

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF NEW YORK
ROCHESTER DIVISION

RAYMOND JAMES & ASSOCIATES, INC.,	:	
	:	Case No.: 6:23-cv-6497
Plaintiff,	:	
	:	
v.	:	
	:	
WILLIE JAMES ELLISON, JULIAN BROWN,	:	
SHIRLEY WELLS, JACK BROWN,	:	
MICHAEL BROWN, SCOTT BROWN,	:	
PRECIOUS BROWN, CHASITY GREENE,	:	
	:	
Defendants.	:	

COMPLAINT FOR INTERPLEADER

Plaintiff, Raymond James & Associates, Inc., by and through its undersigned attorneys, brings this Complaint for Interpleader, pursuant to 28 U.S.C. § 1335, against Defendants, Willie James Ellison, Julian Brown, Shirley Wells, Jack Brown, Michael Brown, Scott Brown, Precious Brown, and Chasity Greene (collectively, the “Defendants”) and alleges as follows:

PARTIES

1. Raymond James & Associates, Inc. (“Raymond James”) is a financial services firm organized and existing under the laws of the State of Florida with its principal place of business located at 880 Carillon Parkway, St. Petersburg, Florida 33716.

2. Upon information and belief, Willie James Ellison (“Ellison”), the husband of Gayla Ellison (“Decedent”) at the time of the Decedent’s death, is an adult citizen of New York and maintains a primary residence in Canandaigua, New York.

3. Upon information and belief, Julian Brown, a nephew of the Decedent, is an adult citizen of New York and maintains a primary residence in Rochester, New York.

4. Upon information and belief, Shirley Wells, a sister of the Decedent, is an adult citizen of New York and maintains a primary residence in Canandaigua, New York.

5. Upon information and belief, Jack Brown, a brother of the Decedent, is an adult citizen of New York and maintains a primary residence in Rochester, New York.

6. Upon information and belief, Michael Brown, a brother of the Decedent, is an adult citizen of New York and maintains a primary residence in Rochester, New York.

7. Upon information and belief, Scott Brown, a brother of the Decedent, is an adult citizen of New York and maintains a primary residence in East Rochester, New York.

8. Upon information and belief, Precious Brown, a niece of the Decedent, is an adult citizen of Pennsylvania and maintains a primary residence in Philadelphia, Pennsylvania.

9. Upon information and belief, Chasity Greene, a cousin of the Decedent, is an adult citizen of New York and maintains a primary residence in Bloomfield, New York.

JURISDICTION AND VENUE

10. This action is brought pursuant to 28 U.S.C. §§ 1335 and 2361.

11. This Court has subject matter jurisdiction over this action pursuant to 28 U.S.C. § 1335 because the amount at issue in this interpleader claim exceeds \$500.00 and two or more of the adverse Defendants are of diverse citizenship.

12. This Court has personal jurisdiction over each of the Defendants because 28 U.S.C. § 2361 provides for nationwide service of process in federal statutory interpleader actions.

13. Venue is proper in this federal district pursuant to 28 U.S.C. § 1397 because one or more of the Defendants resides in this judicial district.

14. Venue is also proper in this federal district pursuant to 28 U.S.C. § 1391(b)(2) because a substantial part of the events or omissions giving rise to the claim occurred in this district.

FACTUAL BACKGROUND

15. In May 2018, the Decedent opened two Individual Retirement Accounts (“IRA”) with Raymond James (the “Accounts”).

16. The Accounts were managed by Raymond James’ Rochester, New York office.

17. When the Decedent opened the Accounts, she did not designate any beneficiary.

18. The Raymond James Traditional And Roth Individual Retirement Custodial Account Agreement (“IRA Agreement”) specified:

If, as of the time of a Depositor’s death, all Primary and Contingent Beneficiaries designated on the most recently submitted designation have predeceased the Depositor, or **if no designation is otherwise in effect as of the time of a Depositor’s death, the Beneficiary of the Depositor’s Custodial Account shall be deemed to be the Depositor’s surviving spouse, if married** and if not married, the Beneficiary shall be deemed to be the Depositor’s estate.

See IRA Agreement, attached as Ex. A at 25, “Designation of Beneficiaries” (emphasis supplied).¹

19. On June 15, 2020, Raymond James received an IRA Beneficiary Designation/Change Form for one of the Decedent’s two accounts (“Beneficiary Form”). See Beneficiary Form, attached as Ex. B.

20. The Beneficiary Form was executed by Decedent on October 5, 2018, approximately 20 months before it was submitted to Raymond James. See Ex. B at 2.

21. The Beneficiary Form identified five Primary Beneficiaries:

¹ At all relevant times, the Accounts were custodied with Raymond James or a Raymond James affiliate.

	Names of Primary Beneficiaries	Per Stirpes	Relationship	SS#	Date of Birth	%
⊙	Julian Brown	○	Nephew	REDACTED 3857	REDACTED 7/4	30
⊙	Mike Brown	○	Brother		REDACTED	20
⊙	Jack Brown	○	Brother		REDACTED 1/59	20
⊙	Precious Brown	○	Niece		REDACTED 1/81	20
	Chasity Greene		Cousin		REDACTED	10

No social security numbers were provided for Michael Brown, Jack Brown, Precious Brown or Chasity Greene; no year of birth was included for Mike Brown; and Julian Brown's percentage allocation had been changed. See Ex. B at 1.

22. The Beneficiary Form also included the following information for contingent beneficiaries:

Names of Contingent Beneficiaries	Per Stirpes	Relationship	SS#	Date of Birth	%
Julian Brown	○	Nephew	REDACTED 3857	REDACTED 7/184	
	○				
	○				
	○				

Shirley Wells 585 491 5792
 Scott Brown
 11T 01014 DCT 04/13 REC'D JUN 15 2020

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No allocation percentage was included for Julian Brown (who is also listed as a Primary Beneficiary); and Shirley Wells' and Scott Brown's names are handwritten below empty boxes for Contingent Beneficiaries. See Ex. B at 1.

23. The Beneficiary Form also contained a Spousal Consent section, which was executed by Ellison on November 7, 2018:

III. Spousal Consent	
<p>If you are married and if your spouse is not designated as the sole beneficiary of your IRA, applicable state law may require spousal consent to the beneficiary(ies) you have named above. It is your exclusive responsibility to ascertain if the spousal consent language appearing below is sufficient to satisfy applicable state statutes.</p> <p>I, <u>Willie James Ellison Jr. I</u>, as the spouse of the above named Participant, Beneficiary or Successor Beneficiary, whichever is applicable, have read and hereby voluntarily consent to the beneficiary designation indicated herein. By signing this consent, I agree that the portion, if any, of my spouse's IRA which is deemed community or marital property shall be deemed the separate property of my spouse. In addition, I understand that by signing this consent, I may be waiving my right to receive a benefit from my spouse's IRA account upon my spouse's death.</p>	
Signature of Spouse <u>Willie James Ellison Jr. I</u>	Date <u>11-7-18</u>
Signature of Notary Public/Witness: <u>Robin A. Erb</u>	
State of: <u>NEW YORK</u>	County of: <u>ONTARIO</u>
Commission Expiration Date: <u>11/22/2021</u> ROBIN A. ERB Notary Public, State of New York Ontario County Reg. #01ER4893395 Commission Expires 09/21/21 <u>11/22/2021</u>	
IV. Signature	
Client Signature: <u>Sayla M. Ellison</u>	Date <u>10-5-18</u>

See Ex. B at 2.

24. Raymond James rejected the Beneficiary Form because that form was outdated and, by June 2020, Raymond James used an updated version of the form.

25. Raymond James advised the Decedent, on multiple occasions, that the Beneficiary Form had been rejected and new beneficiary documentation would need to be submitted.

26. Raymond James received no additional beneficiary designation documentation from the Decedent after the Beneficiary Form.

27. On May 19, 2021, the Decedent died. See Certificate of Death, attached as Ex. C.

28. Pursuant to the IRA Agreement, the beneficiary of the Accounts would be Ellison, who was the Decedent's surviving spouse.

29. On or about May 28, 2021, Ellison filed a Petition for Letters of Administration for Decedent's Estate in New York Surrogate's Court in Ontario County (File No. 2021-231) ("State Court Proceeding"). See Petition for Letters of Administration, attached as Ex. D. Ellison

represented that he was not a convicted felon and that he was under no disability. Id. Ellison further represented that he was the only person with an interest in the proceeding. Id.

30. On or about June 3, 2021, Shirley Wells filed a Petition to Open Safe Deposit Box in the State Court Proceeding. See Petition to Open Safe Deposit Box, attached as Ex. E. Shirley Wells represented that “she has an interest in the decedent’s estate.” Id. at 1. Shirley Wells was represented by the law firm Muehe Maue & Robinson LLP (“Muehe Maue”). Id. at 2.

31. On July 13, 2021, Muehe Maue, on behalf of Michael Brown, Jack Brown, Scott Brown, and Shirley Wells, wrote a letter to Raymond James’ Rochester office regarding both of the Accounts. See July 13, 2021 correspondence, attached as Ex. F. The letter stated:

It is their understanding that [Decedent] completed the paperwork to name them as beneficiaries on the account but that your company is not accepting this paperwork.

Please provide this office with a copy of the paperwork that you are not accepting and provide us the reasons as to why you are not accepting this paperwork.

Id.

32. On or about November 23, 2022, Julian Brown filed a Notice of Petition to Compel Disclosure in the State Court Proceeding, seeking an order directing the Decedent’s estate and Raymond James to produce “all documents, correspondence, and electronically stored information related to the decedent’s retirement account(s), including but not limited to the beneficiary designation form(s) associated therewith.” See Notice of Petition to Compel Disclosure, attached as Ex. G. Julian Brown was represented by Muehe Maue. Id. at 2.

33. Julian Brown also executed an Affidavit, representing:

Decedent told [Julian Brown] that she wanted to name [Julian Brown] as a pay-on-death beneficiary of the Accounts...At Decedent’s request, [Julian Brown] helped the Decedent complete a pay-on-death beneficiary form that named [Julian Brown] as a pay-on-death beneficiary of the Accounts.

See Affidavit of Julian Brown, attached as Ex. H, ¶¶ 9 - 10.

34. Julian Brown further represented in his Affidavit that Ellison “is a convicted felon and suffers from chronic undifferentiated schizophrenia.” See Ex. H, ¶ 5.

35. On or about December 13, 2022, Julian Brown filed a Petition to Compel Discovery of Property in the State Court Proceeding, representing that he “has a claim to certain assets of the Estate of Gayla M. Ellison, as follows: as a beneficiary of the retirement account(s) of Decedent Gayla M. Ellison, maintained by Raymond James & Associates, Inc...” See Petition to Compel Discovery of Property, attached as Ex. I, ¶ 2.

36. Since the Decedent’s death, Shirley Wells and Precious Brown have also contacted Raymond James regarding the Accounts.

37. At the time of Decedent’s death, the Accounts were valued at approximately \$464,000. The exact value of the Accounts can fluctuate with the market but the current amount in the Accounts still exceeds \$500.00.

38. The Accounts remain active accounts under management through Raymond James’ Rochester, New York office.

CAUSE OF ACTION AGAINST ALL DEFENDANTS
(Statutory Interpleader Pursuant to 28 U.S.C. § 1335)

39. Raymond James repeats and realleges each and every allegation set forth above to the same extent as if those allegations were set forth here in full.

40. Based on the foregoing, Raymond James has a reasonable and legitimate fear of multiple liability and vexatious, conflicting claims.

41. Raymond James has no claim to the Accounts at issue, but is unable to determine, without hazard to itself, to whom the value of the Accounts is payable.

42. Raymond James has no means other than this action of protecting itself against the threat of multiple liability from the Defendants.

43. Raymond James is now, and all times has been, ready, willing, and able to pay the funds held in the Accounts to the party or parties legally entitled to them.

44. Raymond James is an innocent party that wishes to distribute the funds held in the Accounts to the party or parties legally entitled to them.

45. As a mere stakeholder, Raymond James has no interest (except to recover its fees and costs) in the Accounts and respectfully requests that the Court determine to whom the Accounts are payable.

46. Raymond James has not commenced this action at the request of any of the Defendants. There is no fraud or collusion between Raymond James and any of the Defendants. Raymond James brings this Complaint of its own free will and to avoid multiple liability and the vexation of defending multiple claims.

47. Pursuant to 28 U.S.C. § 1335 (1)(2), Raymond James desires to give bond payable to the clerk of the Court in such amount and with such surety as the Court deems proper, and will do so upon order of the Court.

48. Under these circumstances, Raymond James is entitled to interplead all parties who may have claims to or rights in the Accounts and obtain a determination by the Court, pursuant to 28 U.S.C. §§ 1335 and 2361, of the rights of the Defendants and all interested parties with respect thereto; an order discharging it from liability upon its payment of a bond to the Clerk of Court; and an order restraining and enjoining the Defendants from instituting or prosecuting any proceeding, in any jurisdiction, with respect to the Funds at issue.

49. Raymond James is entitled to reasonable attorneys' fees and costs incurred in connection with this action.

RELIEF REQUESTED

WHEREFORE, Plaintiff, Raymond James respectfully requests that the Court:

- a. Grant Raymond James' Interpleader Claim, and forthcoming Motion, and direct Raymond James to give a bond in an amount certain and with a surety of Raymond James' choice or at the Court's direction, and for the Court to accept such bond into the Registry of the Court;
- b. Restrain and enjoin the Defendants from instituting or prosecuting any proceeding in any jurisdiction against Raymond James on the basis of the Accounts or their respective claims thereto;
- c. Fully and finally discharge Raymond James from any and all liability with respect to the Accounts, and dismiss Raymond James from this action;
- d. Resolve the Defendants' respective rights to the Accounts;
- e. Award Raymond James its costs, attorneys' fees, and any other liabilities incurred by it in connection with bringing this action under 28 U.S.C. § 1335; and
- f. Award such other or further relief as may be just and proper.

Respectfully submitted,

FISHER & PHILLIPS LLP

/s/ Phillip C. Bauknight

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Dated this 28th day of August 2023

ATTORNEYS FOR PLAINTIFF