

COURT OF COMMON PLEAS OF PHILADELPHIA
ORPHANS' COURT DIVISION

Alfred John Clegg, Intervivos Trust
O.C. No. 319 IV of 2015
Control No. 152826
Control No. 153581
Control No. 150977

Sur First Account of Robert Zobel, Trustee of the Irrevocable Trust Under Agreement of
Alfred John Clegg, Settlor, Dated September 2, 1999

The account was called for audit October 5, 2015 **Before: Herron, J.**

Counsel appeared as follows:

Karl Prior, Esquire
Jennifer DiVeterano Gayle, Esquire
Damien Nicholas Tancredi, Esquire
Joseph McDonald, Esquire

ADJUDICATION

The account filed for the Alfred John Clegg Trust as well as a related petition filed by KRID Communications, Inc. ("KRID") raise the issue of whether a creditor of a trust beneficiary can assert its claim against trust assets where the trust contains a spendthrift provision as well as certain restrictions on the right of withdrawal. For the reasons set forth below, the creditor's claim is without merit.

Alfred John Clegg died on November 16, 2007. Prior to his death, he established an irrevocable trust by deed of trust dated September 2, 1999 ("Clegg Trust") that named Robert Zobel as sole Trustee. On August 14, 2015, Robert Zobel, as Trustee, filed an account of his administration of the Clegg Trust covering the period September 2, 1999 through December 31, 2014. The reason for filing the account was to provide some context for the disposition of a Petition filed by KRID Communications, Inc. to Compel Distribution in Satisfaction of Judgment in the amount of \$310,923.50 against a beneficiary of the trust, Denise Bernheim. A key element of an adjudication of this account, therefore, is a ruling on KRID's petition asserting this judgment against Denise Bernheim. Upon analysis of the petition and the responses of Ms. Bernheim and trustee Zobel, KRID's Petition is denied for the following reasons.



I. KRID's Petition to Compel Distribution Against Trust Beneficiary Denise Bernheim Is Without Merit and Is Denied

Introduction

The petition to compel distribution against a trust beneficiary filed by KRID as the creditor of Denise Bernheim, a beneficiary of an irrevocable trust established by her father, Alfred John Clegg, raises two issues. The first issue is whether the assets of the Alfred John Clegg Trust ("Clegg Trust) are available to satisfy a judgment against beneficiary Denise Bernheim despite the limitations on her power of withdrawal and the spendthrift clause in the trust document. The second issue is whether the assets of the Trust are available to the creditor to satisfy a judgment against beneficiary Bernheim without transferring the judgment to Pennsylvania. Based on the terms of the Clegg Trust document and the relevant provisions of the Pennsylvania Uniform Trust Act, the creditor in this case may neither execute its judgment against the assets in the Clegg Trust nor compel the trustee to distribute to Bernheim "the amount not less than the value held by KRID against her in the amount of \$310,923."

Background

In March 2015, KRID Communications LLC filed a petition with this court seeking to execute a judgment it holds against Denise Bernheim ("Bernheim") by gaining access to her unexercised power to withdraw certain assets from the trust established by her father, Alfred John Clegg. On May 3, 2011, the Superior Court of New Jersey had issued a judgment in favor of First State Bank and against Global Staffing Systems and Bernheim in the amount of \$310,923.50. The judgment was based on a dispute between KRID's principal, John Hagemann, Denise Bernheim and her husband, Mark Bernheim. This judgment was subsequently assigned to KRID. KRID, however, was unable to collect upon this judgment directly against Bernheim. It is now seeking to execute its judgment against Ms. Bernheim by compelling distribution of her assets as the beneficiary of the Clegg Trust.¹

The Clegg trust document gave Robert Zobel, as sole Trustee, ("Trustee") the discretion to "use any or all of the net income (as well as principal) to pay premiums on any life insurance

¹ 3/17/15 KRID Petition, ¶¶ 6-8; 7/15/15 KRID Memorandum at 2.

held hereunder.”² The Clegg trust was funded by two insurance policies. The first policy was a whole life policy on the life of Alfred John Clegg, while the second policy is a second-to-die policy on the lives of both Alfred and his wife Stephanie. There are seven current beneficiaries of the Clegg Trust: David Scott Clegg, Bryan Clegg, Denise Bernheim, Kimberly Gilbert, Tiffany Pfleger, Lisa Bisek and Donna Pratte. While the settlor was alive, he made contributions to the Trust to enhance the value of the whole life policy and to pay the premiums on the second-to-die policy. After the settlor’s death in November 2007, the Trust received proceeds of the whole life policy while paying the premiums on the second-to-die policy. No additional contributions to the Trust were made.³

The trust document makes a distinction between provisions applicable before the trust division date (Section First) and those applicable “following” the trust division date (Section Second). The trust division date is clearly defined as “the first day of the first year following the year of death of the survivor” of the Settlor and the Settlor’s wife. At that point, the Trustee was to divide the principal of the Trust into individual trusts for each of the issue of the settlor and his wife.⁴ The settlor John Clegg died on November 16, 2007. His wife, Stephanie Clegg, is still alive. The trust division date, therefore, has not yet occurred.

The trust provides that prior to the division date of the trust, each of the settlor’s children had the power to withdraw principal from the Trust in his or her proportionate share of assets transferred to the trust prior to the settlor’s death. The trust document, however, imposes a critical limitation on such withdrawals:

Each of the children of me and my wife, STEPHANIE CLEGG, shall have the power to withdraw principal from the trust in an amount equal to such child’s proportionate share of any assets (including the value of any insurance protection) transferred hereto prior to my death; provided, however, that the power of withdrawal of a child with respect to any

2 Clegg Trust, Section First, A.

3 8/14/15 Trustee Zobel Memorandum at 2. In the Petition for Adjudication filed with his account, the Trustee notes in greater detail that the present trust fund was awarded to the Trustee around November 4, 1999 when the settlor transferred to the Trust a Mass Mutual second-to-die life insurance policy. The Settlor made additional principal contributions to the Trust of \$25,360.95 each year from 1999 to 2007 to pay the premiums on this policy. Around November 30, 2001, the settlor transferred a General American life insurance policy to the Trust. The settlor transferred an additional \$145,608.56 to the Trust on December 1, 2003 to add to the investment value to the General American policy. Finally, on December 1, 2003, the settlor transferred a Nobel Learning Communities, Inc split dollar policy to the Trust. Petition for Adjudication, Rider 6.

4 Clegg Trust, Section SECOND

transfer shall not exceed the maximum amount allowable at the time of the transfer as an exclusion from taxable gifts under Section 2503 of the Internal Revenue Code of 1986, as amended (hereinafter the “Code”), (or twice such amount if the transferor of property to the trust is married at the time of such transfer), reduced by the aggregate value of the principal which was or is subject to withdrawal by such child with respect to any assets previously transferred hereto by the same transferor during the calendar year.⁵

In addition to this restriction of a beneficiary’s power of withdrawal prior to the trust termination date, Alfred John Clegg placed a limitation on the ability of a creditor to enforce a judgment against the principal of the trust so long as it was under the control of the Trustee. This spendthrift provision in Section FOURTH of the Trust clearly provides:

Protective Provision

I direct that the principal of the trusts hereunder, and the income therefrom, so long as the same are held by Trustee, shall be free from the control, debts, liabilities and assignments of any beneficiary interested therein, and shall not be subject to execution or process for the enforcement of judgments or claims of any sort against such beneficiary.
Clegg Trust, Section FOURTH

In construing this provision, the Trust provides that Pennsylvania law applies to the interpretation of the terms of the Trust. Clegg Trust, Section FIFTH, C.

KRID initially claimed that its judgment could be asserted directly upon the assets of the “sub trust” established for Denise Bernheim, under the mistaken impression that the division date of the Clegg Trust had already occurred.⁶ In Count 1 of its initial Petition, KRID asserted:

Due to the fact that Bernheim has the unilateral right to remove and replace any trustee of the Bernheim Trust, she possesses a general power of appointment over all of the assets of the Bernheim Trust, she has unfettered control over all of the assets of the Bernheim Trust, and she has the power to withdraw all of the assets of the Bernheim Trust.
3/17/15 KRID Petition, ¶ 21

KRID therefore asserted that pursuant to 20 Pa.C.S.A. section 7748, “property subject to a power of withdrawal may be reach (sic.) by creditors of the power holder regardless of the existence of a spendthrift trust.”⁷ In Count II, KRID argues that upon the Division Date the Trustee was required “to distribute to Bernheim such of the principal of the Trust in an amount equal to her

⁵ Clegg Trust, Section FIRST, B.

⁶ 3/17/15 KRID Petition, ¶¶ 11 & 12.

⁷ 3/17/15 KRID Petition, ¶ 22.

unexercised amount subject to withdrawal (“Bernheim’s Hanging Powers”).⁸

Two answers were filed to this petition. One was filed by Denise Bernheim and the other by the Trustee of the Clegg Trust. Both answers emphasized the fundamental flaw in the Petition: the division date of the trust had not occurred because the settlor’s wife, Stefanie, is still alive. As a consequence, no separate trust had yet been established for Denise Bernheim. They also asserted that Ms. Bernheim had no currently existing withdrawal rights because they had expired; as a consequence, Ms. Bernheim had no “hanging powers.” The trustee and Ms. Bernheim then raised complicated issues concerning KRID’s claim for trust assets as New Matter. They noted, for instance, that prior to the division date of the trust, the settlor had imposed limitations on the power to withdraw principal by his children or wife: “the power of withdrawal with respect to any transfer shall not exceed the maximum amount allowable at the time of the transfer as an exclusion from taxable gifts under Section 2503 of the Internal Revenue Code of 1986 (“the IRC”).⁹ They emphasized as well the trust document’s spendthrift provision which provides that the principal and income of the trusts “shall be free from the control, debts, liabilities and assignments of any beneficiary interested therein, and shall not be subject to execution or process for the enforcement of judgments or claims of any sort against such beneficiary.”¹⁰ In light of the complicated issues raised by the Petition and responses, the parties were ordered to file memoranda of law. At the October 5, 2015 Audit, counsel for both parties stated on the record that the issues raised in KRID’S petition—as well as in the Account—were solely questions of law and as a consequence “[t]here’s no reason for factfinding.”¹¹

Legal Analysis

Under the Pennsylvania Uniform Trust Act (“UTA”), a judgment creditor’s ability to reach the assets of a trust beneficiary is limited if that trust contains an applicable spendthrift provision. Section 7741 states, for instance, that a “judgment creditor or assignee of the beneficiary may reach the beneficiary’s interest by attachment of present or future distributions to or for the benefit of the beneficiary or other means **to the extent the beneficiary’s interest is**

8 3/17/15 KRID Petition, ¶ 25.

9 5/11/15 Trustee Zobel and Bernheim Answers & New Matter, ¶ 31.

10 5/11/15 Trustee Zobel and Bernheim Answers and New Matter at ¶ 38.

11 10/5/15 Audit Transcript at 4 (Tancredi, D.)(counsel for KRID).

not subject to a spendthrift provision.” 20 Pa.C.S.A. section 7741 (emphasis added). Long-standing Pennsylvania precedent has recognized the general principle that spendthrift trusts protect the interests of a donor “to have enforced the limitations and restrictions” he imposed on his gift. In re Borsch’s Estate, 362 Pa. 581, 586, 67 A.2d 119, 121 (Pa. 1949)(“Spendthrift trusts are sustained not because of the law’s concern for the donee, but because the testator or donor possessed an individual right of property in the execution of the trust”). The focus in such matters is not on the recipient of the bequest, but on the intent of the donor, testator or settlor of the trust. Scott Estate, 7 Fid. Rep. 218, 220-21(Mont. Cty. O.C. 1957); Heyl’s Estate, 50 Pa. D. & C. 357, 359-60 (Phila. O.C. 1944) (“The primary consideration is the estate of the testator; the interests of the beneficiary are secondary”). As Judge Ott observed, when “a testator clearly expresses an intent to subject the income of a testamentary trust to a spendthrift provision, the income is exempt from execution in the hands of the trustee because income of a spendthrift trust ‘remains the testator’s property until it is actually paid to the beneficiary.’” Widener and Bigelow Trusts, 16 Fid. Rep. 2d 159, 162 (Mont.Cty O.C. 1996).

The spendthrift provision in Section FOURTH of the Clegg trust document clearly embraces these protective principles. It unambiguously states:

Protective Provision

I direct that the principal of the trusts hereunder, and the income therefrom, so long as the same are held by Trustee, shall be free from the control, debts, liabilities and assignments of any beneficiary interested therein, and shall not be subject to execution or process for the enforcement of judgments or claims of any sort against such beneficiary.

Clegg Trust, Section FOURTH

KRID seeks to bypass the protections of this spendthrift provision by arguing that Ms. Bernheim had a continuing power to withdraw her proportionate share of the trust assets rendering those assets accessible to creditors and that she possesses a general power of appointment over those assets. A threshold problem, however, is that Stephanie Bernheim is but one of seven beneficiaries of the trust against which KRID seeks to execute its judgment. In fact, KRID acknowledges that in filing its original petition it had been under the mistaken belief that the division date had occurred and that there was therefore a separate, distinct Bernheim subtrust.

KRID therefore is abandoning Count I of that petition.¹² In broad terms citing no Pennsylvania case law, KRID nonetheless argues that Ms. Bernheim had a continuing power to withdraw her proportionate share of the trust assets as well as a general power of appointment over those assets. In arguing that each beneficiary of the trust was empowered to withdraw principal from the trust based on his or her proportionate share, KRID focuses on Section FIRST (B) of the Trust document which states:

Each of the children of me and my wife, STEPHANIE CLEGG, shall have the power to withdraw principal from the trust in an amount equal to such child's proportionate share of any assets (including the value of any insurance protection) transferred hereto prior to my death; provided, however, that the power of withdrawal of a child with respect to any transfer shall not exceed the maximum amount allowable at the time of the transfer as an exclusion from taxable gifts under Section 2503 of the Internal Revenue Code, as amended, (hereinafter the "Code"), (or twice such amount if the transferor of property to the trust is married at the time of such transfer), reduced by the aggregate value of the principal which was or is subject to withdrawal by such child with respect to any assets previously transferred hereto by the same transferor during the same calendar year. A child's "proportionate share" shall equal a fraction, the numerator of which is one and the denominator of which is the number of children of me and my wife living on the date of such transfer.....¹³

Based on this Section FIRST, KRID makes the bald assertion that Ms. Bernheim "has the current right and power to withdraw principal from the Trust in an amount equal to her proportionate share of all contributions made by the Settlor to the Trust prior to the Settlor's death in 2007."¹⁴ KRID continues that "such power of withdrawal is a general power of appointment under section 2514 of the Code whereby Bernheim, at any time and in her sole discretion, may exercise her power of withdrawal."¹⁵ This argument, however, fails to grapple either with the interrelationship of the terms of the Clegg Trust's restrictions on withdrawals, its spendthrift provision and the intricacies of the UTA provisions relating to spendthrift trusts. As the trustee and Ms. Bernheim point out, the UTA does provide that a creditor may have access to trust property that is subject to a power of withdrawal despite a spendthrift provision. This access is

12 7/15/15 KRID Memorandum at 3, n. 2; 3/17/15 KRID Petition, ¶12 ("one of the seven (7) subtrusts established on the Division Date was created for the benefit of Bernheim (the "Bernheim Trust").

13 7/15/15 KRID Memorandum at 6, quoting September 2, 1999 Clegg Trust at Section FIRST (B).

14 7/15/15 KRID Memorandum at 7.

15 7/15/15 KRID Memorandum at 7.

precluded however if the settlor has imposed certain limitations on that power of withdrawal. Section 7748 of the UTA, for instance, outlines how trust property subject to a power of withdrawal may be reached by creditors:

§ 7748. Property subject to a power of withdrawal

Trust property that is subject to a power of withdrawal, during the period the power may be exercised and after its lapse, release, or waiver, may be reached by a creditor or an assignee of the holder of the power whether or not the interest of the holder in the trust is subject to a spendthrift provision.

The reference to “power of withdrawal” must be interpreted in terms of the UTA’s specific definition of that term. Section 7448 must therefore be read and interpreted together with Section 7703 which defines “Power of withdrawal” as follows:

“Power of withdrawal.” The unrestricted power of a beneficiary, acting as a beneficiary and not as a trustee, to transfer to himself or herself the entire legal and beneficial interest in all or a portion of the trust property. However, a power to withdraw the greater of the amount specified in § 2041(b) (2), 2503(b) or 2514(e) of the Internal Revenue Code of 1986 (Public Law 99-514, 26 U.S.C. § 2041(b) (2), 2503(b) or 2514 (e)) or any lesser amount determined by reference to one or more of these provisions, may not be treated as a power of withdrawal.
20 Pa.C.S.A. §7703.

As even KRID must concede, Section FIRST (B) of the Clegg Trust does contain the limitations as to section 2503 that would negate any creditor from reaching the trust property subject to that power of withdrawal. Consequently, KRID’s argument that it can reach the trust property of Ms. Bernheim as one of seven beneficiaries of the Clegg Trust must fail.

KRID next argues that Ms. Bernheim had certain “hanging powers” to withdraw assets from the Trust which did not lapse each year and were thus accessible to her creditors. KRID initially stated that it was unable to determine the scope—or amount—of Ms. Bernheim’s general powers of appointment due to lack of documentation;¹⁶ however, in its most recent memorandum KRID asserts that based on the account filed in August 2015, Ms. Bernheim had a right to withdraw \$43,361.08 as of January 1, 2008.¹⁷ KRID’s elaboration on this point, however, is unclear, contradictory and unsupported. At first KRID concedes:

¹⁶ See 7/15/15 KRID Memorandum at 8-9.

¹⁷ 8/24/15 KRID Memorandum at 5.

On December 31, 2008, Bernheim's right of withdrawal lapsed to the extent that such lapse would not be treated as a release of her general power of appointment over such \$43,361.08. Assuming that the entire \$43,361.08 could lapse without being treated as a release of her general power of appointment, Bernheim's right of withdrawal lapsed on December 31, 2008. On January 1, 2009, however, Bernheim again possessed a power to withdraw her proportionate share of any assets transferred to the Trust prior to the Settlor's death, or \$43,361.08, and on December 31, 2009, Bernheim's right of withdrawal lapsed to the extent that such lapse would not be treated as a release of her general power over such \$43,361. Again, assuming that the entire \$43,361.08 could lapse without being treated as a release of her general power of appointment, Bernheim's right of withdrawal lapsed on December 31, 2009.¹⁸

Significantly, KRID appears to cut back the amount of its claim against the Clegg trust assets from the judgment of \$310,923.50 to the \$43,361 it claims Ms. Bernheim has the right to withdraw "each year until the termination of the Trust."¹⁹

The Trustee disputes KRID's claim that Ms. Bernheim retains withdrawal rights, arguing instead that they lapsed. This argument is supported by the terms of the Trust. The language of the Trust and especially its spendthrift provision control. In Section FIRST (B) the settlor clearly provided for the termination of unexercised power of withdrawals at the end of each calendar year, at least prior to the Trust Division Date:

At the end of each calendar year until the Trust Division Date, the unexercised power of withdrawal of a descendant of me and my wife under this Subsection shall be reduced to the full extent the power of withdrawal hereunder of such descendant could lapse without such lapse being treated to any extent as a release of a power of appointment under Sections 2041 and 2514 of the Code, taking into account any prior lapses of the power of withdrawal of such descendant during the same calendar year. Any unexercised power of a descendant remaining at his or her death shall terminate at that time. If a descendant has remaining any unexercised power of withdrawal on the Trust Division Date, he or she shall be deemed to have fully exercised such power, and Trustee shall distribute to her or her from principal the full amount subject to withdrawal by him or her.
Clegg Trust, Section FIRST (B) at 3.

As a final, seemingly half-hearted thrust at Ms. Bernheim, KRID suggests that her "permitting a right to withdraw to lapse is a transfer that can be recovered through the

¹⁸ 8/24/15 KRID Memorandum at 5.

¹⁹ Id.

Pennsylvania Fraudulent Transfer Act.”²⁰ This argument, however, is neither supported by precedent nor developed.²¹ It is effectively rebutted by the Trustee and Ms. Bernheim who convincingly argue that KRID failed to establish—or even grapple with—the basic elements of its claim. They note that to establish a claim for fraudulent transfer under the Fraudulent Transfers Act it is necessary to show that a transfer made by a debtors was incurred either with actual intent to hinder, delay, or defraud any creditor or debtor; or was done “without receiving a reasonably equivalent value in exchange for the transfer or obligation” 12 Pa.C.S.A. § 5104. As a practical matter, the Trustee notes that Ms. Bernheim—and indeed all the Clegg Trust beneficiaries—received “reasonably equivalent value” in not exercising any right of withdrawal. By so doing, the Trust was enabled to pay the premiums on the insurance policies and maintain the Trust assets.²² As the trustee forcefully argues:

By permitting the powers to lapse, Ms. Bernheim ensured that there were adequate funds remaining in the Trust to pay the premiums on the life insurance policies, of which the Trust is the beneficiary (and through the Trust, Ms. Bernheim and her descendants are also beneficiaries). Had Ms. Bernheim or any of the other beneficiaries exercised their power of withdrawal, there would not have been sufficient funds to pay the premiums and the policies would have lapsed unless the Settlor chose to contribute additional funds to the Trust and pay gift tax on the additional transfer to the extent it caused the total to the beneficiary exercising the power of withdrawal to receive more than the amount of the annual exclusion for gifts. Had any of the beneficiaries exercised their rights of withdrawal, contributions to the Trust by Settlor likely would have ceased, the insurance policies would have lapsed, and [the] Trust would have terminated for lack of a corpus.²³

For all of these reasons, KRID’s claim against the Trust fails at this time. In light of the conclusion that KRID is precluded from asserting its judgment against Ms. Bernheim’s assets in the Clegg Trust, it is not necessary to address whether KRID must transfer its judgment to Pennsylvania.

In reaching this conclusion that KRID’s claim against Denise Bernheim’s assets in the Clegg Trust is precluded by the terms of the trust and its spendthrift provision, it should not be

20 8/24/15 KRID Memorandum at 6.

21 In fact, KRID merely cites the definition provisions for the Pennsylvania Uniform Fraudulent Transfer Act, 12 Pa.C.S.A. § 5101, without elaborating on any other elements for a claim under this act. See 8/24/15 KRID Memorandum at 6 & 7.

22 8/14/15 Zobel Memorandum at 12-13.

23 8/14/15 Zobel Memorandum at 12

concluded a spendthrift provision is impenetrable. In fact, the UTA now lists four ways in which a spendthrift provision may be overridden: (1) the child of a beneficiary who was a judgment for support or maintenance against the beneficiary; (2) any other person who has a support or maintenance court order against the beneficiary; (3) a judgment creditor who has provided services for the protection of the beneficiary's interest in the trust, and; (4)"a claim of the United States or the Commonwealth to the extent Federal law or a statute in the Commonwealth provides." 20 Pa.C.S.A. § 7743(b). Likewise, during the lifetime of a settlor, the property of a revocable trust would be subject to his creditor's claims. 20 Pa.C.S.A. § 7745. None of these exceptions would provide KRID with access to Ms. Bernheim's trust assets, especially in light of the precise wording of the trust document. For all of these reasons, KRID's petition is denied as set forth in a contemporaneously issued decree.

II. KRID Lacks Standing to Object to the Account filed for the September 2, 1999 Alfred John Clegg Trust

KRID has filed objections to the account filed on August 14, 2015 by the Trustee of the Clegg Trust. In these objections, KRID raised issues in addition to those set forth in its Petition to Compel Distribution. KRID objected, for instance, that the account failed to show a distribution of \$24,000 to Denise Bernheim. It maintained that the accountant improperly determined that the Crummey withdrawal rights of the beneficiaries were non-cumulative. It objected that the accountant failed to account for contributions to the 1985 Trust and the 1998 Trust. Finally, KRID maintained that the accountant failed to properly account for income from 2008 through 2014.²⁴ The Trustee responded to these objections by filing preliminary objections, asserting, inter alia, that KRID lacked standing to raise these objections because it is neither a beneficiary nor creditor of the trust. This court agrees especially in light of KRID's failure to file an answer to those preliminary objections.

For a party to have standing, it must show that it is "aggrieved" by a judgment or court order and, more specifically, "that it is directly and adversely affected by a judgment, decree or order and has some pecuniary interest which is thereby injuriously affected." Estate of Seansongood, 320 Pa. Super. 565, 467 A.2d 857 (Pa. Super. 1983). In this case, KRID has failed

²⁴ 10/5/15 KRID objections.

to establish that its claim as creditor of Denise Bernheim is viable against the Alfred John Clegg Trust. It is longstanding Pennsylvania precedent that since KRID is neither a legatee, distributee, beneficiary nor creditor” of the Clegg Trust it “lacks standing, therefore, to contest the account,” a “principle so well settled that a discussion of the authorities is unnecessary.” In re Law’s Estate, 140 Pa. 444, 447, 21 A. 429 (1891). See also In re Kilpatrick’s Estate, 368 Pa. 399, 84 A.2d 339 (Pa. 1951)(husband lacked standing to object to an account filed for the estate of his deceased wife’s first husband because “it is well settled that one having no direct interest in an estate cannot demand an account, or, when it is filed, interfere (sic.) in its settlement or in any proceeding based upon it”). Where an objectant has no standing to file objections to an account, it is not necessary for a court to deal with those objections. In re Kilpatrick’s Estate, 368 Pa. 399, 401, 84 A.2d 339, 340 (1951). No other objections having been filed, the account may therefore be confirmed.

A principal commission of \$13,277.87 has been claimed. The account states a balance of principal of \$ 842,208.54 and a balance of income \$8,162.00 for a total of \$ 850,370.54. This sum, composed as stated in the account, plus income received since the filing thereof, subject to distributions already properly made, is awarded as set forth in the Petition for Adjudication as follows:

Income

Robert Zobel, Trustee, for continued administration	100%
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Principal

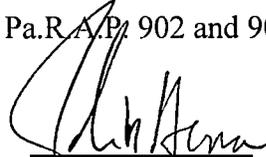
Robert Zobel, Trustee, for continued administration	100%
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Leave is hereby granted to the accountant to make all transfers and assignments necessary to effect distribution in accordance with this adjudication.

AND NOW, this 21st day of DECEMBER 2015, the account is confirmed absolutely.

Exceptions to this Adjudication may be filed within twenty (20) days from the date of the

issuance of the Adjudication. An Appeal from this Adjudication may be taken to the appropriate Appellate Court within thirty (30) days from the issuance of the Adjudication. See Phila. O.C. Rule 7.1A and Pa. O.C. Rule 7.1 as amended, and Pa.R.A.P. 902 and 903.



John W. Herron, J.