

ok to set 8/3/09, 8:30 a.m., PS
fee of \$200.00 due 7/23/09

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FILED
LOS ANGELES SUPERIOR COURT

JUL 23 2009

JOHN A. CLARKE, CLERK
M. Dewey
BY M. DEWEY, DEPUTY

Attorneys for Special Administrators, John Branca and
John McClain

DATE OF HEARING

8-3-09 D-58:30

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES

In the Estate of

MICHAEL JOSEPH JACKSON,

Deceased.

Case No. BP 117 321

~~REDACTED~~
EX PARTE PETITION FOR ORDER
AUTHORIZING PAYMENT OF FAMILY
ALLOWANCE FOR THE BENEFIT OF
MINOR CHILDREN
[Prob. Code §§ 6540, 6541]

[FILED CONDITIONALLY UNDER
SEAL]

Date: ⁸⁻³ July 23, 2009
Time: 8:30 a.m.
Dept.: 5
Judge: Hon. Mitchell L. Beckloff

HOFFMAN
SABBAN &
WATENMAKER

EX PARTE PETITION FOR ORDER AUTHORIZING
PAYMENT OF FAMILY ALLOWANCE

BP 117 321

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Petitioners John Branca ("Mr. Branca") and John McClain ("Mr. McClain"), Special Administrators of the Estate of Michael Joseph Jackson (the "Estate"), respectfully submit this *Ex Parte* Petition For Order Authorizing Payment of Family Allowance for the Benefit of Minor Children, as follows:

INTRODUCTION

1. The Special Administrators of the Estate request that the Court authorize them to pay a family allowance for the benefit of the three minor children of the decedent, Michael Joseph Jackson ("Michael Jackson"), pursuant to Probate Code § 6540(a)(1), to the Temporary Guardian of the Estate of Michael Jackson's three minor children.

BACKGROUND

2. Michael Jackson died testate on June 25, 2009, in the County of Los Angeles. Michael Jackson was not married at the time of his death. Michael Jackson was survived by his three minor children, namely, Michael Joseph Jackson, Jr., born on February 13, 1997, Paris-Michael Katherine Jackson, born on April 3, 1998, and Prince Michael Jackson, II, born on February 21, 2002 (collectively, the "Minor Children").

3. On June 29, 2009, the Court appointed Katherine Esther Jackson, Michael Jackson's mother ("Mrs. Jackson"), as the Temporary Guardian of the Persons and Estates of the Minor Children (the "Temporary Guardian").

4. On June 29, 2009, Michael Jackson's parents, Joseph Walter Jackson and Mrs. Jackson (collectively, "Mr. and Mrs. Jackson") filed a Petition for Appointment of Special Administrator and a Petition for Appointment of Administrator (collectively, the "Jackson Petitions"). The Jackson Petitions allege that Michael Jackson died intestate and seek the appointment of Mrs. Jackson as the Special Administrator and Administrator with general powers, respectively.

5. On July 1, 2009, Messrs. Branca and McClain also filed a Petition for

1 Appointment of Special Administrators (the "Branca/McClain Petition Re Special
2 Administrator") and a Petition for Probate (the "Branca/McClain Petition for Probate"). The
3 Branca/McClain Petition for Probate seeks to have admitted to probate the Last Will of Michael
4 Joseph Jackson dated July 7, 2002 (the "Will"), which Messrs. Branca and McClain lodged with
5 the Court on July 1, 2009. The Will names Messrs. Branca and McClain as the Executors of the
6 Will. The Branca/McClain Petition for Probate seeks to have Messrs. Branca and McClain
7 appointed the Executors of the Will.

8 6. On July 6, 2009, this Court held a hearing on the competing Petitions for
9 Appointment of Special Administrator of the Estate. This Court granted the Branca/McClain
10 Petition Re Special Administrator and appointed Messrs. Branca and McClain as the Special
11 Administrators of the Estate, over-ruling the objections filed by Mrs. Jackson and denying the
12 Jackson Petition for Appointment of Special Administrator. Letters of Special Administration
13 were issued to Messrs. Branca and McClain (collectively, the "Special Administrators") on
14 July 14, 2009.

15 7. A hearing is scheduled for August 3, 2009 on the competing Petitions, i.e., the
16 Branca/McClain Petition for Probate and the Jackson Petition for Appointment of Administrator
17 (collectively, the "Competing Petitions").

18 8. The sole beneficiary under the Will is the Michael Jackson Family Trust (the
19 "Trust"). Messrs. Branca and McClain are the currently serving Co-Trustees of the Trust. The
20 Minor Children are beneficiaries under the Trust.

21 9. No Inventory and Appraisal has yet been filed.

22 FAMILY ALLOWANCE

23 10. The Minor Children are in need of and are entitled to a reasonable family
24 allowance out of the Estate as is necessary for their maintenance according to their
25 circumstances, pursuant to Probate Code Section 6540(a)(2). Prior to the filing of the Inventory
26 and Appraisal, the Special Administrators may obtain an order authorizing the payment of a
27 family allowance ex parte for the benefit of the decedent's minor children. Prob. Code §§

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1 6540(a) and 6541.

2 11. To the Special Administrators' knowledge, no individuals other than the Minor
3 Children and Mrs. Jackson are entitled to a family allowance in this Estate. (The Special
4 Administrators are also filing a Petition for Order Authorizing the Payment of a Family
5 Allowance for the Benefit of Mrs. Jackson simultaneously with the filing of this Petition, which
6 will be heard after notice of the hearing is given in accordance with Probate Code Section 6541.)

7 12. The Minor Children were financially dependent on their father, Michael Jackson,
8 for their maintenance and support. The Special Administrators are informed and believe that
9 there are no other sources of income currently available for the benefit of the Minor Children
10 other than social security income. The Special Administrators are informed and believe that the
11 Temporary Guardian has applied or will apply for social security benefits but that social security
12 benefits have not yet begun to be paid. The Special Administrators are informed and believe that
13 social security benefits will approximate \$ [REDACTED] per month, collectively for all three Minor
14 Children. Additionally, the Minor Children are the beneficiaries of an insurance trust established
15 by Michael Jackson, but the insurance proceeds have not yet been collected.

16 13. Based on information provided by Mrs. Jackson, the Special Administrators are
17 informed and believe that the estimated average monthly expenses, collectively, of the Minor
18 Children, are as set forth on Exhibit A attached to this Petition and incorporated by this
19 reference. Exhibit A is filed conditionally under seal. Based on the information provided by Mrs.
20 Jackson, the Petitioners are informed and believe that the amount of \$ [REDACTED] is necessary for the
21 maintenance of the Minor Children at this time, said amount to be reduced by the amount of any
22 social security benefits received for the benefit of the Minor Children. The family allowance
23 should be paid retroactive to the date of Michael Jackson's death, as expenses have been incurred
24 since that date. The Special Administrators believe that the projected cash flow and the assets of
25 the Estate are more than sufficient to cover the payment of this amount as a family allowance for
26 the benefit of the Minor Children.

27 14. The Special Administrators are still in the process of gathering financial
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1 information, marshaling the assets and analyzing the income and cash-flow needs of the Estate.
2 However, based on the information currently available to the Special Administrators, the Special
3 Administrators are informed and believe, and therefore allege, that the Estate assets consist of
4 real and personal property exceeding \$500 million and that the Estate is solvent. Since the
5 commencement of the Special Administration, and continuing, the Special Administrators have
6 been actively and aggressively working to marshal the assets of the Estate and to negotiate new
7 business agreements to be submitted to the Court for approval pursuant to the Order Appointing
8 Special Administrator. Recently, the Special Administrators were successful in recovering from
9 one of Michael Jackson's former financial advisors approximately \$5.5 million in cash, which is
10 now in the possession and control of the Special Administrators. The Special Administrators
11 have also recovered substantial amounts of tangible personal property. In addition, the Special
12 Administrators are in the process of negotiating numerous business agreements for the benefit of
13 the Estate, several of which the Special Administrators anticipate will be submitted to the Court
14 for approval pursuant to the Order Appointing Special Administrator, within the next week and
15 which the Special Administrators expect will generate for the Estate tens of millions of dollars of
16 revenues.

17 15 Therefore, the Special Administrators request that this Court authorize them to
18 pay to Mrs. Jackson, as the Temporary Guardian, and to the Permanent Guardian upon
19 appointment of a Permanent Guardian, \$██████ per month as a family allowance for the benefit
20 of the Minor Children through the date of the hearing on the Competing Petitions, commencing
21 as of the date of Mr. Jackson's death (June 25, 2009), subject to modification and extension as
22 additional information is received by the Special Administrators and the Inventory and Appraisal
23 is filed, and to be reduced by the amount of any social security benefits received for the benefit of
24 the Minor Children.

25 16 *Ex parte* notice of this hearing has been given to the interested parties entitled to
26 notice in this matter. (See Declaration of Jeryll S. Cohen.)

27 17. A Request for Special Notice has been filed on behalf of the California Attorney
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1 General and AEG. Ex Parte notice of this hearing has also been given to Joseph Zimring on
2 behalf of the California Attorney General and to counsel for AEG.

3 WHEREFORE, the Special Administrators pray for an Order of this Court that:

4 1. Authorizes and directs the Special Administrators to pay from funds of the Estate
5 to the Temporary Guardian of the Minor Children's Estates (and once appointed, to the
6 permanent Guardian of the Minor Children's Estates), as a family allowance for the benefit of the
7 Minor Children, the sum of \$ [REDACTED] per month commencing as of June 25, 2009, the date of
8 Michael Jackson's date of death, and continuing through the date of the hearing on the
9 Competing Petitions, to be reduced by the amount of any social security benefits received for the
10 benefit of the Minor Children; and

11 2. For such other and further relief as the Court deems just and proper.

12
13 Dated: July 23 2009

Respectfully submitted,

14 **HOFFMAN, SABBAN & WATENMAKER**
15 **A Professional Corporation**

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17 By: 

18 **PAUL GORDON HOFFMAN**
19 **Attorneys for John Branca and**
20 **John McClain, the Special Administrators of**
21 **the Decedent's Estate**

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**EX PARTE PETITION FOR ORDER AUTHORIZING
PAYMENT OF FAMILY ALLOWANCE**

BP 117 321

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VERIFICATION

I, John McClain, Special Administrator of the Estate of Michael Joseph Jackson, an Applicant in the above-entitled matter, declare that I have read the foregoing *EX PARTE* PETITION FOR ORDER AUTHORIZING PAYMENT OF FAMILY ALLOWANCE FOR THE BENEFIT OF MINOR CHILDREN, and know its contents. It is true of my knowledge, except to those matters which are stated on information and belief, and as to those matters, I believe them to be true.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct and that this document is executed on July 27, 2009, at Los Angeles, California.



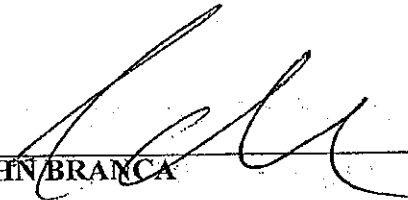
JOHN McCLAIN

VERIFICATION

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I, John Branca, Special Administrator of the Estate of Michael Joseph Jackson, an Applicant in the above-entitled matter, declare that I have read the foregoing *EX PARTE* PETITION FOR ORDER AUTHORIZING PAYMENT OF FAMILY ALLOWANCE FOR THE BENEFIT OF MINOR CHILDREN, and know its contents. It is true of my knowledge, except to those matters which are stated on information and belief, and as to those matters, I believe them to be true.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct and that this document is executed on 22nd of Jan, 2009, at Los Angeles, California.



JOHN BRANCA

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EXHIBIT A

Estate of Michael J. Jackson
Exhibit - A - Estimated children's Expenses
For the Period July 22, 2009 through December 31, 2009

Filed Conditionally Under Seal