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**STATE OF NEW MEXICO  
COUNTY OF SANTA FE  
FIRST JUDICIAL DISTRICT COURT**

SOPURKH KAUR KHALSA,  
SHAKTI PARWHA KAUR KHALSA, and  
EK ONG KAR KAUR KHALSA, Trustees  
of the Yogi Bhajan Administrative Trust,  
Plaintiffs-Counterdefendants,

vs.

No. D-101-CV-2007-02431

INDERJIT KAUR PURI,  
Defendant-Counterclaimant.

**FINDINGS OF FACT AND CONCLUSIONS OF LAW**

The Court having rendered its decision and having considered the proposed findings of fact and conclusions of law submitted by the parties enters its Findings and Conclusions.

**I. FINDINGS OF FACT**

1. The parties to this lawsuit are (1) Inderjit Kaur Puri (“Bibiji”) as counterclaimant and (2) the Trustees of the Yogi Bhajan Administrative Trust (collectively, “the Trustees”), Shakti Parwha Kaur Khalsa (“Shakti”), Sopurkh Kaur Khalsa (“Sopurkh”), and Ek Ong Kar Kaur Khalsa (“Ek Ong Kar Kaur”), as counterdefendants.
2. Yogi Bhajan was a spiritual and religious leader, a yoga master and teacher, an inspirational speaker, an artist, an author, an entrepreneur, and a skilled manager.
3. Bibiji serves as the Bhai Sahiba for Sikh Dharma, which means she is the chief minister on religious practices for the Sikh religion, and Yogi Bhajan was the Siri Singh Sahib of Sikh Dharma, a title which reflects Yogi Bhajan’s role in teaching the practice of the Sikh Religion.
4. Bibiji has served on the boards of many of the non-profit organizations that received donations, and she has represented Sikh Dharma around the world. [Exh. 92].

5. Giving is a part of the Sikh religion and is embodied in a practice known as Dasvandh, which is comparable to tithing (the practice of giving one-tenth of one's income, particularly to a religious organization).
6. The obligation to give to charity may have no maximum percentage; Bibiji wrote: "As ministers we are teachers. We must give ourselves as an example and everyone must understand that they should give one-tenth because we are giving our all." [Exh. 142].
7. Yogi Bhan moved to the United States in 1969, and he lived in California until about 1979, when he made New Mexico his primary residence.
8. Yogi Bhan and Bibiji were married in 1953, and they lived as husband and wife until Yogi Bhan died on October 6, 2004.
9. Despite attending the entire trial, Bibiji did not testify.

A. *The Living Trust*

10. Kate Clair Freeland ("Freeland") had extensive involvement in Yogi Bhan and Bibiji's estate planning efforts dating back to 1979, including the decades-long effort to amend that plan so as to provide for, upon Yogi Bhan's death, Bibiji's long term financial protection. [Day 2, TR 64:10-98:7, 102:67:25; *see also* Ex. 15, 16, 17].
11. The operative Living Trust Agreement (as amended in 1993 and 2004) came into being as a result of 1986 Tax Code revisions, which provided for qualified Marital Deduction, and the estate's increased value (from about \$500,000 to \$1,100,000), as a result of which Ms. Freeland recommended the Trust be amended. [Day 2, TR 66: 9-67:20; *see also* Ex. 18, 19 and 20].
12. In the fall of 1986, after travelling to Los Angeles to meet with Yogi Bhan and Bibiji, Freeland prepared the Restated and Amended Living Trust Agreement, which Bibiji and

Yogi Bhajan executed on February 21, 1987 (the "Living Trust"). [Day 2 TR 67:14-20; *see also* Ex. 22, 23, and 24].

13. Under the Living Trust Agreement, Yogi Bhajan was the sole Trustee, and both Yogi Bhajan and Bibiji were trustors. [Day 2, TR78:6-12, TR82:3-7].
14. Under the Living Trust Agreement, the sole Trustee's powers were very broad [Day 2, TR92:7], and as that sole Trustee, Yogi Bhajan was broadly empowered to buy, sell, trade, invest assets. [Day 2, TR 92:7-8].
15. Bibiji signed the Living Trust document and gave Yogi Bhajan broad financial management authority.
16. During Yogi Bhajan's lifetime, Bibiji and her representatives never voiced any objections about Yogi Bhajan's handling of his duties under the Living Trust. [Day 2, TR83:13-15, TR94:12-95:1].
17. In the Living Trust, the trustors (Yogi Bhajan and Bibiji) agreed on a common plan of distribution of their property on the death of the trustors. Article III(C) contains provisions that apply if Yogi Bhajan was the first to die, which is what occurred.
18. The Living Trust provided that should Yogi Bhajan predecease Bibiji, the following would occur:
  - a. Bibiji's community property interest in cash, savings and/or accounts or other cash equivalents was to be held in a separate trust for her benefit (the "Survivor's Trust").
  - b. The Living Trust interests in the properties located in Aurora Park, CO and Toronto, Canada, were to be distributed to Siri Singh Sahib of Sikh Darhma Brotherhood, a California religious corporation sole, later renamed the Siri Singh

Sabhi of Sikh Dharma. The couple's Los Angeles residence, located at 1905 Preuss Road, property referred to as the Ranch property in New Mexico, and the C-24 property in New Dehli, India were to be held in a property trust for Bibiji's lifetime, after which these properties were to be distributed to Siri Singh Sahib of Sikh Dharma.

- c. The entire remainder of the Living Trust's assets, after paying taxes and the expenses of Yogi Bhajan's last illness and funeral, were to be held in a trust called "the Assistant's Trust," to be paid to the Assistants of Yogi Bhajan, as Yogi Bhajan designated in a written instrument in 1980, and which list was updated in 1985, 1993, and 2004
- d. Article IX(C) of the Living Trust provides that no trustee shall be liable to any beneficiary for any act or default of that trustee, or of any other trustee, unless resulting from the trustee's own bad faith or gross negligence.

19. Prior to his death, Yogi Bhajan changed the manner of distribution to his staff members.

Yogi Bhajan directed the formation of an entity titled "Staff Endowment, LLC," which would receive and distribute Yogi Bhajan's share of the community property. *See* Ex. 400, Ex. 8. Pursuant to this change, the former beneficiaries of the Assistant's Trust became designated as members of the Staff Endowment, LLC, from which each member is entitled to an "income percentage share." *Id.*

20. The Living Trust itself did not contain any specific limitations on the exercise of power by Yogi Bhajan as trustee. [Day 2, TR118:7-8].

21. The Trustees and their agents reasonably relied on Bibiji's execution of the Living Trust, as amended, and the broad financial Power of Attorney she executed in Yogi Bhajan's favor.
22. Bibiji's acts of executing the Living Trust and the Powers of Attorney legally empowered Yogi Bhajan to properly manage the couple's financial affairs, which he did.

**B. The 2004 Amendment**

23. In January 1990, Freeland requested that Shakti, who had worked for Yogi Bhajan since 1973, provide Yogi Bhajan and Bibiji's updated financial information and suggested it was an appropriate time to review Yogi Bhajan and Bibiji's estate plan. [Day 2, TR72:18-23; *see also* Ex. 25; Shakti Discovery Deposition at 8:11-13].
24. Upon receipt of the updated financial information, which included the increased value of Yogi Bhajan's intellectual property ("IP") and related royalty agreements, Freeland grew concerned that under the February 21, 1987 trust agreement, Bibiji would not receive, upon Yogi Bhajan's death, her community property interest in Yogi Bhajan's intellectual property, and would owe resulting gift taxes. [Day 2, TR72:22-74:19].
25. Due to these concerns, Freeland recommended in 1991 that the Living Trust be amended to ensure Bibiji received an interest in the proceeds from Yogi Bhajan's IP, and that Bibiji retain independent counsel to advise her in connection with that amendment. [Day 2, TR72:13-73:8; *see also* Ex. 27, 29, 30, 31, 33, 42].
26. In May 1996, Bibiji retained Bob Worcester ("Worcester") as her separate estate counsel. [Day 2, TR72:7-10; *see also* Ex. 26].

27. It took eight more years after that, and numerous more communications, to ensure the Trust was amended as Freeland had, in 1990, advised. [Day 2, TR67:21-25; *see also* Ex. 56, 60, 61, 63, 64, 66, 69, 72].
28. Through the years, Worcester communicated to Freeland Bibiji's requests and concerns on property and financial issues. Some changes were made as a result of those communications, including the following: Bibiji's proposals to the ultimate trust amendment were implemented, the marital residence was bequeathed free of the mortgage pursuant to her request, and Bibiji's concerns about property located in India were researched and resolved. [Day 2, TR97:18-98:5; 135:19-136:2; 98:7-13; 98:14-17; Ex. 91].
29. The primary barrier to the Living Trust amendment were Bibiji's fears about her husband's rapidly deteriorating health, and Bibiji's concern that, despite the efforts of Freeland, and of Yogi Bajan and his staff, Bibiji remained fearful of the estate planning process and uncertain that its true aim was her benefit and protection. [Day 2, TR146:5-11, 150:3-151:18; 157:22-158:2]
30. Many efforts were made to alleviate Bibiji's fears and to help Bibiji understand that the importance and purpose of amending the Living Trust was to protect Bibiji's long term financial interests. [Day 2 TR145:3-13, 146:5-11, 147:4-22, 151:22-152:16; Ex. 72, Ex. 73, Ex. 76].
31. When Freeland visited the Española Ranch, she found Bibiji to be articulate, vibrant, and engaging.
32. In July 2003, out of growing concern that Bibiji did not understand that the purpose of amending the Living Trust was to ensure her long term financial welfare, Freeland

prepared and forwarded to Worcester a plain language one-page amendment (“one-page amendment”), [Day 2, TR114:19-115:9; *see also* Ex. 72], and negotiations and communications towards an amendment resumed. [Day 2, TR115:10-15; *see also* Ex. 73, 74, 75; 76, 77, 78, 81, 83].

33. On February 23, 2004, Worcester forwarded to Freeland a revised and executed version of the one-page amendment that Freeland had prepared and delivered to Worcester the year before, which Yogi Bhajan executed on February 27, 2004 (“2004 Amendment”). [Day 2, TR115:23-116:7; 117:10-11; *see also* Ex. 5, Ex. 84, Ex. 85, Ex. 86].

34. Pursuant to the 2004 Amendment, in the event that Yogi Bhajan predeceases Bibiji:

- a. The Living Trust’s interests in the Preuss Road and the C-24 properties, free of any debt or encumbrance, would go to Bibiji’s share of the Trust;
- b. The Ranch, which had already been donated to charity upon Yogi Bhajan’s death, became subject to Bibiji’s life estate;
- c. Bibiji’s community property interest in Yogi Bhajan’s royalties, royalty agreements, patents, licenses, and other IP would be treated in the same manner as her interest in cash and cash equivalents, and would constitute a part of her share of the Trust. [Ex. 5].
- d. Yogi Bhajan’s community interest in Living Trust assets, other than the Preuss Road and C-24 properties, would be distributed as he directed.

**C. The Successor Trustees and Their Agents**

35. Pursuant to the terms of the Living Trust, if Yogi Bhajan predeceased Bibiji, the Living Trust assets were to be distributed into two trusts: the “Survivor’s Trust,” for which Bibiji was the beneficiary, and the Yogi Bhajan Administrative Trust (“YB Trust”). The

distribution of these trusts would be made by three successor co-Trustees, as named by Yogi Bhajan. At the time of his death, the successor co-Trustees, named by Bibiji and Yogi Bhajan in the 2004 Living Trust Amendment, were Shakti, Sopurkh, and Kamaljit Kaur Kholi (Bibiji's and Yogi Bhajan's daughter).

36. In order to correctly and prudently administer the Trust, the Trustees retained, and were carefully assisted by counsel, Freeland. [Day 1, TR91:14-92:1; Day 2, TR124:5-15; Sopurkh Deposition 58:10-59:18, 65:25-70:11, 73:4-15; Shakti Discovery Deposition 58:11-18; Shakti Tr. Deposition 75:19-25; *see also* Ex. 94, 96, 97, 98, 99].
37. The Trustees' acts and decisions were frequently informed by Freeland, who provided the Trustees with competent counsel on numerous complex matters, including proper distribution of the Living Trust's wide-ranging assets. [*Id.*].
38. To ensure the accuracy of the Living Trust's inventory of assets, and their proper distribution, the Trustees hired Harijot Kaur Khalsa ("Harijot"). [Day 4, TR78:14-16].
39. Since Yogi Bhajan's death, Harijot has been and remains the bookkeeper for the YB Trust.
40. In 1982, Yogi Bhajan hired Harijot to prepare a general ledger for the Living Trust. [Day 4, TR82:6-20].
41. As the Living Trust bookkeeper since 1982 until Yogi Bhajan's death, Harijot had spent decades ensuring that all of Yogi Bhajan and Bibiji's community property and separate assets were properly transferred to and titled in the Living Trust, and inventoried on the Living Trust's general ledgers. Harijot completed this work under the direction of Ms. Freeland, and alongside Shakti, Yogi Bhajan's executive secretary. [Day 4, 82:20-25,



83:2-3; 83:22-85:22, 92:24-93:4; Sopurkh Deposition 77:3-78:18, 79:11-81:18, 81:23-83:1, 83:21-84:7; Shakti Discovery Deposition 64:5-65:4].

42. Prior to Yogi Bhajan's death, Freeland, Harijot, and Shakti regularly communicated about estate-related matters to ensure that all estate assets were transferred, titled and inventoried in the Living Trust. [*Id.*, Day 2 TR at 121:24-122:3; *see also* Exhibits 16-29, 32, 38-39, 43, 48-49, 57-59, 62-64, 70, 80, 81, 110].
43. The books kept by Harijot provided an admirable amount of information, going back to 1982.
44. Ek Ong Kar Kaur became the independent YB Trust co-Trustee in August 2005, when her predecessor, Kamaljit, resigned from that position due to the conflict created by her mother's claims. [Day 1 TR22:1-5; 31:12-15; *see also* Ex. 133, 134, 137, 138].
45. The Living Trust requires that any successor trustees include one independent trustee; *i.e.* one trustee who would not benefit from the distribution of trust assets.
46. Ek Ong Kar Kaur is employed by an independent entity, neither Shakti nor Sopurkh supervise Ek Ong Kar Kaur's activities, and Ek Ong Kar Kaur will not benefit directly or indirectly from distribution of YB Trust assets. [Day 1, TR22:8-23:6; Ex. 3 at p.20].

**D. Distributions Made by The Trustees**

47. On the date of death of Yogi Bhajan, October 6, 2004, the following occurred:
  - a. The books and records of the Living Trust were closed.
  - b. The books and records of the YB Trust were opened.
  - c. New bank accounts were opened in the name of the YB Trust, effective October 6, 2004.
  - d. A new tax identification number was obtained for the YB Trust.

48. Pursuant to the terms of the Living Trust, the Trustees orchestrated the transfer of assets from the Living Trust to the YB Trust and the Survivor's Trust, and despite the complexity of the circumstances, within one year, distributions to Bibiji's Survivor's Trust were nearly completed, during which time Kamaljit was still a Trustee. [Day 1 TR 78:14-19; Day 4, 88:22-89:19, 90:19-91:13, 97:24-99:15; Shakti Tr. Deposition 79:4-10, *see also* Ex. 105, 107, 110, 111, 113, 114, 116, 119].

49. By the summer of 2005, Living Trust distributions totaling nearly \$3.7 million dollars had been made to Bibiji, including the following:

- a. One-half of the community property interest in all cash and cash equivalents, including all rights under contracts for the payments of royalties; i.e. one-half of royalties paid after October 6, 2004.
- b. 100 % of the community property interest in Yogi Bhajan's and Bibiji's residence located at 1905 Preuss Road in Los Angeles, valued at \$689,000. The \$75,000 mortgage that remained on the 1905 Preuss Road property was paid out of Yogi Bhajan's share of the residual cash in the Living Trust on the date of his death.
- c. 100% of the C-24 Nizamuddin property in New Dehli, India, which had been given to Yogi Bhajan prior to marriage and was his separate property, valued at \$130,000.
- d. 100% of the community interest in the Republic FBO fund in the amount of \$2,000.
- e. 100% of the retirement funds in the amount of \$201,531.35.
- f. \$100,000 in life insurance proceeds.

**E. The Form 706 Estate Tax Return**

50. Freeland's firm prepared the Form 706 Estate Tax Return, which provided an inventory of the assets owned by Yogi Bhajan at the date of his death. [Day 4 TR 149:17-21; *see also* Ex. 280].
51. In preparing the Form 706, and in an effort to understand Bibiji's claim, Freeland made repeated requests to Bibiji's counsel for information about any other estate assets about which Bibiji and her counsel might be aware, so that the Trustees could take action to possess such asset(s) on behalf of the heirs, and so that the Trustee's could inventory any additional assets on the Form 706. [Ex. 94, Ex. 107, Ex. 137, Ex. 159]. None were identified by Bibiji.
52. After Yogi Bhajan's death, the Trustees had all intellectual property interests that were in the Living Trust at the time of Yogi Bhajan's death valued for the purposes of completing the Form 706 Estate Tax Return, including the GTO and Amalgamated contracts, YB Teachings, LLC and YB Teachings, LLC. [Day 2, TR128:24-131:17; 160:24-166:16; Day 3, TR 144:19-145:13; Ex. 120A].
53. The Trustees filed the Form 706 on January 6, 2006, and it was signed, under oath, by each of the Trustees and Freeland. The return included all assets, debts, expenses, and bequests of the Estate, as required by law. No assets of the estate were omitted.

**F. Yogi Bhajan's Intellectual Property**

54. Yogi Bhajan's intellectual property interests were properly inventoried and, in accordance with the Living Trust's 2004 amendment, 50% of Yogi Bhajan's intellectual property was distributed to Bibiji. [Day 2, TR128:24-131:17; 160:24-166:16].
55. As with all other assets, in the decades before Yogi Bhajan's death, Freeland worked with

Yogi Bhajan and his employees (Harijot and Shakti) to make sure the intellectual properties were identified, inventoried and titled in the trust. [See e.g., Ex. 37, 43, 48, 49].

56. During Yogi Bhajan's lifetime, an important source of income for the Living Trust was the license of certain intellectual property rights to Golden Temple of Oregon ("GTO") and GTO's European affiliate, Amalgamated Sale. At the time of his death, the Living Trust received royalties for the use of Yogi Bhajan's name and likeness for the purpose of marketing teas and other products. These royalties were memorialized in a 2004 licensing agreement with GTO and a 1996 licensing agreement with Amalgamated.
57. As to the Living Trust's 2004 licensing agreement with GTO and the 1996 licensing agreement with Amalgamated, the subject intellectual property interests were inventoried on the Form 706 by the contracts themselves, and are specifically listed on the contract exhibits. [Day 2, TR166:11-167:8-; see also Ex. 10, 11, 12, 339].
58. The Trustees ensured that all IP interests to which Bibiji was entitled were properly and promptly distributed to her, most especially the GTO and Amalgamated royalties interests intended to provide Bibiji a stable source of income. [See e.g., Ex. 152, Ex. 322].
59. In correspondence dated May 24, 2005, Freeland prepared and delivered (in consultation with trademark counsel) to Worcester a Memo regarding the living trust's intangible assets, which memo accurately categorizes and locates Yogi Bhajan's intellectual property interests and proposes the Trustees and Bibiji enter into a joint management plan. [Day 2, TR160:16-25; Ex. 120]. Freeland did not receive a response.

G. *The Trustees' Investigation of Bibiji's Claims for Reallocation*

60. By letter dated, May 5, 2005, Worcester first notified the Trustees that Bibiji had a claim against the YB Trust. [See Ex. 118A].
61. Bibiji's claim is based on purported gifts and charitable contributions, made by Yogi Bhajan, to which Bibiji claims she did not consent and which constitute a dissipation of community property.
62. Worcester's May 5, 2005 letter demanded, on the purported basis of charitable gifts made between 1996 and 2004, "without Inderjit's knowledge or consent. ... [a] credit in the amount of \$1,591,091.50 should be made . . . to reimburse Inderjit for these dissipations of her community property interests." [*Id.*].
63. By letter dated January 5, 2006, Worcester notified the Trustees that, "with respect to quantifying her claim ... in excess of \$3,784,863 are either missing and unaccounted for or were dissipated from Inderjit's share of the joint estate without her knowledge or approval," and that "... the amount of the claim could be increased." [See Ex. 160].
64. In the months between Worcester's May 5, 2005 and January 5, 2006 notice letters, the Trustees worked with their agents (Harijot & Freeland) to investigate Bibiji's claim, to understand Bibiji's claim, and to provide Bibiji the financial documents her counsel continued to request. [Day 4, TR 93:10-95:7, TR 96:15-97:5, TR 103:12-104:8, TR 110:17-111:9, TR 112:19-113:7; Day 1, TR33:1-18, TR33:21-34:3; Sopurkh Deposition 106:18-107:3; Shakti Discovery Deposition 75:14-18, 78:17:21; *See e.g.*, Ex. 120, Ex. 121, Ex. 124; Ex. 125; Ex. 127; Ex. 129; Ex. Ex. 131; Ex. 132; Ex. 135; Ex. 136 (1981-1995 Joint Tax Returns); Ex. 137; Ex. 140; Ex. 144; Ex. 147; Ex. 150; Ex. 151; Ex. 153; Ex. 154; Ex. 155; Ex. 157, Ex. 158; Ex. 159].

65. In the midst of their investigation, the Trustees' received a copy of Bibiji's September 21, 2005 "Open Letter" to the Khalsa Council, in which Bibiji stated that she and her husband had built the community, and had contributed "millions of dollars." [Ex. 143 at p.2].

66. On September 25, 2005, Freeland requested Worcester to provide, but has never received, an explanation for Bibiji's "Open Letter." [Ex. 146].

**1. Yogi Bhajan's Gifts**

67. Exhibit 505A is a list of some of the individual and personal gifts that Yogi Bhajan made between 1993 and 2004, which Bibiji contends were made without her knowledge and consent.

68. Mr. David Hinton, Bibiji's accountant and proffered testimonial expert, testified that he prepared Exhibit 505A in consultation with Bibiji's attorney

69. Exhibit 505A includes a challenge by Bibiji to the gifts made by Yogi Bhajan.

70. Exhibit 505A was provided to the Trustees for the first time during trial.

71. Exhibit 505A is not based on conversations or communications between Mr. Hinton and Bibiji, which communications and conversations never occurred.

72. Mr. Hinton never communicated with Bibiji regarding any of the information contained in Ex. 505A.

73. Mr. Hinton claims that Exhibit 505A are the gifts made by Yogi Bhajan between 1993 and 2004 without Bibiji's knowledge or consent.

74. Mr. Hinton deleted the backup information for Exhibit 505A.

75. Throughout this litigation and without explanation for the acceptance of some gifts and the rejection of others, Bibiji has repeatedly amended and expanded her list of challenged

personal and individual gifts: In 2012 and 2011, Bibiji's list of unapproved gifts totaled \$576,260. In 2009, Bibiji's list of unapproved gifts totaled \$582,183. In 2007, Bibiji's list of unapproved gifts totaled \$324,046.40. [Ex. 505A; 2011 Report at p. 3; 2009 Report at Exhibit 1; Ex. 177 at p. 21].

76. The information contained in Exhibit 505A was taken from the Living Trust's accounting entry for non-deductible disbursements. Some of those entries are not actually gifts, but rather non-deductible personal expenses (such as payments for services).

77. Exhibit 505A's list of challenged gifts contains items that are not gifts, but non-deductible expenditures, including:

- a) a trip that Bibiji took to Africa,
- b) payments to support Kamaljit's clothing line,
- c) payments to family members,
- d) expenditures made during visits with Indian guests, including leaders of the Sikh community in India,
- e) payments made to ailing members of the Sikh community.
- f) payments to Yogi Bhajan's doctor,
- g) payments for religious services. [Exhibit 40].

78. Many of the listed "gifts" were small in comparison to the community estate.

79. In the aggregate, the gifts did not violate the non-giving spouse's rights.

80. Yogi Bhajan did not breach his spousal fiduciary duty to Bibiji in making the gifts listed on Exhibit 505A.

81. The Trustees considered the various lists of challenged gifts and given their fiduciary obligation, were unable to simply accept that Bibiji did not know about or would have objected to these expenditures.

82. The Trustees therefore repeatedly requested more information from Bibiji regarding her claimed lack of knowledge and lack of consent, which information the Trustees never found and none was provided. [Ex. 147, Ex. 150, Ex. 155, Ex. 158, Ex. 162, Ex. 169].

**2. Yogi Bhajan's Charitable Contributions**

83. Bibiji objected to no specific charitable donations, but instead, claimed that all charitable contributions exceeding 15 percent of the couple's annual income for the years 1981 to 2004 were unauthorized.

84. Bibiji claim that \$2,860,677 in Living Trust donations were unauthorized and she seeks one-half of that figure from Yogi Bhajan's share of the community estate.

85. Mr. Hinton compared the Living Trust's annual income with the annual charitable contributions. In those years in which the Living Trust contributions exceeded 15 percent of annual income, Mr. Hinton identified the overage as an unauthorized contribution.

86. In determining the amount of Bibiji's claims related to charitable contributions, Mr. Hinton gave no credit for years in which the contributions were less than 15 percent nor any credit for contributions in excess of 15 percent that Bibiji expressly approved (such as the donation of the ranch in Espanola, to which Bibiji admitted she consented).

87. The method employed by Mr. Hinton for calculating un-approved charitable contributions is inconsistent and unfair.

88. Bibiji agreed that Yogi Bhajan would have sole management authority of the trust that held the community assets during the spouses' lifetimes.



89. Bibiji is not entitled to be reimbursed for one-half of the marital community's charitable contributions that were in excess of 15 percent of the couple's annual income.
90. Many of the donations were made to non-profit organizations that were involved in the couple's spiritual mission. [Ex. 92].
91. Without explanation, Bibiji has varied in her objection to the Living Trust's charitable contributions – at times, Bibiji objection is quantified as amounts exceeding 10% of the Living Trust's annual income, and at other Bibiji objects to contributions exceeding 15% of the Living Trust's income. At trial, Mr. Hinton quantified Bibiji's charitable contribution claim as any amounts exceeding 15% of the Living Trust's income.
92. In a letter to the Sikh community, Bibiji stated "My husband and I have built the organization and given millions of dollars of contribution over the years. More than money, we have dedicated our lives to these organizations. My husband and I donated the Ranch in Espanola and several other properties we own to Sikh Dharma." [Exh. 143].
93. Bibiji gave implied, if not express, consent to the charitable contributions, particularly in view of the course of conduct of the public life of the couple.
94. The Living Trust's charitable donations, while sizeable, were reasonable in light of the marital community's life mission and for just causes; the donations were part of a moral and ethical obligation, and the donations were not excessive compared to the community estate; and the donations did not leave Bibiji without the means to sustain herself.
95. The Living Trust's charitable donations did not leave Bibiji without the means to sustain herself; she received \$3,692,231.81 on the death of Yogi Bhajan, and she is entitled to receive one-half of the future royalties from Yogi Bhajan's IP. [Exh. 341, Schedule 1].

96. The Living Trust's charitable donations were made in part to obtain tax benefits, which were substantial.
97. The federal tax benefits correlating to the charitable contributions were a total of \$1,118,892 and corresponding state tax benefits were \$220,542. [Exh. 343, 344].
98. Mr. Hinton failed to account for the tax benefits received by the community as a result of the charitable contributions.
99. The Trustees had no personal knowledge of Yogi Bhajan's and Bibiji's private marital communications—including about whether Yogi Bhajan provided Bibiji with access to financial information and whether Yogi Bhajan informed her about the extent of the marital community's charitable giving, or whether Bibiji even requested such information. [Day 1, TR 52:20-23; TR102:7-9; TR118:12-14; Sopurkh Deposition 102:11-17, 112:9-15, 115:10-13, 116:2-4, 133:9-21; Shakti Discovery Deposition 36:23-37:6; Shakti Tr. Deposition 142:24-143:12, 180:8-11]
100. Based on their long experience in the community, including knowledge of Bibiji's spiritual and leadership role, the Trustees did not find Bibiji's claim of financial ignorance to be credible. [Day 1 TR 40:4-21; TR 41:1-3; TR66:12-19; TR 68:23-69:4; Sopurkh Deposition 99:10-22, 100:25-102:5; Shakti Discovery Deposition 75:16-76:10; Shakti Tr. Deposition 51:18-52:5, 110:6-111:11, 175:3-23].
101. The Trustees knew that Bibiji sat on the boards of many entities that received charitable contributions from the marital community, that she was active within many of these organizations, and that worked tirelessly to ensure their success. [Shakti Discovery Deposition 80:12-23, 81:15-82:3; Shakti Tr. Deposition 54:4-16; Day 1 TR57:24-TR58:12].

H. **The Trustees' Inventory of Living Trust Assets**

102. On June 8, 2009, the Honorable Barbara J. Vigil, District Judge, entered an order in a separate probate proceeding, denying the appointment of Bibiji as Personal Representative and an order for the appointment of an independent personal representative to conduct an investigation to determine what assets were owned by the Estate of Yogi Bhajan as of October 6, 2004 and whether at the time of his death, Yogi Bhajan owned any previously unidentified and undistributed assets.
103. The personal representative investigated the list of potential assets provided by Bibiji and found no evidence to support Bibiji's claim that Yogi Bhajan had an ownership interest in the listed assets prior to his death.
104. The probate court adopted the personal representative's report and closed the probate.

1. **Intellectual Property**

105. As to the Living Trust's IP assets, which were inventoried and distributed by the Trustees, this property can be divided into three categories: IP donated to YB Teachings, royalty contracts and recipes, and the interest in PSF, Ltd. [Exh. 120, 521].
106. The YB teachings interest was listed on the Form 706 tax return, and Bibiji's one-half interest was distributed to her. [Exh. 280, 120A, 103].
107. The royalty contracts and recipes were also attached to the Form 706, and all rights were incorporated by reference therein. [Exh. 280].
108. Yogi Bhajan sold the community's interest in PSF, Ltd. to Humanology and Health Sciences in 1995, prior to his death. [Exh. 522, 125].

109. The trademark for “Diagonal Management Systems” never matured into an asset because the product is still in development. [Exh. 90].

110. The Trustees identified, inventoried, and distributed to Bibiji her share of the Living Trust’s IP assets.

2. **Jewelry and Collections**

111. Yogi Bhajan purchased jewelry and collectibles with community property funds.

112. Yogi Bhajan did not give away jewelry in violation of his spousal fiduciary duty.

113. The only evidence regarding jewelry purchases indicated that payments were made to well-known jewelers or designers.

114. The Form 706 estate tax return, schedule F indicates that Yogi Bhajan had jewelry in a safe with an appraised value of \$27,401, at the time of his death. [Exh. 280, 158].

115. Bibiji received her share of the Living Trust jewelry, which was listed on the Form 706 or the value of that jewelry.

116. Bibiji did not identify any piece of jewelry that was gifted, which pieces of jewelry were purchased with community funds, or what happened to those community-purchased jewelry pieces.

117. Jewelry or artifacts were presented to Yogi Bhajan in his capacity as Siri Sing Sahib of Sikh Dharma, a corporation sole which under the laws of California is a nonprofit corporation formed by the head of a religion for purposes of managing the affairs and property of the religious denomination.

118. Yogi Bhajan treated some artifacts as the possessions of his church, and Bibiji has no claim to any jewelry or artifact held by, or given to, Yogi Bhajan in his capacity as a religious leader.

119. Bibiji failed to identify any particular piece of Living Trust jewelry or artifact that she claims was improperly gifted.

G. *The Interim License Agreement*

120. As this litigation has proceeded, the Trustees have remained in control of, and have properly managed and protected those trust assets remaining in the YB Trust.

121. In particular, the Trustees have carefully considered numerous opportunities and difficulties related to certain and specific intellectual property interests held by the Trust (YB IP), most especially, Yogi Bhanan's name and likeness.

122. Prior to his death, Yogi Bhanan licensed the commercial use of his name and likeness to GTO and Amalgamated. These licenses were designed to provide Bibiji and Staff Endowment LLC with a long-term royalty-based income stream.

123. At the end of 2008, Golden Temple of Oregon, LLC ("GTO") notified the Trustees that it would no longer use the YB IP and ceased royalty payments to the YB Trust (but not to Bibiji.)

124. The Trustees issued to GTO a notice of default, and Golden Temple resumed payments. [Day 1, TR137:11-24; Ex. 341].

125. Later that year, Golden Temple again ceased use and payment, but this time to both co-owners. [Day 1, TR138:3-6].

126. Bibiji initiated an arbitration action ("Arbitration") against Golden Temple, and she was successful in the arbitration. [Day 1, TR 146:8-14; 155:21-22].

127. Bibiji invited the Trustees' to participate in her Arbitration against Golden Temple (many months after its initiation), but the Trustees declined to engage in an additional legal dispute so as to preserve the assets of the Trust for the defense of Bibiji's claims

against them and for distribution to Staff Endowment LLC. [Day 1, TR138:16-23, TR139:9-10, 144:1-9, 146:3-7].

128. After the Arbitration, the Trustees attempted to negotiate a new license with Bibiji's counsel and Golden Temple. [Day 1, TR 146:18-22].

129. Bibiji's counsel walked away from those negotiations, and the Trustees continued negotiations towards a licensing agreement with GTO as to the Trust's interest. [Day 1, TR158:11-16].

130. The Trustees' decision to enter into the Interim License Agreement (the "ILA") with GTO was fiscally sound and preserved the marks' financial potential. [Day 2, TR33:2-12].

131. If the Trustees had not entered into the ILA, GTO would have been forced to re-brand, which would have greatly diminished, and potentially destroyed, the YB IP's potential financial value. [Day 2, TR33:2-12].

132. Bibiji's continued litigations have forced the Trustees to consider sale of the marks as a viable option and to seek indemnity from further suit as a valuable contractual term. [Day 2, 42:22-43:9; Day 1, 166:18-169:12].

133. The ILA affirmatively states that "nothing in this agreement purports, or is intended to affect Bibiji's co-ownership in any intellectual property," and it also requires GTO to offer Bibiji the same interim license terms agreed to with the Trustees. [Ex. 14 at pp. 2-3].

134. The Trustees and Golden Temple were able to reach an Interim License Agreement (ILA), which contemplated an ultimate sale of a portion of the YB IP to Golden Temple. [Day 1, TR158:11-16].

135. The negotiations between the Trust and GTO were not secret; many community members and other parties, including the Attorney General of Oregon, knew of the negotiations, but Bibiji was not included on written communications regarding the negotiations between GTO and the Trustees because she had abandoned negotiations. [Day 1, TR158:11-24].
136. The ILA also provided indemnity for the Trustees from suit by Bibiji related to the agreement, so that the YB Trust assets could be saved for its residual beneficiary, instead of spent on litigation and defense costs. [Day 2, 42:22-43:9].
137. Pursuant to the ILA, the Trust received an initial payment of \$50,000 (which was credited toward back-royalties, in the same amount awarded to Bibiji in the Arbitration), a promise to pay additional back-royalties, and a promise to pay the Trust a monthly royalty going forward based on the formula applied by the arbitration panel (in the Arbitration between GTO and Bibiji) for all sales that trigger a royalty payment by GTO or its affiliates, including for these purposes sales outside the United States by GTO's affiliates. [Ex. 13]
138. The purchase and sale agreement has never been finalized because the Trustees and GTO have not agreed to sale terms. [Day 2, TR32:11-17].
139. The contemplated purchase, however, was contingent on receiving court approval of the sale and permitting any interested party (including Bibiji and Staff Endowment, LLC) to object. [Day 2, TR31:11-17].

H. **Bibiji's Alternative IP Negotiations**

140. Bibiji's counsel, Mr. Soni, engaged in other efforts to secure a licensing deal for the YB IP.

141. In determining with whom to enter a license on behalf of Bibiji, Mr. Soni stated that he looked for a company with a proven and present track record in the tea industry, with an eye and experience towards geographic and market expansion outside of the packaged tea market and into the bulk tea market. [Day 4, TR25:24-27:8, TR29:24-30:12].
142. Mr. Soni believed that the preservation of the tremendous goodwill associated with the YOGI and YOGI TEA marks required they be licensed to a company proven to be ethical and honorable and that finding the right licensee is “a combination of integrity, finance, and logistics.” [Day 4, TR20:24-22:15, 39:1-11; 67:7-22].
143. Bibiji entered into an agreement to license the YOGI marks, dated September 29, 2011, with a company called International Beverage Group, LLC (“IBG”) [*See* Ex. 517 (Sealed)].
144. IBG is a brand new company without experience in the tea industry. [Day 5, TR93:13-16, 94:11-16].
145. Mr. Soni is counsel to IBG, and in that capacity formed IBG, and prepared the IBG agreement between IBG and his client, Bibiji. [Day 5, TR93:10-12].
146. Mr. Soni represented IBG and Bibiji in negotiating the IBG license. [Day 5, TR95:10-11].
147. IBG’s main principal, Dillip Bhavaani, is a man with whom Mr. Soni co-owns a number of other companies, including a real estate development firm known as Legacy Investment Group, LLC. [Day 5, TR93:17-94:10].
148. IBG has little or no market presence in the tea business and has little or no history of manufacturing or marketing teas and does not seem to meet the basic licensee requirements being sought by Mr. Soni on behalf of Bibiji.



149. Neither Bibiji nor her counsel informed the Trustees about the details of her separate efforts to license the YOGI marks, or the terms of those license efforts, despite the Trustees' numerous requests to participate and be included in those efforts. [Day 2, TR38:25-39:17, TR39:25-40:24, 41:6-42:21].

150. Bibiji's agreement with IBG did not provide that the offer should be made to either the Trustees or the beneficiaries of the YB Trust.

I. *The Tolling Agreement and YB Assurances*

151. Apart from the ILA and the proposed sale, the Trustees also avoided another costly lawsuit with GTO by entering into a tolling agreement related to the Amalgamated/European Sales contract—by preserving the YB Trust's right to sue until such time as suit was financially feasible.

152. The Trustees believed the YB Trust has a cause of action regarding the royalty contract with Amalgamated.

153. Under the Living Trust's 2004 license agreement with GTO, GTO purchased from the Living Trust, Yogi Bhan's tea recipe, which GTO uses in its production of Yogi Tea. Since the 2008 announcement that Amalgamated and GTO would cease use of Yogi Bhan's name and likeness, Amalgamated has continued to use not only Yogi Bhan's name and likeness, but also his recipes, both of which are co-owned by Bibiji and the YB Trust. [Day 2 TR166:11-167:3; Ex. 11. Ex. 12, Ex. 13].

154. GTO and the Trustees agreed to toll the statute of limitations on the claim, and eventually, those disputed royalties were made a part of the ILA and the proposed sale. [Day 1, TR143:21-144:20].

155. By entering the Tolling Agreement, the Trustees were able to preserve the rights of the YB Trust without resorting to expensive litigation.

156. In 2009, a year before the Tolling Agreement, GTO proposed that it would implement a financial arrangement for Bibiji and the members of Staff Endowment, LLC, as an alternative to royalties on the YB IP, if Bibiji dropped her claims and the Trustees agreed to abandon any claims.

157. Bibiji characterizes GTO's proposal as "YB Assurances."

158. The Tolling Agreement and the concept of "YB Assurances" are unrelated.

159. The Trustees did not consider this GTO proposal and did not accept GTO's 2009 proposal.

J. *Reimbursement of Fees*

160. Bibiji requested that the Arbitration panel award \$ 937,152.00 of attorney fees in the action against GTO.

161. The Arbitration panel awarded Bibiji \$663,600 in fees, and she seeks to recover from the Trust the remaining \$273,552 of fees that the panel did not award.

162. The Trustees were not parties to the Arbitration and were awarded no money by the panel.

163. The Trustees incurred legal fees from 2005 until and through 2012, which were paid from the YB Trust and which were generated to assist the Trustees in fulfilling their duties and obligations to the beneficiaries.

164. The Trustees acted to carry out the goals of the Trust and did not breach their duties.

K. *Failure to Maintain Confidences*

165. The Trustees or their agents, communicated with third parties, attempting to explain Bibiji's position regarding Yogi Bhajan's gifts and charitable donations in Exhibits 139, 163, and 407
166. Freeland advised the beneficiaries of the need for the Trustees to communicate consistently and equally with all beneficiaries. [Ex. 139]
167. Freeland wrote to the Chancellor of Sikh Dharma, attempting to explain Bibiji's claims, to distinguish Bibiji's claims against the Trust from a separate dispute about her leadership role with the nonprofits, and to communicate the Trustees understanding that Bibiji was not seeking to recover the gifts made by Yogi Bhajan to the nonprofit organizations and that the Trustees also did not intend to seek reimbursement from the nonprofits. [Ex. 163]
168. That letter was an appropriate attempt to deal with the lawyer for a segment of the Sikh community which had interests that were related to those being litigated by the Trustees and Bibiji.
169. The Trustees emailed a beneficiary attempting to explain Bibiji's position regarding the contributions and reimbursement, and to assure the beneficiaries that the Trustees would inform them when Bibiji's claims were fully stated. [Ex. 407].
170. These communications accurately explain and summarize the Trustees' position, are made to interested parties, and did not disclose any confidential information.

L. *Conflicts of Interest*

171. The Living Trust required that one successor trustee be independent—meaning that one successor trustee was not a beneficiary of Staff Endowment.

172. The Trustees' composition comports with the terms of the Trust.
173. Ek Ong Kar Kaur is not a beneficiary of Staff Endowment, she applies independent judgment to the task of administering the trust, she is not employed by any other Trustee, and she is not supervised by any other Trustee.
174. Ek Ong Kar Kaur is employed part-time with the Office of Religious Minister of Sikh Dharma International, and she reported to Dr. Sat Kaur.
175. Ek Ong Kar Kaur does not benefit from Staff Endowment.
176. Sopurkh recused herself from decisions relating to GTO, of which she was the president until September 2007.
177. Sopurkh was also, at the time of her deposition, a board member and president of Unto Infinity and KIIT.
178. The Trust envisioned that decisions would be made by people with beneficial interests.
179. The decisions of the Trustees were consistent with their obligations to all beneficiaries of the Trust.

**M. The Trustees' Attorney Fees**

180. This litigation arose from the administration of a trust, and the Trustees have incurred reasonable attorney fees and costs.

**II. CONCLUSIONS OF LAW**

- A. On the death of Yogi Bhajan on October 6, 2004 the following occurred:
- a. The marital community of Yogi Bhajan and Bibiji ended.
  - b. The powers and duties of Yogi Bhajan as sole trustee of the Living Trust terminated.
  - c. Income earned after October 6, 2004 ceased to be community property.

- B. Bibiji granted Yogi Bhajan the sole management of the couple's financial affairs by agreeing that Yogi Bhajan would be the sole trustee of the Living Trust, which trust housed the couple's assets.
- C. Either spouse may manage and dispose of community property, but the power to manage is subject to a fiduciary duty to the other spouse. Roselli v. Rio Communities Service Station, Inc., 109 N.M. 509, 514, 787 P.2d 428, 433 (1990).
- D. A financial gift by one spouse, without the implied or express consent of the non-giving spouse, is voidable only if the gift amounts to a breach of fiduciary duty.
- E. In order to make a unilateral gift, the giving spouse requires the consent of the other spouse if the gift is of an unreasonable amount. Id.
- F. The reasonableness of the unilateral gift depends on the identity of the donee, the economic position of the spouses, and whether the gifts substantially depleted the marital estate or negatively affected the ability of the spouses to be economically self-sufficient.
- G. In considering whether the gift is reasonable, the Court considers the ratio of the gift to the value of the community estate and whether the gift was in discharge of a legal, moral, or civic obligation.
- H. The gifts identified on the various gift lists presented by Bibiji are not the types of gifts that violate a spouse's fiduciary duty to the other spouse.
- I. Bibiji made no showing that Yogi Bhajan violated his fiduciary duties by making any particular gift.
- J. No evidence was offered to show that Bibiji objected to any particular gift.

- K. The Trustees seriously evaluated Bibiji's claim to an additional share of the community property, and they did not breach their duties in their handling of Bibiji's claim for a credit against Yogi Bhajans' lifetime gifts and charitable contributions.
- L. The Trustees did not breach their fiduciary duties by declining to reallocate assets, pursuant to Roselli, on Bibiji's demand.
- M. Yogi Bhajan did not breach his fiduciary duty to Bibiji by making charitable contributions without first obtaining Bibiji's consent for each donation.
- N. Bibiji gave implied, if not express, consent to the charitable contributions made by Yogi Bhajan.
- O. When viewed from the context of the course of conduct of the marital community, Bibiji consented to Yogi Bhajan's charitable and personal gifting of Living Trust assets.
- P. Yogi Bhajan did not breach his fiduciary duty to Bibiji, or to the Living Trust, by making the gifts or the charitable contributions.
- Q. Bibiji did not object to any specific charitable donations.
- R. In considering Bibiji's claim for reallocation of Living Trust assets, the Trustees acted as prudent persons, considering the purposes, terms, distributional requirements, and other circumstances of the trust.
- S. Pursuant to the Living Trust, the Trustees had fiduciary duties to both Bibiji and to Staff Endowment LLC.
- T. The Trustees owed no duties to Bibiji prior to Yogi Bhajan's death.
- U. The Trustees did not breach any fiduciary duties in their investigation and

handling of Bibiji's claim for reallocation.

- V. The YB Trust and Bibiji share a 50% ownership interest in all of the Living Trust's IP, including the Yogi Bajan trademarks (the "Marks"), that are the subject of the license agreements with GTO and Amalgamated.
- W. The Trustees' decision to enter into the Interim License Agreement with GTO was fiscally prudent.
- X. Bibiji was, and is, entitled to one-half of the Marks, and her share was distributed to her by the Trustees.
- Y. The Administrative Trust holds one-half of the Marks for the benefit of the sole remaining beneficiary of the Living Trust, Staff Endowment LLC.
- Z. The Trustees do not hold one-half of the intellectual property interest in the Marks in a fiduciary capacity to Bijibi.
- AA. The legal relationship between the YB Trust and Bibiji, as it related to the Marks, is that of co-owners of the Mark.
- BB. An owner does not infringe upon his co-owner's rights in a trademark by exercising his own right of use and a co-owner does not dilute the other co-owner's rights by exercising his own right of use. Derminger v. Kramer, 406 F.Supp.2d 756, 759 (E.D. Mich. 2005).
- CC. The Trustees were within their rights as co-owners to negotiate and issue the Interim License Agreement.
- DD. The Trustees did not breach any duty owed to Bibiji related to the Marks.
- EE. The Trustees did not conspire with GTO to extinguish Bibiji's income from the trademark license between the Living Trust and GTO by agreeing not to object

to GTO terminating that license, and the Trustees therefore did not violate their fiduciary duties by engaging in any such conspiracy as alleged by Bibiji.

FF. The Trustees did not conspire with GTO to ensure that Bibiji would receive no further income, and the Trustees breached no duties as alleged by Bibiji.

GG. The Trustees did not secretly negotiate a license with GTO and therefore did not violate their fiduciary duties, including their duty of loyalty, by engaging in secret negotiations with GTO as alleged by Bibiji.

HH. The Trustees did not breach their duties to protect and preserve trust assets, but instead, they created an income stream for Staff Endowment, LLC, the Living Trust sole residual beneficiary, maintained the active presence of the YB IP in the marketplace, and generated a potential sale for the benefit of all residual beneficiaries.

II. The Trustees did not grant GTO a below-market license and therefore did not violate their fiduciary duties, including their duty of loyalty.

JJ. The Trustees did not violate their fiduciary duties, including their duty of loyalty, by negotiating to sell to GTO the Trust's rights to the trademarks.

KK. Bibiji failed to provide the Trustees with sufficient information to join her negotiations with other potential licensors, and the Trustees therefore did not violate their fiduciary duties by negotiating and entering into the Interim License Agreement.

LL. Bibiji is precluded by the judgment entered in the Probate Court from litigating whether there were any assets belonging to Yogi Bhanan on the date of death, October 6, 2004, which were not identified and distributed by the Trustees.



- MM. The Trustees properly accounted for the Living Trust's intellectual property assets, which include the intellectual property donated to YB Teachings, all royalty contracts and recipes, the interest in PSF, Ltd., and Diagonal Management Systems.
- NN. Bibiji is precluded from litigating a claim that the Trustees failed to locate and identify property that was owned by Yogi Bhajan at the time of his death because litigation of this claim is precluded by the Court's previous Collateral Estoppel Order and because the Personal Representative investigated the list of alleged assets that Bibiji provided and found no evidence to support Bibiji's ownership claims regarding other assets.
- OO. The purpose of a corporation sole is to assure that property held for the benefit of a religious organization will not be divested or passed to the religious leader's heirs. County of San Luis Obispo v. Ashurst, 146 Cal.App.3d 380, 383, 194 Cal.Rptr. 5, 6-7 (1983).
- PP. Bibiji has no claim to jewelry or artifacts held by Yogi Bhajan in his capacity as a religious leader because he held such items in his capacity as the Siri Singh Sahib of Sikh Dharma, a corporation sole.
- QQ. Bibiji produced no evidence as to any impropriety regarding Yogi Bhajan's gifts of any jewelry.
- RR. Bibiji produced no evidence to show which pieces of jewelry were purchased with community funds or what happened to those pieces.
- SS. Yogi Bhajan did not violate his fiduciary duty under Roselli or under the Living Trust by making gifts of jewelry.

- TT. The Trustees properly inventoried the jewelry in Yogi Bhajan's possession at the time of his death.
- UU. The Trustees are not required to pay to Bibiji the sum of \$273,552.00 to purportedly reimburse Bibiji for the portion of the attorney fees related to the arbitration against GTO that the Arbitration panel did not award when the panel made its fee determination that Bibiji was entitled to \$663,630.00 in attorney fees.
- VV. Bibiji provided no evidence for her claim that the Trustees should reimburse to the Trust for the costs and fees paid from the Trust since 2005.
- WW. The Trustees are not required to reimburse the fees expended from the Trust to defend their actions because the Trustees acted to carry out the goals of the Trust.
- XX. The Trustees did not breach any rule regarding the disclosure of confidential information because each of the communications complained of by Bibiji was made to an interested party and accurately explained the Trustees' position in ongoing litigation.
- YY. Ek Ong Kar Kaur is an independent Trustee, as defined by the Living Trust, who has applied independent judgment, and who does not benefit from Staff Endowment; thus, Ek Ong Kar Kaur has no conflict of interest.
- ZZ. Sopurkh's recusal from decisions relating to GTO cured any actual or potential conflict of interest.
- AAA. No conflicts of interest arose for the Trustees as a result of Bibiji's request for equitable re-allocation of the community property assets and the Trustees

therefore did not violate their fiduciary duties by refusing to withdraw as co-Trustees.

BBB. The Trustees retained competent agents, Freeland and Harijot, in order to assist and advise them in their administration of the Trust.

CCC. Freeland's advice to the Trustees, and the Trustees' decision to follow that advice, was justified by the Trustees' obligations to all Living Trust beneficiaries and by the nature of Bibiji's claims.

DDD. Bibiji provided no evidence that any matter was misstated in the Living Trust, YB financial records, or the accounting books kept by Harijot.

EEE. The Trustees' decisions were consistent with their obligations to the beneficiaries of the Trust.

FFF. No Trustee has committed any breach of trust or breach of fiduciary duty with respect to Bibiji, or has acted in bad faith or with gross negligence.

GGG. The Trustees are entitled to recover their reasonable attorney fees resulting from this proceeding involving the administration of a trust, pursuant to NMSA 1978, § 46A-10-1004 (2003). The calculation of those fees shall be determined by separate motion, supported by appropriate affidavits.

HHH. All requested findings of fact and conclusions of law not granted herein or inconsistent with these findings and conclusions are denied. The Court finds all material issues of fact and law in favor of the Trustees.

III. Judgment is to be entered dismissing all of Bibiji's claims and counterclaims that Bibiji filed or could have filed, including all claims related to the

transactions and occurrences that are the subject matter of the claims alleged in this case or in the probate proceeding.

  
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Sarah M. Singleton, District Judge

On the date of acceptance for efilings, copies of the above order were eserved on counsel registered for eservice in this case.