

STATE OF MINNESOTA  
COUNTY OF CARVER

DISTRICT COURT  
PROBATE DIVISION  
FIRST JUDICIAL DISTRICT

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

**In Re: Estate of:**

**Prince Rogers Nelson**

**Decedent.**

**PRIMARY WAVE'S MEMORANDUM  
IN SUPPORT OF REQUEST FOR  
CONDITIONAL APPROVAL OF  
DISTRIBUTION PLAN**

**Redacted Version**

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**INTRODUCTION**

Comerica Bank & Trust, N.A filed a Motion Regarding Estate Cash Reserve, For Consideration of a Distribution Plan, and to set a Process for a Petition to Approve a Final Accounting and Discharge. Comerica proposed that any interested person submit a joint plan or motion to approve a proposed distribution plan to the Court by January 21, 2022. Neither Primary Wave nor other interested persons (referred to by Comerica as the "Heir Group") objected to the schedule suggested by Comerica, which has now been approved by the Court. However, all advised the Court that they were gathering additional information necessary to finalize their proposed distribution plans.

Comerica has been providing information as requested, but the analysis and information gathering is an ongoing process and is not complete.<sup>1</sup> The Heir Group

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<sup>1</sup> Comerica acknowledges that the issues are "complicated." From Comerica's 12/31/2021 memo to the Court, p.5:

continues its efforts to work to finalize a joint plan of distribution, but there are open differences in their approaches and draft plans and no agreement has been reached as yet. Accordingly, Primary Wave submits its current proposed distribution plan. *See* Declaration of Eric J. Magnuson (“Magnuson Decl.”), Exhibit A. This plan is conditional and subject to further refinement when [REDACTED]

[REDACTED]

[REDACTED]

## ARGUMENT

### I. **Distribution to a single entity controlling all assets is in the best interests of the Estate and all members of the Heir Group**

#### A. **Background of current Estate entity structure and prior entity structure proposals**

The Estate currently holds the various assets in a number of different entities as reflected in Exhibit B to the Magnuson Decl. Because all those entities are held by the Estate, the Estate has centralized management over them and the assets they contain. This has allowed the Personal Representative to efficiently manage the assets for the

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During May 2020, the Personal Representative provided the Heir Group a proposed entity organization chart as the centerpiece of a potential distribution plan for consideration and to start conversations amongst members of the Heir Group. (Bruce Dec., ¶ 6 & Ex. B.) As set forth in the proposal, the distribution of the assets of the Estate is complicated by the fact that the Decedent held certain assets in his personal name and others in wholly-owned entities. There are also potential tax and management ramifications related to the manner in which the assets of the Estate are held and organized at the time of distribution.

benefit of the Estate.

Comerica provided the parties and the Court with a possible structure for entities to receive the Estate assets on distribution when it responded to a December 2020 submission by Sharon Nelson, et al containing their proposed entity structure. *See* Magnuson Decl. Exhibits C (Comerica May 2020 proposed entity structure) and D (SNJ December 2020 entity structure submission). Primary Wave has formulated its proposal for a distribution plan against the background of the Estate’s current entity structure and these prior proposals.

In light of the diverse array of assets held in the Estate and the manner in which those assets are held, and since the Heir Group is composed of both individuals and limited partnerships, distribution of the Estate assets to the interested persons is complex. [REDACTED]

[REDACTED]

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<sup>2</sup> [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]<sup>3</sup> The members

of the Heir Group do not, however agree at this time on [REDACTED]

[REDACTED]

[REDACTED]

- [REDACTED]

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<sup>3</sup> See n.1, *supra*, quoting from Comerica’s December 31, 2021 submission referring to entity structure as the “centerpiece of a potential distribution plan.”

<sup>4</sup> [REDACTED]

[REDACTED]



**C. The Court should conditionally approve Primary Wave’s proposed distribution plan which is in the best interest of the Estate.**

Primary Wave’s proposed distribution plan addresses the interests of every distributee of the Estate and is in the best interests of the Heir Group, individually and collectively. [REDACTED]

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6 [REDACTED]

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7 [REDACTED]

[REDACTED]

[REDACTED]

- [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]





[REDACTED]

### CONCLUSION

Primary Wave respectfully requests that the Court conditionally approve Primary Wave's distribution plan, subject to further revisions as more information regarding the exact parameters of outstanding tax issues is reviewed and analyzed.

Respectfully submitted,

Dated: January 21, 2022

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