the time which was a result of the secreting of information and the obstruction of the Co-Executors, and the evidence of which factually and indisputably portrays gross violations of their fiduciary duties by Co-Executors, all of which has and continues to damage and jeopardize the Estate the requested relief herein is being made.

WHEREFORE, Channing Edson respectfully requests that Evans Edson and Lisa Edson be cited to show cause why a Decree should not be made and entered as follows: (a) removing Evans Edson and Lisa Edson as Co-Executors of the Estate of Lewis L. Edson, pursuant to Surrogates Court Procedure Act §§711 and 719; (b) on the return date of this application, immediately removing Evans Edson and Lisa Edson as Co-Executors of the Estate of Lewis L. Edson, pursuant to Surrogates Court Procedure Act §§711 and 719, without a hearing; (c) on the return date of this application, summarily suspending Evans Edson and Lisa Edson as

Co-Executors of the Estate of Lewis L. Edson, pursuant to SCPA § 712, without a hearing; (d) should the Court choose not suspend and/or remove Evans Edson and Lisa Edson without a hearing, pursuant to Surrogates Court Procedure Act §713, at the conclusion of a hearing of this matter, removing Evans Edson and Lisa Edson as Co-Executors of the Estate of Lewis L. Edson; (e) appointing Channing Edson as Successor Executor of the Estate of Lewis L. Edson or in the alternative appointing the Public Administrator as Administrator cta of the Estate of Lewis L. Edson; and (f) granting such other and further relief as the Court deems just and proper.

Dated: Riverhead, NY
June 13, 2018

By: _____
Adam B. Grossman, Esq.