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Nathaniel A. Dahl
Licensed in MN and WI
ndahl@hansendordell.com
Dir: 651-332-8763

June 28, 2017

The Honorable Kevin Eide
Judge of the District Court
Carver County Justice Center
604 East Fourth Street
Chaska, MN 55318

VIA E-FILE

UNDER SEAL

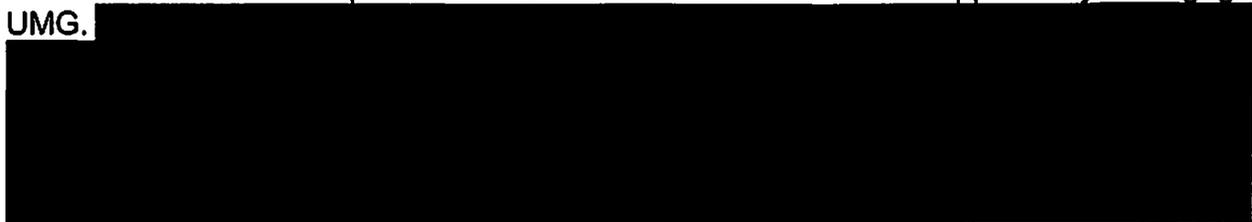
Re: *In re Estate of Prince Rogers Nelson*
Court File No.: 10-PR-16-46
Our File: 7820-1

Dear Judge Eide:

I write in follow-up to the Court's June 15, 2017 Order regarding the deal with Universal Music Group ("UMG"), and respond to UMG's letter to the Court on behalf of my clients Sharon Nelson, Norrine Nelson, and John Nelson ("SNJ"). This letter addresses why rescission of the UMG Agreement is not appropriate, Comerica's failure to protect and properly manage the Estate's Assets, and why this Court should issue new protocols regarding Comerica's management of the assets of one of music's true legends.

Rescission is not in the bests interests of the Estate

The parties have been trying to resolve the confusion between the UMG and Warner Brother Records ("WBR") Agreements. Following the Court's recent Order in this matter, SNJ continued to attempt to reach a resolution and had limited opportunity to engage UMG.



Hansen, Dordell, Bradt, Odlaug & Bradt, P.L.L.P.
651-482-8900 | 800-994-6056 | fax: 651-482-8909 | 3900 Northwoods Drive, Suite 250, St. Paul, MN 55112

ATTORNEYS AT LAW: Randall W. Sayers, James A. Schaps, Craig B. Nichols, Frederick E. Kaiser, Joseph G. Twomey,
Colleen O. Kaufenberg, Nathaniel A. Dahl, Evan W. Cordes, Rebekah A. Frank, Michael E. Kemp

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In sum, Mr. McMillan attempted to focus on the parties' intent when they entered into the April 2014 WBR Agreement. Comerica insists that no clear answer exists as to whether the UMG and 2014 WBR Agreement conflict. Interpretation of these conflicts cannot be resolved merely by reference to bright-line rules; they are also resolved by reference to the industry standards for these terms and the history and intent of the parties—in short, the very experience that Comerica lacks. Despite these issues, UMG has declined to explore the intent issue further potential business solutions.

With respect to UMG's June 26, 2017 correspondence, its analysis is incomplete considering the June 22nd telephone conference.

Under these circumstances, SNJ respectfully submit that Comerica should be fighting to protect the Estate's assets, including the money from UMG.

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[REDACTED]

Therefore, SNJ maintain that Comerica is wrong to refuse to stand up for the Estate, and SNJ respectfully ask this Court to deny the request for rescission and demand that the Personal Representative work to maximize the Estate's Assets.

Comerica has failed to properly protect Estate Assets

The recent telephone conference with UMG, Mr. McMillan, and the Heirs' attorneys is one of the first steps that Comerica should have taken when the UMG deal was threatened by WBR. In addition, Comerica should have sought to disclose the 2014 WBR Agreement to UMG as soon as possible, which apparently could have occurred with little resistance from WBR with the Court's assistance. Instead, Comerica left UMG and the Heirs in the dark while WBR announced deals (embarrassing UMG), [REDACTED]

[REDACTED]

[REDACTED]

As such, Comerica's strategy of agreeing to rescission to avoid litigation has already failed and Comerica has offered scant analysis regarding the harm to the Estate should the UMG deal be rescinded. [REDACTED]

[REDACTED]

[REDACTED]

Comerica's failure to provide this analysis leaves this Court and the Heirs with no information with which to judge whether it is acting in the best interests of the Estate in rescinding a Court approved deal.

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New Protocols are needed to protect the Estate

Comerica's handling of the UMG deal and its decision to rescind the agreement with UMG have demonstrated the need for new protocols regarding Comerica's handling and failure to maximize the Estate's Assets. SNJ are concerned that Comerica and its advisor, Troy Carter, are negotiating the Estate's Assets without appropriate expertise or consultation with parties who have inside knowledge. SNJ also maintain that Comerica also is not reasonably allowing the Heirs to offer meaningful input—

Comerica's mishandling of the Estate's Assets is not only exemplified in this situation, but also in how

SNJ, therefore, request that additional protocols be put in place to ensure that the Estate's Assets are protected. As the Court acknowledged in its June 9, 2017 Order, the efforts provided by the Heirs have secured a better deal from negotiating some of the Assets. (See June 9, 2017 Order.) In that Order, the Court stated that "the Court finds it likely that prompting by one of those advisors may have led to the inclusion of additional fees (as income to the Estate) not previously contemplated in the negotiations." (*Id.*) Comerica has repeatedly demonstrated that it is not strongly fighting on the Estate's behalf, which is why SNJ ask the Court to consider new protocols to ensure the Estate's Assets are not further harmed by Comerica's mismanagement.

Conclusion

In conclusion, SNJ submit that neither the Estate nor Prince's legacy and the desires of his millions of fans will benefit from the policy of strategic capitulation Comerica now pursues. At some point, someone must stand up for both monetary and artistic value still remaining in Prince's Estate. Since Comerica has pointedly refused to do so, SNJ ask this Court to view Comerica's decisions in that light, and deny the rescission.

Respectfully submitted,

s/ Nathaniel A. Dahl

Nathaniel A. Dahl

NAD/klh
Enclosure

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**cc. Joseph Cassioppi (via E-File)
Mark W. Greiner (via E-File)
Alan I. Silver (via E-File)
Justin Bruntjen (via E-File)
Armeen Mistry (via E-File)
Steven Siltan (via E-File)
James Clay (via E-File)**