

STATE OF MINNESOTA
COUNTY OF CARVER

DISTRICT COURT
FIRST JUDICIAL DISTRICT
PROBATE DIVISION
Case Type: Special Administration

In the Matter of:

Court File No. 10-PR-16-46
Judge Kevin W. Eide

Estate of Prince Rogers Nelson,

Decedent.

**THE PERSONAL REPRESENTATIVE'S
MEMORANDUM IN RESPONSE
TO MOTIONS TO APPROVE
ATTORNEYS' FEES SUBMITTED BY
COUNSEL FOR THE NON-EXCLUDED
HEIRS UNDER THE COURT'S
FEBRUARY 22, 2017 ORDER**

Pursuant to motions dated February 9, March 2, and March 3, 2017, former counsel for Tyka Nelson (Holland & Knight, LLP), counsel for Omarr Baker (Cozen O'Connor), and counsel for Alfred Jackson (Law Offices of Frank K. Wheaton, Esq. and Associates and Justin Bruntjen) submitted requests for reimbursement from the Estate of Prince Rogers Nelson (the "Estate") of attorneys' fees and costs incurred through January 31, 2017 totaling \$2,885,712.35.¹ All of the services for which these four firms seek reimbursement predate the appointment of Comerica Bank & Trust, N.A., (the "Personal Representative") as personal representative and, as a result, the Personal Representative has a limited ability to opine on whether, and to what extent, reimbursement by the Estate of any of the amounts requested is warranted. The Personal Representative does, however, want to address three items related to the motions.

First, among the activities for which Holland & Knight is seeking reimbursement from the Estate is the ongoing preparation of "charts" regarding the various entertainment deals

¹ This memorandum does not address motions for approval of more than \$1.2 million in attorneys' fees previously submitted by Holland & Knight, Gray Plant Mooty, or Lommen Abdo, which are subject to a separate Order.

entered into by the Estate. Holland & Knight asserts that it is undertaking these duties to “assist” the Personal Representative in fulfilling its duties. To be clear, the Personal Representative has never sought the assistance of Holland & Knight or any law firm representing the Non-Excluded Heirs in connection with administration of the Estate. The unsolicited “charts,” and any similar services Holland & Knight is purporting to provide for the benefit of the Estate are unnecessary and duplicative of work already completed by the Personal Representative and Bremer Trust, N.A. (the “Special Administrator”).²

Second, as set forth above, having not been privy to the proceedings and entertainment deals which form the bases for the attorneys’ fees and costs requested in the motions, the Personal Representative has a limited ability to analyze the propriety of the amounts requested. The amounts sought are, however, substantial, particularly when combined with the fees previously sought by Holland & Knight, Gray Plant Mooty, and Lommen Abdo. To the extent that the Court would find additional guidance helpful, the Personal Representative recommends that the Court order the Special Administrator to opine on whether, and to what extent, the attorneys’ fees and costs requested benefitted the Estate, rather than the Non-Excluded Heirs as the likely beneficiaries of the Estate.

Finally, the Personal Representative agrees with the sentiment set forth in the motions that this Estate is extraordinary. Whether the extraordinary nature of this Estate warrants the millions of dollars in reimbursements requested by counsel for the Non-Excluded Heirs from the time period of the special administration, the Personal Representative leaves to the sound discretion of the Court. However, moving forward, the Estate cannot continue to bear these

² The Personal Representative is unable to meaningfully analyze the reimbursements requested by the Law Offices of Frank K. Wheaton, Esq. and Associates and Justin Bruntjen because all descriptions of services rendered and time and rates billed have been redacted from even the versions of their motions that were filed under seal.

types of fees and expenses without severely impacting the distributions that will ultimately be made to the heirs.

Under the Minnesota Probate Code, it is the duty and responsibility of a personal representative—not the heirs—to administer an estate, and the circumstances under which any party other than the personal representative may seek compensation from an estate are limited to:

- When a personal representative refuses to prosecute or pursue a claim or asset of the estate, and an interested party thereafter successfully prosecutes or pursues the claim or asset;
- When an interested party successfully makes a claim against the personal representative of the estate; or
- When the services of an attorney for an interested person contributes to the benefit of the estate, as distinguished from the benefit of the interested person.

Minn. Stat. § 524.3-720. In any of those circumstances, the amount of compensation must be “commensurate with the benefit to the estate from the recovery so made or from such services.”

Id.

The Personal Representative does not question the qualifications of counsel for any of the Non-Excluded Heirs or the quality of their advice and advocacy for their clients. However, at least since the appointment of the Personal Representative on February 1, 2017, all or substantially all of the services provided by such counsel have been for the benefit of their individual clients, rather than the Estate as a whole. To provide guidance to the Personal Representative and the Non-Excluded Heirs, the Personal Representative respectfully requests that the Court instruct the parties regarding the types of activities undertaken by counsel for the Non-Excluded Heirs that will and will not qualify for reimbursement by the Estate. At a minimum, the Court should provide notice to the Non-Excluded Heirs that it will not approve reimbursement of expenses related to duties that belong to the Personal Representative, rather

than the Non-Excluded Heirs, or that are duplicative of work that is already being conducted by the Personal Representative and its counsel. To the extent that counsel for the Non-Excluded Heirs wish to submit attorneys' fees and costs for reimbursement, the Court should require that counsel do so on a regular basis (at a minimum on the same quarterly schedule as the Personal Representative). Finally, any request for reimbursement should be carefully scrutinized to ensure both a benefit commensurate with the reimbursement requested and that the benefit was realized by the Estate, as a whole, and not one or more of the Non-Excluded Heirs. Minn. Stat. § 524.3-720.

Dated: March 10, 2017

/s/ Joseph J. Cassioppi

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