

STATE OF MINNESOTA

DISTRICT COURT

COUNTY OF CARVER

FIRST JUDICIAL DISTRICT  
PROBATE DIVISION

File No.: 10-PR-16-46  
(Judge Kevin W. Eide)

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In re:

Estate of Prince Rogers Nelson,

Decedent.

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**FINDINGS OF FACT,  
CONCLUSIONS OF LAW, &  
ORDER RE: SNJ ATTORNEY  
LIENS**

The above-referenced matter came on for hearing on January 23, 2019 at 8:30 a.m. before the Honorable Judge Kevin W. Eide, on applications by Lommen Abdo, P.A. (“Lommen Abdo”), Hansen, Dordell, Bradt, Odlaug, and Bradt, PLLP (“Hansen Dordell”) and Skolnick & Joyce, P.A. (“Skolnick & Joyce”) pursuant to Minn. Stat. § 481.13 for the summary establishment of attorney liens, the amount of said attorney liens and the entry of judgment adjudging the amount due on attorney liens arising from their prior representation of Sharon Nelson, Norrine Nelson and John Nelson (“SNJ”) in the above-captioned probate proceeding (the “Applications”).

Barry A. O’Neil, Esq. appeared on behalf of Lommen Abdo, P.A.

Paul D. Funk, Esq. and Michael E. Kemp, Esq. appeared on behalf of Hansen, Dordell, Bradt, Odlaug, and Bradt, PLLP.

Samuel M Johnson, Esq. appeared on behalf of Skolnick & Joyce, P.A.

Ms. Sharon Nelson, appearing pro se, was also in attendance.

Other appearances were noted on the record.

The Court, having considered Lommen Abdo’s, Hansen Dordell’s and Skolnick & Joyce’s submissions on their applications, and based upon the arguments presented at the hearing and all the Court’s files, records, and proceedings herein, makes the following:

## **FINDINGS OF FACT**

### **A. Lommen Abdo's Attorney's Lien**

1. Lommen Abdo served as legal counsel for SNJ in the above-captioned Estate proceeding (the "Proceeding") from its commencement in April 2016 through November 29, 2016 and provided legal services to or for the benefit of SNJ in connection with this Proceeding for which Lommen Abdo remains unpaid.

2. Lommen Abdo's representation of SNJ was governed by a written engagement agreement that set forth the conditions of Lommen Abdo's representation. The scope of the Lommen Abdo engagement agreement states, "You are retaining us as your attorneys to represent you in the above-referenced matter and all other transactions or business relating thereto."

3. With respect to termination and disputes, the Lommen Abdo engagement agreement states, "If you or we terminate, you agree to pay any undisputed hourly fees and expenses for costs due through the date of termination and for any related services or costs related to transferring your files to other lawyers. Any disputed fees and charges will be resolved by arbitration."

4. The compensation claimed due Lommen Abdo for unpaid attorney's fees and costs incurred on behalf of SNJ in connection with this Proceeding is \$214,652.11, exclusive of collection costs.

5. Lommen Adbo presented SNJ and SNJ's successor attorneys at the Hansen Dordell firm with their invoices on or about December 9, 2016. On May 3, 2017, Lommen Abdo provided an updated copy of their invoices to SNJ and Hansen Dordell reflecting the payment of the fees that were paid by the Personal Representative pursuant to the Court's March 21, 2017 Order. Prior to Lommen Abdo filing its current motion, SNJ never indicated that they objected to any of the

fees or time entries after receipt of the Lommen Abdo Invoices.

6. SNJ now argue Lommen Abdo's claim for unpaid fees and costs is unreasonable considering the factors in Rule 1.5 of Rules of Professional Conduct, and that the fees and costs should be either negotiated or reduced by the Court to a reasonable amount. SNJ specifically argue the Lommen Abdo attorneys did not have enough estate experience; the \$8,005 in fees charged for transferring their file is unreasonable; the purpose of the representation was to affirm their position as heirs, not get involved in entertainment deals; and that the Lommen Abdo attorneys incurred fees objecting to the Advisor Agreement and appointment of the Advisors contrary to SNJ's wishes.

**B. Hansen Dordell's Attorney's Lien**

1. Hansen Dordell served as legal counsel for SNJ in this Proceeding from November 8, 2016 to February 2, 2018.

2. Hansen Dordell's representation of SNJ was governed by a written engagement agreement which set forth the conditions of Hansen Dordell's representation. The Hansen Dordell engagement agreement states that the firm is representing SNJ "in connection with matters involving the Estate of Prince Rogers Nelson." There are no dispute resolution provisions within Hansen Dordell's engagement agreement.

3. During its representation of SNJ, Hansen Dordell provided SNJ with monthly invoices detailing the work performed and expenses incurred on their behalf. Prior to Hansen Dordell filing its current motion, SNJ never made any objections to any of these invoices.

4. The compensation claimed due Hansen Dordell for unpaid attorney's fees and costs incurred on behalf of SNJ in the Proceeding pursuant to the agreed-upon terms of the written engagement agreement is \$266,108.43, exclusive of collection costs.

5. SNJ now argue Hansen Dordell's claim for unpaid fees and costs is also unreasonable considering the factors in Rule 1.5 of Rules of Professional Conduct, and that the fees and costs should be either negotiated or reduced by the Court to a reasonable amount. SNJ specifically argue the Hansen Dordell attorneys did not have enough entertainment experience; the Hansen Dordell attorneys never sought reimbursement from the Estate for work that benefitted the Estate, in spite of being asked to do so by SNJ; and the Hansen Dordell attorneys resisted SNJ's requests that they challenge certain Comerica actions.

### **C. Skolnick & Joyce's Attorney's Lien**

1. Skolnick & Joyce served as legal counsel for SNJ in this Proceeding from October 18, 2017 to June 29, 2018.

2. Skolnick & Joyce's representation of SNJ was governed by a written engagement agreement which set forth the conditions of Skolnick & Joyce's representation. The scope of the Skolnick & Joyce engagement agreement states, "Sharon, Norrine and John have hired the Firm to give them legal advice, counsel and litigation services in regards to protecting claims as heirs of the Estate of Prince Roger Nelson (the "Estate") and/or claims concerning the moving of music recordings from the vault at Paisley Park to California by Comerica Bank."

3. With respect to disputes, the Skolnick & Joyce engagement agreement states, "Arbitration. All parties agree that any disputes involving fees, costs, billing, claims of professional negligence, malpractice, and breach of ethical or fiduciary duties the parties hereto arising under this agreement or as a result of any legal services performed by The Firm with respect thereto shall be submitted to binding arbitration pursuant to the rules of the American Arbitration Association. All arbitration hearings and proceedings shall be held in Hennepin County,

Minnesota.”

4. During its representation of SNJ, Skolnick & Joyce provided SNJ with monthly invoices detailing the work performed and expenses incurred on their behalf. Prior to Skolnick & Joyce filing its current motion, SNJ never made any objections to any of these invoices.

5. The compensation claimed due Skolnick & Joyce for unpaid attorney’s fees and costs incurred on behalf of SNJ in the Proceeding pursuant to the agreed-upon terms of the written engagement agreement is \$180,935.12, exclusive of collection costs.

6. Skolnick & Joyce’s unpaid attorney’s fees and costs incurred on behalf of SNJ in connection with the Proceeding are specifically and adequately supported by the Affidavit of William R. Skolnick submitted in connection with the Application.

**D. The Priority of Attorney Liens**

1. Lommen Abdo, Hansen Dordell and Skolnick & Joyce have entered into a Stipulation whereby the firms agree that any attorney liens granted their firms shall share coordinate priority. That Stipulation has been adopted and approved by the Court.

**CONCLUSIONS OF LAW**

1. Minn. Stat. § 481.13, subd. 1(a) provides that: “An attorney has a lien for compensation whether the agreement for compensation is expressed or implied (1) upon the cause of action from the time of the service of the summons in the action, or the commencement of the proceeding....”

2. Minn. Stat. § 525.491 extends this provision for attorneys appearing on behalf of an heir in a probate proceeding, providing:

“When any attorney at law has been retained to appear for any heir or devisee, such attorney may perfect a lien upon the client’s interest in the estate for compensation for such services as may have been

rendered respecting such interest, by serving upon the personal representative before distribution is made, a notice of intent to claim a lien for agreed compensation, or the reasonable value of services. The perfecting of such a lien, as herein provided, shall have the same effect as the perfecting of a lien as provided in section 481.13, and such lien may be enforced and the amount thereupon determined in the manner therein provided.”

3. If the attorney did not represent the client at the time of the commencement of the proceeding, the lien arises at the time the attorney first appears in the proceedings. *Williams v. Dow Chemical Co.*, 415 N.W.2d 20, 25-26 (Minn. Ct. App. 1987).

4. The value of a cause-of-action attorney’s lien is determined based on the terms of the fee provisions of a retainer agreement. *Thomas A. Foster & Assocs., LTD v. Paulson*, 699 N.W.2d 1, 6 (Minn. Ct. App. 2005).

5. An attorney holding a cause-of-action lien need not file separate notice of the attorney’s lien for that attorney’s lien to have priority over third-party claims. *City of Oronoco v. Fitzpatrick Real Estate, LLC*, 883 N.W.2d 592, 596 (Minn. 2016).

6. Because SNJ dispute the reasonableness of the outstanding fees and costs claimed by Lommen Abdo and Skolnick & Joyce, and the engagement agreements with Lommen Abdo and Skolnick & Joyce each provide for arbitration to resolve any disputes over fees and costs, it is appropriate that those disputes be referred to arbitration.

7. Because SNJ dispute the reasonableness of the outstanding fees and costs claimed by Hansen Dordell, in part because the Hansen Dordell attorneys never sought reimbursement from the Estate for work that allegedly benefitted the Estate, and because the Court has put in place a procedure for such claims to be reviewed and considered, it is appropriate that Hansen Dordell be directed to apply to the Estate for direct payment of any attorney fees and costs benefitting the Estate before determining the validity of their lien claim against SNJ.

## ORDER

1. Lommen Abdo, P.A. (“Lommen Abdo”), Hansen, Dordell, Bradt, Odlaug, and Bradt, PLLP (“Hansen Dordell”) and Skolnick & Joyce, P.A. (“Skolnick & Joyce”)’s Applications are hereby each RESERVED.

2. Pursuant to the terms of the engagement agreement between SNJ and Lommen Abdo, SNJ and Lommen Abdo shall participate in arbitration to determine the amount of Lommen Abdo’s attorney lien.

3. Pursuant to the terms of the engagement agreement between SNJ and Skolnick & Joyce, SNJ and Skolnick & Joyce shall participate in binding arbitration to determine the amount of Skolnick & Joyce’s attorney lien.

4. Pursuant to the Court’s Order Regarding Heir Attorney Fee Submissions (“Order”) filed March 8, 2019, Hansen Dordell shall review its files and invoices to determine what fees and costs it believes benefitted the Estate as a whole, and file a motion by April 15, 2019 seeking payment of those attorneys’ fees and directly from the Estate. Hansen Dordell’s request shall not be limited to fees and costs incurred during the time period set forth in the Court’s Order, but may include those incurred throughout its representation of SNJ. Any response to the Hansen Dordell motion shall be filed by April 22, 2019; and any reply shall be filed by April 29, 2019.

BY THE COURT:

Dated: April 5, 2019

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Kevin W. Eide  
District Court Judge

NOTICE: A true and correct copy of this Order/Notice has been served by EFS upon the parties. Please be advised that orders/notices sent to attorneys are sent to the lead attorney only.