

STATE OF MINNESOTA
COUNTY OF CARVER

DISTRICT COURT
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.

**COMERICA BANK & TRUST, N.A.'S
PETITION FOR FEES AND COSTS
FOR FEBRUARY 2018 THROUGH
JANUARY 2019**

INTRODUCTION

Comerica Bank & Trust, N.A. (the “Personal Representative”), as the Personal Representative of the Estate (the “Estate”) of Prince Rogers Nelson, respectfully submits this petition, and accompanying proposed order, seeking approval of procedures related to its fees and costs—and those of its legal counsel—for February 2018 through January 2019. As further described below, in light of the anticipated needs and activities of the Estate, the Personal Representative proposes that its compensation, including its monthly fee, remain the same as it was during its first year of service to the Estate. Such compensation—as well as the fees and expenses of the Personal Representative’s legal counsel—would remain subject to the existing review and approval protocols set forth in this Court’s March 22, 2017 order.

BACKGROUND

The Personal Representative was appointed personal representative of the Estate, effective February 1, 2017. On March 22, 2017, the Court entered the Order Regarding Application of Existing Orders and Protocols to the Personal Representative (the “March 22 Order”). The March 22 Order provides various guidelines and protocols for the Personal

Representative in this matter, including the following with respect to fees and costs of the Personal Representative and its legal counsel:

- For the time period of February 1, 2017 through February 1, 2018, the Personal Representative shall be provisionally entitled to receive compensation of \$125,000 per month, plus expenses, subject to the review and approval process set forth in paragraph seven of the order. (March 22 Order, ¶ 5.)
- The Personal Representative shall petition the Court regarding the amount of its compensation for the time period from February 1, 2018 through February 1, 2019, based on the then anticipated needs and activities of the Estate. (*Id.*)
- The Personal Representative is authorized to pay legal counsel's fees and expenses as invoices are submitted and without advance approval, but subject to the review and approval process set forth in paragraph seven of the order. (*Id.* at ¶ 6.)

Consistent with the March 22 Order, the Personal Representative and its legal counsel filed fee affidavits in June 2017 (covering fees and expenses through May 31, 2017) and October 2017 (covering fees and expenses from June 1, 2017 through September 30, 2017), and are simultaneously with this petition filing fee affidavits covering fees and expenses from October 1, 2017 through January 31, 2018. To date, the Court has approved the fees submitted by the Personal Representative and its legal counsel.

The Personal Representative's first year serving as personal representative ended on January 31, 2018. Accordingly, and pursuant to the March 22 Order, the Personal Representative makes the below petition regarding its fees and costs for the next year, from February 1, 2018 through January 31, 2019.

PETITION

The Personal Representative proposed the \$125,000 per month flat fee (plus expenses) compensation model based on the information it had prior to its appointment regarding the unique nature of, and estimated time and expertise involved in administering, the Estate. (*See* Declaration of Angela W. Aycock Regarding Comerica's Fees and Costs from October 2017 through January 2018 and in Support of Petition for Comerica's Fees and Costs for February 2018 through January 2019, ¶ 3.) Based on the significant time and resources the Personal Representative has devoted to the Estate during the first year of the engagement—which included two more-than-full time trust officers and hundreds of hours of time spent by other employees from the Personal Representative's legal and trust departments—including, notably, multiple employees that spent weeks at Paisley Park and on-site at the Personal Representative's offices inventorying assets and preparing them for transport—the \$125,000 monthly fee was far less than the Personal Representative would have charged had it billed the Estate pursuant to its standard fee schedule. (*Id.*)

When the Personal Representative accepted appointment as personal representative, it anticipated that the matter would require significantly less time and resources after January 31, 2018 than during the first year. (*Id.* at ¶ 4.) Based on multiple factors, including complicated Heir relations, the Court-appointed mediation process, the need to replace the UMG agreement and the time necessary to implement a new agreement, and multiple unanticipated litigation matters and other disputes, the Personal Representative no longer believes that will be the case. (*Id.*) Instead, the Personal Representative expects and believes that it will be required to expend a similar amount of work and resources on the Estate for the foreseeable future, and certainly for the next year, as it did during the first year of its appointment. (*Id.*)

Accordingly, the Personal Representative proposes that from February 1, 2018 through January 31, 2019, the Personal Representative be provisionally entitled to receive compensation at the rate of \$125,000 per month, plus reimbursement for expenses incurred in connection with administration of the Estate. (*Id.* at ¶ 5.) Consistent with the March 22 Order, the Personal Representative will continue to submit its compensation and expense reimbursements for review to the Court every four months (*i.e.*, on June 15, 2018 for compensation and expense reimbursements for February 1, 2018 through May 31, 2018) and the Heirs would have 14 days after service to submit written objections. (*Id.*) The Court would then consider all supporting submissions made by the Personal Representative and would 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 fees or expenses to the Personal Representative. (*Id.*) The Personal Representative proposes that the same process—as set forth in the March 22 Order—would also continue to apply to the fees and expenses of its legal counsel. (*Id.*)

The Personal Representative believes this proposal is fair and reasonable, including because: (a) the Personal Representative is not asking for an increase in fees, despite its underpayment for services actually provided over the last year and expectation that service demands will be similar during the next twelve months; and (b) the regular fee affidavit and review process not only allows for Court oversight, but also allows parties to request amendments to the fee as appropriate based on developments in the Estate. (*Id.* at ¶ 6.)

CONCLUSION

For the reasons set forth herein, the Personal Representative respectfully requests that the Court enter the accompanying proposed order regarding the fees and costs of the Personal Representative and its legal counsel for the next year.

Dated: February 15, 2018

/s/ Joseph J. Cassioppi

Mark W. Greiner (#0226270)

Joseph J. Cassioppi (#0388238)

Sarah M. Olson (#0390238)

FREDRIKSON & BYRON, P.A.

200 South Sixth Street, Suite 4000

Minneapolis MN 55402-1425

612-492-7000

612-492-7077 fax

mgreiner@fredlaw.com

jcassioppi@fredlaw.com

solson@fredlaw.com

Attorneys for Comerica Bank & Trust, N.A.

63240618