Filed in First Judicial District Court
8/8/2018 4:27 PM
Carver County, MN

STATE OF MINNESOTA

COUNTY OF CARVER

DISTRICT COURT
FIRST JUDICIAL DISTRICT
PROBATE DIVISION

Court File No.: 10-PR-16-46

In Re:

Estate of Prince Rogers Nelson,
Decedent.

REDACTED

AFFIDAVIT OF THOMAS P. KANE IN ACCORDANCE WITH ORDER REGARDING PROCEDURE FOR FEE APPLICATIONS

STATE OF MINNESOTA)
) ss.
COUNTY OF HENNEPIN)

Thomas P. Kane, after being duly sworn, states:

1. I am an attorney duly licensed to practice and in good standing in the State of Minnesota and, if called as a witness, I could and would competently testify to the facts stated herein based on my own personal knowledge.

2. I am an attorney at Cozen O'Connor ("Cozen") and former counsel of record for Omarr Baker ("Baker"). I submit this affidavit in accordance with the Order re: Procedure for Fee Applications issued by Special Master Richard B. Solum ("Judge Solum") on July 15, 2018.

3. Baker retained Cozen in June 2016 to provide legal services and specialized advice regarding the Estate of Prince Rogers Nelson (the "Estate"). Cozen formally appeared in the matter on June 23, 2016 and served as Baker's counsel of record until June 19, 2018.

4. Since June 2016, Cozen has conducted extensive work on Estate related proceedings that benefited the Estate. These include briefing and arguing in proceedings to determine the rightful heirs of the Estate, interviewing and selecting a successor to replace Bremer Trust, National Association ("Bremer" or "Special Administrator"), investigating and raising for

Filed in First Judicial District Court
8/8/2018 4:27 PM
Carver County, MN

the Court issues regarding Bremer and its retained entertainment experts, analyzing proposed entertainment contracts and raising discrepancies on said contracts, and other tasks related to the Estate.

5. In February and March 2017, Cozen filed two motions for payment of attorneys' fees pursuant to Minn. Stat. § 524.3-720 for legal fees incurred from June 2016 through January 2017. Cozen requested [redacted] fees and [redacted] in costs and attached its invoices for the district court's review. On April 5, 2017, the district court awarded Cozen [redacted] Cozen appealed the district court's decision to the Minnesota Court of Appeals, which on January 22, 2018 reversed in part and remanded the decision to the trial court. On June 5, 2018, the district court appointed Judge Solum as Special Master over the issue so the district court could supplement its findings in connection with the appellate court decision.

6. On July 10, 2018, Cozen submitted a spreadsheet to Judge Solum for [redacted] in fees and [redacted] in costs that (1) removed the fees the district court awarded, (2) eliminated select fees and costs that in Cozen's view did not benefit the Estate, and (3) was divided into the following categories:

No.	Category	Amount
	FEES	
1	Paisley Park	[redacted]
2	Heirship	[redacted]
3	Entertainment	[redacted]
4	WB Agreement	[redacted]
5	UMG Agreement	[redacted]
6	Protocols	[redacted]
7	Short-form Agreement	[redacted]
8	Jobu Presents Agreement	[redacted]
9	Tribute	[redacted]
10	Special Administrator	[redacted]
11	Personal Representative	[redacted]
12	Fee Petition	[redacted]

Filed in First Judicial District Court
8/8/2018 4:27 PM
Carver County, MN

13	Court Appearances & Filings	[redacted]
14	Meetings with clients	
15	General	
	TOTAL	
	COSTS	
16	Costs	
	TOTAL	

7. The above categories come from three sources. First are the categories of fees that Judge Eide created in his order awarding fees. There was not hearing on the fee issue and no predetermination of the categories that the district court viewed as benefiting the Estate before Judge Eide issued his order. The second source of the above categories comes from the identification of additional categories based on what the appellate court said should have been considered. The final list of 16 categories is a combination of categories arising from discussion with the counsel for the personal representative and an analysis of the legal fees that benefited the estate but did not fall into any of the first two sources of categories.

8. In his order dated July 15, 2018, Judge Solum ordered "counsel seeking an award of attorney fees or costs ("Applicant") [to] provide to the undersigned, with copies to the other parties, an affidavit of a lawyer or lawyers with first-hand knowledge which affidavit describes a list of categories of services done by the applicant or his or her law firm about which the applicant affirms for each such category that the services are subject to payment pursuant to Minn. Stat. section 524.3-720. Additionally, as to each such category, the affidavit shall affirm in detail how the related services meet one or more elements set out in Minn. Stat. section 524.3-720, including in such affirmation. . ."

9. The chart above provides a list of categories of the services done by Cozen. I affirm for each category that the services are subject to payment pursuant to Minn. Stat. section 524.3-

Filed in First Judicial District Court
8/8/2018 4:27 PM
Carver County, MN

720. In the remainder of this affidavit, I affirm for each category in detail how the related services meet one or more elements set out in Minn. Stat. § 524.3-720.

1 – Paisley Park

10. Following the death of Prince Rogers Nelson ("Prince"), there was a substantial amount of work to be done regarding the administration of the Estate, including Prince's Paisley Park. As such, Cozen spent a considerable amount of time acting as a liaison between Bremer, the Heirs,[1] and other interested parties. This included advising and counseling on asset preservation and revenue generating opportunities available to the Estate, as well as methods for capitalizing on those opportunities, including measures and opportunities related to Paisley Park. This included work consulting with and advising the Special Administrator on issues that the Heirs wanted the Special Administrator to consider but it did not consider since the Special Administrator had no firsthand knowledge of Paisley Park before Prince's death and had no firsthand knowledge of Prince's view of the items in Paisley Park that would generate value as a museum.

11. In my opinion, the time Cozen seeks for reimbursement for efforts related to Paisley Park is just and reasonable and commensurate with the benefit to the Estate.

2 - Heirship

12. Given the high profile nature and size of the Estate, there have been numerous claims from individuals alleging to be heirs.

13. Throughout May and June of 2016, the Court considered the various claims and asked Bremer and its counsel, Stinson Leonard Street ("Stinson"), to determine a protocol. The

[1] Prince's Heirs are Omarr Baker, Alfred Jackson, Sharon Nelson, Norrine Nelson, John Nelson, and Tyka Nelson. At times in this affidavit I refer to the Heirs as the "Non-Excluded Heirs," which is how the district court referenced the Heirs before making a finding of heirship in May 2017.

Filed in First Judicial District Court
8/8/2018 4:27 PM
Carver County, MN

Court held a hearing on July 27, 2016 and requested submissions regarding the protocol by July 15, 2016. The Non-Excluded Heirs submitted briefing on July 15, 2016. In preparing the briefing, Cozen spent considerable time reviewing and analyzing the legal facts and contentions presented by the Special Administrator and various petitioners.

14. Cozen's arguments were considered in the Court's "Order Regarding Genetic Testing Protocol and Heirship Claims Following the June 27, 2016 Hearing and Judgment," dated July 29, 2016. The July 29 Order provided considerable clarity as the Court excluded certain individuals as heirs of the Decedent's Estate. The July 29 Order also defined the Non-Excluded Heirs as Omarr Baker, Alfred Jackson, John Nelson, Norrine Nelson, Sharon Nelson, and Tyka Nelson.

15. After the July 29 Order, Brianna Nelson, minor V.N. and Corey Simmons, sought to intervene in these proceedings, claiming to be Prince's heirs. Bremer and its counsel Stinson refused to take a position on this heirship claim. I was the lead attorney for the Non-Excluded Heirs' counsel on the heirship claim, and Cozen took the lead in briefing the issues. I argued on behalf of the Non-Excluded Heirs at the hearing on the matter on October 21, 2016. In addition, Cozen met and conferred with Brianna Nelson and V.N.'s counsel and attended depositions in the matter. Following the hearing, the Court issued its October 26, 2016 "Order & Judgment Denying Heirship Claims of Brianna Nelson, V.N. and Corey Simmons." Under this Order and the Order Authorizing Genetic Testing of Corey D. Simmons, which I received a copy of and reviewed, the district court dismissed the claims of Brianna Nelson and V.N. and allowed Corey Simmons to take DNA testing.

16. Cozen was not paid in full for that work in full; however, Bremer was paid in full for the legal work it did. This was true even though Bremer took no position regarding the heirship,

Filed in First Judicial District Court
8/8/2018 4:27 PM
Carver County, MN

wrote perfunctory briefs that took no position as to whether or not Brianna Nelson was an heir, and made no substantive arguments before the district court. In its January 2018 opinion, the appellate court addressed this argument and suggested that the district court could grant us the fees on remand for this work.

17. In my opinion, the Cozen time sought for reimbursement for efforts related to heirship is just and reasonable and commensurate with the benefit to the Estate.

3 – Entertainment

18. Cozen performed services that were reasonably and necessarily incurred to secure the right of the Non-Excluded Heirs to participate in the negotiation and finalizing of six proposed entertainment deals that Bremer advanced.

19. Cozen conducted research, prepared arguments, and presented arguments to the Court on August 30 and September 29, 2016 relating to the entertainment deals. Cozen's efforts resulted in the October 6 Order which allowed the Non-Excluded Heirs to have input in the ongoing negotiations for the six entertainment deals advanced by the Estate. These efforts benefited the Estate [redacted]

Filed in First Judicial District Court
8/8/2018 4:27 PM
Carver County, MN

[redacted]

20. Cozen attorneys conferred with the Representatives to reach a consensus among counsel for all Non-Excluded Heirs. Upon developing a consensus, the Representatives provided detailed redlines and comments to the Advisors for the various entertainment deals.

21. As a result of these efforts, the final versions of the entertainment deals were materially better for the Estate than the draft agreements Bremer submitted to the Court on October 6, 2016.

22. In my opinion, the Cozen time sought for reimbursement for efforts related to entertainment deals is just and reasonable and commensurate with the benefit to the Estate.

4 – WB Agreement

23. On August 30, 2016, the Court issued an "Order Adopting Modified Protocol for Business Agreements" (the "August 30 Order"). The August 30 Order required the Special Administrator to provide a copy of any proposed "Major Deal" to counsel for the Non-Excluded Heirs. The Non-Excluded Heirs had 72 hours to provide an objection. If any party objects, the parties were to attempt to resolve the issue and, if that is not possible, then to schedule a telephone conference with the Court.

24. On August 30, 2016, the Court conducted a telephone conference with the parties on August 30, 2016 regarding a proposed contract with Warner Brothers. Cozen attended the telephonic conference on behalf of Baker. [redacted]

Filed in First Judicial District Court
8/8/2018 4:27 PM
Carver County, MN

25. Cozen, along with counsel for the other Non-Excluded Heirs, [redacted]

26. In anticipation of the August 30 Hearing, Cozen conducted extensive research and preparation for argument. I worked with Ken Abdo, one of the Non-Excluded Heirs' counsel, to prepare the Non-Excluded Heirs' argument at the August 30 hearing. This resulted in the Court's denial of the Warner Brothers agreement. [redacted]

27. In my opinion, the Cozen time sought for reimbursement for efforts related to the WB Agreement is just and reasonable and commensurate with the benefit to the Estate.

5 – UMG Agreement

28. Bremer delayed in providing a copy of the UMG Consultancy Agreement to the Non-Excluded Heirs until close to the final day of its special administration, January 31, 2018. [redacted]

Filed in First Judicial District Court
8/8/2018 4:27 PM
Carver County, MN

[redacted]

29. [redacted]

30. In my opinion, the Cozen time sought for reimbursement for efforts related to the UMG Agreement is just and reasonable and commensurate with the benefit to the Estate.

Filed in First Judicial District Court
8/8/2018 4:27 PM
Carver County, MN

6 – Protocols

31. Because of the lapse in providing agreements and exhibits to the Non-Excluded Heirs and other issues arising during the negotiation of the agreements, Cozen—along with other counsel for some of the Non-Excluded Heirs—believed that a formal protocol was required concerning the roles of the respective parties for the remaining deals Bremer proposed.

32. Several conferences between the Non-Excluded Heirs and the Special Administrator regarding a formal protocol for the remaining negotiations took place but an acceptable resolution was not reached. As a result, Tyka Nelson and Omarr Baker prepared and filed a Motion seeking a Protocol under the October 6, 2016 Order ("Protocol Motion").

33. On November 8, 2016, the Court issued its November 8, 2016 Order for Submissions (entered on November 9) regarding the Protocol Motion which in part, froze the Special Administrator from entering into any additional business contracts until further order of the Court.

34. Subsequently, the parties continued their meet and confer process. While the meet and confer effort brought the parties closer together, a resolution was not reached and each side submitted their proposed protocol orders to the Court. The Representatives submitted a proposed protocol order to the Court.

35. On November 23, 2016, the Court entered a protocol order regarding the negotiation of the remaining entertainment deals.

36. As a result of the Motion and subsequent order, the Parties had further clarity and definition regarding the negotiating process for the remaining four deals. [redacted]

[redacted]

Filed in First Judicial District Court
8/8/2018 4:27 PM
Carver County, MN

[redacted]

37. In my opinion, the Cozen time sought for reimbursement for efforts related to the Protocols is just and reasonable and commensurate with the benefit to the Estate.

7 – Short-form Agreements

38. In September 2016, Bremer and the Non-Excluded Heirs continued to disagree about whether the Estate should enter into seven entertainment deals Bremer proposed and whether representatives for the Non-Excluded Heirs should be involved in the negotiation and drafting of long-form agreements for those entertainment deals.

39. Cozen prepared for the hearing regarding the short-form entertainment deals, participated in discussions among counsel for the Non-Excluded Heirs, assisted with preparation of briefs jointly filed on behalf of the Non-Excluded Heirs, prepared for and appeared at the hearing on September 29, 2016 at which, among other things, we asked the Court to allow the Non-Excluded Heirs to participate in negotiation of long-form agreements. The Heirs were allowed to participate in the drafting of the long form agreements but not the short form agreements. [redacted]

Filed in First Judicial District Court
8/8/2018 4:27 PM
Carver County, MN

40. By Order entered on September 30, 2016, the [redacted] participate in the negotiation of long-form agreements for such entertainment deals.

41. By Order entered on October 6, 2016 the Court confirmed its approval of six proposed entertainment deals and the appointment of two "Representatives" for the Non-Excluded Heirs who would be "able to offer input into the 'long-form deals' and assist in negotiating quid pro quo amendments to the deals. . . "

42. During much of the time period covered by this Application, Cozen corresponded extensively with the Representatives, counsel for Bremer, and counsel for the other Non-Excluded Heirs regarding the proposed long-form agreements.

43. No prior drafts of the long-form agreements were provided to the Non-Excluded Heirs or counsel, and comments were to be provided on an extremely expedited basis. Once provided, Cozen analyzed the proposed agreements, particularly to assess the financial and operational effects on the Estate over the three to five-year term of such agreements.

44. Cozen engaged in frequent communications with counsel for the other Non-Excluded Heirs, the Representatives, Bremer, and Bremer's Entertainment Advisors to offer input and assist in negotiating amendments to the deals in order to provide status updates and prepare strategy.

45. In my opinion, the Cozen time sought for reimbursement for efforts related to the Short-form Agreements is just and reasonable and commensurate with the benefit to the Estate.

8 – Jobu Presents Agreement, 9 – Tribute, and 10 – Special Administrator

Filed in First Judicial District Court
8/8/2018 4:27 PM
Carver County, MN

46. The following information, while lengthy, is necessary to understand the context behind the fees Cozen seeks relating to certain transactions. It is separated into subparts and provides context for the fees Cozen seeks with respect to categories 8 (Jobu Presents Agreement), 9 (Tribute), and 10 (Special Administrator).

The Entertainment Advisors

47. The Tribute was originally an effort driven by the Heirs and their counsel (1) as an honor to Prince, (2) to headline as the first music event taking place at U.S. Bank stadium, and (3) to capture the economic benefit of Prince's recent passing. In May 2016, the Heirs' counsel held meetings with various individuals regarding the Tribute. During this same time, Bremer was interviewing potential entertainment advisors to aid its administration of the Estate. On June 1, 2016, Bremer informed the Heirs' counsel that it had selected L. Londell McMillan to advise the Estate. McMillan had previously worked for Prince many years before Prince's death, but any work he conducted for Prince ended in or about 2006 under questionable circumstances.

48. [redacted] Bremer assured the Heirs that it would conduct a robust Request for Proposal process. Despite numerous requests for information about the RFP, the process was largely unknown to the Heirs—and based upon present knowledge [redacted] When it was finally disclosed

Filed in First Judicial District Court
8/8/2018 4:27 PM
Carver County, MN

to the Heirs, the RFP concluded with Bremer [redacted]

49. On June 2, 2016, Bremer requested the Court's approval to retain "entertainment industry experts to advise and assist the Special Administrator in the management and preservation of the wide-ranging intellectual property of the Estate, and to perform acts of administration on behalf of the Special Administrator and the Estate." (*See* Ex. 1, Bremer's Notice of Motion and Motion Re: Entertainment Industry Experts, filed June 2, 2016.) Although some of the Heirs had reservations about McMillan—and others objected to McMillan as well as the RFP—the Heirs did not collectively object to Bremer's formal motion for permission to engage the Advisors because: (a) they understood the engagement to be short term; (b) any contracts entered into by the Advisors would be short term; and (c) in order to move forward with the promotion of the Tribute in early August (which was to be held at the new U.S. Bank Stadium), these Advisors had to be engaged quickly.

50. On June 8, 2016, the Court authorized Bremer to engage the Advisors, but cautioned that any engagement should not extend beyond November 2, 2016, stating "to enter into employment or other contractual relationships with the identified entertainment industry experts on terms and conditions which the Special Administrator determines to be reasonable and beneficial under all of the circumstances, provided that: (a) the term of employment of any entertainment industry expert shall be limited to the period of up to and including November 2, 2016; and [redacted]

Filed in First Judicial District Court
8/8/2018 4:27 PM
Carver County, MN

[redacted]

by potential heirs must be provided to the Special Administrator and the Court within five days of receipt of the proposed agreement." (*See* Ex. 2, Findings of Fact, Order & Memorandum Authorizing Special Administrator's Employment of Entertainment Industry Experts, filed under seal June 8, 2016 (the "June 8 Order").)

51. In the June 8 Order, the Court held that "[t]he Special Administrator has not been granted, and the Court will not grant at this time, the authority to enter into contractual relationships that will extend beyond the term of the Special Administration. **To do so would usurp the control of the Estate by the heir(s) and the Court.**" (*Id.*, ¶ 18, emphasis added.) The Court further held that "the looming tax obligation is certainly a consideration but it should not push the parties, the Special Administrator and the Court into acting in a manner that is not legally sound, is not prudent, and is not in the best interest of the heir(s)." (*Id.*, ¶ 12.) Bremer was made the special administrator for just six months.

52. On June 16, 2016, despite its limited authority from the Court pursuant to the June 8 Order, Bremer entered an Advisor Agreement with NorthStar (providing the services of McMillan) and CAK (providing the services of Koppelman) (the "Advisor Agreement").

[redacted]

53. At various times after execution of the Advisor Agreement and before termination of Bremer's special administration on January 31, 2017, the Heirs advised Bremer both directly and through counsel of their concern about (a) the role McMillan was playing in

Filed in First Judicial District Court
8/8/2018 4:27 PM
Carver County, MN

the Estate; (b) the apparent exploitation of the Estate by overcharging; (c) the lack of transparency between what the Advisors were doing and what information was provided to the Heirs; [redacted]

54. In the Advisor Agreement, Bremer and the Advisors agreed to work "in good faith" with the Special Administrator to comply with the Court. Specifically, the Advisor Agreement provided that "the power of the [Special] Administrator is limited by laws applicable to the Special Administration as well as orders of Court. To the extent there is ambiguity regarding whether and to what extent the [Advisor] Agreement is impacted by the Court Limitations, the parties to the [Advisor] Agreement shall meet and negotiate in good faith to prepare a written amendment evidencing their agreement regarding any required modifications to the [Advisor] Agreement." (Ex. 3, Advisor Agreement, ¶ 3.) The Advisor Agreement stated that it was for a period of 90 days (thus, expiring September 14, 2016), but provided for potential renewal upon agreement of the parties. (*Id.*, ¶ 4.) During the term of the Advisor Agreement, Koppelman and McMillan agreed to provide entertainment industry services and to advise Bremer in all aspects of business in the entertainment industry. (*Id.*, ¶ 5.) [redacted] commission on all written contracts, amendments, extensions,

additions, substitutions, replacements, and modifications (including amendments to pre-existing contracts) relating to rights related to Prince and the Estate "that are entered into during the Term or substantially negotiated during the Term and executed within [redacted] (*Id.*, ¶ 6.)

55. [redacted] (Advisor Agreement, ¶¶ 5-6.) This was contrary to the Court's June 8 Order. (June 8 Order, ¶ 18.) Moreover, even after the execution of the Advisor Agreement, [redacted] In response to a question by Cozen regarding McMillan's lack of commitment to meet the proposed August 14 date, Stinson implied that they may need to cancel the Tribute entirely (Ex. 4, Affidavit of Laura E. Halferty, filed Jan. 26, 2017, Ex. C.)

56. The expansive nature of the Advisor Agreement was one of the first orders of business when Baker retained Cozen in late June 2016. Shortly after Cozen was retained, the Heirs brought a motion to invalidate the Advisor Agreement as it violated the Court's June 8 Order, provided too much money to the Advisors, and appeared to be giving the Advisors a sweetheart deal in light of the tremendous hype there was to Prince's music on his death. (Ex. 5, Memorandum of Law in Support of Non-Excluded Heirs' Objections to Advisor Agreement and Court Approval of "Major Deals," filed under seal Sept. 28, 2016.) [redacted] the Court did not invalidate the Advisor Agreement. (Ex. 6, Amended Order Granting in Part the Special Administrator's Motion to Approve Recommended Deals & Denying Motion to Void Advisor Agreement, filed under seal Oct. 6, 2016.) However, though the Advisor

Filed in First Judicial District Court
8/8/2018 4:27 PM
Carver County, MN

Agreement was consensually amended to remove a tail that would have paid the Advisors on the amendment or replacement of any and all deals put in place, any deal that was negotiated for a term after the original deals which would have paid the [redacted] commission. [redacted]

The Agreement with Jobu Presents

57. On June 30, 2016, Bremer's counsel invited the Heirs to a meeting to discuss the Tribute Concert. (Ex. 4, Affidavit of Laura Halferty, filed Jan. 26, 2017, ¶ 8, Ex. A.) Following the meeting, Bremer's counsel sent a summary of the proposals for the Tribute Concert that McMillan had prepared. (*Id.*, ¶ 9, Ex. B.)

58. Bremer's counsel and Stinson partner Laura Halferty (née Krishnan) sent an email to the Heirs' counsel, proposing [redacted] to take place at U.S. Bank Stadium. (*Id.*) In response, the Heirs' counsel sent a list of detailed questions, including the reason for recommending Jobu Presents ("We note that Live Nation is credited in the attachment summary as an 'established and well-known production company' but Jobu is not. Is there an issue here?"), the size of the guarantee, whether any charity component existed, and any commission the Advisors would receive under the Tribute. (*Id.*)

59. Halferty answered the questions on the email that was provided. (Ex. 4, Affidavit of Laura E. Halferty, filed Jan. 26, 2017, Ex. B.) First, Halferty represented that the Jobu Presents proposal [redacted] because they are [redacted]

Filed in First Judicial District Court
8/8/2018 4:27 PM
Carver County, MN

production company the SA and [redacted] (*Id.*) Next, Halferty represented that Jobu Presents' [redacted] "is not an issue." (*Id.*) Further, Halferty represents "[i]t is my understanding that there will be [redacted] and that the Advisors will [redacted] (*Id.*) Finally, Halferty confirms Bremer, Stinson, and the Advisors would negotiate the Tribute deal on behalf of the Estate: "**SLS [Stinson] on behalf of the SA [Bremer], with the advice and counsel of our Advisors, will negotiate this deal with the Promoter.**" (*Id.*, emphasis added.)

60. Jobu Presents, LLC was formed in March 2016. It is a Delaware Limited Liability Company with its principal place of business at 299 West Houston, Eighth Floor, New York, NY 10014. (Ex. 7, Jobu Presents Complaint, Court File No.: 10-CV-17-368, filed April 21, 2017 ("Complaint"), ¶ 1.) David Fritz of Boyarski Fritz LLP represented Jobu Presents at the time Bremer engaged Jobu Presents for the Tribute. Fritz is Koppelman's son-in-law. Bremer never disclosed this connection to the Court or the Heirs. It appears Stinson and the Advisor's recommendation to engage Jobu Presents was based on the amount of the guarantee, which was greater than that of other proposals. However, as discussed below, [redacted]

61. [redacted] a longstanding and well respected promoter. While Deborah Fasen—one of Bremer's employees—was familiar with Live Nation, she had not heard of the relatively new Jobu Presents until the Advisors recommended it. (*See* Ex. 8, Transcript of January 12, 2017 Proceedings, p. 95.) In fact, it was Koppelman who "sought and received a third proposal from Jobu Present[s]." (Ex. 9, The Special Administrator's Reply to Objections by Omarr Baker, Tyka Nelson, and Roc

Filed in First Judicial District Court
8/8/2018 4:27 PM
Carver County, MN

Nation to the Special Administrator's Petition for Discharge, filed Jan. 26, 2017, p. 3.) Bremer's counsel represented that "[t]he [Jobu] numbers are [redacted] (*Id.*, internal citations omitted.) The difference in guarantees, based upon the evidence is around [redacted] which would have resulted in a [redacted] additional commission to the Advisors. Considering that Cozen raised this issue with the district court, and Wheaton and Bruntjen attempted to save the Tribute, the denial of fees is not understandable.

62. The Heirs and the Court received no other justification—economic, experience, or otherwise—for hiring Jobu Presents over Live Nation. It was the Advisors who guided Bremer on choosing the promoter of the Tribute Concert, including recommending Jobu Presents as a capable promoter for the event. (*Id.*; Transcript of January 12, 2017 Proceedings, p. 96.)

63. In coordinating the Tribute Concert, Bremer held the Advisors out to the Heirs as having authority coordinate the Tribute Concert, including entering the agreement with Jobu Presents. It is not apparent from any documents filed with the Court or otherwise presented to the Heirs [redacted] The agreement with Jobu Presents is addressed to the "Advisors of the Estate of Prince Rogers Nelson" and signed by Susan K. Albrecht, Executive Vice President at Bremer Trust, N.A. (Ex. 10, Affidavit of Steven H. Silton, filed Jan. 19, 2017, Ex. A, hereinafter "Jobu Agreement.") Pursuant to the language in the

Filed in First Judicial District Court
8/8/2018 4:27 PM
Carver County, MN

agreement, the Advisors were agents with authority from Bremer to coordinate the Tribute Concert.

64. The Jobu Agreement was executed on [redacted] payable [redacted] The Jobu Agreement further provided for revenue sharing on certain types of receipts, [redacted] Notably, there is no provision in the Jobu Agreement for a return of guaranteed payments. (*Id.*) [redacted] Pursuant to the Advisor Agreement, Koppelman and McMillan were entitled [redacted] or approximately [redacted] Individually, each would be entitled to [redacted] probably fraud, whereas Cozen, Wheaton, and Bruntjen were paid almost nothing for their work.

Koppelman Loans Money to Jobu Presents

65. Sometime after Bremer signed the Jobu Agreement, and substantially prior to September 2016, the Tribute was already in serious jeopardy—including allegations by Jobu Presents of fraud. [redacted] from the Heirs and the Court through August 2016. At the time, Bremer and Stinson were well aware that [redacted] able to fulfill its obligations to provide and promote the Tribute, and that the Advisors funded the first guarantee. Moreover, it is clear [redacted] over and above their commission. According to Vaughn Millette, its CEO, "Jobu Presents raised significant concerns regarding the ability to produce the Tribute Show and the company's unwillingness to make the initial [redacted] Dollar payment to the

Filed in First Judicial District Court
8/8/2018 4:27 PM
Carver County, MN

Estate." (Ex. 11, Affidavit of Vaughn Millette, ¶ 6.) Wanting to keep the Jobu Agreement and his role as Advisor intact, Koppelman [redacted] (*Id.*, ¶ 8.) Koppelman "also made clear that there would be consequences if Jobu Presents failed to go forward under the Agreement." (*Id.*)

66. On August 4, 2016, [redacted] (*See* Affidavit of Steven H. Silton, filed Jan. 19, 2017, Ex. C; Affidavit of Vaughn Millette, ¶ 10.) Stinson and Bremer never disclosed any of these facts and circumstances to the Heirs; however, the facts clearly demonstrate that there remained ongoing coordinating between Bremer, Stinson, and the Advisors all of which could have been avoided [redacted] yet little was paid to these counsel and Bremer's counsel was paid in full. This failure to pay Cozen, Wheaton, and Bruntjen flies in the face of the court of appeals decision that the relative payment the special administrator as compared to these counsel should be a factor in obtaining fees as discussed more fully below.

Jobu Presents Advances the Guarantee to Bremer

67. On August 5, 2016—just one day after the promissory note exchange between Jobu Presents and Koppelman—[redacted] to Bremer. On September 12, 2016, Bremer informed the Heirs that it had received a wire transfer of [redacted] The total amount due was the [redacted]

Filed in First Judicial District Court
8/8/2018 4:27 PM
Carver County, MN

million guarantee was [redacted] The amount transferred to the Estate [redacted] was the amount of the first portion of the guarantee after Jobu Presents removed the Advisors' [redacted] Jobu Presents paid McMillan a [redacted] for "his share of the commission on the advance under the Advisory Agreement." Bremer's counsel also represented that Koppelman told Bremer [redacted]

68. If Koppelman in fact loaned the full advance to Jobu Presents, he would not logically collect his commission on the Jobu Agreement. It appears that Koppelman kept his [redacted]

69. Bremer's counsel contends it conducted adequate due diligence regarding Jobu Presents. However, had Bremer's counsel truly conducted adequate due diligence, [redacted] talent it had represented as able to obtain. Again, Bremer's counsel was paid in full on these issues, and these counsel were not.

Jobu Presents Demands Rescission

70. Although the timeline is not exactly clear, simultaneously to the Koppelman loan, relations further [redacted] According to Vaughn Millette—the CEO of Jobu Presents—the relationship between the Advisors and Jobu Presents had [redacted] It is unclear what exactly happened between these parties [redacted] However, it appears that Koppelman and McMillan, acting as Bremer's agents, [redacted]

Filed in First Judicial District Court
8/8/2018 4:27 PM
Carver County, MN

71. Bremer and its agents' representation that the Tribute was a charitable event was significant. According to some sources, certain talent were willing to participate at nominal rates [redacted] to the Tribute. In turn, this significantly changed the economics of the Tribute and changed which talent would appear. On learning of the issues involving the talent and the non-charitable nature of the Tribute, [redacted] (Ex. 7, Jobu Complaint; Ex. 12, Second Special Administrator's Report.)

72. On August 24, 2016, Jobu Presents sent a letter to the Advisors terminating its involvement with the Tribute Concert. In the letter, Jobu Presents alleged (i) the Tribute Concert will [redacted] and (ii) the [redacted] Ex. 10, (Affidavit of Steven H. Silton, filed Jan. 19, 2017, Ex. B; Ex. 11, (Affidavit of Vaughn Millette, ¶ 13.) As of August 29, 2016, "Jobu [Presents] had already paid the Estate a $2,000,000 advance on the guarantee." Ex. 4, (Affidavit of Laura Halferty, filed Jan. 26, 2017, ¶ 15.) The same day, Jobu Presents sent a letter to Bremer's counsel, Stinson attorney Traci Bransford, reiterating the same. In the letter, Jobu Presents [redacted] (Affidavit of Steven H. Silton, filed Jan. 19, 2017, Ex. C, the "August 29 Rescission Demand.")

73. Jobu Presents alleged that the Advisors (a) misrepresented the business plan and (b) failed [redacted] (August 29 Rescission Demand.) Jobu Presents further alleged that [redacted] the Advisors gave Jobu Presents and others in the music community raised questions of the Estate's dealings and transparency, along with the personal motives and integrity of the Advisors to the Estate. (*Id.*) Jobu Presents ended its letter with a demand [redacted],

Filed in First Judicial District Court
8/8/2018 4:27 PM
Carver County, MN

costs, and expenses [redacted] presumably the sum of the commission to Koppelman, commission to McMillan, and the advance to Bremer. These facts were uncovered primarily by Bruntjen and Cozen and were submitted to the second special administrator.

74. Bremer responded to the August 29 Rescission Demand on September 8, 2016. (Affidavit of Steven H. Silton, filed Jan. 19, 2017, Ex. D.) In this letter—written by its counsel, Stinson partner David Crosby—[redacted] reimburse Jobu Presents for any expenses. Bremer further requested Jobu Presents "agree to [redacted] until the end of October 2016." (*Id.*) On September 9, 2016, litigation counsel for Jobu Presents sent a demand letter in response to the Estate's September 8 letter. (Affidavit of Vaughn Millette, ¶ 14.) In its letter, Jobu Presents emphasized (a) the damages the Advisors caused, and (b) Bremer and the Estate's failure to monitor their selected "experts." (Affidavit of Vaughn Millette, Ex. B; Complaint, § 56, Ex. E).

75. On September 12, 2016, Bremer's counsel informed Cozen, Wheaton, and Bruntjen that Jobu Presents had advanced [redacted]—an amount that differs from both the [redacted] alleged in Jobu Presents' August 29 Rescission Demand and the [redacted] affidavit filed in January 2017. (*Compare* Ex. 13, Affidavit of Steven H. Silton, filed Sept. 27, 2016, Ex. 7 *with* August 29 Rescission Demand and Affidavit of Laura Halferty, filed Jan. 26, 2017, ¶ 15.) In the same September 12 email, Bremer's counsel represented that Jobu Presents paid McMillan a commission of $116,500 for "his share of the commission on the advance under the Advisory Agreement." (*Id.*) According to Bremer, Koppelman did not receive payment. (*Id.*)

Filed in First Judicial District Court
8/8/2018 4:27 PM
Carver County, MN

The Heirs Voice Their Frustration with the Tribute

76. On September 14, 2016 various Heirs' counsel reached out to Bremer, frustrated with the confusion surrounding Jobu Presents' rescission and the status of the Tribute Concert. (Ex. 14, Affidavit of Steven H. Silton, filed April 24, 2017, Ex. A.) The email encapsulates the Heirs' worry over the misinformation and lack of information surrounding the Tribute:

> "**[T]he heirs are tired and frustrated with all things related to the Tribute. They have received only sporadic information on the Tribute from the 'Monetization Experts,' and they seem to be consulted only in moments of crisis.** So many promises have been made and broken that it is difficult for the heirs to get their hopes up, or to genuinely believe that the Tribute can be executed in a first class manner and with first class talent, in a manner that enhances the Prince brand, in no less than one month, when we still do not have a promoter in place and under contract to execute a coherent plan.
>
> **The 'Monetization Experts' were hired in June [of 2016] with the understanding that they would facilitate a Tribute in early August**, making the Tribute the first event at US Bank Stadium, as Prince himself was planning to do. One month after the original target date for the Tribute, and after our clients were persuaded to release a public statement announcing the October 13 Tribute date—with a promise from the Experts that top flight talent needed the public commitment in order to commit in turn to the event—[redacted] **In fact, since the public statement, the promoter** [redacted] **A replacement has not been engaged. In light of this history and the** [redacted] **situation that surrounds the Tribute at this juncture**, the heirs [are] concerned [redacted] and his legacy and promotes his brand will be difficult to achieve on October 13." (*Id.*, Ex. A, p. 2) (emphasis added.)

77. In response to the Heirs' email, Bremer's counsel (Stinson attorney Jill Radloff) sent a "Tribute Concert Status Update" from Koppelman and McMillan. (Affidavit of Steven H. Silton, filed April 24, 2017, Ex. A, pp. 7-8.) [redacted] Nothing in this correspondence indicated that with respect to the Tribute Concert the Advisors were acting or had acted outside the scope of their role with Bremer.

Filed in First Judicial District Court
8/8/2018 4:27 PM
Carver County, MN

78. Based on this, and in order to save the Tribute, which seemed [redacted], Bremer and the Heirs entered into earnest negotiations. Some of those negotiations occurred by email and telephone, while others occurred in person at Cozen's office between Steven Silton and Jill Radloff. Bremer claimed it was negotiating in good faith, on behalf of itself and its Advisors. It is clear, in retrospect, that they had alternative agenda.

79. On September 15, 2016, at the same time the Heirs and Bremer were negotiating to "save" the Tribute, Bremer and Jobu Presents were negotiating for the return of the advance, and the Advisors were [redacted] Because Bremer "believed that [redacted] it entered into a [redacted] agreement with Jobu Presents in which Bremer agreed (a) [redacted] and (b) [redacted] (Ex. 7, April 21, 2017 Complaint, § 57; Ex. 9, the Special Administrator's Reply to Objections by Omarr Baker, Tyka Nelson, and Roc Nation to the Special Administrator's Petition for Discharge, filed Jan. 26, 2017, p. 7; Affidavit of Laura Halferty, filed Jan. 26, 2017, Ex. H, K.) Bremer waited to inform the Heirs and the Court until after it had returned the advance to Jobu Presents and the Court had approved all of the Entertainment Deals proposed. (*Id.*) This prevented the Heirs from approaching the Court and requesting the Estate hold the advance until the matter with Jobu Presents was resolved, and indeed, until the Court had approved all of the Advisors' proposed deals.

80. The same day, my colleague at Cozen, Steve Silton, sent an email to Jill Radloff listing "the conditions under which the presumptive heirs will support the Tribute." (Ex. 13, Affidavit of Steven H. Silton, filed Sept. 27, 2016, Ex. 12.) The conditions included

Filed in First Judicial District Court
8/8/2018 4:27 PM
Carver County, MN

confirmation of acts, complete transparency of finances and promoters ("Assuming Londell is the promoter . . . confirmation as to what the Estate will receive"), approval of all communications regarding the event, and "[t]hat any agreement to go forward will have no evidentiary impact on issues regarding Londell/Charles." (*Id.*, Ex. 12, p. 4.) A few hours later, Radloff replied, attached a draft press release, and once again confirmed Christina Aguilera, John Mayer, and Stevie Wonder would appear at the concert. (*Id.*, Ex. 12, p. 3.) In response, Silton told Radloff [redacted] (*Id.*, Ex. 12, p. 2.) Silton further told Radloff "the heirs were not agreeable to any statement made by or on behalf of Londell." (*Id.*)

81. Radloff then responded, in a [redacted] by stating that Tribute (a concert with name entertainment) [redacted] under the agreement between the Special Administrator and the Advisors, including Mr. McMillan: "We want to remind you all that the Tribute, in its current form, [redacted] under the advisor agreement. **The Special Administrator is not a party to any of these contracts** nor is Mr. McMillan the Special Administrator's [redacted] given his co-promoter status. We encourage you to work directly with Mr. McMillan and his Public Relations representative Lois Najarian O'Neil to make this event successful." (*Id.*, Ex. 12, p. 1) (emphasis added.) This statement was contrary to the Heirs' previous understanding and inconsistent with the ongoing negotiations. (*Id.*, ¶ 14.)

82. Bremer sent the above email on September 15, 2016 at 5:00 p.m. Just four minutes later, one of the Heirs' attorneys sent an email stating "Front page Strib just broke a story announcing the Tribute on 10/13 at the Xcel. [redacted]

Filed in First Judicial District Court
8/8/2018 4:27 PM
Carver County, MN

[redacted] (Ex. 4, Affidavit of Laura Halferty, filed Jan. 26, 2017, Ex. E.) This was in reference to an article first announcing the Tribute and describing McMillan as "one of the principal concert organizers." (Ex. 13, Affidavit of Steven H. Silton, filed Sept. 27, 2016, Ex. 1.) The Heirs' counsel further responds to Radloff's email above stating "I'm confused by your email. The Special Administrator must be involved as a contracting party to license PRN IP for any promotional purpose, particular broadcasts or recording of the live event, as well as for any merchandising to be sold at the event. What is Bremer's position on this?" (Ex. 4, Affidavit of Laura Halferty, filed Jan. 26, 2017, Ex. E.) To the Heirs' knowledge, [redacted] to this question.

83. After viewing McMillan's public announcements regarding the Tribute, the Heirs advised Bremer that [redacted] the spokesperson or issue any press releases related to the Tribute, and the parties came to an agreement on the same. (Ex. 13, Affidavit of Steven H. Silton, filed Sept. 27, 2016, ¶ 12, Ex. 9.) At 11:42 p.m. on September 15, Bremer's counsel emailed Steve Silton stating "Per our discussion, Londell McMillan has agreed that, going forward, [redacted] serve as the spokesperson or issue any press releases with the Tribute Concert taking place on October 13th. Any media or public statements regarding the Tribute shall be mutually agreed to by the promoters and the "family members", with such agreement not to be unreasonably withheld. Mr. McMillan [redacted] from his personal Twitter account regarding the concert; however, he may [redacted] (*Id.*, Ex. 9.)

84. However, McMillan continued to communicate with the press regarding the Tribute while these negotiations were ongoing. (*Id.*) Mr. McMillan's publicist represented and claimed that he "produced and financed the event" (meaning the Tribute). (*Id.*) In response, the

Filed in First Judicial District Court
8/8/2018 4:27 PM
Carver County, MN

Heirs promptly contacted McMillan and his team to request he remove any public reference to the Heirs' support of the Tribute. (*Id.*, ¶ 13, Ex. 10.) The Heirs contacted the Bremer regarding the same. (*Id.*, Exs. 10, 11.)

85. The Tribute, as produced by McMillan, was to have three headlining acts: Stevie Wonder, John Mayer, and Christina Aguilera. (Ex. 14, Affidavit of Steven H. Silton, filed April 24, 2017, Ex. A, pp. 7-8.) The former was a client of McMillan and the latter two were represented by Irving Azoff. Although used to promote the Tribute, both John Mayer and [redacted] were in no way available to fulfill their obligation to perform.

McMillan Retains Commission from Jobu Agreement

86. Before Jobu Presents demanded rescission, McMillan received [redacted] in the amount [redacted] pursuant to the Jobu Agreement. This payment represented his portion of the commission on the [redacted] that was due to the Estate pursuant to the Jobu Agreement. (Ex. 13, Affidavit of Steven H. Silton, filed Sept. 27, 2016, Ex. 7; Transcript of January 12, 2017 Proceedings, pp. 96-97.) McMillan never returned the commission—before, during, or after the Tribute took place. Even though Jobu rescinded the Tribute agreement, Bremer never compelled McMillan to return the commission. (*Id.*)

The Tribute Concert Takes Place

87. After rescission of the Jobu Agreement, McMillan represented himself as "one of the principal concert organizers." (Ex. 13, Affidavit of Steven H. Silton filed on September 27, 2016, Ex. 1; *see also* Exs. 5 to 12.) As discussed above, this occurred while the Heirs were negotiating with Bremer regarding the terms of the Tribute, including media and press release issues. While these negotiations were ongoing, McMillan announced the Tribute

Filed in First Judicial District Court
8/8/2018 4:27 PM
Carver County, MN

and provided a formal press release that was not supported by the Heirs. (*Id.*, ¶ 11.) The Tribute was publicly announced on September 15, 2016 and McMillan was quoted as the Tribute coordinator. (*Id.*, Ex. 1.)

88. Not only did McMillan "co-promote" and "produce" the Tribute, he further coordinated a Tribute After Party to take place at First Avenue, ostensibly using Estate assets including mailing lists, contacts, etc. The [redacted] was sanctioned by the Estate (Ex. 15, Email from Steve Silton dated Oct. 13, 2016). Bremer, Stinson, and the Advisors [redacted] of the Tribute After Party.

Koppelman Demands Repayment from Jobu Presents

89. Subsequently, Koppelman spoke with Vaughn Millette (the CEO of Jobu Presents) in March 2017. (Ex. 11, Affidavit of Vaughn Millette, ¶¶ 17-20.) A recording and transcript of the conversation is attached to the Affidavit of Vaughn Millette as Exhibit C (the "Recording"). According to the recording, [redacted] the loan to Koppelman due to (a) the pending reservation of rights and future mediation with the estate; and (b) [redacted] resulting from Koppelman's [redacted] On the Recording, [redacted] Millette, and states [redacted] [back]." (*Id.*, Ex. C.) When asked what it will cost if the money is not returned, Koppelman responds [redacted] (*Id.*) When Millette asked "]y]ou're going to ruin my reputation over a pure dispute?", Koppelman responds [redacted] (*Id.*) Millette states [redacted]

[redacted] (*Id.*) Among other things, Koppelman states multiple times "you actually stole my money" and "I'll get my money back." (*Id.*)

90. On the Recording, Koppelman states he worked with Bremer to return the advance to Jobu Presents. (Ex. 11, Affidavit of Vaughn Millette, Ex. C.) Ostensibly, this was for the purpose of ensuring Jobu Presents subsequently repaid its loan to Koppelman. In the Recording, Koppelman demands repayment of his loan to Jobu Presents. (*Id.*) The Recording further indicates pending litigation between Koppelman and Jobu Presents. (*Id.*, ¶ 20.)

Jobu Presents Files Suit against the Estate, Bremer, Koppelman, and McMillan

91. [redacted] deal deteriorated and the full extent of Bremer's involvement. Bremer represented to the Court that with respect to the conflict with Jobu Presents, "a mediation will take place sometime after Comerica begins its term as personal representative." (Ex. 16, Affidavit of David Crosby, filed Jan. 26, 2017, ¶ 5.) Baker has no information about whether this mediation actually took place. Presumably, the second special administrator's investigation and potential lawsuit will develop the claims. Cozen, Bruntjen and Wheaton were involved in the Jobu issue and the claim against the various defendants presumably by the second special administrator will result in significant damages that was uncovered by these counsel. The Special Administrator attempted to prevent this claim from being made but it has now been authorized and presumably it will go forward.

92. On April 21, 2017, Jobu Presents filed a complaint against the Estate, Bremer, Koppelman, and McMillan, Court File No.: 10-CV-17-368. (Ex. 7, Complaint.)

Cozen's Role in Raising these Issues for the Court

Filed in First Judicial District Court
8/8/2018 4:27 PM
Carver County, MN

93. Throughout late 2016 and early 2017 as the above was unfolding, Cozen was the firm raising these issues before the Court. [redacted] court, the Heirs, or their counsel regarding the significant issues involving the Tribute even though the Heirs, Stinson, Koppelman, and McMillan knew that the Tribute was a major issue for the Prince family. As more facts came to fruition, Cozen raised these issues with the Court. Cozen, at times joined by counsel for the other Heirs, filed no fewer than eight objections to Bremer, McMillan, and/or Koppelman.[2]

94. Cozen's efforts benefited the Estate by raising before the district court issues regarding the Special Administrator and its advisors' role in the Prince Tribute Concert. Cozen pointed out to the district court that there was an apparent breach of fiduciary duty involving self-dealing by the Special Administrator and its advisors. We expect that Bremer would object to this characterization regarding the apparent breach of fiduciary duty based upon the second special administrator's report, but his report was done without the benefit of

[2] In reverse chronological order, (1) Supplemental Objections to Bremer Trust, National Association's Discharge from Liability, filed April 24, 2017; (2) Omarr Baker and Alfred Jackson's Supplemental Objections to Bremer Trust, National Associations Final Accounts through January 31, 2017, filed April 7, 2017; (3) Omarr Baker and Tyka Nelson's Objections to Bremer Trust, National Association's Final Accounts Through January 31, 2017, filed March 13, 2017; (4) Omarr Baker's Objection to Special Administrator's Request for Fees and Costs and Attorney's Fees Through December 31, 2016, filed January 30, 2017; (5) Omarr Baker and Tyka Nelson's Supplemental Objections to Final Account Through 11/30/16 Final Account from 12/31/16, and Petition for Order Approving Accounting Distribution of Assets and Discharge of Special Administrator, filed January 23, 2017; (6) Omarr Baker and Tyka Nelson's Objection to Special Administrator's Request for Legal Fees through December 31, 2016, filed January 19, 2017; (7) Omarr Baker and Tyka Nelson's Objections to Final Account through 11/30/16, Final Account from 12/1/16 through 12/31/16, and Petition for Order Approving Accounting, Distribution of Assets, and Discharge of Special Administrator, filed January 11, 2017; (8) Memorandum of Law in Support of Non-Excluded Heirs' Objections to Advisor Agreement and Court Approval of "Major Deals," filed under seal Sept. 28, 2016.

Filed in First Judicial District Court
8/8/2018 4:27 PM
Carver County, MN

discovery. Cozen's briefing on this issue resulted in the district court's decision to order the Personal Representative to investigate the Special Administrator's entertainment advisor, Mr. McMillan. This subsequently led to the district court's decision to appoint the Second Special Administrator to conduct investigations regarding the Jobu Presents Agreement. [redacted] The investigations resulted in the district court's order [redacted]

Assessing Bremer's Requests for Costs and Fees

95. After Bremer stepped down as Special Administrator, it petitioned the district court for approval of its fees and costs and expenses (and those of its counsel) for the time spent working for the Estate, starting with its fees through June 30, 2016. With its first petition for fees, Bremer also sought establish a procedure to govern payment and approval of such fees and costs and expenses. In response to this first petition, Cozen conducted research and prepared briefing for the Non-Excluded Heirs' response in opposition to the Special Administrator's petition for fees. Subsequently, the Court issued its "Order Approving Fees and Costs and Expenses and Establishing Procedure for Review and Approval of Future Fees and Costs and Expenses" on October 28, 2016.

96. The October 28 Order approved the Special Administrator's fees, but the Court recognized that the Non-Excluded Heirs were entitled to review the fees prior to approval and voice any issues. (Ex. 17, October 28 Order, p. 8.) Since the October 28 Order, Cozen and some

Filed in First Judicial District Court
8/8/2018 4:27 PM
Carver County, MN

of the Non-Excluded Heirs regularly reviewed and filed timely objections to Bremer's request for fees and costs, when appropriate. Cozen's efforts benefited the Estate by providing a process for allowing the Non-Excluded Heirs to [redacted] by the Special Administrator. These efforts also ensured a proper vetting of the fees requested by the Special Administrator before they were removed from the Estate's resources.

97. In my opinion, the Cozen time is sought for reimbursement for efforts related to assessing and objecting to Bremer's fee requests is just and reasonable and commensurate with the benefit to the Estate.

Preparing for and Attending the January 12, 2017 Hearing

98. On January 12, 2017, the Court held a hearing to determine a successor to the Special Administrator and to address Bremer's submitted accounting and request for discharge.

99. In advance of and following the January 12 Hearing, Cozen analyzed and researched Minnesota probate law regarding appointing a personal representative and requirements for the accounting. Cozen reviewed the accounting Bremer filed on short notice prior to the January 12 Hearing. Cozen also drafted the following documents which aided the Court in its decision to appoint Comerica as personal representative and to fully consider Bremer's submitted accounting:

A. Objections to the Special Administrator's Final Account Through 11/30/16, Final Account from 12/1/16 through 12/31/16, and Petition for Order Approving Accounting, Distribution of Assets, and Discharge of Special Administrator;

B. Motion for the Court to compel Entertainment Advisor L. Londell McMillan to produce information necessary to determine his suitability to serve as co-personal representative;

C. Memorandum in Opposition to Petition for Formal Adjudication of Intestacy, Determination of Heirs and Appointment of L. Londell McMillan as co-personal representative; and

Filed in First Judicial District Court
8/8/2018 4:27 PM
Carver County, MN

D. Memorandum in Support of Petition for Formal Adjudication of Intestacy, Determination of Heirs and Appointment of Van Jones as co-personal representative.

100. Before the January 12 Hearing, Cozen attorneys met and conferred with other counsel and prepared direct and cross examination of the proposed co-personal representatives. At the January 12 Hearing, Cozen attorneys argued on behalf of some of the Non-Excluded Heirs. Cozen's efforts benefited the Estate by providing a full and careful review of the Special Administrator's submitted accounting and requested discharge, as well as the benefits and detriments of proposed co-personal representatives.

101. In my opinion, the Cozen time is sought for reimbursement for efforts related to the Jobu Presents Agreement, Tribute, and Special Administrator is just and reasonable and commensurate with the benefit to the Estate.

11 – Personal Representative

102. Following Bremer's notice of its intent to resign as Special Administrator (after less than 8 months), Cozen, directly alongside the other Heirs' counsel, conducted an exhaustive and comprehensive two month search process for a personal representative to replace Bremer Trust.

103. Cozen, along with the other Heirs' counsel, [redacted] institutions, conducted several rounds of in-person interviews, and surveyed each institution's qualifications, staffing levels, and plans for administering this Estate in exhaustive detail. Cozen has particular expertise regarding these issues and this expertise was regularly called upon to assist in making a determination of who the Heirs should recommend the district court appoint as personal representative.

104. To start the process, [redacted] were identified as potential candidates and contacted. [redacted] financial institutions were considered but

rejected for a variety of reasons. From this group, counsel for the family conducted a series of meetings and interviews with [redacted]

Counsel for each of the heirs participated in numerous conference calls and written exchanges with all of these institutions as their qualifications, interest and fit for the estate were closely vetted and evaluated.

105. Cozen received, reviewed, and analyzed hundreds of pages of written proposals from the various institutions, and prepared additional follow-up questions for the various institutions. Cozen participated in numerous phone calls, hundreds of email exchanges and other written correspondence with the various institutions and counsel for the other Non-Excluded Heirs over a period of months to determine their qualifications and each member of the family's respective reactions to the various institutions.[3]

106. These efforts led to the identification of two potential successor candidates, including one that has [redacted] and the filing of the petitions to appoint the same, either as successor Special Administrator or as Personal Representative (the work for preparing the Petitions is not captured by this motion). The Court subsequently appointed Comerica as Personal Representative, and as of February 1, 2017 Comerica is serving as Personal Representative. These efforts have

[3] One of the issues the district court raised regarding these fees was that Bremer should have done many of the tasks. If the Heirs' counsel had relied upon Bremer to "do its job," the district court implied, the fees would not have been so high. However, for many reasons (including selecting McMillan as an expert, the issues surrounding Jobu Presents, Bremer's failure to adequately communicate with the Heirs, and Bremer's failure to provide meaningful accounting, among others), the Heirs had no faith in Bremer's ability to "do its job." Aside from these issues, Bremer could not have meaningfully participated in the selection of a personal representative because it was the Heirs' decision, and Bremer exhibited no particular knowledge on the national capabilities of potential personal representatives.

Filed in First Judicial District Court
8/8/2018 4:27 PM
Carver County, MN

benefited the Estate by ensuring an exceptionally qualified financial institution is administering the Estate that has a rapport with the family, and is capable of taking on the complex challenges this Estate has to offer.

107. In addition, Cozen assisted in determining the legal feasibility of a family corporate entity to serve as Co-Personal Representative with the financial institution. This included research and discussions regarding the state of probate law in Minnesota.

108. In my opinion, the Cozen time sought for reimbursement for efforts related to the personal representative search is just and reasonable and commensurate with the benefit to the Estate.

12 – Fee Petition

109. The work that I have described above in detail was done for the benefit of the Estate. Any benefit to Cozen's clients was secondary to the benefit to the Estate, and none of the work above benefited Cozen's clients without benefiting the Estate. Beginning in late 2016 and continuing to early 2017, Cozen petitioned the district court for an award of attorneys' fees pursuant to Minn. Stat. § 524.3-720. This involved preparing invoices and affidavits to attest to the attorneys' fees and costs sought.

110. These efforts have benefited the Estate by raising before the Court the work Cozen did to ensure the Estate's administration was effective.

111. In my opinion, the Cozen time sought for reimbursement for efforts related to Fee Petition is just and reasonable and commensurate with the benefit to the Estate.

13 – Court Appearances & Filings, 14 – Meetings with clients

112. Starting in late 2016 and continuing through early 2017, the district court emphasized in its orders and the judge's statements from the bench the importance of Bremer working

Filed in First Judicial District Court
8/8/2018 4:27 PM
Carver County, MN

cohesively with the Heirs. This meant that counsel had to describe to the Heirs each proceeding taking place before the district court, analyze and interpret the entertainment deals being proposed, and act as a liaison between Bremer and the Heirs to (1) protect the Heirs' rights in the Estate administration, and (2) ensure the Estate administration was occurring in an effective and fair manner. To do this, Cozen needed to analyze the proposed entertainment deals, analyze Bremer's actions, analyze Bremer's experts' actions, attend court appearances, make filings when necessary, and communicate with its clients regarding all of the above.

113. These efforts have benefited the Estate by ensuring the Heirs—who will ultimately be responsible for the Estate—stayed appraised of all that was occurring in the Estate, particularly early on during the special administration when there was so much occurring.

114. In my opinion, the Cozen time sought for reimbursement for efforts related to meetings with clients is just and reasonable and commensurate with the benefit to the Estate.

15 - General

115. There are approximately [redacted] which could not be completely categorized into one of the above categories. Cozen has included this general category to encompass these fees.

116. The fees included in the general category were incurred for the benefit of the Estate, and a review of those fees indicates the same.

117. In my opinion, the Cozen time sought for reimbursement from the general category is just and reasonable and commensurate with the benefit to the Estate.

Implications of the Minnesota Court of Appeals Opinion on Cozen's Fees:

Filed in First Judicial District Court
8/8/2018 4:27 PM
Carver County, MN

118. The analysis of the Court of Appeals decision starts with the following portion of the opinion, which stated in part: "In April and May 2017, the district court ruled on the attorneys' motions in two orders. . . . the district court cited section 524.3-270 of the Minnesota Statutes and expressed the following reasons for its decisions: 'In considering the requests for attorney fees, the Court has reviewed each firm's detailed invoices and approved only those fees and expenses which the Court deems to have contributed to the Estate as a whole, and not solely benefited any particular heir.'" *In the Matter of the Estate of Prince Rogers Nelson, Decedent*, No. A17-0880, 2018 WL 492639, at *2 (Minn. Ct. App. Jan. 22, 2018).

119. The district court disallowed those fees that it deemed "challenges to the advisor agreement," "short form entertainment deals," "proposed deals not included in the courts order filed October 6, 2016," "challenges to protocols," and "matters not brought collectively by all non-excluded heirs." *Id.*

120. The Court of Appeals reversed the above determination and remanded to the district court—and is the subject of this hearing. In its opinion, the Court of Appeals addressed three meritorious arguments that Cozen made:

A. The district court misapplied the statute;
B. The district court failed to make findings that supported its decision; and
C. The district court erred by not treating their motion in the same manner that the district court treated the Special Administrator's prior requests for attorneys' fees.

121. The third point is not relevant here, as the Court of Appeals agreed with the district court on that issue. The third point has no real import as to the fees that should be awarded on remand. Cozen's argument was that the district court should have looked at the fees incurred by the Special Administrator to determine if the fees that were awarded were fair. Regardless, in a separate part of its opinion, the Court of Appeals held that the district court

Filed in First Judicial District Court
8/8/2018 4:27 PM
Carver County, MN

should look at the fees awarded to the Special Administrator, so the Court of Appeals adopted the point that Cozen made regarding this issue. *Id.*, at *6 ("Likewise, the district court should consider whether compensation paid to the heirs' attorneys for the benefits to the estate is appropriate in light of the fees paid to the special administrator and the personal representative and their attorneys and other agents.").

122. With respect to the first point—that the district court misapplied the statute—the Court of Appeals addressed the arguments regarding the three areas where these lawyers claimed the services benefited the Estate:

A. work that increased the value of the Estate by improving the terms of entertainment deals;
B. work that prevented the Estate from losing money or engaging unnecessary spending; and
C. work that the Special Administrator declined to perform or that the personal representative believed was best performed by the heirs' counsel.

123. The Court of Appeals did not address those above issues because it resolved the issues on appeal by dealing with the Cozen's second argument, which was "the court erred by not making findings of fact that are sufficient to justify its ultimate decision." *Id.*

124. While the Court of Appeals stated that it would not address the first issue relating to the statute applied and our stated reasons that Cozen's work benefited the Estate, it still did in essence find that are arguments had merit. By stating that the district court failed to adequate explain why the fees were not paid, it naturally follows that the Court of Appeals found the arguments meritorious and that the fees benefited the Estate. There is no reason for the Court of Appeals to remand for a redetermination unless there is merit in our argument.

125. It is important to recognize several key phrases in the Court of Appeals' decision. The Court of Appeals stated in part that "the district court likely reviewed more than 2,000

individual time entries . . . [and] identified hundreds of time entries that it determined to be deserving of compensation. . . " *Id.*, at *5. However, the Court of Appeals continued on to state that despite this line-by-line review, there were insufficient fact findings:

> Nonetheless, questions remain concerning why the district court determined that some services or types of services were compensable and others were not. The district court's orders do not reveal why certain time entries were deemed compensable while seemingly similar or identical time entries were deemed not compensable or why time entries of certain attorneys were deemed compensable while seemingly similar or identical time entries of other attorneys were deemed not compensable.

Id., at *5.

126. This was the heart of our argument. A review of the invoices marked by the district court indicates some fees for some tasks were paid, while other fees for the same task were denied—without explanation. Cozen worked side by side with Bremer on many issues (including the entertainment deals) and was not paid for it. The reason for this work was to understand the reasons for the decisions Bremer and its counsel made so those decisions could in turn be explained to the Heirs, which was the Heirs' counsel's assigned job. This is supported by the language later in the Court of Appeals' opinion which states "[l]ikewise, the district court should consider whether compensation paid to heirs' attorneys for the benefits to the estate is appropriate in light of the fees paid to the Special Administrator and the personal representative and their attorneys and other agents." *Id.*, at *6. For the work the Heirs' counsel did on the entertainment deals and the heirship matters, some were paid and some were not paid. It appears the district court just made a judgment (whether it is arbitrary or reasoned is unknown) as to how much it was willing to award and then worked backwards. By contrast, the district court awarded all fees to Stinson even though Cozen pointed out that the rates in [redacted]

Filed in First Judicial District Court
8/8/2018 4:27 PM
Carver County, MN

significantly more than [redacted] and in many cases the [redacted]

127. In my view, Your Honor's focus at this stage should be on the part of the decision that addresses certain factors the district court should consider. As the Court of Appeals held, Minn. Stat. § 524.3-720 allows compensation for attorneys representing interested persons in four circumstances:

A. An "interested person . . . successfully opposes the allowance of a will";

B. 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";

C. 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

D. 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.

128. *Id.*, at *3. In the first circumstance, the interested person "is entitled to receive from the estate necessary expenses and disbursements including reasonable attorneys' fees incurred." *Id.* (citing Minn. Stat. § 524.3-720). In the second, third, and fourth circumstances, the attorney representing an interested person "shall be paid such compensation from the estate as the court shall deem just and reasonable and commensurate with the benefit to the estate from the recovery so made or from such services." *Id.*

129. In "ruling on an interested person's attorney's motion for compensation in a probate case," the district court is obligated to "make findings that allow for meaningful appellate review." *Id.*, at *4. The Court of Appeals established five factors to aid the district court in

Filed in First Judicial District Court
8/8/2018 4:27 PM
Carver County, MN

ruling on requested attorneys' fees pursuant to Minn. Stat. § 524.3-720. The Court of Appeals intended these five factors to allow the district court "to resolve the significant issues in a complex case with somewhat broader strokes, rather than with a more granular analysis." *Id.*, at *7.

1. Statutory Basis

130. First, the district court should consider "the particular statutory basis of the services performed by an attorney for an interested person." *Id.*, at *6. According to the Court of Appeals, "[t]his distinction is significant because compensation for an interested person's attorney is more likely to be just and reasonable in the second circumstance than in the other three circumstances." *Id.*

131. For this factor, addressing the work that Cozen did in place of the Special Administrator is important. The Court of Appeals suggested that the work the Heirs' counsel did regarding the heirship issues may not have been technically within the plain language of the statute; however, the court held that that the work *may* have provided a direct benefit to the Estate by reducing the fees incurred by the Estate. *Id.*, at *6 n.4. While the Heirs' counsel believe that this analysis is wrong, it does not make any difference because the Court of Appeals said that the district court should "measure benefits in terms of the reasonable amount of attorney fees for the assumed tasks." *Id.*, at *6. Therefore, the heirs' counsel should receive all their fees for the heirship work, as the benefits were substantial. If the analysis goes to the issue of the amount saved by the heirship work Cozen conducted, the fees would be significantly higher because the fees Stinson was were at much higher rates and they spent considerably more time doing all tasks than did Cozen. In other words, if Stinson had done the work that they should have done, it would have cost the Estate more than the fees that

Filed in First Judicial District Court
8/8/2018 4:27 PM
Carver County, MN

the Heirs' counsel charged the Estate. More importantly, Cozen views this as a matter that should be settled before Your Honor and not tried before of Judge Eide.

2. Measuring Benefit of Attorneys' Fees

132. Second, the district court should "measure benefits in terms of the reasonable amount of attorney fees for the assumed tasks." *Id.*, at *6. Notably, the five-factor test for resolving motions for attorneys' fees contained in Minn. Stat. § 525.515(b) "does not apply to a motion for compensation brought by an attorney for an interested person." *Id.*, at * 3 n.2. However, the Court of Appeals stated three of the factors "may be helpful": (1) the time and labor required; (2) the experience and knowledge of the attorney; and (3) the complexity and novelty of problems involved. *Id.*, at *6; Minn. Stat. § 525.515(b) (1), (2), (3). Each of these work in Cozen's favor. There were tasks the Heirs' counsel conducted more efficiently than the Special Administrator would have. The Heirs' counsel included attorneys who were highly experienced in entertainment law (an area in which the Special Administrator's counsel was lacking). This Estate involves highly complex and novel issues which the Heirs' counsel worked to resolve. For each of these points, Cozen's invoices indicate substantial benefit to the Estate incurred from a reasonable amount of attorneys' fees.

3. Benefit to Estate for Pre-Existing Categories of Services:

133. Third, the district court should "make findings concerning the extent to which the estate benefited from the services of all heirs' attorneys with respect to each of the six pre-existing categories of services that the district court identified by letter codes." *Id.*, at *6. In quantifying this, "the district court need not employ a line-by-line method of determining

Filed in First Judicial District Court
8/8/2018 4:27 PM
Carver County, MN

compensation," unless in its discretion it "deems such a method to be helpful or appropriate." *Id.*

134. In measuring based on these pre-existing categories, the district court ***may*** measure benefits in terms of an increase in the Estate's assets, or a decrease in the Estate's liabilities or expenses. *Id.*, at *6. The court ***should*** make findings concerning the relative proportions of the quantified benefits for which each law firm or attorney is responsible. *Id.*

135. Making findings concerning the extent to which the Estate benefited from the services of all Heirs' counsel with respect to each of the six pre-existing categories of services will be a very expensive and time consuming matter. What is important is that the Heirs' counsel would not have and did not make arguments in the entertainment deals that had any purpose that benefited any individual heir—it would only benefit the Estate as a whole. The district court, if forced to consider this argument on remand, will be required to hear the arguments of the disgraced former entertainment advisors, who most likely will be pursued by the Second Special Administrator. One of the deals, the UMG Agreement, was rescinded in part because of the work of heirs' counsel in objecting to the discharge of Bremer in their briefs. This alone saved the Estate possibly $1 million in legal fees and potentially created more value for the Estate by allowing the Personal Representative to negotiate a deal with another party, which arguably has more value. It may also result in significant recovery against the individuals involved in perpetrating the alleged fraud.

4. Quantifying Personal Benefit to the Heirs

136. Fourth, the Court "should consider whether any benefit to the estate is also a benefit to the heir," and if that is the case, "quantify the heir's personal benefit." *Nelson*, 2018 WL 492639, at *6. However, quantifying this benefit does ***not*** include "benefits to the heir that

Filed in First Judicial District Court
8/8/2018 4:27 PM
Carver County, MN

are derivative of benefits to the estate." *Id.* The question is whether a benefit to one heir "is not shared by all other heirs," and if that is the case "it should be accounted for separately so that its proper effect on [the heirs'] compensation may be ascertained." *Id.*

137. The Court of Appeals made clear that to the extent that there is any benefit to an Heir that is not shared by the other Heirs, it is the only time that the fees should not be paid. The Heirs' counsel did not charge the Estate for any work that only benefited an Heir as contrasted to benefiting all the Heirs equally as they are all equal beneficiaries of the Estate. However, if the Personal Representative believes that there are fees that only benefited a single Heir, we will address that factually and if true then we agree the Heirs' counsel should not be paid for those services. It is our position that as a general practice, unless the work done in probate proceedings is *exclusively* for an heir with absolutely no benefit to the Estate, it should be paid. Of course, the amount of fees is subject to the above standards.

5. Estimated Value of the Estate

138. Fifth and finally, the Court "should consider the big picture." *Id.*, at *6. This includes a consideration of "whether compensation paid to the heirs' attorneys for benefits to the estate is appropriate in light of the fees paid to the special administrator and the personal representative and their attorneys and other agents." *Id.*

139. The "big picture" is that the Heirs' counsel contributed significantly to the value of the Estate by doing work that should have been done correctly by the Special Administrator. Moreover, the work the Heirs' counsel conducted clarified the heirship issues, increased the amount of the entertainment deals because of the terms that were negotiated, and in the Tribute matter increased the value because it created a base line from which the Estate could negotiate. This factor has been addressed above, as the Court of Appeals said the

Filed in First Judicial District Court
8/8/2018 4:27 PM
Carver County, MN

fees paid to the Heirs' counsel are appropriate in light of the fees paid to the Special Administrator. *Id.*, at *6. [redacted] the amount paid to the [redacted] The amount requested here pales in comparison, especially considering the benefit to the Estate.

140. Cozen's requested fees were for the benefit of the Estate with no unique benefit for its clients. Cozen has removed all expenses from its claim other than filings and research, and there is no evidence these Heirs' counsel asked for or requested fees that benefited its clients alone.

FURTHER YOUR AFFIANT SAYETH NOT.

Dated: July 20, 2018

/s/ Thomas P. Kane
Thomas P. Kane

Subscribed and sworn to before me
this 20th day of July, 2018.

/s/ Amy E. Kulbeik
Notary Public