

STATE OF MINNESOTA  
COUNTY OF CARVER

DISTRICT COURT  
FIRST JUDICIAL DISTRICT  
PROBATE DIVISION  
Case Type: Special Administration

\_\_\_\_\_  
In the Matter of:

Court File No. 10-PR-16-46

Estate of Prince Rogers Nelson,

**AFFIDAVIT OF PATRICK A. MAZOROL**

Decedent,

and

Redacted

Tyka Nelson,

Petitioner.

\_\_\_\_\_  
Patrick A. Mazorol, being first duly sworn upon oath, deposes and says as follows:

1. I am over the age of 18 years and competent to testify regarding the facts and matters stated herein, which are based on my personal knowledge.
2. I serve as an advisor for Bremer Trust National Association, the Court-appointed Special Administrator of the Estate of Prince Rogers Nelson (“Estate”).
3. I am an attorney in private law practice with a focus on probate, estate planning and charitable gift planning and have more than 35 years of experience in law, investment management and trust administration.
4. I make this affidavit in support of the Special Administrator’s request for authorization to enter into a Joint Venture Exhibition Operating Agreement for a Paisley Park museum.
5. On June 8, 2016, the Court issued an order authorizing Bremer Trust to engage experts to assist the Special Administrator in monetizing the assets of this unique Estate. Since then, Bremer Trust and its counsel have been working extensively with L. Londell McMillan and

Charles Koppelman on Redacted an array of other licensing and entertainment opportunities. With the assistance of Messrs. McMillan and Koppelman, Bremer Trust also engaged in extensive conversation with Graceland Holdings, LLC in an effort to turn Paisley Park into a productive financial asset, but to do so in a way that honors Price Rogers Nelson and displays his creative genius.

6. More than the other entertainment-related agreements entered into thus far, the planning and ultimate determination of the shape of the business relationship between Estate and Graceland Holdings, LLC has required extensive and confidential discussion and investigation of many considerations *before* a contractual commitment could be proposed, including, for example, the following: the proper entity to manage this unique business enterprise; the appropriate division of liability risk; the capability of Graceland Holdings, LLC to contribute the necessary investment required; experience with the design and remodeling required and the ability to line up appropriate contractors on a tight timetable; experience as to wardrobe, documents and music memorabilia; security staffing and requirements; the ability to coordinate with zoning and local officials as to construction plans and traffic patterns; plans for marketing a museum built upon one musician's career; merchandising commitments, including revenue sharing considerations; experience in working with heirs in an estate-like circumstance; and the time commitment required in light of the substantial initial investment on one hand and, on the other hand, the plan to transfer decision-making to the heirs once the obligations of the Estate are addressed, including vis-à-vis the taxing authorities and creditors.

7. Another significant consideration has been timing. Redacted

Redacted

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9. Bremer Trust has also done a substantial amount of due diligence as to the finances and operations of Graceland Holdings, LLC. Bremer Trust personnel and advisors have toured Graceland, and all potential beneficiaries were afforded the opportunity by Graceland Holdings, LLC to do so as well.

10. I am of the strong opinion that proceeding with the proposed contractual relationship with Graceland Holdings, LLC is in the best interest of the Estate of Prince Rogers Nelson. For me, the salient questions are as follows: (a) does the proposed arrangement render the Paisley Park asset productive?; (b) does it honor the artist and his legacy?; (c) is Graceland Holdings, LLC the right steward?; (d) do we have a business deal that will maximize value?; and (e) taking into account all of the pertinent considerations, does proceeding with Graceland Holdings, LLC involve less risk than other alternatives that have been mentioned along the way? With these considerations in mind, I highly recommend that the Special Administrator be authorized to proceed as proposed.

11. Redacted

[Redacted]

12. Please be assured that Bremer Trust and its counsel have worked to keep the “non-excluded” heirs abreast of developments. Redacted It was not until August 11, 2016, that the Special Administrator obtained Court approval to communicate business arrangements with only those parties not excluded, either by operation of the Court’s July 28, 2016 Order or the genetic testing protocol. Within a few hours of the Order, the Special Administrator promptly circulated the proposed agreement to the heirs as defined in Paragraph One of the Court’s August 11, 2016 Order. The Special Administrator and its counsel have also briefed counsel to those parties on multiple occasions in the last two weeks, and Bremer Trust’s counsel has taken in multiple suggestions as to potential contract terms. That input has been helpful and has led to a number of modifications in the terms of the deal under consideration. Redacted

[Redacted]

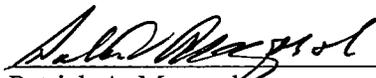
13. Attached as Exhibit A is the latest draft of the proposed contract between PP Management, LLC (the entity Graceland Holdings, LLC has formed for the museum) and Paisley Park Facility, LLC (the entity the Special Administrator has formed for this museum).

14. Redacted  
[Redacted]  
[Redacted]  
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15. Before seeking Court authorization, Bremer Trust will continue to communicate with the heirs and their counsel. A meeting for that purpose is currently set for Tuesday, August 16, 2016. Our hope is that all involved parties will recognize that proceeding as the Special Administrator proposes is in the best interest of the Estate. I believe that to be the case.

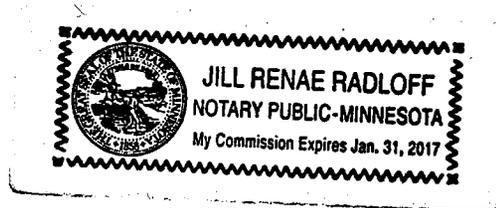
Further affiant sayeth not.

Dated: August 12, 2016

  
\_\_\_\_\_  
Patrick A. Mazorek

Subscribed and sworn to before me this 12th day of August, 2016.

  
\_\_\_\_\_  
Notary Public



# **EXHIBIT A**

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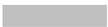
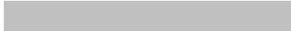
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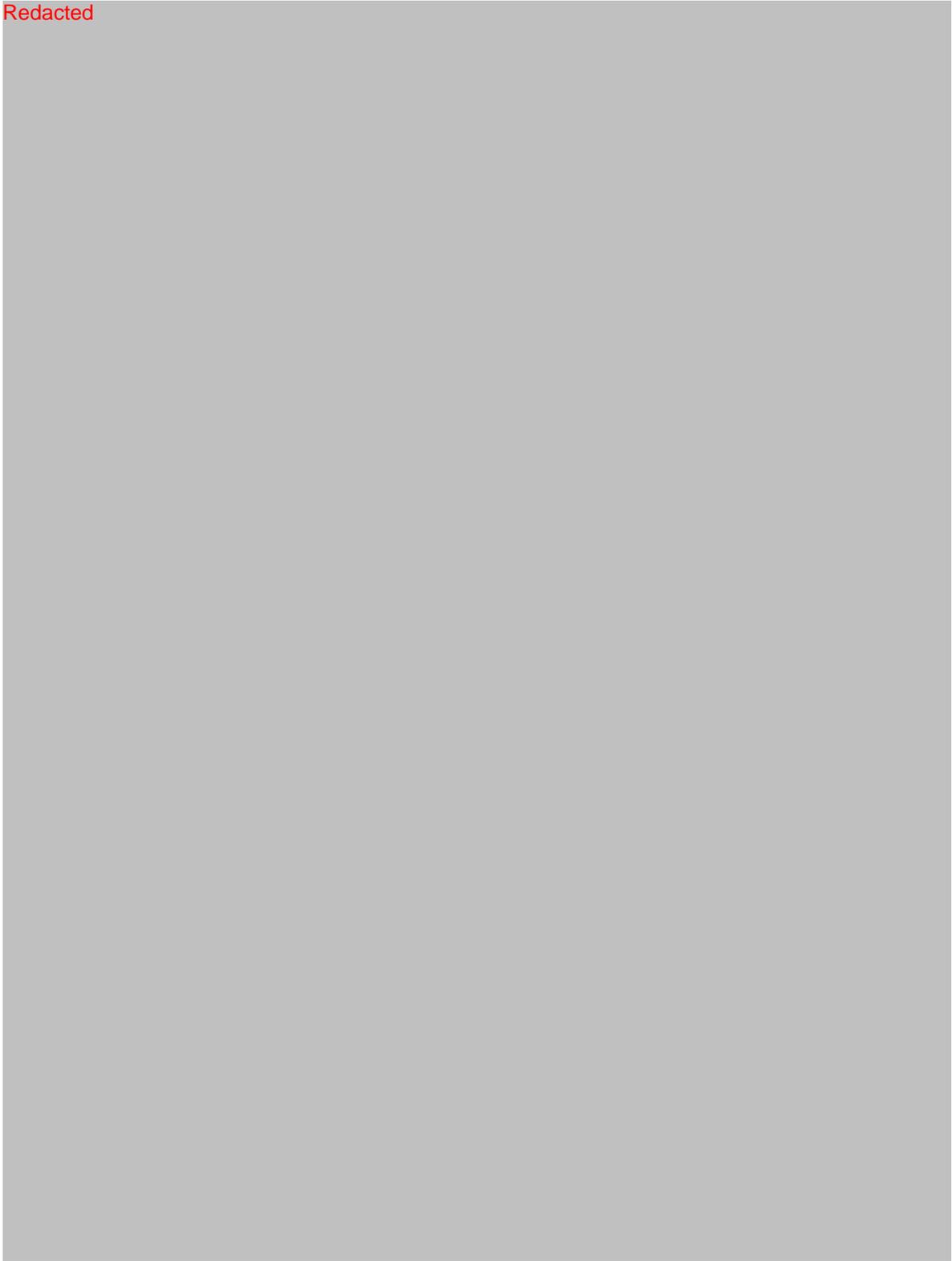
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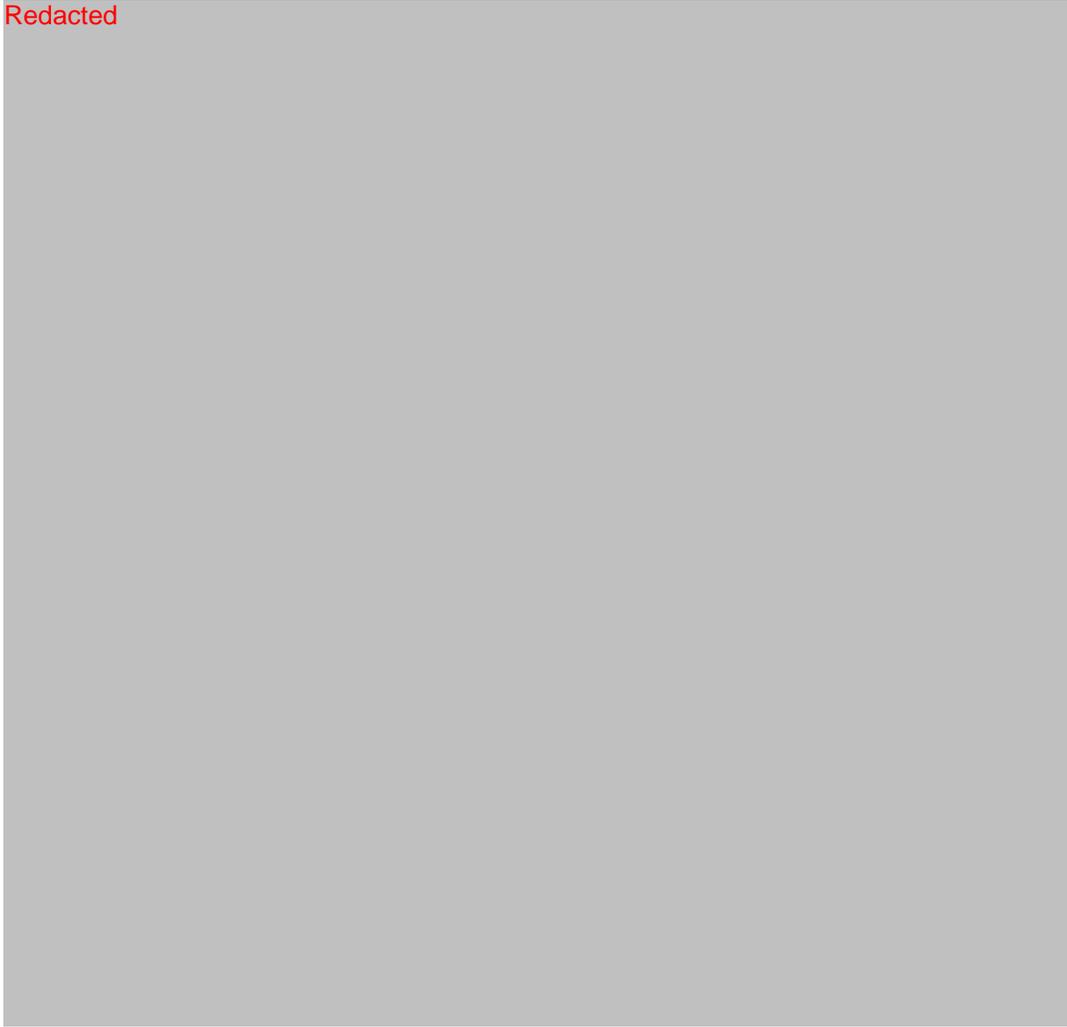
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