

THE CAROLINA VERDICT REPORTER

MARTIN COUNTY, NC Superior Court—Williamston

Uncle to Pay Damages for Fraudulent Conveyance of Deceased's Property

Case Caption:

Estate of Ronald W. Ray, et al. v. Gregory K. Ray

Verdict: Plaintiff's verdict on liability regarding the fraud claim resulting in the return of property to the children. An additional punitive damages claim was subsequently settled for \$200,000.

Judge: William c. Griffin

Date of Verdict: 12/2004

Attorneys:

Plaintiff: T. Patrick Marcus, Charlotte, NC
Lionel S. Lofton, Charleston, SC

Defendant: Jonathan E. Huddleston, Windsor

Facts: In a fraud/forgery case in which the surviving children of a businessman claimed that their rightful property was conveyed to their uncle pursuant to forged documents, a Martin County jury determined that the documents were indeed forged. As a result of the jury verdict, the children's property was returned to them and thereafter the parties settled an additional punitive damages claim for \$200,000.

Decedent Ronald Ray had controlling interest in a tobacco warehouse company and had 50% interest in another company before he died. Upon his death, decedent's children pursued this fraud claim against their uncle, Defendant Gregory Ray, claiming that defendant had forged their father's signature on two documents conveying their interest in their father's business interests to himself. This case was bifurcated and tried on the fraud claim first, with a separate hearing to be held on punitive damages.

According to plaintiff's, their father's business interests were to be given to them (the surviving children). However, plaintiffs alleged that defendant forged two handwritten and notarized documents which conveyed decedent's business interests to the defendant. Plaintiffs' experts testified that, after a microscopic analysis of the signatures, it was their determination that the documents were forged because there were numerous places on the signatures indicating that the pen was lifted and stopped before the signature was completed, which is contrary to what most people do when signing their names.

Defendant contended that decedent sat down with him in the office of the tobacco warehouse company and wrote out two separate documents and signed them before a notary public making a transfer of the stock of his controlling interest in a tobacco warehouse company and his 50% ownership in another company to defendant a few weeks before he died of cancer. The notary who purportedly signed the two documents testified that she would not have notarized Ronald Ray's signature if he was not in her presence when signing the documents. Also, Ronald Ray's bookkeeper testified that she recognized Ronald Ray's signature on the documents in question. The defense expert testified that the documents were not forged and the signature was that of Ronald Ray.

Plaintiff Profile: Decedent was a 59 year old white male with two surviving children.

Alleged Injury: Fraud resulting in the improper conveyance of business interests.

Jury Deliberations: 4 hours

Settlement Efforts: None

Expert(s):

Plaintiff: Marvin Dawson
Handwriting Expert – Charleston, SC

Durward Matheny
Handwriting Expert – Charlotte, NC

Defendant: Cynthia Wong
Forensic Document Examiner – VA

Case Number: 001CVS253