

STATE OF MINNESOTA
COUNTY OF CARVER

DISTRICT COURT
FIRST JUDICIAL DISTRICT
PROBATE DIVISION
Case Type: Special Administration

In re:

Estate of Prince Rogers Nelson,
Deceased.

Court File No. 10-PR-16-46

FILED UNDER SEAL

AFFIDAVIT OF FRANK K
WHEATON IN SUPPORT OF MOTION TO APPROVE
PAYMENT OF ATTORNEYS' FEES FOR PERIOD
APRIL 23, 2016 THROUGH JANUARY 31, 2017
REGARDING ENTERTAINMENT LAW SERVICES
AND ESTATE ADMINISTRATION

AFFIDAVIT OF FRANK K. WHEATON

STATE OF CALIFORNIA)
) SS
COUNTY OF LOS ANGELES)

Pursuant to Minnesota state law and statutes, I, Frank K. Wheaton, (Attorney) under penalty of perjury, affirm as follows:

1. I am an attorney duly licensed to practice law before all courts in the State of Indiana. I am also permitted to appear in the United States Court of Appeals, Fifth Circuit. I am admitted to practice in this matter *pro hac vice*, and if called as a witness, I could and would competently testify to the facts as stated herein based on my own personal knowledge.
2. I am a principal owner in the Law Offices of Frank K. Wheaton, Esq., & Associates, Attorneys and Counselors at Law. I retained Justin Bruntjen as local counsel in the instant matter. Our partnership represent counsel for Alfred Jackson in entertainment matters and non-entertainment matters. I submit this affidavit in support of my motion for approval of payment of attorneys' entertainment fees and costs for the period between September 27, 2016 through January 31, 2017 from assets of the Estate.
3. I was retained by Alfred Jackson ("Jackson") on April 23, 2016 to provide legal services and counsel regarding the Estate of Prince Rogers Nelson (the "Estate"). I contracted with Justin Bruntjen on, or about, April 28, 2016.

4. Pursuant to an order of this Court, dated October 6, 2016, approving six “short- form deals” (the “**Approved Deals**”), this Court authorized the Non-Excluded Heirs to appoint representatives (“**Representatives**”) to offer input and assistance to the Special Administrator and its Advisors on behalf of Jackson and the five additional Heirs regarding negotiation of final long-form agreements (the “**Long-Form Agreements**”).¹

5. I serve as one of two designated Representatives. Early on, the first two representatives were Bob Labate and Ken Abdo. I was asked by the Advisors and the Special Administrator and served as an *ad hoc* Representative. When Ken Abdo departed on, or about, November 10, 2016, I stepped in as the official Representative as Ordered and appointed by the Court.

6. The Long-Form Agreements were highly sophisticated and complex. Bob Labate and I had a good working relationship and spoke almost daily, several times per day, and consulted with other attorneys at H&K and within our ranks in order to manage the time constraints placed on us. It was our job to inform and provide the Heirs’ Counsel with cogent notes and comments regarding the agreements. Mr. Labate and I had to propose language, provide interpretation and assist in the drafting of these long-form agreements.

7. As a Representative and counsel for my client, I engaged in frequent communication above and beyond my personal client’s interests with counsel for the other family members, the Special Administrator, the Special Administrator’s Entertainment Advisors (the “**Advisors**”), and the other Representatives appointed to offer input and assistance in negotiating revisions and language to the Agreements, namely the UMG and GMR Agreements.

8. In providing legal services sought by this Motion, I have expended 1,454.1 hours from April 23, 2016 through January 31, 2017. Due to attorney- client confidentiality redacted billing statements are publicly filed with this Motion. Attorney’s unredacted time records are being filed under seal.

Activities as Representative

9. During the entire phase of appointed and assigned Representatives and as counsel, I worked constantly with the Special Administrator, Advisors and Heirs Counsel. However, as one of

the Representatives, I worked over and beyond with the other Representatives to assist in the\

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13. As a Representative and counsel for my client, I engaged in frequent communication above and beyond my personal client’s interests with counsel for the other family members, the Special Administrator, the Special Administrator’s Entertainment Advisors (the “**Advisors**”), and the other Representatives appointed to offer input and assistance in negotiating revisions and language to the Agreements, namely the UMG and GMR Agreements.

Negotiation of the GMR Agreement.

20. The proposed GMR Long-Form Agreement was initially posted on the secure Stinson HighQ site on November 7, 2016.

¹ The Order authorized the Special Administrator to negotiate and execute six (6) Long-Form Agreements, of which, four (4) agreements were ultimately executed, namely, with **Global Music Rights** (for performing rights licenses), **Universal Music Publishing Group** (for music publishing administration); **Universal Music Group** (for distribution and licensing of certain sound recording masters); and **Bravado International Group Merchandizing Services** (for licensing of trademark and merchandizing rights).

That was followed by revisions and the creation of Loan and Security Agreements. The Agreement was executed on December 30, 2016

21. For several weeks, I worked alongside Bob Labate and his team to suggest, revise and change language that ultimately appeared in the final draft of the GMR Agreement. Representatives reviewed comments and revisions with the Heirs' Counsel. There were numerous conference calls that were made with Heirs' Counsel during this period.

22. The proposed GMR Long-Form Agreement was initially posted on the secure Stinson High Q site on November 7, 2016 and, following significant revisions and the creation of Loan and Security Agreements, was executed on December 30, 2016.

23. The Representatives combed through the terms and conditions of the GMR Agreement and shared all concerns, comments, revisions and changes with the Heirs Counsel and returned the same to the Special Administrator for the final merge that resulted in the execution of the GMR Long-Form Agreement on December 30, 2016.

Negotiation of the UMG Agreement.

24. The UMG Long-Form Agreement provides Universal Music Group with: [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

25. [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

objecting to the Consultancy Agreement and requesting direct access to special counsel and UMG to complete negotiation of the Consultancy Agreement.

31. Following a telephonic hearing held by this Court on January 31, 2017, Mr. Labate, Mr. Wheaton and Mr. Hernandez-Toraño, conferred and spoke with the Special Administrator's special UMG counsel, Jeffrey Greenberg and Barry Perlman, to propose changes to the Consultancy Agreement, which were reviewed with all Heirs' counsel. As a result of these collaborative efforts, UMG agreed to extensively modify the Consultancy Agreement, which is now acceptable to all Heirs and which will result in substantial payments directly to Heirs upon execution of the Agreement.

32. Among other things, the following are improvements to the Consultancy Agreement, suggested by the Representatives, that made their way to the final version:

a. [REDACTED]

b. [REDACTED];

c. [REDACTED]

e. [REDACTED]

f. [REDACTED]

g. [REDACTED]

33. As a Representative, I negotiated the terms of the Consultancy Agreement with significant assistance from Mr. Labate, Mr. Hernandez-Toraño and, as a result, UMG and Heirs' Counsel have agreed to the now existing Consultancy Agreement.

Review and Negotiation of Other Entertainment Matters

34. Attorneys consistently analyzed and consulted with Heirs' Counsel and with the Special Administrator on other entertainment opportunities presented to the Estate during the Term of the Representatives, Special Counsel, Advisors and Special Administrator.

35. Attorney provided extensive comments while working on the Sirius XM Long-Form Agreement. Along with Bob Labate, I chaired several discussions with Heirs counsel and the Special Administrator regarding Sirius and the Prince Channel. Ultimately, the Special Administrator decided against both Pandora or Sirius agreements.

36. Attorney and Representatives advised on a myriad of entertainment opportunities. Each time I lobbied with or for my fellow Representative(s) or Heirs' Counsel and colleagues by providing comments, counsel and advice.

37. Some of these opportunities have been discussed with Comerica, as Personal Representative, and, at the appropriate time, may be presented to this Court for approval.

38. The four Long-Form Agreements negotiated and executed during the term of this report were very sophisticated and complex agreements even by entertainment law standards. However, on behalf of the Estate, I, along my colleagues and Representatives or Heirs' Counsel tackled these matters intellectually and strategically on behalf and to the benefit of the Estate.

39. Discussed with Bob Labate and fellow counsel, H&K is preparing charts which will provide a guide for identifying issues requiring immediate attention by the Estate. Input for the chart and other discussions, was always with the Representative or fellow Heirs' Counsel.

40. Attorney was also very active and participatory in the Roc Nation infringement discussions. Attorney was a part of several discussions and conference calls regarding the petition and copyright infringement suit with the Estate.

41. Although Attorney provided advice to Alfred Jackson, individually, for which reimbursement is not sought, the following fees are sought for reimbursement for entertainment related legal services

provided from September 27, 2016 through January 31, 2017 that benefited the Estate as whole.

The following represents some of the benefits to the negotiated agreements:

- a. [REDACTED];
- b. [REDACTED];
- c. [REDACTED];
- d. [REDACTED];
- e. [REDACTED];
- f. [REDACTED];

42. As a Representative, I negotiated the terms of the Consultancy Agreement with Mr. Labate and, often, Mr. Hernandez-Toraño, and UMG has agreed to a form of Agreement that is now acceptable to all of the Heirs.

Review and Negotiation of Other Entertainment Matters.

43. Attorney brought constant new entertainment opportunities to the Estate. In addition to the Prince Memorial Concert for television in which we expended voluminous hour without billing to the Estate, ultimately, it was for the benefit of the whole. We assembled a team with Ken Erlich (30-year Grammy Awards Producer) and Randy Phillips, former CEO for AEG Live! that once managed and booked Prince on his most successful Musicology tour. Currently, given the background of this Attorney, we have presented to the Special Administrator certain merchandising and theatrical opportunities that are all for the benefit of the Estate as a whole. The opportunities are always invited for the benefit of the collective heirs and estate.

44. Attorney and Representatives also conferred with the Special Administrator, Advisors and Heirs' Counsel on a myriad of other opportunities brought to the Estate.

45. Some of these opportunities, referred to in the Attorney invoices, have been discussed

with Comerica, as Personal Representative, and, at the appropriate time, may be presented to this Court for approval.

46. Attorney entertainment-related legal fees are in the total amount of \$247,824.00 for services sought by this Motion. Attorney's Estate Administration fees and expenses are in the total amount of \$803,812.00. This includes \$799,128.00 in Attorney fees and \$4,684.00 in expenses incurred. The total amount Attorney seeks for fees and expenses is \$1,051,636.00. Attorney has reviewed the original time entries for the legal fees submitted and affirm that the work was actually performed for the benefit of the Estate, was necessary for the proper administration of the Estate, and that the fees are reasonable given (1) the time and labor required; (2) the complexity and novelty of the transactions involved; and (3) the extent of the responsibilities assumed and the results obtained. The coordination of work required over several sophisticated and complex disciplines, and the time demands required finds the pending fee request reasonable under these unique circumstances. Furthermore, our hourly rates and overall charges are fair when compared against the fees charged for comparable work for similar firms in other major metropolitan areas.

47. Given the complexity of the litigation, the complexity of the Estate Administration, and the Entertainment deals the Estate has been negotiating and the results achieved, \$1,051,636.00 is a just and reasonable amount to be requested.

I declare under penalty of perjury that everything I have stated in this document is true and correct.

FURTHER YOUR AFFIANT SAYETH NOT.

Dated: March ____, 2017

/s/ Frank Wheaton
Frank Wheaton, Esq