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June 6, 2016

The Honorable Kevin W. Eide
Carver County Justice Center
604 East Fourth Street
Chaska, MN 55318Re: Estate of Price Rogers Nelson
Carver County Court File No.: 10-PR-16-46

Dear Judge Eide:

We write in support of the June 2, 2016 motion of Special Administrator Bremer Trust, N.A., for the relief outlined in the proposed Order previously submitted for the Court's consideration. We respectfully request that the Court address the June 3, 2016 Objection of potential heir Carlin Q. Williams on an expedited basis. Bremer Trust believes that the delay sought by Mr. Williams would harm the Estate and is not justified under applicable Minnesota probate law. Bremer Trust has been working very hard since its April 27, 2016 appointment to take stock of the wide-ranging entertainment business at stake. Time is now of the essence to employ the identified entertainment industry experts to design and implement an appropriate monetization plan and make necessary short-term commitments.

Special Administration Authority

As is common in circumstances when a personal representative cannot be appointed quickly enough, the Court formally appointed Bremer Trust as Special Administrator under time-sensitive circumstances. See Minn. Stat. § 524.3-614. Minnesota law extends the power of a general personal representative to such a special administrator unless the Court limits those duties. See Minn. Stat. § 524.3-617. Here, the Court extended the following authority to Bremer Trust:

"The Special Administrator has the authority to manage and supervise the Decedent's assets and determine the identity of the Decedent's heirs. The appointment shall continue for the lesser of 6 months or until a Petition for a General Administration is filed and Personal Representative is appointed."

April 27, 2016 Letters of Special Administration at ¶ 2. As outlined in the two affidavits submitted to the Court under seal, Bremer Trust believes it is essential to its ability to fulfill its fiduciary responsibilities to the Estate and the Court with regard to the "management and supervision" of the Decedent's assets that it employ entertainment industry experts for their advice and assistance in performing many duties associated with an estate that holds a vast array of licensing, publishing, merchandising, and other intellectual property rights calling for a comprehensive management monetization strategy in an expeditious as possible fashion.

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As a matter of law, the Probate Code adopted in Minnesota extends this employment power to a duly appointed special administrator without need for further Court approval. Under Minn. Stat. § 524.3-715, a personal representative, or special administrator in this instance, "acting reasonably for the benefit of the interested persons, may properly: . . .

(21) employ persons, including attorneys, auditors, investment advisors, or agents, even if they are associated with the personal representative, to advise or assist the personal representative in the performance of administrative duties; act without independent investigation upon their recommendations; and instead of acting personally, employ one or more agents to perform any act of administration, whether or not discretionary; . . ."

Notwithstanding that statutory authority, Bremer Trust and the undersigned law firm have been taking care to involve the potential beneficiaries and their counsel to the extent feasible given the unique nature of this Estate, as referenced in the pending motion and proposed Order. As to the business judgment of whether to employ entertainment industry experts, and who to employ, however, it is not workable to involve a committee of the whole to assess all of the competing considerations and make a decision in a timely manner. Nevertheless, the Special Administrator considers it to be prudent to inform the potential beneficiaries of its intentions and to seek the Court's imprimatur on what we believe to be Bremer Trust's sound and necessary use of the authority the Court expects Bremer Trust to exercise.

The Business Judgment Decision At Issue

While the selection of entertainment industry experts to advise the Special Administrator is significant and has not been taken lightly, please appreciate that it is still just an early step in the management and preservation of the legacy of Prince Rogers Nelson. The Special Administrator is not yet in a position to define all of the intellectual property strategies and contractual commitments that are in the best interest of the Estate, whether short-term or long-term. It is those type of assessments which require the advice and assistance of the experts Bremer Trust is poised to hire.

The complex business dynamic facing the Special Administrator in the 40 days since its appointment has been challenging, to say the least. As with the search for a will, the Special Administrator has devoted considerable energy to surveying, assessing, and managing an array of real estate, physical, intellectual, and other intangible assets. Running alongside of that work, Bremer Trust and its counsel have been vetting potential entertainment industry experts through a formal RFP process, follow-up interviews, and further due diligence. Over the course of the last few weeks, we have kept counsel for the beneficiaries generally apprised of this process, with counsel appreciating that time is of the essence. Some counsel have been pressing for even quicker action under the circumstances. In the end, Bremer Trust believes that it is at a juncture in that decision making process where it sufficiently understands the scope of the business opportunities presented to this Estate and it has sufficiently vetted its potential advisors. It is time to bring those advisors on board with all

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deliberate speed to plan and implement what business needs to be done in the short-term and plan what needs to be accomplished over time.

As is also referenced in the pending motion and proposed Order, the Special Administrator appreciates that the Court's extension of authority to Bremer Trust is limited in duration. Accordingly, we advised counsel to the potential beneficiaries and the experts under consideration that we envision our initial commitments to the principal expert group to be for a 90-day period, with renewable terms thereafter. The expert focused on Paisley Park, however, will likely require a longer-term commitment given the investment required. While our aim is to tailor the Estate's contractual commitments in a way that is mindful of the Court's limitation and the understandable desire by potential beneficiaries to remain informed to the extent feasible, we ask that our formal authority not be constrained in 90-day increments or some other confined period. That would not only hamper our ability to negotiate favorable terms with the proposed experts, but we also envision various licensing and other circumstances that will require commitments beyond the period of the special administration term, e.g., in order to conform with industry practice. Bremer Trust understands that timing is one of the considerations it must continue to take into account as it fulfills its fiduciary responsibilities.

The Carlin Q. Williams Objection

Against this backdrop, one of the potential heirs has lodged a broad and undefined objection challenging the scope of the Special Administrator's general authority and demanding that the hiring of experts and subsequent management of the intellectual property assets of the Estate be placed on hold pending a final determination of the identity of the Decedent's heirs.

Bremer Trust appreciates that it serves as a steward of the Prince Rogers Nelson Estate for a limited time. Bremer Trust nevertheless believes it is its fiduciary responsibility to act to hire experts now, and not await what could be a complicated process to determine lawful heirs. With all due respect to Mr. Williams, and appreciating that it is his belief that he will be determined to be an heir (potentially the sole heir) in relatively short order, it remains the judgment of Bremer Trust that it is in the interest of Mr. Williams, as well as all of the other potential beneficiaries, that the Special Administrator act forthwith to employ the experienced and well-qualified experts under consideration.

Significantly, Mr. Williams has not identified any particular objections to the experts at issue or identified any flaws in the thorough process employed by the Special Administrator to vet them. Rather, counsel for Mr. Williams has made it clear that no matter how qualified the monetization experts, they should not be permitted to be hired or perform any duties until the determination of heirs is complete. Besides that position being contrary to the business interests of the Estate, it may well prove to be an overly optimistic assessment of how long the legal process will take to determine lawful heirs in a way that extends due process to all concerned. As the Court knows, the applicable Parentage Act contemplates that a host of legal presumptions and considerations run alongside of DNA testing. They intersect in probate proceedings that may well require a series of evidentiary hearings, legal challenges,

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and even appeals. Furthermore, Minnesota law appears to contemplate an extended period for other potential heirs to surface. See, e.g., Minn. Stat. §§ 524.3-412 & 524.3-803(a)(3). Indeed, the Special Administrator has been contacted by a number of people claiming to be descendants who have yet to make the required affidavit representations. In other words, all will not necessarily be resolved by June 27, 2016. The business to be conducted on behalf of the Estate in the meantime is not simply a matter of one tribute concert or one real estate transaction. As the accompanying affidavits spell out, a host of business decisions related to intellectual property need to be made every week this Estate is being administered.

We also hope that the Court appreciates from the style employed by Bremer Trust and its counsel, that the hiring of monetization experts does not end the cooperative spirit with which Bremer Trust and its counsel go about their work. Even with the Court's approval of the pending motion, Bremer Trust must negotiate appropriate contractual commitments with these experts. Beneficiary counsel have raised good suggestions and cautions about those terms which we plan to take into account. More due diligence remains, and it is possible that in the next few days, Bremer Trust might not come to an agreement on favorable terms with the proposed experts. Bremer Trust has alerted the experts that one of their first orders of business will be to confer with all counsel to the potential beneficiaries so as to provide an opportunity for input on their work from the beginning. While some business actions will need to be taken immediately, other long-term strategies and potential commitments will offer further opportunities for consultation with all parties. We appreciate that some of the counsel of record are also well-versed in entertainment industry matters. We welcome their ongoing suggestions, cautions, and criticisms.

In contrast, the objection at issue stands as a fundamental challenge to the authority of the Special Administrator and an impediment to Bremer Trust exercising its business judgment in a manner consistent with its fiduciary responsibilities to the Estate and the Court. We ask that the Court grant Bremer Trust's motion to employ entertainment industry experts, and do so at the Court's earliest convenience.

Respectfully,

Stinson Leonard Street LLP



Douglas R. Peterson

DRP:lk

cc: All Counsel of Record (via E-Service)
Omarr Baker