

STATE OF MINNESOTA

DISTRICT COURT

COUNTY OF CARVER

FIRST JUDICIAL DISTRICT
PROBATE DIVISION

In Re:

Case Type: Special Administration

Court File No: 10-PR-16-46

Judge: Kevin W. Eide

Estate of Prince Rogers Nelson,

Decedent.

**DECLARATION OF L. LONDELL
MCMILLAN IN SUPPORT OF
MOTION TO INSTITUTE PROTOCOLS
TO FACILITATE CLOSURE OF THE
ESTATE**

L. Londell McMillan hereby states and declares as follows:

1. This declaration and attached exhibits are submitted in support of the SNJ, L. Londell McMillan and Charles Spicer's Motion to Institute Protocols to Facilitate Closure of the Estate, dated August 13, 2021.
2. Attached hereto as Exhibit A is a true and correct copy of the transcript of the July 23, 2021 hearing before the Court in the above-captioned matter.
3. Attached hereto and filed under seal as Exhibit B is a true and correct copy of an email chain between L. Londell McMillan, Joseph Cassioppi, et al. dated May 25, 2021.
4. Attached hereto as Exhibit D is a true and correct copy of an email chain between Justice Gilbert, L. Londell McMillan et al. dated June 3, 2021.
5. Attached hereto and filed under seal as Exhibit E is a true and correct copy of an email chain between L. Londell McMillan, Joseph Cassioppi et al. dated June 3, 2021
6. Attached hereto as Exhibit G is a true and correct copy of an email chain between L. Londell McMillan, Justice Gilbert et al. dated July 16, 2021.

7. Attached hereto as Exhibit H is a true and correct copy of an email from Jonas Herbsman to Joseph Cassioppi dated March 24, 2021.

8. Attached hereto and filed under seal as Exhibit I is a true and correct copy of an email chain between L. Londell McMillan, Mark Greiner, et al. dated June 4, 2021.

9. Attached hereto as Exhibit J is a true and correct copy of an email chain between L. Londell McMillan, Mark Greinert, Karen Sandler Steinert et al. dated June 23, 2021.

10. Attached hereto as Exhibit K is a true and correct copy of the Curriculum Vitae of Barry S. Sziklay.

11. In response to the accusation by Comerica that I am seeking to force out its entertainment advisors so I can take their place, I can state that I have already had that job, and that my priorities are solely focused on advising SNJ and protecting my own interest in the Estate. Accordingly, I can confirm that I will not take any action to seek the position of entertainment advisor to the Estate prior to its closure.

I declare under penalty of perjury that everything I have stated in this document is true and correct.

Signed on August 13, 2021.

/s/ L. Londell McMillan
L. Londell McMillan

EXHIBIT A
to
Declaration of L. Londell McMillian
(August 13, 2021)

1 STATE OF MINNESOTA DISTRICT COURT
2 COUNTY OF CARVER FIRST JUDICIAL DISTRICT

3 -----

4 In Re the Matter of:

5 Estate of Prince Rogers Nelson,

File No. 10-PR-16-46

6 Decedent.

7 vs.

<95F=B;

8 -----

9 The above-entitled matter came on for hearing
10 before the Honorable Kevin W. Eide, Judge of the
11 above-named Court, on July 23, 2021, County of Carver,
12 State of Minnesota, via zoom.

13 5DD95F5B79G

14 MR. JOSEPH CASSIOPPI, Esq., Fredrikson & Byron,
15 appeared on behalf of the Personal Representative Comerica
16 Bank & Trust. Also present was Andrea Bruce, Angela
17 Aycock, and Susan Nystrom from Comerica Bank & Trust.

18 MR. LONDELL MCMILLAN & CHARLES SPICER, Esqs.,
19 appeared for and on behalf of themselves and Sharon Nelson,
20 Norrine Nelson, and Johnny Nelson.

21 ALSO PRESENT: Sharon Nelson, Amelia Wodehouse,
22 and an unidentified participant.

23

24 WHEREUPON, the following proceedings were duly
25 heard:

1 PROCEEDINGS:

2 THE COURT: We'll go on the record in the
3 matter of the Estate of Prince Rogers Nelson. Court
4 file is 10-PR-16-46. And can I ask the parties that
5 are intending to participate in the hearing to note
6 their appearance?

7 Mr. Cassioppi, would you start us out?

8 MR. CASSIOPPI: Yes, Your Honor. Joe
9 Cassioppi from Fredrikson & Byron on behalf of the
10 personal representative Comerica Bank and Trust. With
11 me from Comerica today are Andrea Bruce, Angela
12 Aycock, and Susan Nystrom.

13 THE COURT: Mr. McMillan?

14 MR. MCMILLAN: Yes. I'm Londell McMillan on
15 behalf of Sharon, Norrine, and Johnny Nelson and
16 myself, and thank you for allowing me to participate.

17 THE COURT: Okay. And Ms. Sharon Nelson
18 joins us as well.

19 Mr. Spicer, would you note your appearance?

20 MR. SPICER: Yes. Charles Spicer,
21 court-appointed heirs representative for Sharon,
22 Norrine, and John Nelson, an interested party.

23 THE COURT: Ms. Amelia Wodehouse appears on
24 the zoom call. Ms. Wodehouse has filed a claim
25 against the estate, and for Mr. Cassioppi and Ms.

1 Wodehouse, I understand that the -- that Comerica is
2 intending to address the matter with the Court and
3 we've set, I believe, August 27th at 1:30 as a
4 proposed date for a hearing regarding that matter.

5 And the record should reflect that there is
6 one other person on the line with the phone number
7 952, ending in 974, and I've asked that person to
8 identify themselves and they have either been
9 unwilling or unable to do so, so with that, Mr.
10 Cassioppi, go ahead.

11 MR. CASSIOPPI: Thank you, Your Honor.
12 Mr. McMillan, do you believe is that Norrine Nelson's
13 phone number?

14 MR. MCMILLAN: Which number are you
15 referring to, Joseph?

16 MR. CASSIOPPI: The one that ends with 974.

17 MR. MCMILLAN: I do not believe that --

18 MS. NELSON: No.

19 MR. MCMILLAN: -- is Ms. Nelson's phone
20 number.

21 MS. NELSON: Right.

22 MR. MCMILLAN: I do not believe that that is
23 Ms. Nelson's phone number.

24 MS. NELSON: Right. That is not Norrine's
25 number.

1 THE COURT: All right. And, Ms. Sharon
2 Nelson, thank you for noting that. Remember we're on
3 a zoom call. My court reporter is trying to get
4 everything down and if people interject things it's
5 difficult because she doesn't know who's talking. So
6 please let, in that example, Mr. McMillan finish and
7 then you could speak identifying yourself first.

8 Folks, I do understand that court
9 administration was contacted by, we think, the local
10 paper Chaska Harald. Somebody was interested in
11 listening in and it could be that that number relates
12 to that news outlet.

13 So, Mr. Cassioppi?

14 MR. MCMILLAN: Very good.

15 MR. CASSIOPPI: Thank you, Your Honor. We
16 are here today on Comerica's petition to approve its
17 fourth interim accounting to cover the time period of
18 February 1st of 2020 through January 1st of 2021. We
19 filed and served our petition and the accounting on
20 May 12th of 2021. We then served the notice of
21 hearing setting the hearing for today, seven days
22 later, on May 19, 2021. So it's been a little over
23 two months. We notified everyone that the hearing was
24 going to be set for today. Until yesterday afternoon,
25 we had not received any objections, any requests for

1 additional information, any follow-up, any
2 questions --

3 THE COURT: Can I ask that those that are
4 not speaking to put your phone or computer on mute?
5 Thank you.

6 MR. CASSIOPPI: -- any requests, follow-up
7 questions or the like from any heir or interested
8 party. Then yesterday afternoon, Mr. McMillan
9 contacted the court to state that neither he nor Mr.
10 Spicer had received copies or had received service of
11 the petition, accounting, and notice, and requested
12 that this hearing be moved. I went back this morning
13 and verified that, in fact, that was not accurate.
14 That Mr. McMillan, Spicer, and Sharon, John, and
15 Norrine Nelson, all of them received individually
16 copies of all of these filings. They were served to
17 the court's Tyler court system on the dates that they
18 were filed with the court, so May 12th and May 19th.

19 Subsequent to that, this morning
20 Mr. McMillan sent us an objection by email which then
21 was copied and pasted into a pleading which was filed
22 with the court about 30 minutes ago. Although it
23 appears that was rejected initially and it looks like
24 it was just re-filed within the last five minutes. So
25 Your Honor likely, almost certainly, has not seen that

1 yet.

2 And I'll do the best that I can to respond
3 to those objections to the extent that I can now, but
4 I do want to make a general point first, and that is
5 we have with each of those accounting filings, we have
6 filed them and then waited sometimes two or three
7 months after the petition to actually set the hearing
8 like we did here. The goal of that is we file the
9 accounting and we want to give all of the heirs and
10 interested parties an adequate opportunity to review
11 the accounting which is a long thick document, send us
12 any request for follow-up information, and then if
13 there are going to be objections to file those
14 objections far enough out so that the Court can review
15 them, we can review them, and can prepare in an
16 organized matter to address those objections at the
17 hearing. And unfortunately we're falling into a
18 pattern here where today and at a few of the -- or the
19 previous two accounting hearings, we've had objections
20 raised literally the day of the hearing which is not
21 to anybody's benefit because it just means that we end
22 up having to address things after the fact and spend
23 unnecessary time and effort. And so hopefully we can
24 fix that moving forward and I'll do the best that I
25 can to address the points raised in the objection

1 today understanding that the Court may not have seen
2 those yet and may want some opportunity to review
3 those and any supplemental filings before making a
4 decision on the petition.

5 THE COURT: Mr. Cassioppi, can I interrupt?

6 MR. CASSIOPPI: Yes.

7 THE COURT: In the notice of hearing, was
8 there any requirement that any objection be filed by
9 any certain date?

10 MR. CASSIOPPI: There is -- no, there's not
11 a specific requirement that any objection be filed by
12 any specific date.

13 THE COURT: And would it be appropriate to
14 include that in the future?

15 MR. CASSIOPPI: I think that makes eminent
16 sense, Your Honor.

17 THE COURT: All right. So the Court will
18 certainly consider that. If any of the other parties
19 present wish to comment on whether that should be done
20 or not, I haven't made that decision just inviting
21 comment. All right. Go ahead.

22 MR. CASSIOPPI: The first objection that is
23 raised in the filing made by Sharon, John, and Norrine
24 Nelson is something that the Court has heard before.
25 It is an objection to the compensation paid to Troy

1 Carter. And two points on that. The first is, as the
2 Court may recall, during the term of Bremer Trust as
3 Special Administrator, the two entertainment advisors
4 that Bremer Trust retained, Mr. McMillan and
5 Mr. Koppelman, were paid, between the two of them, a
6 ten percent commission on entertainment deals that
7 they sourced. Comerica's goal has been that the total
8 amount it pays to Troy Carter be at or around half of
9 that or five percent. So the combination of monthly
10 fees paid to him and commissions that are paid to him,
11 that those come in at or below five percent. And for
12 the time period covered by this accounting, the
13 percentage of sourced revenue, the Troy Carter sourced
14 revenue, which excludes any revenue from pre-existing
15 deals like the Warner Bros. deal, but the percentage
16 of Troy Carter's sourced revenue that went to payments
17 to Troy Carter was 3.818 percent. And I'm happy to
18 provide any additional detail in written form or
19 otherwise to the Court, but we think we're getting
20 really good value and a six percent plus Delta in
21 favor of the estate as compared to the compensation
22 that was paid to Mr. McMillan and Mr. Koppelman during
23 their service as entertainment advisors. There's a
24 sub-issue that's raised as part of that piece of the
25 objection that Troy Carter is not necessary any more

1 and that we should be relying on presumably
2 Mr. McMillan and others who are working for the heirs
3 to handle the entertainment matters for the estate,
4 we've talked about this before in connection with
5 other filings, Comerica disagrees with that. Comerica
6 continues to get excellent value for Mr. Carter
7 including connection with multiple entertainment
8 transactions during this accounting period that
9 brought a significant value to the estate. I'm not
10 going to mention that because there are, it appears,
11 two non-parties who aren't within the group of people
12 who are entitled to confidential information on this
13 zoom today, but certainly can provide those details to
14 the court as well if need be. And frankly, as long as
15 Comerica is continuing to serve in this role and
16 absent any sort of transition or the agreement on a
17 transition plan that would result in scaling back of
18 activities, Comerica needs to continue to generate
19 revenue for the estate and it needs Mr. Carter's
20 services to continue doing that.

21 The second objection is another one the
22 Court has heard before. It is a blanket objection to
23 Comerica creating any new assets. And what that means
24 is the Nelsons do not want Comerica entering into any
25 new entertainment projects. As the Court is aware,

1 there have been some entertainment opportunities that
2 we discussed with the Court in May of 2020 that we
3 have not gone forward with at the request of the heirs
4 because the heirs have said we want to retain this for
5 ourselves. And we've honored that to this point, but
6 we need to continue to generate revenue and we are
7 doing so in a responsible manner that takes into
8 account the wishes of the heirs and the cash need of
9 the estate including and in connection with paying the
10 estate's tax obligations.

11 Third objection is, quote, excessive costs
12 related to Comerica's failure to administer business
13 of the estate in passing material obligations, third
14 parties to provide the services Comerica was appointed
15 to administer, and there's no details beyond that so I
16 can't really respond to that other than Comerica
17 stands by all of the service providers that it's
18 retained whether it be an iron mountain and the
19 digitization and the document protection services is
20 providing, or a company like Tri-Star which is doing
21 all the financials for the estate and helping with
22 fiduciary income tax returns and the like.

23 The fourth objection is that Comerica has
24 paid excessive expenses associated with delaying the
25 resolution of the tax -- the tax dispute with the IRS

1 and the Minnesota Department of Revenue. We've
2 discussed that as recently as early as this year and
3 Comerica stands by its efforts and fairly
4 extraordinary efforts to resolve those disputes as
5 quickly as possible, and we can only drive our side of
6 the deal and the IRS and the Minnesota Department of
7 Revenue have their own timeline which controls what
8 can and cannot be resolved and on what basis. And I
9 will say, and this is all public record, that Comerica
10 has resolved a significant portion of the dispute with
11 the IRS and everything dealing with the real estate,
12 and that's done and it's a very positive first step
13 that we think will make it easier to resolve the
14 remainder of the dispute.

15 The fifth and sixth objection both relate to
16 legal fees paid by the estate. And very briefly on
17 this, the legal fees incurred by Comerica are handled
18 as part of a separate review process. All the legal
19 fees for the time period covered by this accounting
20 have already been approved by the Court so that is a
21 closed issue.

22 The seventh, and there's only eight so we're
23 almost there, the seventh objection is that the
24 accounting is not specific enough. The accounting as
25 filed is 33 pages. It has all of the details in the

1 court-approved form for probate accounting. It
2 includes all expenses, income, payors, payees to the
3 estate in great detail, but again, the purpose of us
4 filing this and waiting two months to hold the hearing
5 is to allow these types of questions to come up if
6 there are specific line items that folks would like
7 additional information on, that's why we delayed the
8 hearing and we haven't received a single inquiry to
9 this point.

10 The eighth and final objection which was
11 included in the filing that was just made with the
12 court, is that it's tough to follow but it appears to
13 be stating that Sharon, John, Norrine don't want the
14 order issued on this petition to limit the rights of
15 third parties to bring claims against Comerica. I'm
16 not sure what that's in reference to. The accounting
17 and the proposed order we submitted therewith
18 including the petition asked that any objections that
19 could have been raised in the accounting that were
20 known and available to be raised, if they're not
21 raised that they're waived. That is the standard
22 language that is included in accounting review
23 matters. And, in fact, if the Court looks at the
24 appellate court's opinion that was issued in the
25 Sharon Nelson V. Comerica matter, the Court of Appeals

1 explained that one of the purposes of these interim
2 accountings is to allow certain issues or certain time
3 periods to be, in essence, peeled off and taken care
4 of which is particularly important in a case like this
5 because it's not, and you're going to have at the end
6 of a five- or six-year loan and a very complicated
7 estate, the potential of litigating claims for months
8 or years afterwards that are from activity that took
9 place a long time ago. And so I don't know who these
10 third parties are, I don't know what claims they would
11 like to bring, but the Court can and should,
12 consistent with the Court of Appeals guidance from the
13 Sharon Nelson matter, issue an order as it relates to
14 the relief requested with respect to this accounting
15 period.

16 The final item I have subject to any
17 rebuttal is a housekeeping matter. I noticed as I was
18 preparing for today that the accounting that we filed
19 on May 12th of 2021 did not include the signature of
20 Ms. Bruce on the third page. I will be filing either
21 later today or Monday the identical documents but with
22 the signature of Ms. Bruce just so we've got a
23 complete copy of it in the record. And that's
24 important because the language on the bottom of the
25 third page makes this a verified form, and that way

1 we've got a complete record in front of Your Honor.

2 THE COURT: Thank you.

3 Ms. Nelson, as an heir I'll invite you to
4 respond if you wish or you can allow Mr. Spicer or
5 Mr. McMillan to go forward. What would you like to
6 do? Ms. Nelson, I think you need to unmute perhaps
7 using star six.

8 MS. NELSON: Oh, thank you. Yes, I'd like
9 Mr. Spicer to speak for me and then I may chime in.

10 THE COURT: Okay. Mr. Spicer, go ahead.

11 MR. SPICER: I'm actually going to defer my
12 comments to Mr. McMillan as he's a legal adviser on
13 this matter.

14 THE COURT: Mr. McMillan.

15 MR. MCMILLAN: Good afternoon, Judge, and
16 good afternoon all. I'm going to briefly try and
17 respond to some of the matters by Mr. Cassioppi
18 regarding to the objection, but I'd rather start by
19 speaking to the actual interim accounting that was
20 presented for the Court's review and kind of give some
21 big picture of points which may illuminate and give a
22 sense of perspective on the objections because they
23 appear to have been just taken out of context or
24 without any kind of reference to the actual accounting
25 that was prepared and presented to the Court.

1 First and foremost, the heirs that have this
2 two-month period of time, they are not represented by
3 the types of financial advisors that I see the estate
4 pays over a million dollars or close to a million
5 dollars to advise them in connection with the
6 preparation of these documents. They are pretty much
7 flying solo from a tax and financial standpoint in
8 their review of these documents.

9 Second, Mr. Cassioppi raised an issue about
10 no one said anything regarding this. That is
11 incorrect. There is email asking for an opportunity
12 to have a conference call, to my recollection, to
13 discuss some of the matters pertaining to these
14 expenses, and I think the response was that the
15 parties should write down their questions and send it
16 in. Unless I'm referring to a different matter which,
17 Your Honor, may be the case as I'm kind of an old
18 party to the estate but I'm a new party to these
19 particular proceedings, so I'm still trying to catch
20 up. So while Mr. Cassioppi did raise that I objected
21 saying that I had not received the notice, he's
22 correct. It was an error. I was mistaken that this
23 was related to the legal fees which is an even
24 separate proceeding that I thought was all one
25 consolidated proceeding, but it appears that there are

1 multiple fee schedules and fee accountings over large
2 periods of time giving the heirs and interested
3 parties very short windows to ascertain and try to
4 make heads or tails of what is being presented.

5 THE COURT: Let me stop you and ask you
6 about three questions.

7 MR. MCMILLAN: Yes, sir.

8 THE COURT: You send this email about what
9 time?

10 MR. MCMILLAN: Okay. There were a couple of
11 emails. I sent one email, I believe, yesterday, Your
12 Honor. And I believe the email was -- the email was
13 not started by me, actually, the email was started by
14 Ms. Nelson who was trying to seek clarity on this
15 hearing. I happened to have been copied on it and as
16 I read the email I mistakenly assumed it was for the
17 other proceeding looking at the legal fees and I
18 chimed in and there was not a hearing today because it
19 had been postponed. Mr. Cassioppi was generous enough
20 to extend the time to the 28th instead of the 23rd, so
21 I chimed in and said there is no hearing. Mr.
22 Cassioppi correctly pointed out that they were
23 separate proceedings. That was yesterday.

24 THE COURT: And so I assume you have not had
25 time to present any written questions?

1 MR. MCMILLAN: Correct, sir.

2 THE COURT: Okay. And as Mr. Cassioppi
3 brought up his procedural concerns, do you have advice
4 to the Court as to how this should be conducted and
5 what the time parameters should be in the future?

6 MR. MCMILLAN: Yes, Your Honor. I do think
7 that it makes sense to specify a time certain for
8 response, but I do believe that it's appropriate for
9 the heirs and interested parties to have the kind of
10 financial advisors and tax people who can actually
11 look at this to give that insight so that they can
12 kind of really ask questions in advance and speak to
13 these issues, and I think a well informed manner, not
14 in a court litigious adversary manner. I think that
15 this should be, quite frankly, a moderation of these
16 matters before coming to you, Judge. I think that it
17 should be discussed with financial experts. If
18 nothing else, not to play necessarily I gotcha, but if
19 nothing else as we move towards transition to bring a
20 sense of knowledge and clarity on how the assets have
21 been treated, how the funds are being used. For
22 example, it's my understanding that Comerica is paid
23 \$110,000 monthly, but when we look on this particular
24 sheet I only see they're paying themselves \$55,000
25 monthly. The answer to this is something I'm very

1 You mentioned that you -- did I understand you to say
2 that you felt that the heirs needed financial experts?

3 MR. MCMILLAN: Yeah, they have been asking
4 for that and I do believe for purposes of being able
5 to, one, get up to speed on the assets that they're
6 going to inherit as well as to ask the appropriate
7 questions and to better serve even the personal
8 representative, they need financial experts and advice
9 to at least be able to review these very intricate
10 financial statements as Mr. Cassioppi said earlier.
11 Thirty-three pages of very detailed financial -- which
12 companies, for example, exists, that some of them are
13 not clear on who the companies are and who are the
14 parties.

15 THE COURT: Can you -- you're saying that
16 the estate should pay for those financial experts?

17 MR. MCMILLAN: I wasn't referencing who
18 should pay for the experts, but since you're asking
19 the question, yes, sir, absolutely because it would be
20 in the best interest of the estate. Again, it's not
21 for purposes of I gotcha, but for purposes of checks
22 balances and keeping, you know, keeping -- double --
23 cross-referencing, checks balancing, cross-referencing
24 and it would be great if the estate would allow a
25 reasonable fee for them to have someone to walk them

1 through as well as to ask certain questions. And one
2 of the things that I've noticed throughout this
3 process, whenever reasonable inquiries are raised or
4 suggestions are raised in good faith and an attempt to
5 have an honest dialogue, it's often met with such
6 disdain and distance and push away. And in some cases
7 we've been able to recently, in particular, to really
8 get along and have good conversations until there's a
9 suggestion made that is in any way different than what
10 has been done unless there's a clear legal basis. For
11 example, during one of the recent calls with the
12 interested parties related to an income project which
13 would have been a derivative work bringing light to
14 the issue that Mr. Cassioppi raised when he said my
15 second point was to not make new deals. That's
16 incorrect. There's a distinction between new deals
17 and a derivative work. A completely new asset that's
18 formed from the original work. There was an effort to
19 create a deal with Paisley Park Records that would
20 have created new recordings that would have
21 potentially cost the estate considerable monies, and
22 also particular liabilities because certain rights
23 were not acquired. We raised this issue, it came up,
24 it was then tabled, but that would have been a
25 derivative work. What I've been asking here is that

1 the estate has been spending considerable amount of
2 money sourcing new ideas to create new intellectual
3 property from existing intellectual property which is
4 called derivative works. It is my understanding that
5 the personal representative's duty is to protect,
6 preserve, and monetize the existing assets at the date
7 of death, not to use the existing assets of the date
8 of death to invest in sourcing new properties and new
9 derivative works.

10 THE COURT: Upon what do you base that?

11 MR. MCMILLAN: I'm sorry?

12 THE COURT: Upon what do you base that
13 opinion? Is it just your understanding?

14 MR. MCMILLAN: Yeah. If you want me to
15 brief it I would be happy to. I'm basing it on the
16 probate statutes what I recall the rules were of the
17 -- of the -- of the personal representative and
18 everything that I've seen in your court orders stating
19 that they're supposed to preserve, protect, and
20 monetize the assets of the estate.

21 THE COURT: Okay. Going back to your idea
22 of I should order the estate to pay for financial
23 experts and Sharon, John, and Norrine would understand
24 that that would increase the expense of the estate, it
25 would perhaps delay the resolution of the estate as

1 far as paying off the IRS, right?

2 MR. MCMILLAN: Well, I think it may actually
3 expedite it, sir, because I think as we raise the
4 issue with respect to the settlement, our tax advisers
5 which I pay for on behalf of S and J told us that a
6 settlement proposal could have been made months ago.
7 Now Mr. Cassioppi will tell a different story and
8 he'll do so calmly and he'll do so with a tone of
9 honor, but it's incorrect and disingenuous, in fact,
10 that notwithstanding the positions that have been
11 made. We have consulted with Washington D.C.
12 attorneys that deal with the IRS on a regular basis
13 and they regularly accept and deal with proposed
14 settlements that could have cost hundreds and
15 thousands. So it really depends --

16 THE COURT: Mr. McMillan, I'm sorry, sir,
17 but I've been dealing with the estate for years. I've
18 been talking to Mr. Cassioppi and Mr. Grinner and
19 other folks. I understand that if they go through a
20 litigation process with the IRS it will take years to
21 complete, that they have, as I understand it, quite
22 uniquely worked out an arrangement with the IRS to
23 mediate the various issues, they've been able to
24 mediate the issue regarding the real estate, and
25 they're working on the personal property and the music

1 rights, and I'm very interested to find out under
2 other -- under other circumstances, not today, how
3 that's going, but don't boldly tell me that this could
4 be done better because from all my experience the
5 estate is acting very appropriately. Now you could
6 tell me perhaps in a written document today -- not
7 today, but how they're doing something wrong, but from
8 what I can see they're doing everything right.

9 MR. MCMILLAN: Okay. Well --

10 THE COURT: And you guys can keep throwing
11 stones, but until there's something of substance to
12 those stones, they're going to keep bouncing off the
13 Court.

14 MR. MCMILLAN: Well, Your Honor, they've
15 been bouncing off the Court quite frankly
16 consistent --

17 THE COURT: Because there's been no
18 substance, Mr. McMillan.

19 MR. MCMILLAN: Okay. Judge Eide, we will
20 send in written form from tax experts because I think
21 that you'll respect it better from tax experts. My
22 only point is that with respect to a settlement a
23 settlement could have been proffered months ago if not
24 years ago. Now, I will have that come from tax
25 experts that do this 100 percent of the time, but I'm

1 just raising the issue and that is one of our basis
2 for objections and we have lawyers that will write
3 that up for us. I'm not making that up. I'm not
4 throwing stones to throw stones.

5 THE COURT: Mr. McMillan, and a settlement
6 can be proffered. It has to be accepted. So are you
7 suggesting that the estate should pretty much just
8 agree with the valuations that the IRS has proposed?

9 MR. MCMILLAN: I'm saying that --

10 THE COURT: Answer my question, sir. Are
11 you --

12 MR. MCMILLAN: No.

13 THE COURT: -- suggesting -- No.

14 MR. MCMILLAN: But close to it.

15 THE COURT: What?

16 MR. MCMILLAN: But close to it.

17 THE COURT: Okay.

18 MR. MCMILLAN: But close to it.

19 THE COURT: All right.

20 MR. MCMILLAN: And we've entered into an
21 agreement with the -- with the PR at Mr. Cassioppi's
22 suggestion and urging that we sign something giving
23 them the rights to do so, and we did so, sir, and so
24 what I'm saying is that we met and we stated that we
25 would rather negotiate and settle something close to

1 the position with the IRS than to keep going around or
2 to pursue a litigation. I'm not suggesting that a
3 litigation is desirable. In fact, we all want to
4 avoid that. But what I am stating, and I'm saying it
5 boldly and I hope you wouldn't be upset with me for
6 saying it boldly because I did my research and I've
7 talked to tax lawyers and I'm saying it, Your Honor,
8 that a proposed settlement was never proffered for the
9 full estate in a meaningful way, and that's what Ms.
10 Nelson heard also from the tax people but we're beyond
11 that. There were hundreds of thousands of dollars in
12 legal fees that could have been avoided and we want an
13 opportunity to brief that and to present it to you
14 because it was hundreds of thousands of dollars in our
15 opinion that has been spent on legal fees when we
16 could have potentially been close to being out of
17 here.

18 THE COURT: Okay. So I now understand that
19 you're saying that your way of resolving it would have
20 been to offer close to what the IRS wanted and assume
21 that they would be willing to negotiate it off that
22 little percentage. Thank you. I understand that now.

23 MR. MCMILLAN: I want to just finish up
24 because the other issues I want to raise, Your Honor,
25 is that the -- it appears that this estate accounting

1 may be just part of the interim accounting. It may be
2 part of the accounting as if there may be another part
3 because again it seems that none of the expenses are
4 in half so I'm not sure if some of them are being
5 treated for this part of the estate and others such as
6 certain legal fees. I compared the legal fees of
7 Fredrikson compared to the legal fees that we've seen
8 before and some of them are not there so I'm wondering
9 if there is a consolidated picture here. It was
10 divided also up into a state administration and
11 business administration. Some of those distinctions
12 I'm sure that the PR and Mr. Cassioppi would be kind
13 enough to share with us and in dealing with this. We
14 had raised this issue before and I do believe that
15 it's now being dealt with, but within the accounting
16 there are third party payments to writers from the
17 estate, but they're not the payments that are due to
18 Ms. Sharon Nelson, Norrine Nelson and Johnny Nelson in
19 that particular accounting. Those accountings that
20 they are due from their father's share of the Prince
21 Roger Nelson's record recordings are not reflected at
22 all in those payments. So I think that that is
23 important because they are owed money. They have been
24 owed money for years and they have never been paid
25 their money.

1 And with respect to the objection the day of
2 it's, as I mentioned earlier, I'm not sure where Mr.
3 Cassioppi is referring to the day of, but what we do
4 know is that if the heirs did have some financial
5 advice to support, I don't believe that it would
6 extend. I think it would expedite. Again, our goal
7 is to expedite everything, not to extend anything, but
8 at the same time our goal is to reduce costs. And
9 Mr. Carter's service, as was brought up earlier,
10 Mr. Carter when you compare -- Mr. Cassioppi wants to
11 compare him to my services -- prior services as well
12 as to Mr. Koppelman. Mr. Carter has paid -- been paid
13 considerably more money than we've been paid.
14 Obviously it had been a longer period of time. I
15 would like to do a comparison of income received
16 versus commissions paid. I guess it would be a much
17 different number than how Mr. Cassioppi served it up.
18 But this is the point: Mr. Cassioppi tried to make it
19 seem as if we're saying to use primarily my services.
20 That is not what we said, Your Honor. And again we
21 keep getting framed as if we're throwing stones but
22 we're being misrepresented and that chorus should
23 cease and desist. What we said was that they have
24 expert companies that they're partners with in the
25 estate including Sony, Warner Bros., Universal Music.

1 We made deals with these companies for them to go in
2 the marketplace and to commercially exploit these
3 assets. Often what they're doing is coming back to
4 the estate for just approvals because in those
5 agreements was in the approval clause. The experts
6 are Sony's, the Universals, and the Warner Bros. So
7 to pay hundreds of thousands of dollars to Mr. Carter
8 to do Lord knows what, and to Mr. -- the other
9 gentleman that they're using.

10 What's his name, Charles?

11 MR. SPICER: Trevor.

12 MR. MCMILLAN: Trevor Guy (ph) and all these
13 -- they're paying almost millions of dollars for
14 advisors to do the things that we hired them to do.
15 The estate hired Comerica to say, yes, do you think
16 that this is good Universal and so forth. So we would
17 appreciate it if you would just take a look into it,
18 Your Honor, as opposed to assuming what's being said
19 in a calm, honorable tone despite the fact that it's
20 disingenuous. Not all of it. We've been working well
21 with the estate for the most part, but whenever I ask
22 questions or send emails raising an issue, it becomes
23 inflated and I would love for you to see the
24 communications. They're very respectful, responsible,
25 but they get blown way out of proportion as if just

1 shut up, people, we are running the show. That's not
2 correct, Your Honor, and I just -- I just -- you -- I
3 just want to close with the point that new assets are
4 derivative works, they're not existing assets of the
5 estate. The costs and the fees associated with these
6 advisors who should have long been gone, not just now,
7 long been gone. I think even at one point in the
8 hearing I understand you even questioned the need to
9 have these large fees still and these people still
10 around. They've got Warner. They've got Sony. These
11 deals are done. We're partners with them now. They
12 call themselves partners. These are super experts
13 with 30 experts to a hundred experts and they're
14 building. We're in transition time. They're trying
15 to make new deals during transition time that's going
16 to saddle the heirs with new deals, with new
17 commissions to Troy Carter on deals now that is going
18 to take years to -- he should not be making any deals
19 and getting commissions on future deals on the way
20 out. He shouldn't even be here. Some of these people
21 -- but that's up to the court and them. The question
22 becomes what is the value and is it helping the estate
23 or is it hurting the estate.

24 Lastly, we'll be dealing with the legal fees
25 issue another time, Your Honor, because we will be

1 filing our own specific responses. Not an objection.
2 And I do want to say outside of the issue of
3 timeliness and negotiating the settle, we're asking
4 lawyers who have huge law fees to expedite something
5 when they get paid in law fees. I'm not questioning
6 their abilities, but there's a business strategy that
7 works in the heirs interest to speed it up, and that
8 same business strategy doesn't work in the law firm's
9 interest to speed it up. There needs to be some kind
10 of better oversight of this process. Thank you, Your
11 Honor.

12 THE COURT: Mr. Spicer, anything in
13 addition?

14 MR. SPICER: Yes. I would just like to
15 state that looking over and -- looking over the
16 accounting sheets, there was actually a number of
17 interactions and meetings that I have attended along
18 with the personal representative that they're getting
19 fees for, and it lists my name as attending those same
20 meetings but yet it was very hard for me to, you know,
21 address the Court with those same fee issues. So I
22 would like the Court to really reconsider those
23 listings and timings that say Charles Spicer attend a
24 meeting with Charles Spicer when the Court didn't
25 consider me in that same fashion.

1 THE COURT: Okay. Ms. Nelson, anything
2 else?

3 MS. NELSON: No. Londell has been quite
4 clear with what's going on. Thank you.

5 THE COURT: All right. Thank you. All
6 right.

7 Ms. Wodehouse, with you're having an
8 unlitigated claim against the estate and not being
9 involved in the period of time that the invoices are
10 for that are before the Court today I'm not going to
11 ask for your input. Thank you for listening in today.

12 Mr. Cassioppi, any response today?

13 MR. CASSIOPPI: Very briefly, Your Honor,
14 and I think there's far too much that was just said
15 for me to be able to respond --

16 THE COURT: I do intend to give Mr. McMillan
17 a chance to submit something in writing. Do you just
18 want to respond to that?

19 MR. CASSIOPPI: I will, but I do want to
20 make just a few general points before doing that. The
21 first is this: As the Court pointed out, the
22 allegations, the statements, the arguments that are
23 being made by Mr. McMillan are long on tone but
24 completely absent of any substance. When Mr. McMillan
25 makes a statement like Comerica is being disingenuous

1 and then failed to substantiate that as will fail to
2 substantiate that in his written submissions, the
3 Court should view that for what it is to just merely
4 arguing for the sake of arguing. Another statement
5 made by Mr. McMillan, he had stated although he then
6 immediately walked it back, that Ms. Nelson had asked
7 questions about the accounting and had been pushed
8 away. That simply is not accurate. He is confusing
9 the accounting with the financial statements that are
10 prepared by the estate. The estate at the demand of
11 the heirs has started preparing -- started three or
12 four years ago preparing quarterly financial
13 statements. And Ms. Nelson asked to be able to ask
14 questions about the latest financial statement,
15 Comerica said we're happy to discuss that with you but
16 send us your questions in writing first so that we can
17 be prepared to respond, and that was subsequently
18 characterized by Mr. McMillan as being obstinate or
19 not willing to cooperate. So this is the first today,
20 half hour before the hearing, is the first time we're
21 hearing any questions or requests for information or
22 otherwise on the accounting for the Court.

23 On the IRS settlement, I'm not going to go
24 into any detail on that. I will save that for the
25 confidential portion of the response to Mr. McMillan's

1 files, accept to say that there are multiple stake
2 holders among the heirs. Mr. McMillan is correct that
3 we eventually, after much discussion, had everyone on
4 the same page as to a goal or resolution and will
5 provide that to the Court as well as providing the
6 Court all of the information about what we've done and
7 entering into that to effectuate that goal. But let's
8 remember, all of us here today, that it's not as easy
9 as just writing a check for the amount that the IRS
10 says is due. There is millions and millions and
11 millions of dollars and penalties, late fees, and
12 other charges that you would have to pay if you just
13 threw up your hands and give up. So respectfully
14 Mr. McMillan is making this seem much more simple than
15 it is, and we have done our utmost to move this as
16 quickly as possible and we'll show that to the Court.

17 The last thing I'll say is Mr. McMillan has
18 made representations about what the powers of the
19 personal representative are under the probate code,
20 and I would just refer the Court to Minnesota statute
21 section 524.03-711. It says that the personal
22 representative has the same power for the title to
23 property of the estate that an absolute owner would
24 have. That power may be exercised without notice,
25 hearing, or order of the Court. That is the baseline

1 on which we are working. So the suggestion that
2 Mr. McMillan or his clients or anyone else besides
3 Your Honor is to decide what assets are created, what
4 deals are entered into, or otherwise, is completely
5 inconsistent with Minnesota law.

6 And sorry, one final point with respect to
7 Mr. Carter, I understand Mr. McMillan would rather
8 that he be in this position rather than Mr. Carter.
9 Let's remember the very last day -- the very last day
10 of Bremer's service as special administrator, on
11 Mr. McMillan's recommendation Bremer signed a deal
12 with Universal Music Group which ended up in him
13 receiving a substantial, substantial commission for a
14 deal that he would never have any role whatsoever in
15 connection with administering it. So it is certainly
16 the pinnacle of hypocrisy I can respectfully submit to
17 suggest that file -- transition may be at some point
18 on the horizon. We still don't have any plan, any
19 agreed upon plan, even among the heirs and interested
20 parties on what that's going to look like or a
21 timeframe for that. We're still waiting for that from
22 them. We've been asking for it for months. Until we
23 get to that stage, we've got an estate to administer
24 and we should have the ability, the power, and the
25 discretion to do that in a way that we believe is in

1 the best interest of the estate.

2 MR. MCMILLAN: Your Honor, I must briefly
3 respond and I will keep it brief. Your Honor, you're
4 on mute. I'm sorry I can't hear you.

5 THE COURT: I unmuted or I muted my computer
6 because there may be some background noise. I was
7 going to suggest that I give you whatever time you
8 think you need to submit something in writing, and
9 specifically -- or I need specifics. For example, if
10 you think that some financial advisor or assistance is
11 necessary, what for? How much? For what period of
12 time? If you think that there's something that should
13 have been done differently or can be done differently
14 regarding the approach the estate takes with the IRS,
15 I need specifics. And so I encourage you to just do
16 it in that way. What time -- about what amount of
17 time would you need?

18 MR. MCMILLAN: I'll take less than five
19 minutes, or two minutes.

20 THE COURT: No, I'm -- you don't want to
21 submit anything in writing? You just want to submit
22 orally?

23 MR. MCMILLAN: Oh, no, sir, I do want to
24 submit -- I do want to submit it in writing. Oh, how
25 much time do I need to submit in writing?

1 THE COURT: Correct.

2 MR. MCMILLAN: What do you think is
3 appropriate? Would two weeks be fine?

4 THE COURT: That would be certainly fine.

5 MR. MCMILLAN: Okay. Two weeks. I just
6 wanted to respond to that last point he made if you
7 would allow me to speak.

8 THE COURT: Go ahead.

9 MR. MCMILLAN: Because again, when he says
10 Mr. McMillan is long on tone and short on specific,
11 I'm saying so many specifics that I think it's causing
12 a problem. And one specific he just said that there
13 is no plan that has been agreed and submitted is
14 categorically false. We submitted a plan. We've all
15 signed off on the plan including the interested
16 parties. We have an agreement. They have come back
17 and said that they need more. We've said let's sit
18 together and come out with specifically what you need.
19 So when Mr. Cassioppi speak and I will send that in my
20 email that I send to you because at some point we have
21 to just stop accepting his reference as truth. I am
22 going to submit that with my presentation because that
23 is a clear example of the misrepresentations. We have
24 submitted a management plan. We've submitted a
25 governance plan, and we submitted -- we've signed

1 their agreement stating how we would like them to go
2 forward with taxes which was their plan. We have been
3 cooperative. We have not been obstinate and we will
4 continue to do so and I'm sorry that the discussions
5 seems like we're not, but the truth of the matter is
6 when we're on these meetings we're very, very
7 cooperative and we will continue to because we want
8 the transition to take place as soon as possible.

9 THE COURT: Mr. Cassioppi, is two weeks
10 after Mr. McMillan's submission enough?

11 MR. CASSIOPPI: Yes, Your Honor.

12 THE COURT: And, Mr. McMillan, I think you
13 mentioned email. It would have to be by formal filing
14 with the court. And would you run it by Mr. Cassioppi
15 before you file it out of courtesy to see if he thinks
16 there's anything in there that should be confidential
17 and should be redacted in the copy?

18 MR. MCMILLAN: Sure. We'll do. Yes, sir.

19 THE COURT: All right. Anything else then
20 today, Mr. Cassioppi?

21 MR. CASSIOPPI: Nothing from Comerica, Your
22 Honor.

23 THE COURT: Mr. McMillan, anything else?

24 MR. MCMILLAN: Nothing for now. Thank you,
25 Judge.

1 THE COURT: Mr. Spicer?

2 MR. SPICER: Nothing for now, Judge. Thank
3 you.

4 THE COURT: And, Ms. Nelson, anything else?

5 MS. NELSON: No, not right now. Thank you.

6 THE COURT: All right. Thank you all for
7 your participation today. We'll end the hearing and
8 the zoom call.

9 * * END OF RECORD * *

10

11

12

13

14

15

16

17

18

19

20

21

22

23

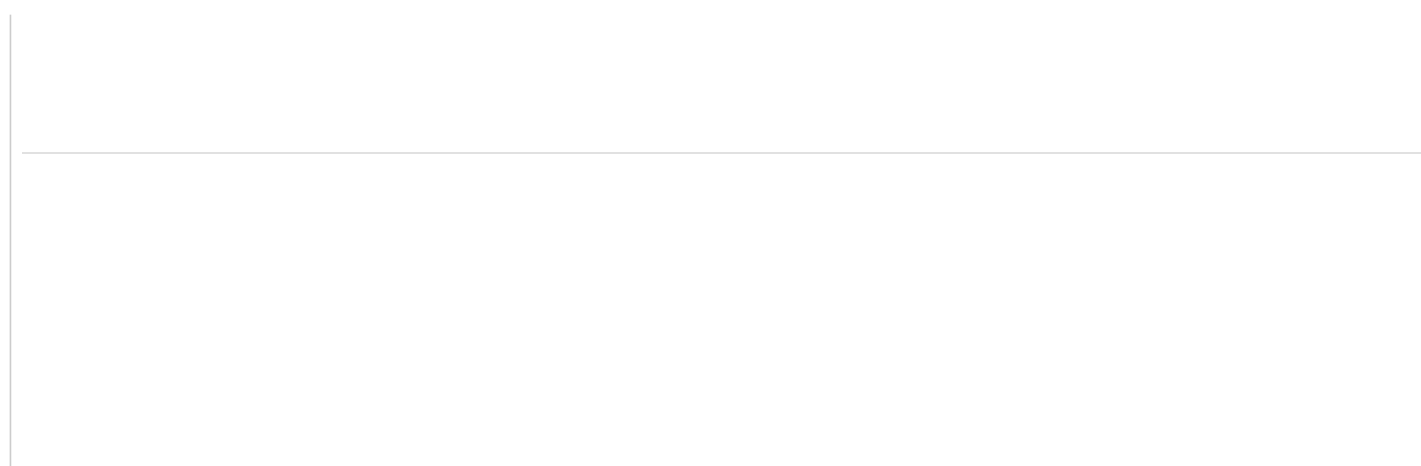
24

25

REDACTED EXHIBIT B
to
Declaration of L. Londell McMillian
(August 13, 2021)



EXHIBIT D
to
Declaration of L. Londell McMillian
(August 13, 2021)



1

REDACTED EXHIBIT E
to
Declaration of L. Londell McMillian
(August 13, 2021)

•

•

•

•

•

•

•

•

•

•

•

•

•
•
•

•
•
•
•

•
•
•
•







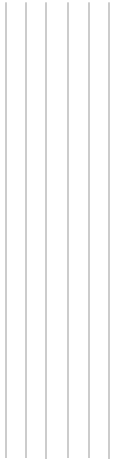
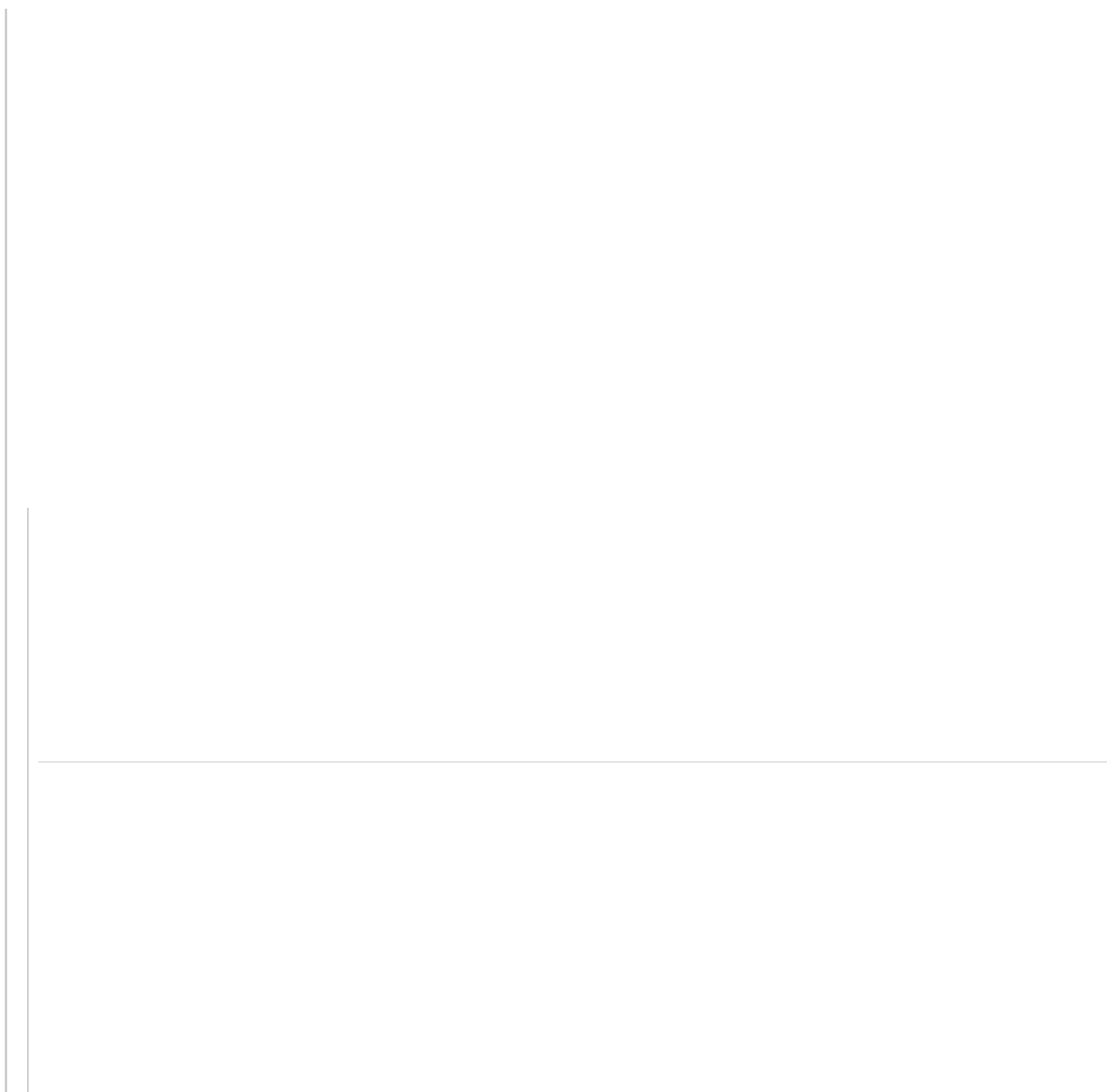
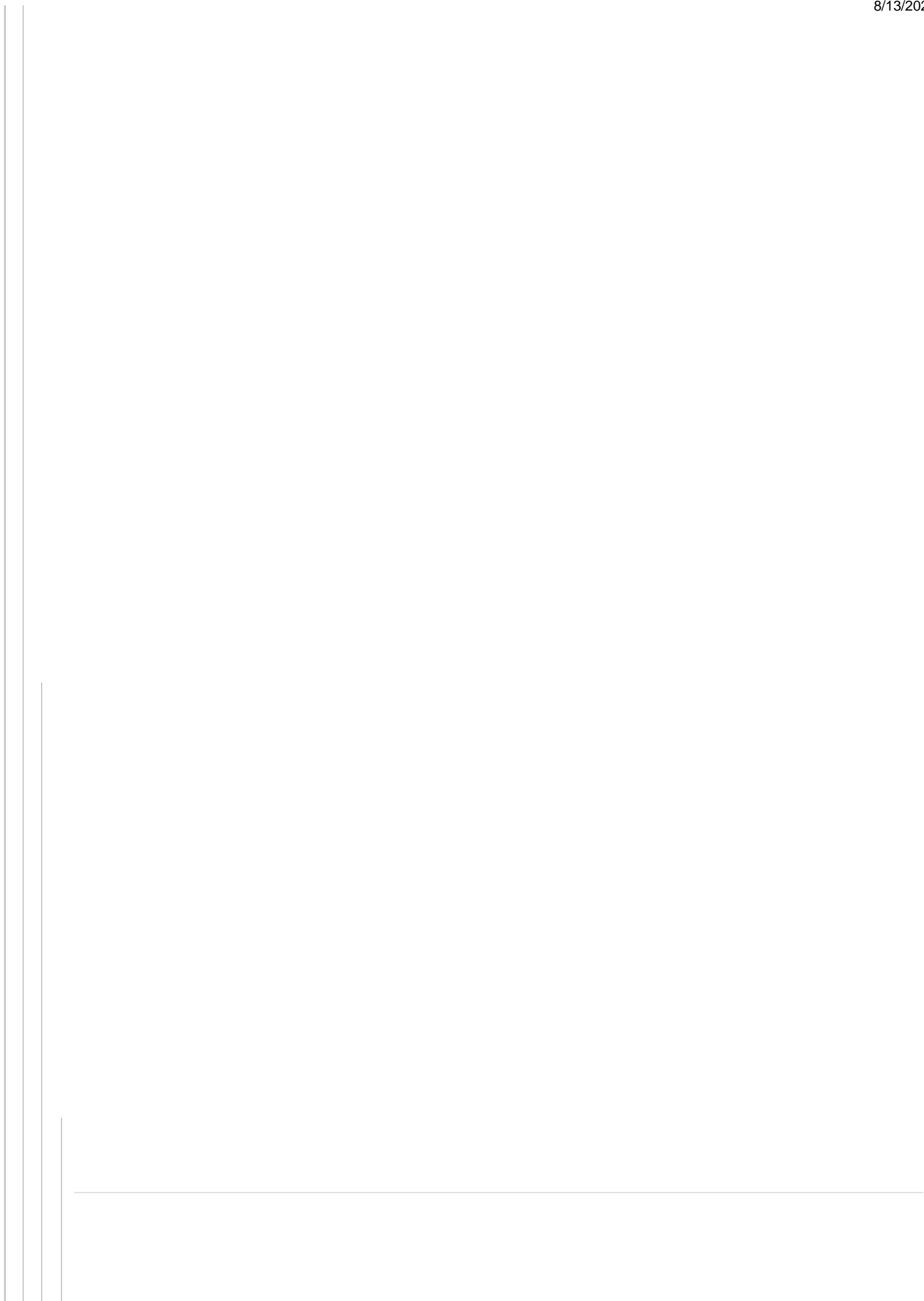


EXHIBIT G
to
Declaration of L. Londell McMillian
(August 13, 2021)





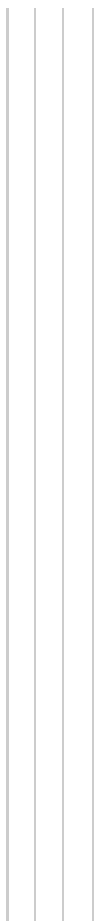
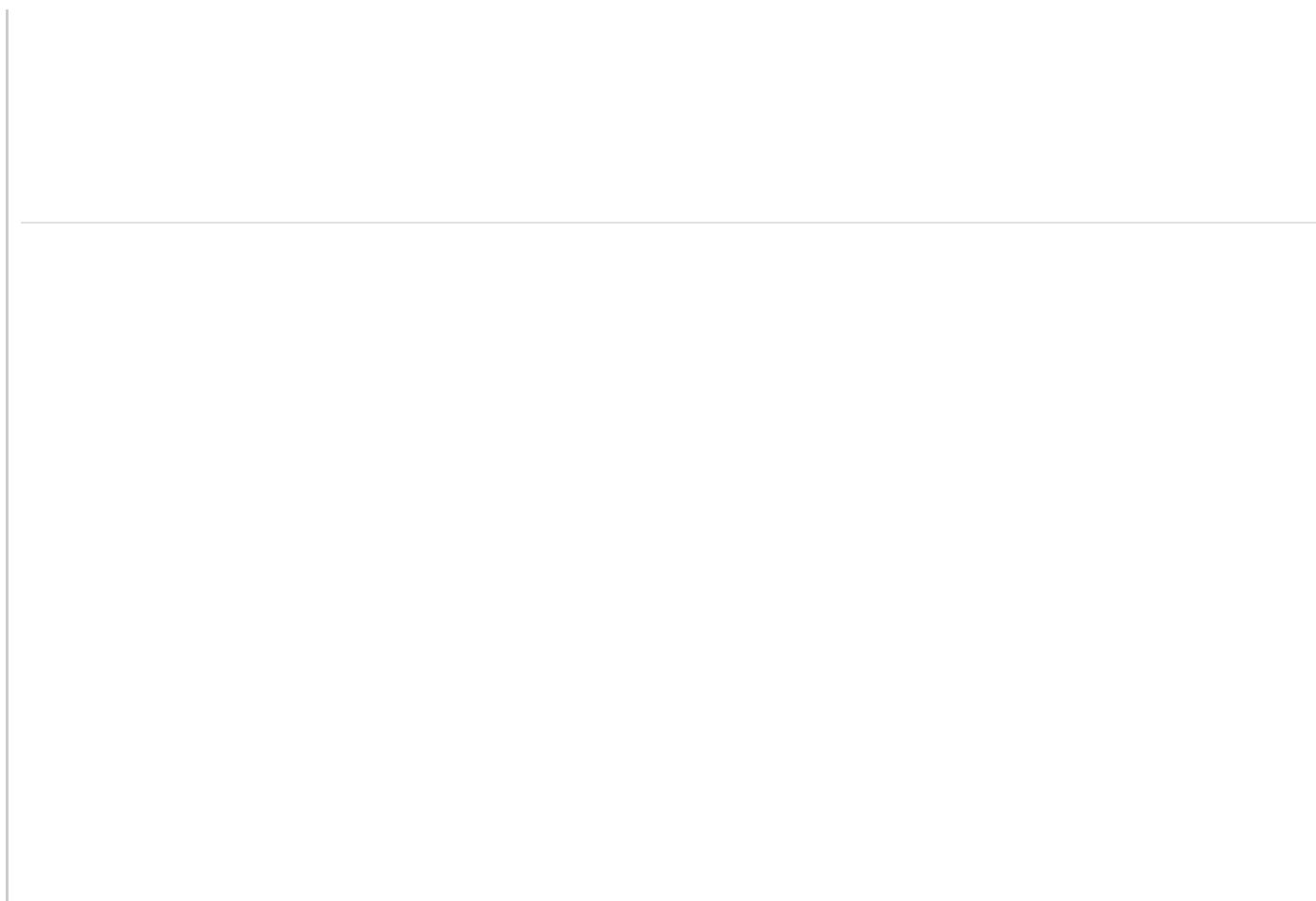
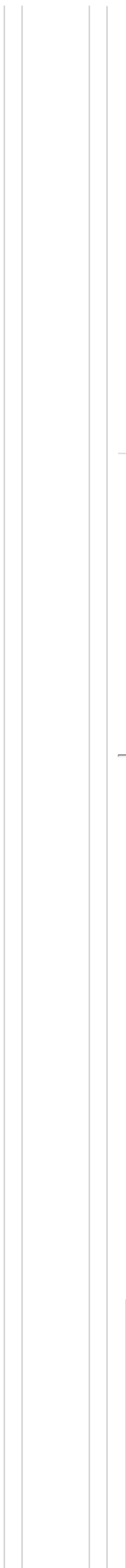


EXHIBIT H
to
Declaration of L. Londell McMillian
(August 13, 2021)



REDACTED EXHIBIT I
to
Declaration of L. Londell McMillian
(August 13, 2021)



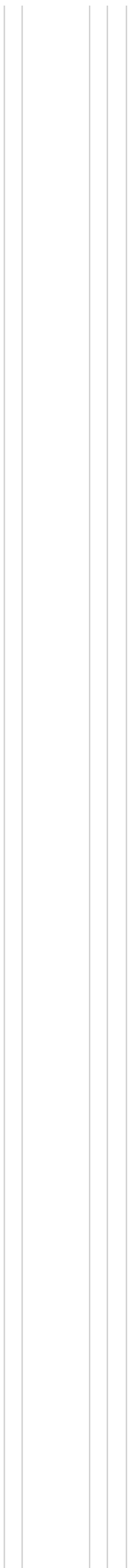




EXHIBIT J
to
Declaration of L. Londell McMillian
(August 13, 2021)







EXHIBIT K
to
Declaration of L. Londell McMillian
(August 13, 2021)

BARRY S. SZIKLAY, CPA, ABV, CFF, PFS**Curriculum Vitae**

(As of July 2021)

Mr. Sziklay is the partner-in-charge of the Forensic Accounting, Litigation Support and Valuation Services practice of Friedman, LLP, a certified public accounting and advisory firm, with offices located throughout New Jersey, New York City, Long Island, Philadelphia, Los Angeles, Miami, Beijing and Shanghai, PRC. His primary practice emphasis is in the areas of forensic accounting, business and intangible asset valuation, mergers and acquisitions (“M&A”), and litigation support related to business disputes, economic damages, disputes involving securities and derivatives, bankruptcy, insolvency and reorganization, civil and criminal tax investigations, matrimonial dissolution, income, gift and estate taxation of closely-held businesses and their principal owners, and estate and trust administration. Mr. Sziklay has served as an expert witness in valuation, economic damages, forensic accounting, bankruptcy-related litigation, securities fraud (primarily financial derivatives), securities industry arbitration hearings before regulatory agencies, breach of fiduciary duties, partnership and shareholder disputes, breach of license, breach of covenant-not-to-compete and theft of intellectual property, and accountants’ malpractice cases. In the M&A area, he has been involved in deal pricing, deal structuring, due diligence, and developing post-deal projections, accounting and taxation. He regularly represents before the IRS one of the largest media companies in the world in connection with intangible asset and other valuation matters including trademarks, trade names, programming rights, license agreements and other intellectual property. He has conducted special forensic investigations on behalf of corporate Boards of Directors in addition to conducting investigations involving alleged money laundering, R.I.C.O violations, and non-disclosure of foreign assets and use of sophisticated entity structures in asset protection schemes. Mr. worked on one of the first Foreign Corrupt Practices Act investigations in the 1970s involving Pertamina which was then the state-owned oil company of Indonesia. He previously served as special tax accountant to the Chapter 11 Trustee unraveling a massive fraud involving a publicly-traded professional employer organization headquartered in NYC. Mr. Sziklay’s industry experience includes, but is not limited to, manufacturing, wholesale, retail, healthcare, medical technology and pharmaceuticals, including biochemical, beauty products, media, newspapers, hospitality, food services including catering and restaurants, insurance and insurance brokerage, real estate development and construction including subcontractors, oil & gas (E&P, shipping, marketing (wholesale and retail) and refining), and financial services (mergers and acquisitions, underwritings, IPOs and private placements, brokerage, investment advisory, trading, product development, derivatives, back-office support services including risk management, systems design, accounting and tax reporting, hedge and private equity funds), etc.

He graduated from Queens College (cum laude) with a B.A. in Accounting and in Economics. Upon graduation, Mr. Sziklay joined the national office of one of the Big 4 accounting firms prior to joining the New York office audit and then tax department. At that firm, he worked on clients in the international integrated oil and gas, financial services, consumer products, media, non-profit and manufacturing industries as well as the expatriate tax programs for the firm’s multinational clientele. Mr. Sziklay is a member of the American Institute of Certified Public

Barry S. Sziklay, CPA, ABV, CFF, PFS
Curriculum Vitae

Accountants (“AICPA”), the New Jersey Society of Certified Public Accountants (“NJSCPA”), the New York State Society of Certified Public Accountants (“NYSSCPA”), the Florida Institute of Certified Public Accountants (“FICPA”) and the Association of Certified Fraud Examiners. He has served as Chairperson of the NJSCPA Litigation Services Committee, 1997 - 1999, and Chairperson of the NJSCPA Business Valuation Subcommittee, 1997 - 1998. Previously, Mr. Sziklay also served on the NYSSCPA Stockbrokerage Accounting Committee. He is a member of NJSCPA Litigation & Valuation Services Resource Group and the Valuation Services Interest Group. Mr. Sziklay served as a Trustee of the NJSCPA June 1, 2000 - May 31, 2002. He was appointed in the summer of 1996 (reappointed summer 1997 and 1998) to the AICPA Management Consulting Services Business Valuation Committee (this is the senior AICPA business appraisal committee).

From December 2002 – August 2007, Mr. Sziklay was a member of the AICPA’s National Accreditation Commission (“NAC”), and Chairman of its Accredited in Business Valuation Task Force, which is the senior body of the AICPA reporting directly to the Board of Directors that oversees all specialty accreditations. In August 2008, Mr. Sziklay was appointed to the AICPA’s Certified in Financial Forensics (“CFF”) Credential Committee where he worked on developing a comprehensive body of knowledge that is pertinent to the practice of forensic accounting. He was also appointed to the subcommittee that developed a comprehensive forensic accounting curriculum for all CFF credential holders which served as the basis for the AICPA CFF credentialing examination.

He is currently licensed to practice in Florida, New Jersey, and New York and he was previously licensed to practice in the State of Kansas and possessed a permit to practice in the State of Pennsylvania. He has experience in Big Four, medium and small CPA firms as well as close to a decade in the investment banking industry. Mr. Sziklay was formerly a member of the national teaching faculty of the American Institute of Certified Public Accountants. He authored a major segment of the original review course for the AICPA’s Accredited in Business Valuation (ABV) specialty designation.

Mr. Sziklay has spoken extensively before professional and civic organizations including the AICPA, American Society of Appraisers, Canadian Institute of Chartered Business Valuators, New Jersey Society of Certified Public Accountants, International Association for Financial Planning (IAFP), New Jersey Institute for Continuing Legal Education (ICLE), New Jersey Judicial College, American Academy of Matrimonial Lawyers, the Federal Judicial Center, Federal Bureau of Investigation, the New Jersey Association of Professional Mediators, and the International Academy of Family Lawyers – United States and Canadian Chapters, as well as in public seminars on topics ranging from income taxes, divorce and business valuation to the income taxation and accounting for estates and trusts.

Mr. Sziklay, who is a member of the AICPA’s Business Valuation Hall of Fame, has developed business appraisal training programs for the Federal Judiciary and United States Tax Court as well as the Federal Bureau of Investigation’s national training school in Quantico, VA.

Barry S. Sziklay, CPA, ABV, CFF, PFS
Curriculum Vitae

He is the first business appraiser in the United States to be appointed as a business appraisal expert by the United States Tax Court in a case involving financial derivatives, and he developed a comprehensive approach to valuing financial service industry receivables for the IRS. He is also one of the first business appraisers to provide the FBI with training involving the use of business appraisal and forensic accounting techniques related to money laundering, white-collar crime and offshore entities. Barry previously worked with the U.S. Attorney's Office for the Southern District of New York on one of the largest international fraud cases in history.

Mr. Sziklay is the founding leader of the DFK International *Valuation Special Interest Group* established in 2020 and is the group's liaison to the International Valuation Standards Council in London which is the leading global valuation standard setting organization sponsored by leading valuation professional organizations throughout the world as well as the U.S. Financial Accounting Standards Board, the American Institute of Certified Public Accountants and the World Bank among many others.

Mr. Sziklay is also an active member of Expert Resource Connection, an invitation-only national network of leading business and intangible asset appraisers.

Mr. Sziklay was a contributor to the first edition of Shannon P. Pratt's Business Valuation Discounts and Premiums (New York, New York: John Wiley & Sons, Inc., 2001). Mr. Sziklay was formerly on the Editorial Advisory Board of the AICPA's E-Alert (internet-based business valuation advisory service) and the Journal of Accountancy with responsibility for editing and evaluating articles dealing with valuation and forensic accounting, estate and trust and other financial planning matters.

Mr. Sziklay participated in a Mock Trial session at the November 2003 AICPA National Business Valuation Conference in Phoenix, AZ along with the Hon. David Laro of the United States Tax Court and several nationally prominent tax attorneys. In 2004, Mr. Sziklay presented a program on the use of net operating loss carryforwards to the New Jersey Institute for Continuing Legal Education. He also served as a guest lecturer on the topic of business valuation in the graduate law program at the University Of San Diego School Of Law in March 2004. In that same year, Mr. Sziklay presented a paper on Financial & Estate Planning through the Life Cycle to a joint meeting of The Harvard Club and The Wharton Club. He also spoke on the topic of the valuation of very large law firm interests at the AAML's 2004 mid-year meeting in Maui, and, shortly thereafter, he spoke on the topic of the valuation of executive goodwill at a meeting of the New Jersey State Bar Association. In November 2004, Mr. Sziklay spoke on the topic of valuation discounts and premiums to the AICPA 2004 National Business Valuation conference in Orlando, FL.

In May 2005, Mr. Sziklay participated in a mock trial involving a valuation report at the first Joint New Jersey Society of Certified Public Accountants and New Jersey State Bar Association Business Valuation Conference.

Barry S. Sziklay, CPA, ABV, CFF, PFS
Curriculum Vitae

Mr. Sziklay is a regular speaker at the annual Family Law Retreat sponsored by the Family Law Section of the New Jersey State Bar Association.

Mr. Sziklay participated in the first Joint ASA/AICPA National Business Valuation Conference held in Las Vegas in November 2005. He was a member of the Joint ASA/AICPA Conference Planning Committee and co-presented sessions on *Case Law Update* and the *Asset Approach to Valuation*. In May 2006, Mr. Sziklay co-chaired the third bi-annual Joint AICPA/AAML National Conference on Divorce in Las Vegas in which he presented multiple sessions in addition to co-chairing the conference. In September 2006, Mr. Sziklay presented a paper to a joint conference sponsored by the NJSCPA and the New Jersey Institute on Continuing Legal Education on the topics of *Use and Abuse of Trusts and Other Sophisticated Asset Protection Vehicles, Deferred Compensation and Split-Dollar Life Insurance*. On October 19, 2006, Mr. Sziklay co-presented a session on *Jurisprudence Update* to the Joint CICBV/ASA International Valuation Conference in Toronto, CA. His presentation was published in Canada.

On March 9, 2007, Mr. Sziklay spoke on the topic of *Forensic Discovery and Hedge and Private Equity Fund Valuation* at the mid-year Grand Cayman meeting of the American Academy of Matrimonial Lawyers. He spoke on the topic of *Marital Lifestyle* at the San Juan, Puerto Rico retreat of the Family Law Section of the New Jersey State Bar Association on Friday, March 30, 2007.

In May 2008, Mr. Sziklay co-chaired the fourth bi-annual Joint AICPA/AAML National Conference on Divorce in Las Vegas. In addition to co-chairing the conference, Mr. Sziklay co-presented sessions on *Case Law Update* and *Cross Examination of Experts on BV Standards*. He is co-chairing the fifth bi-annual Joint AICPA/AAML National Conference on Divorce in Las Vegas in May 2010.

On September 26, 2008, Mr. Sziklay presented a paper on *Controversial Valuation Issues*, as well as participated in an *Ask the Experts* panel discussion, at the NJSCPA Litigation Support and Business Valuation conference.

On March 20, 2010, Mr. Sziklay presented a paper on *The Value of Celebrity* to the mid-year meeting of the American Academy of Matrimonial Lawyers in Aruba.

On April 19, 2010, Mr. Sziklay participated in a panel discussion at the New Jersey State Bar Association Business Law Symposium in which he presented a paper entitled, *Business Valuation in a Litigated and Non-Litigated Business Divorce*.

In May 2010, Mr. Sziklay co-chaired the Joint American Institute of Certified Public Accountants and American Academy of Matrimonial Lawyers National Conference on Divorce in Las Vegas, NV, at which conference he spoke on the topics of *How to Survive Bankruptcy, Workouts and Restructurings in the Midst of Divorce* and *Should the Financial Effects of Recent Ponzi Schemes and Financial Frauds be Considered a Fraud Upon the Marital Estate*.

Barry S. Sziklay, CPA, ABV, CFF, PFS
Curriculum Vitae

On September 23, 2010, Mr. Sziklay spoke on *Update on the Latest Techniques to Determine a Discount for Lack of Marketability* at the New Jersey Society of Certified Public Accountants Business Valuation, Forensic Investigation and Litigation Services conference, as well as participated in a panel discussion entitled, *Hardball with Hitchner* (moderated by James Hitchner).

Mr. Sziklay authored a chapter on valuation premiums and discounts in Donald A. Glenn, Thomas F. Burrage, Donald J. DeGrazia and William B. Stewart, Family Law Services Handbook: The Role of the Financial Expert (Hoboken, New Jersey: John Wiley & Sons, Inc., 2011), 211.

Mr. Sziklay authored a chapter on Taxes and Divorce in Alan M. Grosman and Cary Cheifetz, New Jersey Family Law, Second Edition, Second Supplement (New Providence, New Jersey: Matthew Bender & Company, Inc., a member of the LexisNexis Group, March 2011).

In May 2012, Mr. Sziklay and a colleague spoke on *Hidden Tax Issues—Or How to Avoid Committing Malpractice* to a joint session of the American Institute of Certified Public Accountants and the American Academy of Matrimonial Lawyers in Las Vegas. This presentation focused upon determining different types of tax basis - regular, “at risk” and passive activity loss – and related potential taxable gain issues in the context of taxable asset dispositions.

In September 2012, Mr. Sziklay spoke at a meeting of the Middlesex County, New Jersey State Bar Association on the topics of *Taxes* and *New Jersey Adopts Revised Limited Liability Company Act*.

Mr. Sziklay gave a media interview concerning the nuances of partnership versus S corporation taxation and how those differences affect business valuation. Drawing on his extensive tax background, combined with his prior Wall Street and ongoing transactional experience, Mr. Sziklay was able to provide insight into how this controversial and important subject is handled in actual merger and acquisition transactions.

In May 2013, Mr. Sziklay co-presented a program to attorneys at the NYC Downtown Association along with a “white collar” criminal defense partner from a major New York law firm on the topics of foreign asset discovery techniques and United States foreign asset reporting requirements including, but not limited to, consideration of asset protection strategies, foreign tax avoidance havens, recent Treasury Department initiatives, federal and state fraudulent conveyance statutes, money laundering, the Foreign Corrupt Practices Act, Whistleblower provisions under the Dodd-Frank Wall Street Reform and Consumer Protection Act, assertion of Fifth Amendment privilege, attorney-client privilege and retention of CPAs in a *Kovel* capacity, as well as when to advise clients to retain criminal defense counsel.

In April 2014, Mr. Sziklay partnered with the Co-Head of the Private Client Practice group of one of the largest law firms in the country to present an all-day Trusts and Estates program to

Barry S. Sziklay, CPA, ABV, CFF, PFS
Curriculum Vitae

the 2014 Joint AICPA/AAML National Conference on Divorce. At the same conference, he also co-presented with a noted turnaround management professional a program addressing how turnaround management professionals deal with distressed businesses.

Mr. Sziklay authored an article for the New Jersey Law Journal on *How to Choose a Forensic Accountant* for a late Summer/early Fall 2014 edition.

In April 2016, Mr. Sziklay spoke to the Connecticut Chapter of the AAML on *Hide and Seek: Discovery of Foreign and Hidden Assets*.

In May 2016 in New Orleans, Mr. Sziklay who is a member of the 2016 Joint AICPA/AAML National Conference on Divorce Planning Committee co-presented a program entitled, *Oh! I Didn't Tell You About My Offshore Assets*, which focused on the discovery of hidden foreign assets, U.S. tax reporting obligations, tax penalties, FinCEN reporting obligations, the U.S. Patriot Act, related civil and criminal statutes, the IRS' voluntary disclosure programs, when to engage separate criminal counsel, attorney-client privilege, work-product doctrine and Fifth Amendment considerations.

In May 2017 in Nashville, TN, Mr. Sziklay, along with the Hon. Philip E. Smith, Judge of the Circuit Court of the State of Tennessee, presented a program on International Valuation Standards to a joint meeting of the United States and Canadian Chapters of the International Academy of Family Lawyers which was attended by lawyers from all over the U.S., Canada, Europe and Asia including Australia.

In November 2017 in Philadelphia, Mr. Sziklay and a Friedman LLP tax department attorney presented a 5-hour course on Advanced Estates, Gifts & Trusts to Friedman's senior tax personnel.

On February 13, 2018, Mr. Sziklay and Brian C. Vertz, Esq., MBA, partner in Pollock Begg Komar Glasser & Vertz LLC in Pittsburgh, PA, presented a national webinar for the AAML entitled *Trumping the Alimony Deduction...and More*. This webinar covered the tax law changes enacted in the Tax Cuts and Jobs Act of 2017, P.L.115-97, 12/22/17, which Act was passed in the process known as Reconciliation pursuant to Titles II and V of the Concurrent Resolution on the Budget for federal fiscal year 2018.

On June 14, 2018, Mr. Sziklay presented a continuing professional education program to Friedman LLP's Forensic Accounting, Litigation Support and Valuation Services Department entitled, *Year in Taxation – Impact on FLVS Practice*, which covered the *Tax Cuts and Jobs Act* ("TCJA"), Pub.L. 115-97, signed by President Donald J. Trump on December 22, 2017 that ushered in the most extensive changes in U.S. tax law since the *Tax Reform Act of 1986*, Pub.L. 99-514, enacted on October 22, 1986.

Mr. Sziklay authored "Stock Options: Discovery, Taxation Issues and Problems" which

Barry S. Sziklay, CPA, ABV, CFF, PFS
Curriculum Vitae

was published in the ABA Section of Family Law, *Family Advocate*, Fall 2018, Vol. 41, No. 2.

In May 2019, Mr. Sziklay co-chaired the AAML/Business Valuation Resources National Conference on Divorce in Las Vegas where he co-presented with nationally-known attorneys the following programs: *Asset Protection and Offshore Assets: Hide and Seek in the World of Divorce*; *East Meets West – The Continental Divide: Venture Capital and Private Equity Interests from Silicon Valley to Silicon Alley*; and *Let's Get Personal: Enterprise vs. Personal Goodwill*.

In March 2020, Mr. Sziklay gave an interview to Voice of America on the expected amount of fraud that would occur in the administration of the economic stimulus funds from the Coronavirus Aid, Relief, and Economic Security (“CARES”) Act which was later published in the March 31, 2020 edition of *Voice of America News*, “\$2.2T Coronavirus Relief Package Poses Fraud Threat, Experts Warn,” by Masood Farivar.

In September 2021, he is scheduled to present *Gift and Estate Tax Valuation Update* to the annual NJSCPA Business Valuation and Litigation Services Conference.