

STATE OF MINNESOTA

DISTRICT COURT

COUNTY OF CARVER

FIRST JUDICIAL DISTRICT  
PROBATE DIVISION

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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 2020 THROUGH  
JANUARY 2021**

[REDACTED]

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**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 its fees and the procedures related to its fees and costs and those of its legal counsel, during February 2020 through January 2021. As further described below, in light of the anticipated needs and activities of the Estate, the Personal Representative proposes that its compensation remain the same during the upcoming year. 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 and April 23, 2019 Orders.

**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. On September 7, 2018, and April 23, 2019, the Court entered Orders extending the March 22 protocols through January 2020, with

the modification that fee affidavits would be due at the end of the month rather than the 15<sup>th</sup> (collectively, the “Fee Orders”). The Fee Orders provide 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 January 31, 2019, the Personal Representative was entitled to receive compensation of \$125,000 per month, plus expenses. (Mar. 22, 2017 Order ¶ 5; Sept. 7, 2018 Order ¶ 1.)
- For the time of period February 1, 2018 through January 31, 2020, the Personal Representative was entitled to receive compensation of \$110,000 per month, plus expenses. (Apr. 23, 2019 Order ¶ 1.)
- The Personal Representative shall petition the Court regarding the amount of its compensation for the time period from February 1, 2020 through “such future date as is appropriate, 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 ¶ 3.)

Consistent with the Fee Orders, the Personal Representative and its legal counsel have filed fee affidavits every four months beginning June 2017, and are simultaneously with this petition filing fee affidavits covering fees and expenses from October 1, 2019 through January 31, 2020. To date, the Court has approved the fees submitted by the Personal Representative and it has approved the fees submitted by the Personal Representative’s legal counsel, with only three minor reductions.

The Personal Representative's third year serving as personal representative ended on January 31, 2020. Accordingly, and pursuant to the Fee Orders, the Personal Representative makes the below petition regarding its fees and costs for the next year, from February 1, 2020 through January 31, 2021.

### **PETITION**

Effective with the commencement of the fourth year of its administration of the Estate, on February 1, 2020, the Personal Representative has determined that its compensation should remain at a provisional fee rate of \$110,000 per month. The Personal Representative has evaluated the status of the Estate as it enters its fourth year of administration and has determined that renewal of its current fee is appropriate. As the Court is aware, this is perhaps the most complex estate in Minnesota's history, and it involves a complicated and diverse array of assets and transactions. This Estate is also unique because its administration requires coordinating and communicating with the Heirs, who were granted substantial involvement in administration of the estate, as well as family members of the heirs, initially two and now one Court designated Heirs representative, a Mediator/Moderator, an entertainment company to whom some of the Heirs have either borrowed funds from or sold portions of their expectancy interests to, and the myriad of attorneys and advisors representing these parties.

During the past year, the Personal Representative has devoted significant time and resources to administering the Estate, including two full-time senior trust officers and hundreds of hours of time spent by other employees from the Personal Representative's legal, trust, and real estate departments. The Personal Representative anticipates that the Estate will require even greater time and resources during the upcoming year for at least two reasons. First, effective October 1, 2019, and following extensive discussion with the Heirs, the Personal Representative

replaced the Graceland Holdings, LLC entity that was managing Paisley Park. The Personal Representative is now directly operating the Paisley Park museum through an Estate-owned entity. This is a time-consuming endeavor, requiring the Personal Representative to expend significant time each day overseeing the Paisley Park operations. Second, the Estate [REDACTED] [REDACTED] and the Personal Representative expects [REDACTED] [REDACTED] [REDACTED] [REDACTED] will vastly increase the Personal Representative's responsibilities, likely requiring additional personnel, and will subject the Personal Representative to additional scrutiny. Moreover, while addressing these increased responsibilities and activities around Paisley Park and [REDACTED], Comerica will continue to spend time and resources administering and developing entertainment deals with major partners in the music industry, resulting in the release of numerous legacy and revenue enhancing projects.

In proposing its fee, the Personal Representative is mindful not only that administering this Estate requires substantial time and resources, but also that it exposes the Personal Representative to a risk of significant liability. For example—as the Court is aware—during 2019, Sharon Nelson commenced a lawsuit against the Personal Representative and two of its trust officers, seeking more than \$10 billion in damages. While the Court dismissed her claims, she has appealed the dismissal. Ms. Nelson's most recent lawsuit, which follows a panoply of previous objections, oppositions, petitions, and letters to the Court opposing the Personal Representative's actions, is just one illustration of the risk that the Personal Representative undertakes in administering the Estate.

Accordingly, the Personal Representative proposes that from February 1, 2020 through January 31, 2021, the Personal Representative be provisionally entitled to receive compensation at the rate of \$110,000 per month, plus reimbursement for expenses incurred in connection with administration of the Estate. Consistent with the March 22, 2017 and April 23, 2019 Orders, the Personal Representative will continue to submit its compensation and expense reimbursements for review to the Court every four months (*i.e.*, on June 30, 2020 for compensation and expense reimbursements for February 1, 2020 through May 31, 2020) and the Heirs and Primary Wave would have 14 days after service to file written objections. 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 any overpayment of fees or expenses to the Personal Representative. The Personal Representative proposes that the same process—as set forth in the Fee Orders—would also continue to apply to the fees and expenses of its legal counsel.

The Personal Representative believes this proposal is fair and reasonable, including because (a) the Personal Representative is not proposing a rate increase, even though it anticipates an increase in its responsibilities during 2020 as compared to the previous year, 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.

## 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 28, 2020

/s/ Joseph J. Cassioppi

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