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Attorneys for Petitioner
LISA MARIE PRESLEY

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF LOS ANGELES**

LISA MARIE PRESLEY, an individual,

Petitioner,

v.

BARRY J. SIEGEL, an individual, and
PROVIDENT FINANCIAL
MANAGEMENT, an unknown legal entity,

Respondents.

CASE NO. 18STPB01759

**LISA MARIE PRESLEY'S
OBJECTIONS TO FORMER TRUSTEE
BARRY SIEGEL'S ACCOUNT AND
REPORT OF TRUSTEE OF THE
PROMENADE TRUST**

**DATE: AUGUST 26, 2019
TIME: 8:30 A.M.
DEPT: 99**

Lisa Maria Presley ("LMP") hereby objects to former Trustee Barry Siegel's report and account for the Promenade Trust, and alleges as follows:

1. Barry Siegel's Accounting is either fraudulent, or grossly misleading. Replete throughout the multiple Schedule Gs of the amended accounting, Mr. Siegel references large cash distributions to LMP, and based upon such descriptions, infers that the he, as Trustee, actually distributed such cash to her. The reality, however, is that Mr. Siegel's accounting

1 misrepresents what happened with such funds, and his deception is an effort to avoid the
2 consequences of his secretive and shameful conduct as fiduciary for LMP.

3 2. For almost every cash distribution referenced in the accounting, such cash was
4 never distributed to LMP. Rather, Mr. Siegel transferred that cash from a Trust bank account to
5 a bank account that he exclusively controlled in LMP's name, and then characterized such a
6 transfer as a distribution to her personally.

7 3. In fact, the cash transfers from the Trust to this "LMP" account was never a
8 distribution to LMP, but was rather a transfer from a Trust account to the very checking account
9 that Mr. Siegel wrote checks from.

10 4. All of the checks written out of the account that received the "cash" transfers
11 (which are reflected on Schedule G for each of the accounting years) were written by Mr.
12 Siegel, for expenses and transactions that he entered into as Trustee, or to pay LMP's bills as
13 business manager.

14 5. LMP is informed and believes that included within those checks are many
15 payments to himself and his firm, Provident Financial Management, which, but for Mr. Siegel's
16 accounting sleight of hand, should have been accounted for in this accounting.

17 6. Mr. Siegel's accounting reflects an "accounting trick" designed to continue to
18 hide his grossly excessive compensation, and the fact that it was he, and he alone, who handled
19 all of LMP's finances and was in the exclusive position (with the concurrent fiduciary duty) to
20 properly advise LMP as to the propriety of certain transactions.

21 7. In reality, this accounting only tells half the story, as Mr. Siegel's handling of the
22 **LMP's money after it was transferred into his checking accounting is concealed by this**
23 accounting.

24 8. As LMP's business manager, Mr. Siegel handled all aspects of LMP's finances,
25 including acting as her Trustee, as her agent under a power of attorney, as a money manager,
26 and in other fiduciary capacities. In fact, almost every dollar LMP spent, with the exception of
27 LMP's credit cards, was paid by Mr. Siegel in his fiduciary capacities.
28

1 9. Yet, despite being ordered to render an accounting, Mr. Siegel chose to tell half
2 the story, and only account for the funds that he maintained in a Trust account, as opposed to
3 Trust assets that he transferred to a separate account that he apparently unnecessarily
4 maintained outside of the Trust. To be clear, the money he is not accounting for is still Trust
5 money even though he unilaterally chose to transfer such funds from a Trust account to a “non-
6 Trust” account which he controlled.

7 10. Shortly after Mr. Siegel served his initial accounting, LMP's counsel pointed out
8 the lack of explanation for the purported "cash distributions" in Schedule G and Mr. Siegel set
9 out to prepare an amended accounting which was supposed to resolve these incomplete
10 schedules in the accounting. As it turned out, the amended accounting does not address the real
11 problem with the accounting. Undoubtedly, such deception is intentional because Mr. Siegel is
12 seeking to deflect responsibility for his reckless and negligent conduct as a fiduciary for LMP.

13 11. While Mr. Siegel's accounting only tells half the story, the half story that he
14 chose to tell demonstrates a gross breach of fiduciary duty, including self-dealing behavior
15 which harmed LMP and, of course, benefitted Mr. Siegel and/or his firm, Provident.

16 12. While the accounting does not, on its face, disclose Mr. Siegel's total lack of
17 transparency on any of the transactions with LMP, the document production to date reveals that
18 Mr. Siegel completely failed to ever advise LMP as to the true consequences of any of the
19 major transactions involving the Trust, nor did he advise her regarding personal benefits he was
20 accruing as a result of some of the transactions, nor did he ever advise her regarding the state of
21 her financial affairs.

22 13. In 2005, Mr. Siegel sold 85% of Elvis Presley Enterprises “EPE” is a transaction
23 that would be politely, and ironically, characterized as improvident, but probably more
24 accurately characterized as self-interested and a gross breach of fiduciary duty.

25 14. The accounting reflects that immediately after EPE was sold, LMP's income
26 plummeted by 75%. At no time did Mr. Siegel advise LMP that her income would or could
27 take such a precipitous drop (or any drop) as a result of the transaction, nor did he even advise
28 her that her income had, in fact, ever even dropped as a direct result of that transaction.

1 15. The account reveals that as a result of the closing of the LMP's 85% interest in
2 EPE, Mr. Siegel and/or Provident received an undisclosed \$500,000 payment out of the sales
3 proceeds on February 28, 2005. This \$500,000 payment to himself was never disclosed to LMP,
4 never authorized by any contract between LMP and Mr. Siegel, and an act of self-dealing.

5 16. Beyond being an undisclosed \$500,000 payment to himself, the \$500,000 is
6 grossly excessive and appears to be double billing for work that he was contractually obligated
7 to perform.

8 17. In Paragraph 12 of his Accounting, Mr. Siegel states, under penalty of perjury,
9 that:

10 "Contrary to LMP's allegation, Mr. Siegel never received any
11 compensation for his services as the co-trustee of the Promenade Trust for
12 the period stated in the account."

13 18. Despite claiming that he never received any compensation for his services as Co-
14 Trustee, the very accounting he submitted identifies a \$500,000 distribution from the Trust to
15 his company, Provident Financial Management on February 28, 2005. If the payment of
16 \$500,000 was not for his services as a fiduciary, then what was the payment for?

17 19. Mr. Siegel's false statement in Paragraph 12 of his accounting further reflects
18 how dishonest this accounting is. Mr. Siegel claims that he did not receive any compensation
19 from the Trust, but fails to identify that he paid himself over \$4.9 million from LMP's assets
20 during the course of his trusteeship. As referenced above, Mr. Siegel's "half-accounting" is
21 designed to hide all of his self-dealing, and ignores the fact that he paid himself nearly \$5
22 million from Trust assets for services rendered from the LMP accounts that he controlled,
23 and/or which he had sent the Trust assets to for the purposes of making the payments to
24 himself.

25 20. The \$500,000 compensation Mr. Siegel paid to his own company in 2005 was
26 not an aberration. Rather than admit that he paid himself or his company compensation, LMP
27 was forced to dig out references to such payments that Mr. Siegel buried deep in schedules
28

1 inside his amended accounting. Despite claiming, under penalty of perjury, that he received no
2 compensation, the following compensation to himself is identified in his verified accounting:

3	Year	Amount of Compensation
4	2004	\$53,086.96
5	2005	\$645,054.48
6	2006	\$82,206.58
7	2007	\$77,200.58
8	2008	\$73,179.58
9	2009	\$194, 971.50
10	2010	\$123,385.25
11	2011	\$489,713.18
12	2012	\$129,000.04
13	2013	\$309, 736.54
14	2014	\$45,930.00
15	2015	\$123,434.76

16 21. Despite the accounting reflecting a gross reduction in the value of the Trust and
17 income to LMP, the fees paid by Mr. Siegel to himself did not suffer the same fate. Rather,
18 despite being aware of LMP's rapidly dwindling resources, Mr. Siegel continued to unilaterally
19 pay himself huge sums of her money that appears to bear no relationship to the assets he was
20 managing for LMP.

21 22. In 2011, Mr. Siegel paid himself another \$200,000 "bonus" without notice to, or
22 permission from, LMP from the sale of CKX. Mr. Siegel's self-dealing and concealment of
23 large unearned bonuses to himself are a breach of fiduciary duty. This egregiousness of this
24 breach of fiduciary duty is compounded by Mr. Siegel's seemingly total indifference to the
25 financial ruin he was simultaneously imposing upon LMP while he lined his own pockets with
26 LMP's money.

1 23. LMP believes that this compensation is excessive and an example of self-dealing
2 by the Trustee, and was done without any disclosure her to her at any time as to the amount
3 Mr. Siegel was paying himself.

4 24. Mr. Siegel's accounting also identifies other possible expenses that were
5 triggered by the EPE sale, including a large capital gains tax that was owed as a result. Despite
6 paying this capital gains tax on behalf of LMP, and despite being appointed as Trustee and
7 power of attorney to watch out for LMP's assets, at no time did Mr. Siegel advise LMP that
8 such a tax would be incurred, nor did he provide any analysis regarding the EPE sale that
9 reflected that LMP's assets would be devalued by so much as a result of the tax consequences
10 of the sale.

11 25. In addition to the expenses related to the sale of EPE identified above, under
12 Mr. Siegel's generosity to himself and others with the LMP's money was not limited to lining
13 his own pockets. Instead of protecting LMP, the sale of EPE not only was a bad deal for LMP
14 (as alleged in her February 21, 2018 Petition for Breach of Fiduciary Duty, all of the allegations
15 of which are incorporated herein by this reference as though stated in full herein), but the
16 expenses paid out to third parties were staggering and clearly left unchecked by Mr. Siegel.
17 Among the payments out of the Trust (likely without LMP's knowledge or a basic explanation)
18 from the sale of EPE are the following: (1) \$438,889.17 to Sukin Law Group, (2) \$300,000 to
19 Glanker, Brown, (3) \$152,493.41 to Kramer, Levin, (4) \$50,000 to Manatt Phelps, (5) \$500,000
20 to Salter Group, and (6) \$700,000 to Proskauer Rose.

21 26. Undoubtedly, the sale of EPE was a transaction which required legal
22 representation, but Mr. Siegel, based upon information and belief, apparently had no problem
23 doling out large compensation to professionals related to this transaction, without regard to the
24 value of the services performed and without attempting to negotiate a better deal for LMP.

25 27. The fees identified above in Paragraph 22 were not in isolation. In fact, much of
26 those fees appear to be undisclosed "bonus" type fees that were paid to professionals, like
27 Mr. Siegel, in addition to fees that were paid while the transaction was in place. For example, in
28 2005, the same year that the Sukin Law Group received \$438,889.17, legal fees were also paid

1 to Sukin Law Group in the amount of \$103,999.02. Mr. Siegel makes no effort to explain why
2 the fees paid to Sukin Law Group appear on separate schedules- one as a disbursement for legal
3 fees, and another as a "cost of sale." Mr. Siegel also makes no effort to justify the expenditure
4 of such fees in his Report, for which he is statutorily obligated to explain unusual transaction
5 (for which the one-time sale of EPE undoubtedly would qualify).

6 28. In fact, virtually every expenditure to professionals was excessive under
7 Mr. Siegel's tenure as Trustee, and he did nothing to limit the fees that LMP incurred.

8 29. Most problematically, the accounting reveals gross mismanagement for which
9 any competent fiduciary would avoid. Despite decreasing income (much of which was the
10 result of Mr. Siegel's ill-fated sale of EPE), the distributions to LMP were not adjusted to deal
11 with that new reality. It would be one thing if Mr. Siegel informed LMP about the true state of
12 her Trust, but given that discovery has revealed a total void of any accounting or declarative
13 information to LMP that would have put her on notice as to the true state of her assets, it was
14 incumbent upon Mr. Siegel to either adjust distributions accordingly, or provide adequate
15 information to reasonably apprise LMP about why she would need to reduce spending.

16 30. While LMP could go on for pages about Mr. Siegel's breach of fiduciary duty,
17 perhaps the most obvious example of Mr. Siegel's reckless conduct was his total failure to file
18 income tax returns or make tax payments for anytime after 2013. Mr. Siegel has thus
19 demonstrated his willingness to defraud the IRS and shirk his responsibility to report income,
20 and he did so presumably so that he could continue to sweep his epic failures as a fiduciary to
21 LMP under the rug in the hopes of buying more time to undo the havoc he caused. Sadly, he did
22 not clean up any such mess. Instead, LMP finally discovered that her trusted advisor, business
23 manager, and Trustee was more interested in lining his own pockets at her expense than he was
24 in doing a proper job. This is now LMP's mess to clean up, and she is on her way. But, Mr.
25 Siegel must be accountable for the mess he made and the damage he caused.

26 ///

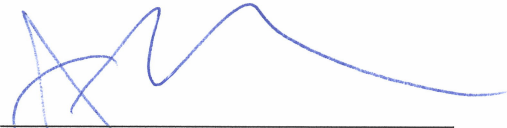
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1 WHEREFORE, Lisa Marie Presley requests that the Court make the following orders:

- 2 1. Deny the accounting;
- 3 2. Surcharge Barry Siegel for damages caused in an amount to be proven at trial;
- 4 3. Hold Barry Siegel in contempt of Court for his incomplete, fraudulent
- 5 accounting; and
- 6 4. Order any such further relief this Court deems just and proper.
- 7

8 DATED: July 31, 2019

9 OLDMAN, COOLEY, SALLUS,
10 BIRNBERG, COLEMAN & GOLD, LLP
and
BROWN, NERI, SMITH & KHAN, LLP

11 
12 _____
13 By: JUSTIN B. GOLD

14 *Attorneys for Petitioner*
15 LISA MARIE PRESLEY

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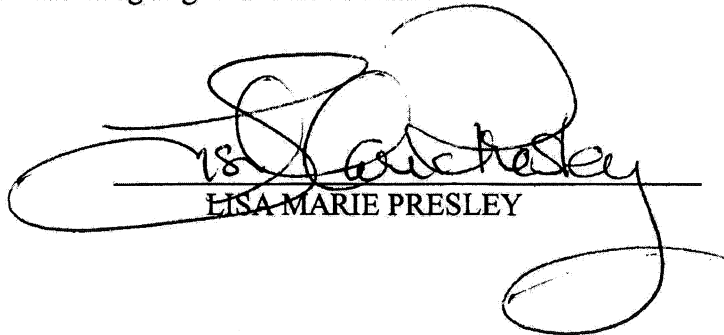
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VERIFICATION
STATE OF CALIFORNIA, COUNTY OF LOS ANGELES

I have read the LISA MARIE PRESLEY'S OBJECTIONS TO BARRY SIEGEL'S AMENDED ACCOUNTING. The matters stated in the foregoing document are true of my own knowledge except as to those matters which are stated on information and belief, and as to those matters, I believe them to be true. By my signature on this document, I hereby consent to serve as successor trustee of the sub-trust created under the Mickey Stern Trust, for the benefit of Zane Zachary.

Executed on July 31, 2019, at Los Angeles, CA. I declare under penalty of perjury of the laws of the State of California that the foregoing is true and correct.



LISA MARIE PRESLEY

1 **PROOF OF SERVICE**

2 **Presley v. Siegel, et al.**
3 LASC Case No. 18STPB01759

4 STATE OF CALIFORNIA, COUNTY OF LOS ANGELES

5 I am employed in the County of Los Angeles, State of California. I am over the age of 18 and not
6 a party to the within action; my business address is 16133 Ventura Boulevard, Penthouse Suite, Encino,
7 California 91436-2447.

8 On **July 31, 2019**, I served the foregoing document described as: **LISA MARIE PRESLEY'S
9 OBJECTIONS TO FORMER TRUSTEE BARRY SIEGEL'S ACCOUNT AND REPORT OF
10 TRUSTEE OF THE PROMENADE TRUST** the interested parties in this action by placing a true copy
11 thereof enclosed in a sealed envelope addressed as identified on the attached Service List.

12 ☒ **BY MAIL.** I caused such envelope to be deposited in the mail at Encino, California. The
13 envelope was mailed with postage thereon fully prepaid. I am "readily familiar" with the firm's
14 practice of collection and processing correspondence for mailing. Under that practice it would be
15 deposited with U.S. postal service on that same day with postage thereon fully prepaid at Encino,
16 California in the ordinary course of business. I am aware that on motion of the party served,
17 service is presumed invalid if postal cancellation date or postage meter date is more than one day
18 after date of deposit for mailing an affidavit.

19 ☐ **BY FACSIMILE.** I personally served this document by facsimile to the offices of the party(ies)
20 on the attached Service List.


21 ☒ **BY ELECTRONIC MAIL TRANSMISSION** On this date, by causing transmission of the
22 above mentioned document(s) by electronic mail transmission with attachment to the parties at
23 the electronic mail transmission address set forth above.

24 ☐ **BY OVERNIGHT MAIL.** I caused said document to be deposited with an express
25 service carrier in a sealed envelope designated by the carrier as an express mail envelope,
26 with fees and postage prepaid.

27 ☐ **BY PERSONAL DELIVERY.** I delivered such document(s) by hand to the address(es) of the
28 addressee(s).

☒ **STATE.** I declare under penalty of perjury under the laws of the State of California that the
above is true and correct.

Executed on **July 31, 2019**, at Encino, California.

23 
24 Laurence E. Perry

SERVICE LIST

Presley v. Siegel, et al.
LASC Case No. 18STPB01759

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