

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 ANDREA L. BRUCE
REGARDING COMERICA'S FEES AND
COSTS FROM JUNE 2021 THROUGH
SEPTEMBER 2021
(REDACTED)**

I, Andrea L. Bruce, declare and state as follows:

1. I am Vice President and Manager of Comerica Bank's Trust Unique Assets Department, which provides unique asset management services to its affiliate Comerica Bank and Trust, N.A.(CB&T) (collectively "Comerica"). Comerica Bank and CB&T are wholly-owned subsidiaries of Comerica Incorporated, a publicly traded holding company. Angela W. Aycock was a Trust and Estate Officer for Comerica until her retirement on June 30th, 2020. In January 2021, Ms. Aycock rejoined Comerica as a consultant contracted specifically to work on the Prince Estate. Supported by Angela Aycock, I lead and manage CB&T's administration of the estate (the "Estate") of Prince Rogers Nelson (the "Decedent").

2. As of June 30, 2021, Comerica Incorporated has assets of \$88.4 billion and a solid history going back more than 170 years. Its wholly owned subsidiary, Comerica Bank, is among the largest banks in the United States. Among Comerica's expert services, the Bank maintains focused and dedicated teams specializing in Estate Administration and Unique Asset Management. Comerica boasts stable, consistent leadership of these teams with personnel who have enjoyed long term careers at the Banks.

3. I joined Comerica in 1994, and since 1997 I have provided fiduciary-level oversight and management of closely held and other complex assets owned in trust and estate accounts at Comerica. In managing Comerica's Trust Unique Assets Department, I am responsible for the oversight of approximately seven hundred thirty million dollars in closely held assets and over seven hundred sixty million dollars in real estate assets under management. Ms. Aycock joined Comerica in 1999 and has over 20 years of experience administering hundreds of complex, high value estates for Comerica's estate administration department.

4. Since February 1, 2017, Comerica has devoted and continues to devote substantial resources to administering this extraordinary Estate. Following a brief retirement by Ms. Aycock, Comerica re-hired Ms. Aycock out of retirement, to ensure continuity in providing the highest standard of care dedicated to the administration of this complex Estate. The ongoing commitment of significant senior resources, including Ms. Aycock, to this Estate has necessitated Comerica to reallocate and add resources to compensate for the lack of availability otherwise of the Comerica personnel involved. 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.

5. Throughout June 2021, July 2021, August 2021 and September 2021, CB&T continued to be responsible to engage with and be responsive to not only the living Heirs, but also to family members of the Heirs, various advisors to the Heirs, lenders and prospective lenders to some of the Heirs, a Court designated Heirs' representative, a Mediator/Moderator, an entertainment company to whom some of the Heirs have sold portions of their expectancy interests in the Estate, an entertainment lawyer/advisor to whom some of the Heirs have transferred portions of their expectancy interests, and a myriad of attorneys representing all of these parties. Moreover, given

the untimely and sad passing of Johnny Nelson on September 3, CB&T needed to develop an understanding as to what individual(s) or entity(ies) have the legal authority to represent Johnny's interest in the Estate. This has proven difficult. CB&T also has endeavored to build relationships on behalf of the Estate with numerous individuals and entities with whom Prince worked and collaborated through his long career. Considerable time and attention are required to manage all of these parties, each with different perspectives and competing interests, rendering an already complex Estate even more complicated. The Comerica team continues to be regularly engaged in communications, meetings, administrative matters, and entertainment-related requests not only throughout the workday and work week, but well into the evening and on weekends.

6. In addition, multiple other Comerica officers and employees devote substantial time to administering this Estate, including Dorothea Broman (who provides Estate administration support), Gerard Snover (who manages the Estate's real property portfolio), Cynthia Mann (who provides administrative services relative to Mr. Snover's responsibilities), Linda Joiner (who handles the Estate's transactional matters), Comerica in-house legal counsel Susan Nystrom (who is actively involved in Estate-related litigation strategy and oversight, but whose time is not billed to the Estate), and Jennifer Raczak (a Comerica Closely Held Business Officer who provides support, monitoring and analysis of financial statements; gathers and analyzes royalty statements; assists with trademark research, analysis and filings; generates and tracks entertainment-deal invoices; researches documents for clearances and other rights; and who is significantly involved in the oversight of Paisley Park Operations, Inc.). Moreover, Comerica senior management reviews the administration status and activities of the Estate on a monthly or more frequent basis as material matters arise.

7. During the four-month period from June 2021 through September 2021, CB&T 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 and operated Estate enterprise. This operation has been, of course, impacted by the COVID-19 pandemic and necessitates careful navigation of the complex issues related to the re-opening of Paisley Park under evolving COVID health and safety guidelines. The Comerica team is required to spend considerable time and resources on a daily basis working with the Paisley Park Managing Director, Paisley Park department managers, a human resource consulting firm, and the Estate's accountants, to set strategic and budgetary goals for the museum, to evaluate progress towards budget and goals, and to implement appropriate changes based on results. In addition, the Comerica team was actively involved and engaged with a marketing agency to develop strategic initiatives, public relations opportunities and media buy plans. CB&T is also required to oversee the complex and numerous operational aspects of Paisley Park. The Estate's ownership of the Paisley Park property also compels the Comerica team to spend significant time and effort addressing real estate concerns, significant maintenance issues, and vital museum security matters. Considerable time and effort were also incurred in ensuring proper record-keeping and tracking to allow for loan forgiveness of the second Payroll Protection Plan ("PPP") loan that Paisley obtained in 2021; forgiveness of this PPP loan will be applied for before year end 2021.

8. During the June 2021 through September 2021 period, CB&T delivered important projects, established important deals, and endeavored to expand the Prince legacy, some examples of which include: (a) [REDACTED]; (b) negotiating terms of [REDACTED], which will result in a significant cash advance to the Estate;

(c) finalizing and entering an agreement with [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]; (d) working closely with [REDACTED]
[REDACTED]
[REDACTED] (d) releasing the “Welcome 2 America” album and video, which had the highest debut sales week since 2009’s LotusFlow3r album; debuted #5 on the Top 200, #1 on the R&B Album Chart, and #2 on the Current Album Chart; (e) [REDACTED]
[REDACTED]; (f) evaluating and approving or denying various strategic licensing opportunities across a broad array of media, including advertising, film and television studio projects, sports programs, name/image/likeness uses, as well music licensing related to Estate-projects. Each of these activities has required months of diligent attention, time and involvement by the Personal Representative.

8. During June 2021 through September 2021, CB&T also addressed many complicated non-entertainment matters including: (a) ongoing attention to real estate issues stemming from significant deferred maintenance issues on more than one property; (b) significant activity to protect and support the Estate’s expansive trademark portfolio; (c) participating in various mediation sessions led by Justice Gilbert with the heirs, heirs advisors and other interested parties to the Estate; (d) ongoing activity germinating from litigation against the Personal Representative and its Agents brought by one of the heirs; (e) responding to objections filed by certain heirs and interested parties to the Estate’s Accounting for the period ending January 31, 2021; (f) responding to objections filed by certain heirs and interested parties with respect to Legal and Estate Fee filings

for the period ending May 2021; (g) responding to multiple emails, inquiries and filings filed by certain heirs and interested parties regarding protocols surrounding the administration of this Estate; (h) significant activity stemming from the IRS Estate Tax Audit and Notice of Deficiency, the IRS Section 6166 Determination Letter, and related MNDOR Tax Order; and (i) activity to prepare for and lay the groundwork for an ultimate transition of the Estate, including development of numerous iterations of detailed transition activity checklists, participating and preparing for mediation sessions and Court calls, organizing and adding documents to a secure database shared with the heirs and interested parties that will be foundational to the continued successful operation of the Prince music business, and responding to numerous inquiries from the heirs and interested parties.

9. During June 2021 through September 2021, CB&T continued its rigorous oversight of the estate administration, while also advancing the solid foundation for operating the Prince music business going forward. As such, on a regular and frequent basis, CB&T 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 Managing Director - to address status and activity within the administration of current deals and to strategize around additional opportunities; (b) the Estate's counsel and creative director to continue development of a robust database of photographic copyrights; (c) trademark counsel to strategize efforts to bolster and protect the Estate's trademark portfolio and to demonstrate appropriate trademark usage; (d) the Estate's brand protection and anti-piracy providers to review enforcement results and identify focus areas; (e) Iron Mountain Entertainment Services to review strategy and progress of digitization efforts related to the Estate's 2D and A/V assets; (f) [REDACTED]; (g) [REDACTED];

[REDACTED]; (h) executives and relationship managers at the Estate's record label partners to plan and execute releases and marketing activities; (i) the Paisley Park Managing Director, department heads, and external consultants; (k) Comerica senior management to review standing matters including Heirs relations, the estate tax audit and transition planning, along with focused review of legal fees, entertainment deals and cash flow; and (l) the Estate's Heirs, Heirs advisors, and interested parties to provide regular updates on estate administration matters and offer the opportunity for input and feedback.

10. 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, CB&T is charging the Estate a provisional flat fee of \$110,000 per month (plus expenses). Pursuant to the Court's March 22, 2017, April 23, 2019, and March 23, 2021 Orders, every four months CB&T submits its fees and expenses to the Court for approval. For the time period June 2021 through September 2021, CB&T has received compensation for its services in the amount of \$110,000 per month for a total of \$440,000. CB&T also has received expense reimbursements for June 2021 in the amount of \$232.00, for July 2021 in the amount of \$116.00, for August 2021 in the amount of \$0.00, and for September 2021 in the amount of \$293.88, for a total of \$641.88 in expenses incurred on behalf of the Estate. Attached hereto as **Exhibit A** is a schedule with details on CB&T's compensation and expense reimbursements from June 2021 through September 2021.

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

12. 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, including internal legal services. 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.

13. Attached hereto as **EXHIBIT B** are detailed time records for the individuals at Comerica who worked on the Estate during June 2021.

14. Attached hereto as **EXHIBIT C** are detailed time records for the individuals at Comerica who worked on the Estate during July 2021.

15. Attached hereto as **Exhibit D** are detailed time records for the individuals at Comerica who worked on the Estate during August 2021.

16. Attached hereto as **Exhibit E** are detailed time records for the individuals at Comerica who worked on the Estate during September 2021.


17. When CB&T was appointed as Personal Representative of the Estate, the applicable Comerica standard fee schedules for the second and subsequent years 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 CB&T a fee in excess of the flat fee of \$110,000 per month that CB&T provisionally charged this Estate for June 2021 – September 2021.

15. Based on the complex and extraordinary nature of this Estate and the time and effort devoted to administering the Estate by CB&T, CB&T'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: October 26, 2021



Andrea L. Bruce

