

STATE OF MINNESOTA

DISTRICT COURT


COUNTY OF CARVER

FIRST JUDICIAL DISTRICT

Court File No. 10-PR-16-46

Estate of
Prince Rogers NelsonINTERIM ACCOUNTING
FROM: 2/1/21 to 1/31/22

Decedent

| DEBITS | | <u>DEBITS</u> | <u>CREDITS</u> |
|---|--------------------|---------------|----------------|
| PROPERTY ON HAND FOR DISTRIBUTION as of 1/31/21 | | | |
| Stocks, Bonds and Other Securities | \$ 41,042,131.58 | | |
| Cash on Hand - Comerica Trust Acct...7891 | \$ 5,278,782.73 | | |
| Cash on Hand - Comerica Trust Acct...9096 (Escrow: Galpin) | \$ 17,725,713.52 | | |
| Cash on Hand - Comerica Trust Acct...9853 | \$ 15,000,470.69 | | |
| All Other Personal Property | \$ 38,102,690.59 | | |
| Receivables - 100% Owned Entities | \$ 5,297,455.46 | | |
| Escrow Account FBO Heirs, per court order, dated 11/14/18 (Chk Acct...6921) | \$ 0.00 | | |
| Real Estate | \$ 682,000.00 | | |
| SUBTOTAL | \$ 123,129,244.57 | | |
| Liabilities - Third Parties | \$ (14,563,983.76) | | |
| Liabilities - 100% Owned Entities | \$ (39,459,266.80) | | |
| Reserve for Federal Estate Tax | \$ (22,742,675.52) | | |
| Reserve for Minnesota Estate Tax | \$ (9,245,294.00) | | |
| SUBTOTAL | 37,118,024.49 | | |
| TOTAL | \$ | 37,118,024.49 | |
| Increases: (See attached) | | | |
| Interest & Dividends - Statement 1 | \$ 512.12 | | |
| Rental Income - Statement 2 | \$ 12,000.00 | | |
| Refunds - Statement 3 | \$ 20,636.59 | | |
| Royalties - Statement 4 | \$ 5,570,411.46 | | |
| Other Income - Statement 5 | \$ 1,773,604.00 | | |
| Tax Refunds - Statement 6 | \$ 97,019.68 | | |
| Other Increases - Statement 7 | \$ 74,576.43 | | |
| Gain/(Loss) Sales – See Gain/Loss Report | \$ (2,850.56) | | |
| Royalties Applied to NPG Music Debt | \$ 3,134,049.60 | | |
| Galpin Acct...9096 - Income | \$ 901.61 | | |
| (See "Galpin Property Proceeds Account" attachment) | | | |
|  | \$ 1,533.11 | | |
| TOTAL | \$ | 10,682,394.04 | |
| Adjustments to Original Basis, Per IRS Settlement | | | |
| See "Adjustments to Original Basis" Statement | \$ 57,442,890.83 | | |
| TOTAL | \$ | 57,442,890.83 | |

Other Changes to Principal:

| | | | |
|--|----|----------------|--------------|
| See "Other Changes to Principal" Statement | \$ | (1,594,987.01) | |
| TOTAL | \$ | | 1,594,987.01 |

CREDIT-DISBURSEMENTS

EXPENSES OF ADMINISTRATION: (See attached)

| | | | |
|--|----|--------------|--------------|
| Accounting Fees - Statement 1 | \$ | 37,302.42 | |
| Administration Fees, Business - Statement 2A | \$ | 1,214,502.41 | |
| Administration Fees, Estate - Statement 2B | \$ | 69,677.30 | |
| Appraiser Fees - Statement 3 | \$ | 52,616.75 | |
| Attorney Fees, Estate Admin - Statement 4A | \$ | 1,044,673.12 | |
| Attorney Fees, Business Admin - Stmt 4B | \$ | 362,422.18 | |
| Insurance - Statement 5 | \$ | 20,434.62 | |
| Personal Representative Fees - Statement 6 | \$ | 660,000.00 | |
| Personal Rep. Expenses - Statement 7 | \$ | 3,508.48 | |
| Property Maintenance - Statement 8 | \$ | 22,197.86 | |
| Utilities - Statement 9 | \$ | 12,349.64 | |
| Interest Expense Paid - Statement 10 | \$ | 451,746.20 | |
| Commissions - Statement 11 | \$ | 69,015.04 | |
| TOTAL - Expenses of Administration | \$ | | 4,020,446.01 |

TAXES: (See attached)

| | | | |
|---|----|---------------|---------------|
| Real Estate Taxes - Statement 1 | \$ | 34,318.88 | |
| Fiduciary Income Taxes: | | | |
| Federal Income Taxes - Statement 2 | \$ | 8,055,053.00 | |
| State Income Taxes - Statement 3 | \$ | 1,210,000.00 | |
| Federal Estate Taxes Paid - Statement 4 | \$ | 15,450,618.35 | |
| Minnesota Estate Taxes Paid - Statement 5 | \$ | 7,803,635.45 | |
| TOTAL Taxes | \$ | | 32,553,625.68 |

CHANGES TO RECEIVABLES - OWNED ENTITIES

(See "Receivables" attachment)

| | | | |
|--|----|----------|----------|
| Accrued Interest on Loan to Paisley Park Enterprises | \$ | 9,500.30 | 9,500.30 |
|--|----|----------|----------|

CHANGES TO LIABILITIES - THIRD PARTIES

| | | | |
|---|----|--------------|--------------|
| Net Payments to Revised Loan: 2/1/21 to 1/31/22 (See "Liabilities - Third Parties" attachment) | \$ | 1,000,000.00 | 1,000,000.00 |
|---|----|--------------|--------------|

CHANGES TO LIABILITIES - OWNED ENTITIES

(See "Liabilities - 100% Owned Entities" attachment)

Decreases:

| | | | |
|--|----|---------------|---------------|
| Expenses Applied to Debt - NPG Music | \$ | 0.00 | |
| Expenses Applied to Debt - NPG Records | \$ | 0.00 | |
| Reduction of Note Balances due to Shareholder | | | |
| Distribution of Receivables: | | | |
| NPG Records, Inc. - Note Dated 7/14/17 | \$ | 6,500,000.00 | |
| NPG Records, Inc. - Note Dated 11/1/18 (Revolving) | \$ | 30,847,555.25 | |
| Net Decreases | \$ | | 37,347,555.25 |

| | | |
|--|-------------------|-------------------------------|
| <i>Increases:</i> | | |
| Accrued Interest - NPG Music, & NPG Records | \$ 125,452.98 | |
| Adjustment to Acc. Int. - NPG Records Note, Dtd 7/14/17 | \$ (55.82) | |
| Adjustment to Acc. Int. - NPG Records Note, Dtd 11/1/18 | \$ 3.89 | |
| Advances for Contingency Settlements Paid by NPGR | \$ 263,000.00 | |
| Net Increases | \$ | 388,401.05 |
| OTHER SETTLEMENTS ALLOWED AND PAID | | |
| Settlements Paid - Statement 1 | \$ 200,000.00 | |
| TOTAL Claims Paid | | 200,000.00 |
| INTERIM DISTRIBUTIONS TO DEVISEES AND HEIRS | | |
| See Statement | \$ 0.00 | |
| TOTAL Devisees Paid and Distributed | \$ | 0.00 |
| SUBTOTAL DEBITS AND CREDITS | \$ | 143,600,364.91 38,757,459.75 |
| PLUS: Total Property on Hand for Distribution | \$ 104,842,905.16 | 104,842,905.16 |
| TOTAL (Debits should Equal Credits) | \$ | 143,600,364.91 143,600,364.91 |
| PERSONAL PROPERTY ON HAND FOR DISTRIBUTION | | |
| Stocks, Bonds and Other Securities | | 74,923,857.00 |
| Cash on Hand - Comerica Trust Acct...7891 | | 4,717,759.56 |
| Cash on Hand - Comerica Trust Acct...9096 (Galpin Proceeds) | | 7,726,615.13 |
| Cash on Hand - Comerica Trust Acct...9853 | | 15,002,003.80 |
| All Other Personal Property: | | 62,645,460.00 |
| Escrow Account FBO Heirs, per court order, dtd 11/14/18 (Chk Acct...6921)(<i>See attachment</i>) | | 0.00 |
| Receivables - Third Parties (<i>See "Receivables" attachment</i>) | | 20,000.00 |
| Receivables - 100% Owned Entities (<i>See "Receivables" attachment</i>) | | 5,251,924.34 |
| LESS: | | |
| Liabilities - Third Parties (<i>See "Liabilities" attachment</i>) | | (13,563,983.76) |
| Liabilities - 100% Owned Entities (<i>See "Liabilities" attachment</i>) | | (17,897,774.38) |
| Reserve for Federal Estate Tax - Per IRS Settlement* | (20,303,895.50) | |
| Reserve for Federal Estate Interest - Per IRS Settlement* | (2,666,924.73) | (22,970,820.23) |
| Reserve for Minnesota Estate Tax - Per MNDOR Settlement* | (9,330,593.29) | |
| Reserve for Minnesota Estate Interest - Per MNDOR Settlement* | (1,681,543.01) | (11,012,136.30) |
| TOTAL Personal Property | | 104,842,905.16 |
| REAL ESTATE ON HAND FOR DISTRIBUTION | | |
| Real Estate | | 0.00 |
| LESS: Mortgages, and Contract for Deed Unpaid | | 0.00 |
| TOTAL Real Estate | | 0.00 |
| TOTAL PROPERTY ON HAND FOR DISTRIBUTION | | <u>104,842,905.16</u> |

* Reserves reflect the amounts due and payable as of Jan. 31 2022.

These reserves were subsequently paid after the end of the accounting period.

Under penalties for perjury, we declare or affirm that we have read this Interim Accounting and to the best of our knowledge or information, believe its representations are true and complete.

Comerica Bank & Trust, N.A., Personal Representative

June 14, 2022

By: Andrea L. Bruu

Dated

Its: Vice President

Attorney for Personal Representative

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