

SUMMARY STATEMENT

Gestner v. Divine

Docket No. 48381-2020

The Idaho Supreme Court affirmed the district court's decision concluding that the Plaintiffs failed to establish the amendment to the family trust resulted from undue influence.

This case involved a trust dispute between the children of Donald and Marjorie Woodfin. Donald and Marjorie were married in 1997. At the time of marriage, Donald and Marjorie each had two children from previous marriages. In 1999, Donald and Marjorie established the Woodfin Family Trust and named their children as the beneficiaries. Following Donald's death in 2000, Marjorie amended the Trust several times. Marjorie executed the final trust amendment in 2018, which disinherited Donald's children and named her daughter, Julie Divine, as the sole beneficiary. Following Marjorie's death, Donald's children filed a complaint against Julie seeking declaratory relief. Donald's children requested the district court to declare the trust amendment that disinherited them void due to Marjorie's lack of testamentary capacity, Julie's undue influence, and Julie's wrongful administration of the Trust.

The district court first determined that Marjorie had sufficient testamentary capacity when she amended the Trust. Next, the district court determined that the circumstances under which the trust amendment was executed did not rise to a presumption of undue influence. The district court also concluded that the trust amendment was not the product of Julie's undue influence. Finally, the district court determined that Julie did not breach her fiduciary duties under the Trust. Donald's children timely appealed.

The Idaho Supreme Court determined that the district court's finding that Marjorie possessed testamentary capacity when she executed the 2018 trust amendment was supported by substantial and competent evidence. Next, the Court held that Donald's children failed to establish that either a confidential or a dominant-subservient relationship existed between Julie and Marjorie at the time Marjorie signed the 2018 trust amendment and therefore affirmed the district court's conclusion that a presumption of undue influence did not arise in this case. Additionally, the Court affirmed the district court's conclusion that the result of the 2018 trust amendment did not indicate undue influence because Donald's children failed to establish the elements of undue influence. Finally, the Court held that Donald's children failed to preserve a claim for breach of fiduciary duty because there was no indication in the record on appeal that they pleaded or argued a claim for breach of fiduciary duty before the district court.

Accordingly, the Court affirmed the district court's decision finding that Donald's children failed to establish the 2018 trust amendment resulted from undue influence.

This summary constitutes no part of the opinion of the Court, but has been prepared by court staff for the convenience of the public.