

STATE OF MINNESOTA

DISTRICT COURT

COUNTY OF CARVER

FIRST JUDICIAL DISTRICT
PROBATE DIVISION

In the Matter of:

Court File No. 10-PR-16-46

Judge Kevin W. Eide

Estate of Prince Rogers Nelson,

Decedent.

**COMERICA BANK & TRUST, N.A.'S
PETITION FOR FEES AND
COSTS FOR PERIOD BEGINNING
FEBRUARY 2022**

INTRODUCTION

Comerica Bank & Trust, N.A. (the “Personal Representative”), as the Personal Representative of the Estate (the “Estate”) of Prince Rogers Nelson, respectfully submits this petition, and accompanying proposed order, seeking approval of its fees and the procedures related to its fees and costs and those of its legal counsel, for the period beginning February 2022 and ending at the transition or closing of the Estate. As further described below, in light of the anticipated needs and activities of the Estate—including those associated with transitioning management of the Estate’s assets to the Heir Group—the Personal Representative proposes that its compensation remain the same as during the previous year. Such compensation, as well as the fees and expenses of the Personal Representative’s legal counsel, would remain subject to the existing review and approval protocols set forth in this Court’s March 23, 2021 Order Regarding Personal Representative’s Fees and Costs for Period Beginning February 2021.

BACKGROUND

The Personal Representative was appointed personal representative of the Estate effective February 1, 2017. On March 22, 2017, the Court entered an Order Regarding Application of

Existing Orders and Protocols to the Personal Representative. That order was extended and amended by orders dated September 7, 2018, April 23, 2019, March 26, 2020, and March 23, 2021 (collectively, the “Fee Orders”). The Fee Orders provide various guidelines and protocols for the Personal Representative in this matter, including the following with respect to fees and costs of the Personal Representative and its legal counsel:

- For the time period of February 1, 2017 through January 31, 2019, the Personal Representative was entitled to receive compensation of \$125,000 per month, plus expenses. (Mar. 22, 2017 Order ¶ 5; Sept. 7, 2018 Order ¶ 1.)
- For the time of period February 1, 2019 through January 31, 2022, the Personal Representative was entitled to receive compensation of \$110,000 per month, plus expenses. (Apr. 23, 2019 Order ¶ 1; Mar. 26, 2020 Fee Order ¶ 1; March 23, 2021 Fee Order ¶ 1.)
- The Personal Representative shall petition the Court regarding the amount of its compensation for the time period from February 1, 2022 through “such future date as is appropriate, based on the then anticipated needs and activities of the Estate.” (Mar. 23, 2021 Fee Order ¶ 1.)
- The Personal Representative is authorized to pay legal counsel’s fees and expenses as invoices are submitted and without advance approval, but subject to the review and approval process set forth in paragraph three of the March 23, 2021 Fee Order. (*Id.* at ¶ 3.)

Consistent with the Fee Orders, the Personal Representative and its legal counsel have filed fee affidavits every four months beginning June 2017, and are simultaneously with this

petition filing fee affidavits covering fees and expenses from October 1, 2021 through January 31, 2022.

The Personal Representative's fifth year serving as personal representative ended on January 31, 2022. Accordingly, and pursuant to the Fee Orders, the Personal Representative makes the below petition regarding its fees and costs for the period beginning February 2022 and ending at the transition or closing of the Estate.

PETITION

Effective February 1, 2022, the Personal Representative has determined that its compensation should remain at a provisional fee rate of \$110,000 per month. The Personal Representative has evaluated the status of the Estate as it enters its sixth year of administration and has determined that renewal of its current fee is appropriate. As the Court is aware, this is perhaps the most complex estate in Minnesota's history, and it involves a complicated and diverse array of assets and transactions. This Estate is also unique because its administration requires coordinating and communicating with the Heirs and the Interested Persons who have succeeded to the expectancy interests of certain Heirs, a Mediator/Moderator, and the myriad of attorneys and advisors representing these parties.

During the past year, the Personal Representative has devoted significant time and resources to administering the Estate, including two senior trust officers and hundreds of hours of time spent by other employees from the Personal Representative's legal, trust, and real estate departments. The Personal Representative anticipates that the Estate will continue to require this, if not a greater, level of time and resources for the period beginning February 1, 2022 for the following reasons. First, although the Personal Representative has successfully resolved multiple matters within the last year, it will be spending more time working with the Heir Group

on transition items than it did managing those closed matters. In particular, while many of the resolved matters (including third-party litigation and the Estate's disputes with taxing authorities) were managed by the Personal Representative, much of the day-to-day work on those matters was handled by counsel. While counsel will continue to be substantially involved with transition matters, most of the work associated with working with the Heir Group on transition matters will be handled directly by the Personal Representative, including holding regular meetings, coordinating meetings with partners and service providers, and otherwise ensuring the orderly transition of the assets of the Estate. This process is further complicated and more time consuming as, to date, it is uncertain which members of the Heir Group will actually be managing the Prince music business going forward. Thus, the Personal Representative, is left with the challenging task of explaining the management process to a group that includes, now, ten individuals, many of whom have little to no experience in the variety of management decisions that must be made.

In addition to transition matters, the Personal Representative continues to directly manage the Paisley Park museum, including the continuing impacts caused by the COVID-19 pandemic. Additionally, the Personal Representative continues to spend time and resources administering and developing entertainment deals with major partners in the music industry, resulting in the release of numerous legacy and revenue enhancing projects. Based on the needs of the Estate and her previous experience on the matter, the Personal Representative has continued the retention on contract of its former employee Angela W. Aycock solely to assist with the administration of the Estate.

In proposing its fee, the Personal Representative is mindful not only that administering this Estate requires substantial time and resources, but also that it exposes the Personal

Representative to a risk of significant liability. This includes claims asserted against the Personal Representative, multiple court challenges to actions taken by the Personal Representative brought by certain members of the Heir Group, and, more recently, a series of threats made by unwell individuals against agents of the Personal Representative that required the Estate to obtain harassment protective orders.

Accordingly, the Personal Representative proposes that for the period beginning February 2022 and ending at the transition or closing of the Estate, the Personal Representative be provisionally entitled to receive compensation at the rate of \$110,000 per month, plus reimbursement for expenses incurred in connection with administration of the Estate. Consistent with the March 23, 2021 Fee Order, the Personal Representative will continue to submit its compensation and expense reimbursements for review to the Court every four months (*i.e.*, on June 30, 2022 for compensation and expense reimbursements for February 1, 2022 through May 31, 2022) and the Heirs, Primary Wave, and any other Interested Person designated by the Court, would have 14 days after service to file written objections. The Court would then consider all supporting submissions made by the Personal Representative and would order the Personal Representative to reimburse the Estate in an amount that it determines to be reasonable and appropriate, if the Court believes that there was any overpayment of fees or expenses to the Personal Representative. The Personal Representative proposes that the same process—as set forth in the Fee Orders—would also continue to apply to the fees and expenses of its legal counsel.

The Personal Representative believes this proposal is fair and reasonable, including because (a) the Personal Representative is not proposing a rate increase, despite the significant work that will be associated with transitioning and/or closing the Estate during 2022, and (b) the

regular fee affidavit and review process not only allows for Court oversight, but also allows parties to request amendments to the fee as appropriate based on developments in the Estate.

CONCLUSION

For the reasons set forth herein, the Personal Representative respectfully requests that the Court enter the accompanying proposed order regarding the fees and costs of the Personal Representative and its legal counsel for the next year.

Dated: February 28, 2022

/s/ Joseph J. Cassioppi

Mark W. Greiner (#0226270)

Joseph J. Cassioppi (#0388238)

FREDRIKSON & BYRON, P.A.

200 South Sixth Street, Suite 4000

Minneapolis MN 55402-1425

612-492-7000

612-492-7077 fax

mgreiner@fredlaw.com

jcassioppi@fredlaw.com

Attorneys for Comerica Bank & Trust, N.A.

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