

SUPREME COURT OF GEORGIA

Seiz Joint Venture, LLC v. Seiz, 290 Ga. 719

723 S.E.2d 672 (2012) · No. S11F1840 · Decided March 19, 2012

SUMMARY

The Supreme Court of Georgia affirmed a divorce decree awarding the wife one-half of the husband's one-third ownership interest in Seiz Joint Venture, LLC as marital property. The court held that the LLC was properly added as a party after property was transferred to it during the divorce proceedings in violation of a standing order. The court also held that the decree did not require the wife to become a voting member, but required the LLC to facilitate transfer of the ownership interest and make distributions directly to her.

CASE DETAILS

COURT	Supreme Court of Georgia
WRITING FOR THE COURT	Justice Melton; Chief Justice Hunstein; Presiding Justice Carley; Justice Benham; Justice Hines; Justice Nahmias; Judge C. LaTain Kell
JURISDICTION	Georgia
DECIDED	March 19, 2012
DOCKET	S11F1840
DISPOSITION	affirmed
PROCEDURAL POSTURE	Seiz Joint Venture, LLC appealed after the trial court added it as a party to the divorce proceedings and awarded the wife a one-sixth ownership interest in the company. The Supreme Court of Georgia granted SJV's application for discretionary review under the then-expired Pilot Project.
STANDARD OF REVIEW	Whether the trial court properly added SJV as a party and entered the challenged equitable-distribution provisions; the court applied an evidence-supporting-the-trial-court determination standard and reviewed the legal challenges to the decree.
PRECEDENTIAL VALUE	Published opinion of the Supreme Court of Georgia; precedential.
PARTIES	Seiz Joint Venture, LLC v. Elizabeth Ann Seiz

TOPICS

equitable distribution

dissolution of marriage

joinder

summary judgment

appellate procedure

PRACTICE AREAS

family law

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QUESTIONS PRESENTED

1. Whether the trial court properly added Seiz Joint Venture, LLC as a party to the divorce proceedings.
2. Whether the final decree improperly rewrote SJV's operating agreement or required SJV to admit the wife as a full voting member.
3. Whether SJV was entitled to summary judgment or dismissal because the wife could not prove that SJV engaged in a fraudulent conveyance.

HOLDINGS

1. The trial court properly added SJV as a party because evidence supported the finding that the husband violated the standing order by transferring property subject to the divorce proceedings, and adding SJV was authorized to ensure complete relief.
2. The decree did not require SJV to admit the wife as a voting member or otherwise rewrite its operating agreement; it awarded her one-half of the husband's SJV interest and required SJV to facilitate the transfer and make direct distributions.
3. SJV was not entitled to summary judgment or dismissal because the wife's amended complaint provided notice of her claims and some evidence supported the conclusion that the husband and SJV may have engaged in a fraudulent conveyance to defeat her rights.

KEY QUOTATIONS

"There is nothing in the trial court's Final Decree indicating that Wife was required to become a voting member of SJV. The trial court merely awarded Wife one half of Husband's interest in SJV as a marital asset, and required that SJV "make distributions directly to [Wife] as one sixth (1/6) owner." (723 S.E.2d at 674)

FACTUAL BACKGROUND

Elizabeth Ann and Thomas Seiz married in 1981 and initiated divorce proceedings in 2007. After the divorce action was filed, Thomas and his brothers formed Seiz Joint Venture, LLC, in which Thomas held a one-third interest, and transferred partnership real property valued between \$3.2 million and \$4.6 million to the new company. The trial court found Thomas's interests in the original partnership and SJV to be marital assets and awarded Elizabeth one-half of Thomas's SJV interest, equivalent to a one-sixth interest in SJV, with direct distributions.

PROCEDURAL HISTORY

During the divorce proceedings, the wife moved to add SJV as a party after the husband's partnership transferred substantial real property to SJV in alleged violation of a domestic-relations standing order. The trial court added

SJV, denied its dispositive motions, and entered a final decree treating the husband's interest in SJV as marital property and requiring SJV to facilitate the wife's receipt of a one-sixth ownership interest and direct distributions. The Supreme Court of Georgia affirmed.

DISPOSITION

affirmed

CASES CITED

- DeGarmo v. DeGarmo, 269 Ga. 480, 481(2), 499 S.E.2d 317 (1998)