

STATE OF MINNESOTA

DISTRICT COURT

COUNTY OF CARVER

FIRST JUDICIAL DISTRICT
PROBATE DIVISION

In the Matter of:

Court File No. 10-PR-16-46

Judge Kevin W. Eide

Estate of Prince Rogers Nelson,

Decedent.

**DECLARATION OF ANGELA W.
AYCOCK REGARDING COMERICA'S
FEES AND COSTS FROM FEBRUARY
2020 THROUGH MAY 2020**

I, Angela W. Aycock, declare and state as follows:

1. I am a Trust and Estate Officer at Comerica Bank & Trust, N.A. ("Comerica"). Along with Andrea L. Bruce—who is Vice President and Manager of Comerica's Unique Assets Department— and William Buckley – who is Vice President and Manager of Comerica's Professional Trustee Alliance Investments - I lead and manage Comerica's administration of the estate (the "Estate") of Prince Rogers Nelson (the "Decedent").

2. I joined Comerica in 1999 and have spent over 20 years administering increasingly complicated estates in Comerica's estate settlement department. I have administered over four hundred estates, focusing on complex and high value estates. Prior to my assignment to the Prince Rogers Nelson Estate, I was consistently managing an average of forty-five complex estates in varying stages of administration. Ms. Bruce's career with Comerica began in 1994 and since 1997 she has provided oversight and management of closely held and other complex assets in trust and estate accounts. In managing Comerica's Trust Unique Assets Department, Ms. Bruce is responsible for the oversight of approximately five hundred fifty million dollars in closely held assets and over six hundred fifty million dollars in real estate assets under management. Mr.

Buckley has been with Comerica since 1984 in ever-increasing roles within the Bank. Bill served as the Manager of Comerica's Closely Held Business Department, then adding other unique asset oversight roles and most recently has been managing Comerica's Alliance Investment Department, with assets under administration in excess of \$11 billion. In each of these roles, Bill worked intimately with Comerica's Trust and Estates department. Bill has extensive experience with privately held business interests, including negotiating business sales and other complex business transactions, reviewing business valuations, working through estate tax issues, and overseeing the orderly transition of businesses.

3. Comerica continues to devote extensive resources to administering this extraordinary Estate. In committing three higher-grade Officers virtually full-time to the Prince Estate administration, Comerica has been required, in turn, to reallocate and add resources to compensate for the lack of availability of myself, Ms. Bruce and Mr. Buckley. In order to provide comprehensive fiduciary oversight of this Estate, Comerica participates in all aspects of the administration of the Estate, which includes an enormous and constantly shifting array of complicated issues and activities.

4. Throughout February, March, April and May 2020, Comerica continued to be responsible for engaging with and being responsive to not only the five remaining Heirs, but also to family members of the heirs, various advisors and assistants to the heirs, lenders to some of the heirs, one Court designated Heirs' representative, a Mediator/Moderator, the Estate of deceased Heir Alfred Jackson, an entertainment company to whom some of the Heirs had sold portions of their expectancy interest in the Estate, and the myriad of attorneys representing all of these parties. Considerable time and attention is required to manage all of these parties with their different perspectives and competing interests and this has significantly complicated an already complex

Estate. The Comerica team continues to be regularly engaged in communications, meetings, administrative matters, and entertainment-related requests well into the evening and on weekends.

5. In addition, multiple other Comerica officers and employees continue to devote substantial time to administering the Estate, including Gerard Snover (who has been managing the Estate's real property portfolio), Cyndi Mann (who has provided administrative assistance to Mr. Snover), Linda Joiner (who has been handling the Estate's transactional matters), Comerica in-house counsel Susan Nystrom (who has actively monitored litigation involving the Estate), and Jennifer Raczak (who is a Closely Held Business Officer and has assisted with monitoring and analyzing financial statements, gathering and reviewing royalty statements, assisting with trademark analysis and filings, generating invoices and researching documents; and significant involvement in the oversight of Paisley Park Operations, Inc.). Moreover, Comerica senior management reviews the administration status and activities of the Estate on a monthly basis.

6. During this four-month period from February 2020 through May 2020, Comerica expended significant time and energy directly handling or overseeing a variety of complex issues, including the enormously time-consuming operation of the Paisley Park museum as a fully owned Estate enterprise. This operation was, of course, impacted by the COVID-19 pandemic, and necessitated navigating a sudden pivot to shut down Paisley Park, applying for Federal assistance resources, and planning for re-opening and adjusting the museum operation in compliance with health and safety guidelines. The Comerica Estate team is required to spend considerable time and resources on a daily basis working with the Paisley Park Executive Director, Paisley Park department heads, and outside consultants to review the strategic and budgetary goals for the museum, to oversee the complex and numerous activities associated with the operational aspects of the museum, to authorize additional management staff and participate in the interview and

ultimate selection of that staff, as well as a myriad of other activity. Comerica also devoted meaningful time to the evaluation of capital infusions to enhance the Museum experience and then, further, expended time in developing and implementing those enhancements. The Estate's ownership of the Paisley Park property also required Comerica to spend significant time and effort addressing real estate property management concerns, significant maintenance issues, and vital museum security matters.

7. During this same four month period, Comerica also delivered important projects, including (a) the re-issue of Prince's beloved "One Nite Alone" album and associated live albums for the first time on vinyl; (b) the re-issue of Prince's pivotal "Rainbow Children" album on c.d. for the first time in decades, which the Estate also offered combined with the "One Nite Alone" suite as a collectible package, along with a beautiful 48-page bound book; (c) a 2-part podcast series that delved into Prince's process and output during the One Nite Alone era; and (d) the first concert in a series of "Real Music by Real Musicians - Musicology" live events at Paisley Park, with the debut concert featuring visionary vocalist, songwriter and bassist Meshell Ndegeocello. Each of these projects required months and months of diligent attention and oversight.

8. During February 2020 through May 2020, Comerica also established important deals, endeavored to expand the Prince legacy, and addressed complicated issues including: (a) signed a one-year extension of the existing music publishing agreement that provided the Estate with a significant cash infusion and vastly improved deal terms than were previously in place; (b) worked on the promotion of the enormously successful and nationally televised Prince Grammy Tribute Special; (c) addressed numerous real estate issues stemming from significant, challenging deferred maintenance issues on more than one property; (d) strategically entered into numerous license agreements across a broad array of far-reaching media including with major network and cable

channel television shows such as the Emmy-award winning ratings juggernaut “The Voice” on NBC and an upcoming HBO drama, the BET+ streaming platform, the Emmy-award winning “Carpool Karaoke” on Apple TV, and the ESPN Michael Jordan documentary “The Last Dance”; (e) exponentially grew the Prince.com online merchandise sales channel, with marked coordination amongst all other Estate releases and activities; (f) attended to various and numerous legal proceedings and mediation sessions germinating from fees sought by attorneys and advisors retained by the Heirs, sales/loans related to some of the Heirs’ expectancy interests, repeated complaints and continued litigation by one of the Heirs regarding Comerica’s administration of the Estate, and attempts by various Heirs to curtail Comerica and its entertainment team’s ability to monetize the assets of the Estate via planned record releases and entertainment transactions; (g) further expanded the @Prince social media presence, which now, between Facebook, Instagram and Twitter, represents a fan community of over 2.29 million people; (h) strengthened the Prince.com web presence with the introduction of another Webby nominated digital experience in “Becoming:Prince”; and (i) launched a Prince dedicated pop-up channel on Sirius XM in coordination with significant promotional support from Sirius, allowing Prince music a focused avenue to Sirius’ 35 million + subscribers.

9. In addition, from February 2020 through May 2020, Comerica maintained rigorous oversight of the estate administration, while also endeavoring to create a solid foundation for operating the Prince music business going forward. As such, on a regular and frequent basis, Comerica engaged in conference calls and meetings including with (a) the Estate leadership team - entertainment advisor, entertainment counsel, creative director, A&R/archivists, and Paisley Park Executive Director - to address status and activity within the administration of current deals and to strategize around potential future opportunities; (b) the Estate’s counsel to develop a robust

database of photographic copyrights; (c) trademark counsel to strategize in efforts to bolster the Estate's trademark portfolio and to demonstrate appropriate trademark usage; (c) the Estate's brand protection and anti-piracy providers to review results and identify focus areas; (d) executives at label partners to strategize optimization of the Estate's You Tube channel; (e) Iron Mountain Entertainment services to review the status of digitization efforts related to the Estate's 2D and A/V assets; (f) Music Today to discuss product development and marketing initiatives for the Estate's Prince.com online shopping channel; (g) the Estate's publicist to address press inquiries and opportunities; (h) the relationship managers at the Estate's record label partners to plan and execute record releases and marketing activities; (i) the Estate's Paisley Park Executive Director, department heads, operations consultants, and experiential design firm to ensure the continued success and elevation of the Paisley Park experience; (j) Comerica senior management to review standing matters including Heirs relations and the estate tax audit, along with focused review of legal fees, entertainment deal status and cash flow; and (k) the Estate's Heirs to provide regular updates on estate administration matters and offer the opportunity for input and feedback.

10. Comerica also spent considerable time monitoring the IRS estate tax status and communications, providing updates to the Heirs and other holders of interests including reviewing estate tax calculations, underlying valuation summaries and the process to ultimately settle with the IRS. Comerica also held discussions with our valuation experts during their review of any IRS provided valuations. Comerica developed a detailed entity organizational ownership chart, complete with a potential entity ownership structure the Heirs could utilize in transitioning ownership and conducted a transition planning meeting with the Heirs to review the same.

11. Given the complexity of and challenges with this Estate, it requires extraordinary time and expertise to manage. Above and beyond the sheer amount of time and resources

expended, there is inherent significant liability risk to the Personal Representative. In compensation for undertaking that liability and responsibility, and for expending very significant professional resources, Comerica is charging the Estate a provisional flat fee of \$110,000 per month (plus expenses). Pursuant to the Court's March 22, 2017 and April 23, 2019 Orders, every four months, Comerica submits its fees and expenses to the Court for approval. For the time period between February 2020 and May 2020, Comerica has received compensation for its services in the amount of \$110,000 per month for a total of \$440,000. Comerica has also received expense reimbursements for February 2020 in the amount of \$4,939.45, for March 2020 in the amount of \$1871.54, for April 2020 in the amount of \$290.00, and for May 2020 in the amount of \$498.78, for a total of \$7,599.77 in travel and other expenses incurred on behalf of the Estate. Attached hereto as **Exhibit A** is a schedule with details on Comerica's compensation and expense reimbursements from February 2020 through May 2020.

12. To assist the Court and the Heirs in understanding the activity that Comerica continues to undertake in administering this Estate, Comerica is providing details regarding its activities broken down by month.

13. The following is not an exhaustive representation of Comerica's activities. For example, many of Comerica's "back office" type activities, which regularly utilize the periodic resources of eight additional Comerica employees, are not reflected on this report. In addition, much time spent on weekends, late into the evening and while individual team members were on vacation, yet still actively and diligently working on this Estate, was not captured.

14. Attached hereto as **Exhibit B** are detailed time records for the individuals at Comerica who worked on the Estate during February 2020.

15. Attached hereto as **Exhibit C** are detailed time records for the individuals at Comerica who worked on the Estate during March 2020.

16. Attached hereto as **Exhibit D** are detailed time records for the individuals at Comerica who worked on the Estate during April 2020.

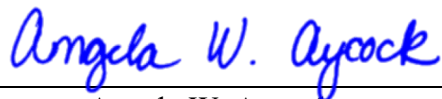
17. Attached hereto as **Exhibit E** are detailed time records for the individuals at Comerica who worked on the Estate during May 2020.

18. When Comerica was appointed as Personal Representative of the Estate, the applicable Comerica standard fee schedules for the second year of administration were as follows: an annual fee of 1.25% of the fair market value of the assets pro-rated on a monthly basis, plus professional time billed in quarter-hour increments. In addition, Comerica would charge 2% of real property sales and 9% of real property leases. Under this standard fee schedule, the Estate would have paid Comerica a fee in excess of the flat fee of \$110,000 per month that Comerica provisionally charged this Estate for February 2020 – May 2020.

15. Based on the complex and extraordinary nature of this Estate and the time and effort devoted to administering the Estate by Comerica, Comerica's compensation and expenses are proportionate, reasonable, and should be approved by the Court.

I DECLARE UNDER PENALTY OF PERJURY THAT THE FOREGOING IS TRUE AND CORRECT.

Dated: June 19, 2020



Angela W. Aycock

EXHIBIT A

