

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.

**ORDER & MEMORANDUM DENYING
MOTION TO APPROVE CONSULTANT
PAYMENTS**

The above-entitled matter came on before the undersigned on October 22, 2018 based upon written submissions. Comerica Bank Trust, N.A., (“Personal Representative”) in its capacity as manager of Paisley Park Facility, LLC, an asset of the Estate, has moved the Court for an order finding that certain consultant payments due to the Heirs under Exhibition Consulting Agreements are outside the scope of attorney liens asserted by Lommen Abdo P.A. (“Lommen Abdo”), Skolnick & Joyce, P.A. (“Skolnick & Joyce”) and Barnes & Thornburg, LLP (“Barnes & Thornburg”); and authorizing the Personal Representative to disburse the consultant payments directly to the effected Heirs. Each of the law firms has objected to the Court making the requested finding, however Lommen Abdo does not object to the Court authorizing payment to the Heirs of the sums due for this year alone.

Based on the submissions of the parties, the arguments of counsel, and all of the files, records and proceedings herein, the Court makes the following:

ORDER

1. The Personal Representative’s motion for an order finding that the consultant payments due to the Heirs under the Exhibition Consulting Agreements are outside the scope of the attorneys’ liens asserted by Lommen Abdo P.A., Skolnick & Joyce, P.A. and Barnes & Thornburg, LLP, and authorizing their disbursement is respectfully DENIED.

BY THE COURT:

Dated: October 25, 2018

Kevin W. Eide
Judge of District Court

NOTICE: A true and correct copy of this Order/Notice has been served by EFS upon the parties. Please be advised that orders/notices sent to attorneys are sent to the lead attorney only.

MEMORANDUM

Comerica Bank Trust, N.A., (“Personal Representative”) in its capacity as manager of Paisley Park Facility, LLC, an asset of the Estate, has moved the Court for an order finding that consultant payments due to the heirs under Exhibition Consulting Agreements are outside the scope of attorney liens asserted by Lommen Abdo P.A. (“Lommen Abdo”), Skolnick & Joyce, P.A. (“Skolnick & Joyce”) and Barnes & Thornburg, LLP (“Barnes & Thornburg”); and authorizing the Personal Representative to disburse the consultant payments directly to John, Sharon, Norrine, and Tyka Nelson. Each of the law firms has objected to the Court making the requested finding, however Lommen Abdo does not object to the Court authorizing payment to the Heirs of the sums due for this year alone.

The Exhibition Consulting Agreements at issue were entered into effective September 12, 2016 between Paisley Park Facility, LLC and each of the Heirs. Pursuant to the Exhibition Consulting Agreements, each of the Heirs agreed to provide interviews, consultation, and access to their unique information, photographs, and memorabilia for use in the museum and exhibition operated by Paisley Park Facility, LLC. In exchange, each Heir received a \$100,000 payment for the initial one-year term, plus a \$25,000 payment upon commencement of each additional year that the Exhibition Consulting Agreements are extended. The Exhibition Consulting Agreements were extended for additional one-year terms commencing September 12, 2017 and September 12, 2018. Accordingly, the \$25,000 payment to each Heir for the renewal commencing September 12, 2018 is now due.

On August 8, 2018, Lommen Abdo filed its claim for a \$214,652.11 attorneys’ lien against Sharon, Norrine and John Nelson’s interest in the Estate. On August 13, 2018, Barnes & Thornburg filed its claim for an attorneys’ lien against Tyka Nelson’s interest in the Estate without specifying the amount of its alleged lien. On August 27, 2018, Skolnick & Joyce filed its claim for a \$180,935.12 attorneys’ lien against Sharon, Norrine and John Nelson’s interest in the Estate.

Attorney's liens are governed by Minn. Stat. § 481.13 which provides:

An attorney has a lien for compensation whether the agreement for compensation is expressed or implied (1) upon the cause of action from the time of the service of the summons in the action, or the commencement of the proceeding, and (2) upon the interest of the attorney's client in any money or property involved in or affected by any action or proceeding in which the attorney may have been employed, from the commencement of the action or proceeding, and, as against third parties, from the time of filing the notice of the lien claim, as provided in this section. Minn. Stat. § 481.13, subd. 1(a) (2018) (*emphasis added*).

The Personal Representative argues the attorney liens do not apply to the consultant payments because the consultant payments are contractual payments between the Heirs and Paisley Park Facility, LLC, a separate entity from the Estate. The Personal Representative further argues that none of the attorney liens purport to apply to the consultancy payments. The Court is not swayed by either of these arguments. While the Exhibition Consulting Agreements may not be between the Heirs and the Estate, they are between the Heirs and an asset of the Estate, and therefore fall within the broad description of "involved in or affected by" the Estate proceeding. With this broad definition, the attorneys need not have specified in their lien notices that they intended the liens attach to the consultant payments in addition to any other of the Heir's potential interests in the Estate. As a result, the Personal Representative's motion for an order finding that the consultant payments are outside the scope of the attorneys' liens and authorizing their disbursement is respectfully DENIED.

K.W.E.