

STATE OF MINNESOTA  
COUNTY OF CARVER

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FIRST JUDICIAL DISTRICT  
DISTRICT COURT  
PROBATE DIVISION

In re:

**Court File No. 10-PR-16-46**  
**Judge Kevin W. Eide**

Estate of Prince Rogers Nelson,

Decedent.

**SNJ'S OBJECTION TO COMERICA'S  
PETITION FOR FEES AND COSTS**

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**INTRODUCTION**

Before the Court is a petition for two sets of fees: (1) Fredrikson & Byron's ("F&B") fees for the period between October 2017 through January 2018; and (2) Comerica Bank and Trust, N.A.'s ("Comerica") expenses for the same period with a request to maintain the \$125,000 per month compensation for Comerica. In total, F&B requests approval of approximately \$1.73 million and Comerica seeks approval to continue receiving \$125,000 per month plus reimbursement of its expenses. Pursuant to the Court's Order Applying Existing Orders and Protocols to the Personal Representative, Heirs Sharon Nelson, Norrine Nelson, and John Nelson (collectively "SNJ") object to the fee petition and ask that the Court authorize payment of a lesser amount, order that any excess amount already paid be returned to the Estate of Prince Rogers Nelson (the "Estate"), and set reasonable protocols to control additional fees and expenses.

**FACTS**

On February 15, 2018, Comerica through its attorneys at F&B filed a fee petition seeking approval for payment of \$1,732,603.28 (plus €2,896.40 and £1,538.00) to F&B and a number of

other firms who have performed legal work for the Estate.<sup>1</sup> (Comerica Bank & Trust, N.A.’s Petition for Fees and Costs for February 2018 through January 2019 (“Petition”)); (Greiner Dec. ¶¶ 10-13, 17, Exs. A-N).<sup>2</sup> The amounts sought in the Petition are listed in the February 15, 2018 Greiner Declaration and its exhibits:

	F&B Fees	Costs	Other Firms' Invoices
Exhibit A	\$312,138.00	\$48,183.36	
Exhibit B	\$354,410.00	\$80,302.93	
Exhibit C	\$214,036.00	\$38,022.10	
Exhibit D	\$314,297.00	\$11,451.12	
Exhibit E			\$47,085.73
Exhibit F			€2,896.40
Exhibit G			£1,538.00
Exhibit H			\$268,963.54
Exhibit I			\$560.00
Exhibit J			\$2,900.00
Exhibit K			\$34,060.00
Exhibit L			\$123.00
Exhibit M			\$3,025.00
Exhibit N			\$3,045.50
Total:	\$1,194,881.00	\$177,959.51	\$359,762.77 & €2,896.40 & £1,538.00
Grand Total:	\$1,732,603.28 & €2,896.40 & £1,538.00		

In addition to the fees sought by F&B and other law firms, Comerica seeks approval for its current monthly fee of \$125,000 to continue for another year. (Petition, pp. 3-4). Comerica also seeks approval of its expenses of \$49,034.23<sup>3</sup> for the previous four-month period. (Aycock Dec. ¶ 7, Ex. A). In her declaration, Angela Aycock states that Comerica anticipates expending

<sup>1</sup> F&B also seeks approval for payment of \$29,182.50 to Justice Gilbert related to his role as moderator and mediator. (Greiner Dec. ¶ 20, Ex. O). SNJ do not object to payment of that amount. Consequently, the fees requested in Exhibit O are not included in this chart or calculation.

<sup>2</sup> All information taken from the Declarations of Mark Greiner and Angela Aycock were taken from redacted, publicly available documents.

<sup>3</sup> \$48,396.23 in travel expenses and \$638.00 in international wire transfer fees. (Aycock Dec. ¶ 7).

a similar amount of time and work per month, as it did during the first year of its administration of the Estate, for the foreseeable future. (Aycock Dec. ¶ 4). In support of that conclusion, Aycock states that both Andrea Bruce and she are working on Estate matters on a full-time basis. *Id.* at ¶ 8. Aycock also notes a number of other Comerica officers and employees who have performed work for the Estate. *Id.* What is missing from Aycock's declaration is a substantive analysis of the time incurred by these individuals in the various assignments they have been involved in, and specifically how the time necessary to execute those assignments will increase, decrease, or remain the same in the coming year. Without these substantive details, it is difficult to say whether Comerica's request for \$125,000 per month in compensation is actually justified. Aycock's Declaration also reveals that certain one-time, time consuming tasks have likely already been completed, like the inventorying of Estate assets or the digitization of substantial files. (Aycock Dec. ¶¶ 4 & 8). Additionally, the Court should consider the fees of Troy Carter, the Estate's entertainment advisor, when it decides what monthly rate is appropriate for Comerica's services. (November 10, 2017 Bruce Dec. ¶ 52 (filed under seal)).

The Court has previously approved substantial fee petitions by Comerica and F&B. In November 2017, it approved the following fees and costs sought by F&B:

	F&B Fees	Costs	Other Firms' Invoices
Exhibit A	\$467,257.00	\$30,031.21	
Exhibit B	\$347,510.25	\$10,391.28	
Exhibit C	\$293,659.50	\$33,176.14	
Exhibit D	\$307,025.00	\$30,258.80	
Exhibit E			\$30,983.98
Exhibit F			\$201,446.74
Exhibit G			\$31,371.84 & €1,497.60
Exhibit H			\$8,755.00
Exhibit I			£3,842.00
Exhibit J			\$205.00
Exhibit K			\$20,930.00
Exhibit L			\$31,300.00

Exhibit M			\$715.00
Exhibit N			\$1,725.00
Exhibit O			£6,200.00
Exhibit P			\$120,014.00
Total:	\$1,415,451.75	\$103,857.43	\$447,446.56 & €1,497.60 & £10,042.00
Grand Total:	\$1,966,755.74 & €1,497.60 & £10,042.00		

(October 16, 2017 Greiner Dec.). The Court also approved Comerica's fee and expense requests. (October 16, 2017 Aycock Dec.); (Order Approving Payment of Personal Representative's Fees and Costs (dated November 1, 2017)). On July 26, 2017, the Court approved F&B's and Comerica's fee petition entirely. The fees sought in that petition were as follows:

	F&B Fees	Costs	Other Firms' Invoices
Exhibit A	\$280,116.50	\$1,792.75	
Exhibit B	\$572,756.00	\$67,847.33	
Exhibit C	\$470,446.50	\$11,328.81	
Exhibit D	\$577,786.50	\$28,206.03	
Exhibit E	\$474,779.00	\$11,590.35	
Exhibit F			\$74,331.08
Exhibit G			\$204,266.99
Exhibit H			\$15,040.59
Exhibit I			\$12,760.00
Exhibit J			\$18,069.60
Exhibit K			€15,511.00
Exhibit L			\$1,725.41
Exhibit M			\$164.00
Exhibit N			\$1,537.50
Total:	\$2,375,884.50	\$120,765.27	\$327,895.17 & €15,511.00
Grand Total:	\$2,824,544.94 & €15,511.00		

(June 23, 2017 Greiner Dec.).<sup>4</sup> In total, between December 2016 and September 2017, the Estate paid legal fees and costs of \$4,791,300.68 (as well as €17,008.60 and £10,042.00). For Comerica's monthly fee, the Estate paid \$125,000 per month, totaling \$1,000,000. It also reimbursed Comerica for expenses totaling \$108,333.02. (June 23, 2017 Aycock Dec. ¶ 6); (October 16, 2017 Aycock Dec. ¶ 4). Thus, before the addition of any of the \$1,732,603.28 (as well as €2,896.40 and £1,538.00) in legal fees and \$549,034.23 in administration fees and expense reimbursements that Comerica seeks in the petition presently before the Court, Comerica and its legal counsel have already received a total of \$5,899,633.70 (as well as €17,008.60 and £10,042.00) from the Estate.

There is legitimate concern that at the end of the Estate's administration there will be little, if anything left to pass on to the Heirs. It is with this concern in mind, that SNJ object to payment of the full fee and cost amount requested by F&B and to Comerica continuing its administration of the Estate at a rate of \$125,000 per month. Prior to filing this objection with the Court, SNJ sought to mediate this issue with Comerica through Justice Gilbert. Comerica did not respond. SNJ respectfully request that the Court order the parties to mediate this dispute, and if that is unsuccessful, that the Court consider all of the relevant factors and establish new protocols that will work to preserve Estate assets so that the Estate's obligations can be satisfied and the administration of the Estate can come to an efficient and cost-effective end.

### **ARGUMENT**

The Court established specific protocols in its March 22, 2017 Order regarding the petitioning for and approval of fees for Comerica and its legal counsel. (Order for Application of Existing Orders and Protocols to Personal Representative ("Order") (dated March 22, 2017)).

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<sup>4</sup> The fees sought in the June 23, 2017 petition included fees and costs from December 2016 and January 2017 as well as the first four months of Comerica's term as personal representative.

The Court provisionally set Comerica's monthly compensation at \$125,000 per month with reimbursement for expenses (subject to the Heirs' ability to object). (Order ¶ 5). "Prior to February 1, 2018, the Personal Representative shall petition the Court regarding the amount of its compensation for the time period of February 1, 2018 through February 1, 2019, based on the then anticipated needs and activities of the Estate." *Id.* Comerica's fee petition, filed on February 15, 2018, seeks to maintain the level of compensation for another year, under the assumption that the work-load of Comerica will remain the same.

The Court also authorized Comerica to pay its legal counsel their fees, costs, and expenses "pursuant to Minn. Stat. §§ 525.515, 524.3-720, and 524.3-721." *Id.* at ¶ 6. Comerica is authorized to pay for its legal counsel subject to the Heirs' ability to object. *Id.* After consideration of any objection, fee petition, and affidavits, the Court "will order the Personal Representative to reimburse the Estate in an amount that it determines to be reasonable and appropriate, if the Court believes that there was an overpayment of the Personal Representative's fees or expense reimbursements." "Similarly, the Court will consider all supporting submissions made by the Personal Representative in connection with the Attorney Fee Affidavits and will order counsel for the Personal Representative to reimburse the Estate in an amount that it determines to be reasonable and appropriate, if the Court believes that there was an overpayment of the attorneys' fees, costs, and expenses." *Id.* at ¶ 7 (citing Minn. Stat. § 524.3-721). Finally, "[n]othing herein shall limit the...Heirs from seeking Court review of the...reasonableness of an agent's compensation pursuant to Minn. Stat. § 524.3-721." *Id.* at ¶ 4.

**I. SNJ OBJECTS TO FULL PAYMENT OF F&B'S CLAIMED FEES AND EXPENSES AND COMERICA'S EXPENSES**

As the Court referenced in its March 22, 2017 Order, the fairness and reasonableness of F&B's claimed fees and costs requires analysis of five factors under Minn. Stat. § 525.515(b):

- (1) the time and labor required;
- (2) the experience and knowledge of the attorney;
- (3) the complexity and novelty of problems involved;
- (4) the extent of the responsibilities assumed and the results obtained; and
- (5) the sufficiency of assets properly available to pay for the services.<sup>5</sup>

“...[T]he value of the estate shall not be a controlling factor.” Minn. Stat. § 525.515(c).

“Allowance of attorney’s compensation rests largely in the discretion of the probate court.” *In re Weisberg’s Estate*, 64 N.W.2d 370, 372 (Minn. 1954). “The courts have a duty to prevent dissipation of estates through allowance of exorbitant fees to those who administer them.” *Id.* Here, there is significant concern that the fees incurred will work to dissipate the Estate. Thus, it is critical to reduce the amount of fees paid to Comerica and its attorneys to preserve the Estate for its beneficiaries.

As the Court is aware, SNJ have already objected to the \$148,540 claimed to have been incurred by F&B for responding to the Petition to Remove Comerica. (SNJ’s Objections to Comerica’s Attorneys’ Fees (dated January 26, 2018)). Rather than repeat those arguments here, SNJ incorporate the arguments made in that Objection by reference and ask that the Court decline to approve payment of those fees to Comerica.

#### **A. The Time and Labor Required**

Preliminarily, SNJ do not object to payment of some amounts sought by F&B and Comerica in the Petition. This is a large Estate with a number of legal matters that must be managed by legal counsel. However, the F&B billing reveals numerous instances where an

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<sup>5</sup> In addition, Minn. R. Prof. Con. 1.5 provides additional guidance on the reasonableness of attorneys’ fees. The application of those factors to the claimed \$148,540 was argued in SNJ’s January 26, 2018 Objections to Comerica’s Attorneys’ Fees.

excessive number of timekeepers are involved in a single matter. For example, Comerica has sent two different, highly paid attorneys to meetings or hearings with no benefit to the Estate. On January 5, 2017, both Greiner and Cassioppi were present at a meeting with the Court. (Greiner Dec. Ex. D, pp. 456 & 470<sup>6</sup>). In total, Greiner and Cassioppi billed 5.6 and 5.7 hours respectively at a total cost of \$6,316.50 for preparation for and attendance at the meeting. *Id.* In the same vein, F&B billed 3.30 hours on October 26, 2017, for E. Unger to prepare for and attend an oral argument by Cassioppi, for which he billed 5.10. (Greiner Dec. Ex. A, p. 38 & 53). At another appellate argument, on January 18, 2018, M. Williams billed 2.50 hours to attend an oral argument by Cassioppi for which he billed 4.10 to prepare for, travel to, and argue. *Id.*, Ex. D., pp. 485-86). In addition, between Williams and Cassioppi, F&B incurred 31.40 hours preparing for and arguing the Cousins' appeal. *Id.* Similarly, a number of F&B attorneys attended the November 20, 2017 hearing on the Petition to Remove Comerica. Amounts incurred there have already been objected to in SNJ's prior objection, but the duplication of efforts is not a one-off occurrence.

SNJ do not suggest that only one attorney can only ever appear on a matter or bill time for an issue. However, Comerica has a duty to control the spending of its legal counsel and should not condone duplicative work. If Comerica wishes to have two highly skilled attorneys present at a meeting that is fine, but either Comerica should pay for one of them out of its own accounts or F&B should no charge the duplicative time.

Additionally, Exhibit E to the Greiner Declaration contains a duplicate invoice that F&B included in its total fee request to the Court. The Greiner Declaration seeks payment of

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<sup>6</sup> Where appropriate, references to the page numbers of the Greiner Declaration and its exhibits have been included. The page numbers are to the complete, redacted Greiner Declaration. If the Court is reviewing the unredacted version of the exhibits, which are separate from the Greiner Declaration itself, the page numbers cited should be reduced by ten to reach the correct page.

\$47,085.73 to Arnold & Porter Kaye Scholer LLP. (Greiner Dec. ¶ 17). Within Exhibit E, invoice pages from September 13, 2017, totaling \$6,480.00 appear twice. *Id.* at Ex. E, pp. 574-77 & 593-96. When this duplicate invoice is removed, the amount claimed for payment in Exhibit E should be \$40,605.73, not \$47,085.73. This type of error, seeking overpayment of \$6,480.00 does not engender confidence in the process used to submit these bills to the Court for payment by the Estate.

Unfortunately, it is almost impossible for SNJ to know the true propriety of the vast number of entries on F&B's billing. There are so many entries for relatively small amounts, spread over a number of different matters, that it is difficult to know if all the fees were properly incurred for the benefit of the Estate. Nonetheless, the huge volume of those small entries adds up to a very substantial sum of money over the period of four months. Throughout this objection, SNJ have attempted to identify certain entries or blocks of time that are questionable, but by doing so SNJ do not concede that all other fee entries are appropriate.

In fact, the way F&B's billing is structured makes it difficult to identify duplicative entries without substantial effort. For example, the billings of Greiner and Cassioppi for attending the January 5, 2018 Court meeting appear in two different places on the billing. Greiner's time is billed under the "Estate Administration" category. (Greiner Dec. Ex. D, p. 455). Cassioppi's entry for the same meeting appears fifteen pages later under the category of "Litigation General Estate." *Id.* at p. 470. While F&B's attempt to categorize its work may be well-intentioned, it makes tracking duplicative efforts challenging at best.

F&B also makes use of substantial "block billing," with vague descriptions, which are insufficient to establish the reasonableness of an attorney fee request. *See, e.g., H.J. Inc. v. Flygt Corp.*, 925 F.2d 257, 260 (8th Cir. 1991) (affirming reductions of attorney fee award

due to vague billing entries). For *each* item listed in an entry, it must be possible to "attribute a particular attorney's specific time to a distinct issue or claim." *Id.* In *Anderson v. Hunter, Keith, Marshall & Co., Inc.*, the Minnesota Supreme Court instructed that the trial court would have to make specific findings on the reasonableness of vague time entries such as time expended on "file review" and "preparation for trial." 417 N.W.2d 619, 629 (Minn. 1988).

Ultimately, the Court should decide that the number of claimed hours is excessive compared to the time and labor needs of the Estate. Courts routinely refuse to award hours requested in a fee petition when they determine the time spent was excessive or unnecessary. *See Bucko v. First Minn. Sav. Bank, F.B.S.*, 471 N.W.2d 95, 101 (Minn. 1991) (affirming trial court's reduction of fee award where the trial court determined the number of hours claimed by the lead attorney for three plaintiffs was excessive).

#### **B. The Experience and Knowledge of the Attorney**

With respect to this category, SNJ question whether so many high-priced shareholders at F&B need to be involved directly in these matters. The billings in the Greiner Declaration reflect a huge number of F&B attorneys who have been involved in the various Estate matters. F&B billed time for nine different attorneys alone in preparing Comerica's response to the petition to remove Comerica, ranging in hourly rates between \$210 and \$650 an hour. SNJ do not specifically challenge the experience and knowledge of the attorneys who have billed time in these matters, but rather question whether those attorneys are the ones who should be billing time. The issues involved in this Estate, while numerous, should be able to be handled by associates with supervision by various shareholders. It is almost certain that if Comerica was paying for the legal services out of its own pocket it would insist on frugality and judicious use of lower cost attorneys. Since Comerica is not spending its own money, it lacks the direct

financial incentive to control these costs. Thus, the Court should impose some control over these expenses either through a flat fee for legal counsel or some other arrangement that takes into account the need for efficiency and cost savings.

### **C. The Complexity and Novelty of the Problems Involved**

Similarly, the Estate's legal matters, while numerous and spread over a variety of legal disciplines are not novel or overly complex. F&B's focus is primarily on estate administration, litigation, entertainment, real estate, and intellectual property monitoring and protection. (Greiner Dec. ¶ 3). While numerous, none of the specific areas of responsibility disclosed in the Greiner Declaration appear to be overly novel. *Id.* at ¶¶ 4-7. In fact, the primary area of complex or novel law, the entertainment matters, have been handled primarily by an outside firm, Boyarski Fritz LLP. *Id.* at ¶ 6. In short, there is little reason that junior or senior associates cannot handle the bulk of the heavy lifting while being supervised by F&B shareholders. F&B also could have administrative staff perform the updating of lists and charts that are repeatedly billed to Comerica by attorneys. This will save the Estate substantial cost and work to prevent further dissipation of Estate assets.

### **D. The Extent of the Responsibilities Assumed and the Results Obtained**

F&B has assumed a substantial amount of responsibility, but the results obtained versus the cost incurred do not justify the amounts requested. During this four-month period of time, F&B expended substantial effort unsuccessfully defending this Court's decision with respect to the attorneys' fees petitions of several Heirs' attorneys. F&B also incurred the exorbitant sum of \$148,540 in defending Comerica from being removed as personal representative. F&B has been involved in a handful of litigation matters during the relevant time period, primarily the Roc Nation/Tidal litigation and George Boxill matters. (Greiner Aff. Ex. A, pp. 43-51, 56-58, 62-68;

Ex. B, pp. 178-85, 189-95, 199-210, Ex. C, pp. 353-58, 361-68, 373-84, Ex. D, pp. 480-84, 487-97, 501-514). There are also a number of entries related to the Habib matter, the cumulative weight of which appear to be excessive and duplicative. (Greiner Dec. Ex. B, p. 211, Ex. C., pp. 385-86, Ex. D, p. 515, Ex. N). It also appears on the face of the billing that excessive time may have been spent related to the default judgment in the Thuy Nam Ly Litigation. (Greiner Dec. Ex. C, pp. 370-72, Ex. D, pp. 499-500). Finally, despite all these expenditures, it does not appear that Comerica has instituted a comprehensive business plan for resolving the myriad Estate issues, paying the taxes, and closing the Estate.

Substantial fees have been incurred in those matters, but it is yet unclear if the results justify the costs. Certainly, the results with respect to the petition to remove do not inure to the benefit of the Estate and should not be considered by the Court in the fee total. “As a general rule, in order to recover [fees] it must be established that such services inure to the benefit of the estate.” *In re Bush’s Estate*, 230 N.W.2d 33, 44 (Minn. 1975) (citing *In re Estate of Baumgartner*, 144 N.W.2d 574 (Minn. 1966)).

Furthermore, fees incurred in pursuit of a private benefit for Comerica or its legal counsel do not inure to the benefit of the Estate. *Id.* Thus, any time spent by Comerica, its agents, F&B, or its retained counsel in defending the removal petition or in determining fees owed or in pursuit of other private benefits are not properly compensable. *Id.* Similarly, Comerica’s and F&B’s expenses incurred in pursuit of those private benefits should not be recoupable from the Estate. F&B’s billing reveals a number of instances where F&B has billed for preparation of fee affidavits. Notably, there are a number of entries in early October 2017, late December 2017/early January 2018, and late January 2018 related to the creation of various fee petitions and affidavits. (Greiner Dec. Exs. A, pp. 16-20, Ex. C, p. 348, & Ex. D, pp. 457-58). Any

response by F&B to this objection should not be billed to the Estate, since F&B and Comerica are defending the fees that are to their benefit, not the Estate's.

### **E. The Sufficiency of Assets Properly Available to Pay for the Services**

While all factors must be considered, the sufficiency of assets properly available to pay for the services should be the most concerning for the Court. If the spending on Estate and attorneys' fees is not brought under control, there may be nothing left for the Heirs at the end of Comerica's tenure. That is the ultimate harm that this Court must work to prevent. Failure to do so now would be an abdication of the Court's duty to prevent dissipation of this Estate through allowance of exorbitant fees to Comerica and its legal counsel. *In re Weisberg's Estate*, 64 N.W.2d at 372.

As discussed above, it is difficult for the individual Heirs to know if any particular entry in the F&B billings are appropriate or excessive. Nonetheless, the chart below contains a number of entries not previously discussed that appear, at least on the surface, to be excessive or unnecessary. This list is not intended to be inclusive of all issues, but is offered to demonstrate more of SNJ's concerns.

Page in Redacted Greiner Declaration	Date	Description	Amount Billed
37	10/16/2017	Research issue related to estate	\$1,457.50
37	10/17/2017	Write memo regarding estate issue	\$1,431.00
52	10/11/2017	Research *redacted*	\$874.50
52	10/12/2017	Research *redacted*	\$795.00
195	11/30/2017	Create tracking mechanism for *redacted*	\$1,080.00
497	1/18/2018	Service of nationally-served subpoenas	\$1,774.00
635	11/19/2017	Jason Boyarski traveled to MN for Removal Hearing	\$3,927.00

635	11/20/2017	Court hearing in Minn for Comerica removal matters; pre and post hearing travel and group meetings	\$5,831.00
636		Various Expenses related to Travel to MN for Removal Hearing	\$1,670.87

Since Comerica's appointment as personal representative, Comerica has submitted three fee petitions for approval of legal fees and costs. In each of those petitions, the total legal fees and costs were in excess of \$1.73 million. As the Court has noted, there is a very real concern that these fees will consume all of the Heirs' potential inheritance. However, it is also obvious that the personal representative must have some legal representation to carry out its responsibilities. To balance the needs of the Estate versus the needs of the Heirs, SNJ propose that the Court impose a flat fee upon the personal representative's legal counsel. Such a fee arrangement would ensure that the personal representative has competent legal counsel, while at the same time establishing a realistic ceiling for legal fees so that Comerica can establish a business plan, pay the taxes, and work to end the administration of the Estate. A fixed fee relationship would necessarily need periodic review, like Comerica's fixed fee for administration of the Estate. The Court could maintain the same four-month rolling reporting period, with Comerica and the Heirs having the ability to petition for an increase or decrease in the fixed fee amount.

If the exorbitant bill of \$1.73 million was not enough to suggest Comerica has failed to control the expenditures of the attorneys it has hired, even a cursory review of the 673-page affidavit of Mark Greiner supports this conclusion. There does not appear to be a single "no charge" or any other indicators which would suggest Comerica has challenged F&B on any of its claimed fees. The Greiner Declaration states that F&B writes off or reduces the time entry prior

to invoicing Comerica, but it is impossible from the submissions to the Court to see what write offs or reductions were actually performed. (Greiner Dec. ¶ 14). Comerica, as the personal representative, is essentially playing with house money. Since it does not have to pay the costs incurred by its attorneys and advisors out of its own funds, rather paying them out of Estate accounts, it has little incentive to actively manage the fees incurred by its counsel. If Comerica were directly paying the requested fees, it is hard to believe that such excessive fees would appear on F&B's billing.

This Estate cannot afford to keep doing "business as usual." The fees must be brought under control. If Comerica cannot or will not do so, the Court must intervene. If F&B is unable to control its costs or accept a fee arrangement that will prevent further dissipation of the Estate, Comerica should seek to retain new counsel who will. Thus, SNJ respectfully request that the Court review the billings submitted by F&B, consider the issues raised in this objection, and direct F&B to refund fees to the Estate that were improperly paid by Comerica. At the same time, the Court should provide further guidance and protocols on how fees are to be incurred and the limits on the fees that will be tolerated.

## **II. COMERICA PETITIONS TO MAINTAIN THE \$125,000 MONTHLY FEE**

SNJ also objects to Comerica's request that the Court maintain the flat rate of \$125,000 per month for its continued administration of the Estate for the period between February 2018 and January 2019. (Petition, pp. 3-4). Comerica claims that it anticipates similar expenditures this year as last due to a number of complicating factors. The question should be, if the administration of the Estate is in no better shape than it was a year ago, does that not poorly reflect on Comerica's performance as the personal representative and are its services worth as much as it is billing the Estate? While the Court has made its position on a change in the

personal representative clear, at least under the facts that were known to SNJ at the time, the Court should not hesitate to revisit Comerica's compensation for the services it renders for the Estate if those services are excessive or have achieved poor results for the Estate. Additionally, Comerica has contracted with Troy Carter as the Estate's entertainment advisor for an additional fee. (November 10, 2017 Bruce Dec. ¶ 52).

The Court should decline to grant Comerica's request to continue receiving \$125,000 per month. Comerica has not demonstrated that the same level of compensation during the first year of its administration, is necessary or appropriate. In fact, the Aycock Declaration demonstrates that certain one-time, time consuming tasks, most notably inventorying Estate assets and the digitizing of over 500 file boxes have apparently already been completed. (Aycock Dec. ¶¶ 3, 8). Moreover, given the substantial amounts Comerica is paying to its attorneys and advisors, there is little justification for such a substantial monthly payment directly to Comerica. The Court has discretion in setting the amount of Comerica's compensation and given the very real threat of dissipation, the Court should establish a lower monthly fee. Obviously, Comerica could later petition for a change in its compensation, but the granting of such a request should be tied to the achievement of certain milestones in the administration of the Estate, such as the payment of some or all of the Estate's tax obligations. In this way, Comerica will have motivation to both control the expenditures of those it has retained to assist in the administration of the Estate and to move the Estate quickly and efficiently towards closure.

### **CONCLUSION**

SNJ believe that the fees requested by both Comerica and F&B are excessive and unwarranted under the circumstances. There has been substantial concern that there will be little if anything left of the Estate when it is ready to close and be turned over to the Heirs. If the

Court truly wants to prevent this scenario from playing out, it must impose meaningful controls on the amount of attorneys' fees and costs incurred by Comerica. Whether by thorough review of F&B's billing to determine the appropriateness of billed time or through imposition of a flat fee for F&B's services for each four-month period, something must be done to reign in the costs. Likewise, the fees charged by Comerica and its advisors must also be scrutinized to safeguard the interests of the Heirs in receiving their inheritance. For these reasons, SNJ respectfully request that the Court review the petition submitted by Comerica and F&B and approve payment of a reduced amount that considers not only the work performed but the importance of managing the Estate so that taxes can be paid and the administration of the Estate can come to an efficient end.

**SKOLNICK & JOYCE, P.A.**

Dated: March 1, 2018

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