



August 10, 2018

**VIA E-FILING & EMAIL**

The Honorable Richard B. Solum  
2950 Dean Parkway, #2502  
Minneapolis, MN 55412

**REDACTED VERSION**

Re: *In re the Estate of Prince Rogers Nelson*  
Court File No. 10-PR-16-46

Dear Judge Solum:

We are writing on behalf of Comerica Bank & Trust, N.A. ("Personal Representative"), in response to your correspondence dated July 30, 2018, which requested further instruction from the parties regarding five issues:

1. Overlap of work performed by different Heirs' counsel;
2. The benefit of work performed on the Paisley Park museum generally and the role of counsel for the Special Administrator (the "Paisley Park" bucket);
3. The benefit provided to the Estate and the Heirs by the tribute concert, including the sale of merchandise at the concert (the "Tribute" bucket);
4. The holding of *In re Anderson* as it relates to the fees incurred in unsuccessfully opposing the former Special Administrator's applications for legal fees; and
5. The Court of Appeals' instruction to consider the "big picture" including the fees paid to Heirs' counsel in light of fees paid to the former Special Administrator's counsel.

The Personal Representative is not in a position to comment on the first issue, as it was not involved in the Estate during the relevant time period, but will provide additional information or analysis regarding topics 2-5 to the extent that it is able.

Attorneys & Advisors  
main 612.492.7000  
fax 612.492.7077  
fredlaw.com

Fredrikson & Byron, P.A.  
200 South Sixth Street, Suite 4000  
Minneapolis, Minnesota  
55402-1425

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Paisley Park Museum Fees

The former Special Administrator selected and entered into a contract with P Park Management, LLC, a subsidiary of Graceland Holdings, LLC to create and operate the Paisley Park Museum.

[REDACTED]

Because counsel for the former Special Administrator block-billed their time, it is impossible to provide Your Honor with the exact amount of legal fees paid for work on matters relating to the Paisley Park Museum. We previously reviewed and categorized (to the extent possible) Stinson Leonard Street LLP's time entries for tax purposes and our best estimate is that at least \$126,680 of the former Special Administrator's attorneys' fees were for work related to the vetting and selection of P Park Management LLC, negotiation of the Museum Exhibition Agreement, and administration of the Museum.<sup>1</sup>

In addition, the Heirs individually entered into consultant agreements with Paisley Park Facility, LLC, an Estate-owned entity, to provide knowledge and access to memorabilia and other personal items [REDACTED]

The district court previously approved reimbursement of fees related to Paisley Park in the amounts of: \$9,396.00 to Mr. Wheaton; \$8,342.00 to Mr. Bruntjen; and \$8,080.00 to Cozen O'Connor.

Tribute Concert Fees

The Personal Representative has reviewed the Estate's contracts and financial accounts and has confirmed that, although it authorized the concert and the sale of merchandise at the Tribute Concert managed by the Heirs, the Estate did not receive any portion of the revenues from the Tribute Concert's ticket sales or merchandise sales. We understand that all revenues (including merchandise revenues) from the concert went to the concert's producers, who distributed a portion of the revenues to the Heirs.

The district court previously approved reimbursement of fees related to the Tribute Concert in the amounts of: \$119,664.00 to Mr. Wheaton; \$9,627.25 to Justin Bruntjen; and \$2,625.00 to Cozen O'Connor.

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<sup>1</sup> If Your Honor would like us to submit copies of the relevant invoices with the billing entries related to the Paisley Park Museum highlighted, we can have those prepared for your review.

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Special Administrator Fees

The Court of Appeals' interpretation of § 524.3-720 in *In Re Anderson*, 654 N.W.2d 682, 688 (Minn. Ct. App. 2002), is correct. An interested person's attorney may not be reimbursed from an estate for unsuccessfully opposing the personal representative unless the interested person's objection otherwise benefitted the estate. As the Court of Appeals noted in its Order, there are only four circumstances permitting compensation for attorneys representing interested persons and all four require that the interested person's counsel be successful or otherwise contribute a benefit to the Estate:

(1) if any interested person . . . successfully opposes the allowance of a will; (2) if “after demand the personal representative refuses to prosecute or pursue a claim or asset of the estate . . . and any interested person . . . by a separate attorney prosecute[s] or pursue[s] and recover[s] such fund or asset for the benefit of the estate”; (3) “if a claim is made against the personal representative on behalf of the estate and any interested person . . . by a separate attorney prosecute[s] or pursue[s] and recover[s] such fund or asset for the benefit of the estate”; and (4) if “the services of an attorney for any interested person contribute to the benefit of the estate, as such, as distinguished from the personal benefit of such person.”

(Minn. Ct. App. Order at 7-8 (emphasis added) (alterations in original) (quoting Minn. Stat. § 524.3-720).) This threshold requirement—that counsel's work benefitted the estate—is necessary for efficient estate administration. It incentivizes and rewards legal work that adds value to the estate. Without such a threshold, interested persons (which include creditors of an estate) could easily drain an estate and delay its administration through excessive and meritless litigation without suffering any expense or consequence. Finally, we note that § 524.3-720 does not punish or prohibit interested persons from advancing any claim or objection; it merely requires them to pay their own legal fees to the extent their counsel's actions do not contribute a benefit to the estate.

The “Big Picture”

The Court of Appeals has instructed the district court to consider the “big picture,” including by evaluating Heirs' counsel's fees in light of fees paid to the former Special Administrator and its counsel. The following table lists all fees and expenses that the district court has authorized the Estate to pay to the former Special Administrator's counsel and Heirs' counsel for work performed April 2016 through January 31, 2017:

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Law Firm (and Represented Party)	Date Range	Fees and Expenses
Stinson Leonard Street LLP (Bremer Trust, N.A.)	4/21/16-6/30/16	\$1,944,377.57
	7/1/16-9/30/16	\$1,840,895.97
	10/1/16-12/31/16	\$1,608,463.68
	1/1/17-1/31/17	\$706,601.12
Miscellaneous counsel (Bremer Trust, N.A.)	4/21/16-6/30/16	\$255,763.29
	7/1/16-9/30/16	\$206,755.63
	10/1/16-12/31/16	\$330,938.93
	1/1/17-1/31/17	\$91,763.61
Holland & Knight, LLP (Tyka Nelson)	Through 2/28/17	\$501,912.25
Gray Plant Mooty, LLP (Tyka Nelson)	Through 9/27/16	\$166,753.70
Lommen Abdo, P.A. (Sharon, John, and Norrine Nelson)	Through 11/10/17	\$274,600.00
Cozen O'Connor, LLP (Omarr Baker) (Tyka Nelson, January 2017 only)	Through 1/31/17	\$159,240.75
Frank Wheaton (Alfred Jackson)	Through 1/31/17	\$188,820.00
Justin Bruntjen (Alfred Jackson)	Through 1/31/17	\$54,926.25
Total legal fees and expenses reimbursed by the Estate:		\$8,331,812.75

Please let us know if you need any further information.

Respectfully submitted,

*/s/ Joseph J. Cassioppi*

Joseph J. Cassioppi  
Direct Dial: 612.492.7414  
Email: jcassioppi@fredlaw.com

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