



BASSFORD REMELE

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July 7, 2017

Via e-file

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

Re: *In re Estate of Prince Rogers Nelson*
Court File No. 10-PR-16-46
Our File No. 8356-1

Dear Judge Eide:

We had hoped to avoid writing yet another letter regarding the rescission motion; however, our client, Londell McMillan, is the target of Comerica's latest letter dated July 5, 2017. Therefore, we have no choice but to respond to some of Comerica's more egregious misstatements.

Comerica's letter does not directly address the grounds for rescission or effectively respond to any of the points we made in our letter to the Court dated June 28, 2017. In that letter we acknowledged that the Court does not have an easy decision; however, we pointed out that the only possibility of the parties reaching a business resolution is if the Court denies rescission. Comerica does not contest that point, but instead chooses to attack Mr. McMillan's actions in seeking to rescue the UMG transaction and act in the best interest of the estate. In our view, if Comerica had defended the UMG contract at the outset – as we believe Bremer would have done had it stayed in place as special administrator – and not consented to WBR's high profile press releases, which embarrassed UMG, the Court would not be faced with the unenviable choice that is now before it.

Mr. McMillan has taken an active role in trying to salvage the UMG deal because of Comerica's errors and delays. Comerica should have responded to WBR's initial letter by defending the UMG contract entered into by Bremer and by asking the Court to require the WBR agreement to be disclosed to UMG. It did not do this until Mr. McMillan pressed the issue, more than a month later. In the initial briefing to the Court, Mr. McMillan is the only one who provided the Court with an analysis of the WBR and UMG contract terms. (Even Bremer's analysis was not sent to the Court until SNJ provided it.)

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In an effort continue to undermine and smear Mr. McMillan's reputation, Comerica references the June 22 conference call. That call was arranged by Comerica, and included counsel for Comerica, UMG, McMillan and the heirs, but Bremer's lawyers were not included. Comerica was silent throughout that call other than a brief introductory comment by Mr. Cassioppi. This did not show support for the deal that Bremer made. None of the UMG business people were on that call, and UMG's counsel clearly had marching orders to support the rescission agreement that had already been signed. Whenever Mr. McMillan spoke, he was interrupted by a UMG lawyer. Once again, the problem is that Comerica did not support the deal from the outset, allowing UMG to reach the mistaken view that it was not getting the deal that it had bargained to receive. Comerica compounded the problem by signing a rescission agreement before it even took the issue to the Court.

Mr. McMillan has sought to contact UMG's business people and limit his discussions to issues that are a matter of public record. Comerica appears to have lost all objectivity, even quoting a June 13, 2017 tweet by Mr. McMillan in which Mr. McMillan acknowledges that he is subject to a NDA and confidentiality term. Somehow, Comerica twists that tweet to argue that the portion stating "I will never sell out and I will speak out to defend, when appropriate" means that Mr. McMillan will not abide by the Court's confidentiality order. To the contrary, his tweet acknowledges that he is subject to such prohibitions, and his speaking out in defense of the current contract will be in the context of those confidentiality obligations. Yes, UMG's counsel has suggested that Mr. McMillan not contact UMG business people directly. However, he is not required to take direction from UMG's counsel. If the UMG business people do not want to talk to Mr. McMillan, they are always free to tell him that.

Addressing the bullets contained on pages 3 and 4 of the Comerica letter, the current issues that are in dispute reinforce the fact that Comerica does not have the expertise needed to administer the estate. Comerica simply lacks the entertainment experience and personnel it promoted it had when it was interviewed by the heirs. Comerica's advisor, Troy Carter, does not have estate experience or experience with Prince's estate. Moreover, Mr. Carter is also an executive with Spotify and such affiliation raises concerns about potential conflicts of interest. Comerica's approach to the current dispute reinforces that concern. When WBR first raised the issue of its contract, Comerica had a telephone call with Mr. McMillan and a 20 minute meeting, but repeatedly refused his requests to meet with Troy Carter or provide additional background information that might have helped Comerica take an approach that would have supported the UMG contract. Importantly, Comerica took a relatively neutral position rather than an aggressive position defending the contract that Bremer made. As Mr. McMillan has repeatedly pointed out, what WBR asserted here is not unusual in the entertainment and music business. It is a hard-nosed business, and parties push as far as others will let them. Comerica let itself be pushed to the point of voluntarily agreeing to rescission.

The second bullet on page 3 attempts to minimize the loss of advances from UMG. An advance is extremely important. In this case, the advance was needed to meet estate expenses, including estate taxes; but beyond the money, an advance indicates a company's commitment to market the product. Most importantly, advances may be recoupable, but they are not refundable, so they ensure a commitment by the distributor to maximize marketing efforts.

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The same bullet point states that the only current loss to the estate would be the commissions paid to Mr. McMillan and to Mr. Koppelman and the expenditure of legal fees, yet the paragraph only refers to a request for guidance with respect to recovery of commissions. Mr. McMillan did not act as a lawyer in connection with the UMG contract, yet he continues to be solely blamed (despite the UMG contract's integration clause). There were two separate entertainment firms hired by Bremer to review the WBR and UMG contracts, and those contracts were also reviewed by counsel for the heirs. As previously discussed, Van Jones also failed to raise any conflict. If there is an investigation of fees paid in connection with the negotiation of the UMG contract, it should address *all* fees and commissions paid, not just Mr. McMillan's.

Comerica's attempt to minimize the fact that it has leverage with WBR because of blocking rights once again demonstrates Comerica's lack of understanding as to how contracts work in this industry. Comerica asserts that exercising blocking rights would cause damage to the estate. Blocking rights, by their very nature, prevent exploitation of musical rights, but they are often included in contracts in order to provide each party with leverage in order to ensure future cooperation. Comerica's concession to WBR's position simply gives away leverage that the estate has, without receiving anything in return. Prince repeatedly stood up to WBR and aggressively negotiated to protect his own interests. All Mr. McMillan and the other objectors have asked Comerica to do is to follow Prince's example in protecting the interests and maximizing the value of the estate.

Finally, Comerica's claim that Mr. McMillan's "tone" is unprofessional and harmful to the estate is ironic. At almost every turn since the inception of its position as PR of the estate, Comerica has joined Omarr Baker's counsel in attacking Mr. McMillan and claiming that he has engaged in fraudulent misrepresentations. Mr. McMillan has become increasingly harmed by the false claims and constant attacks on his integrity and his reputation (including the false assertion that Mr. McMillan cares only about his commission). Unfortunately, many attacks have been made in public filings, or even worse, in redacted filings that the press nonetheless obtained. Mr. McMillan has acted to defend his professional reputation and in a manner that he believes is in the best interest of Prince and his legacy.

Sincerely,



Alan I. Silver

AIS:ac

cc: Justin Bruntjen (*via Odyssey*)
Randall W. Sayers (*via Odyssey*)
Armeen Mistry (*via Odyssey*)
Jeffrey Kolodny (*via Odyssey*)
Mark W. Greiner (*via Odyssey*)
Laura E. Halferty (*via Odyssey*)
James Clay (*via Odyssey*)