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August 28, 2018

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U.S. DISTRICT COURT OF MN
8TH CIRCUIT COURT OF APPEALS***By Electronic Filing***The Honorable Kevin E. Eide
Carvery County Courthouse
604 E. Fourth Street
Chaska, MN 55318Re: In the Matter of the Estate of Prince Rogers Nelson, Court File No. 10-PR-16-46

Dear Judge Eide:

We write on behalf of CAK Entertainment, Inc. (“CAK”) concerning the August 2, 2018 Notice of Motion and Motion (the “Motion”) filed by the Second Special Administrator (“SSA”) on behalf of the Estate of Prince Rogers Nelson (the “Estate”). As the Court is aware, the Motion seeks an order, pursuant to Minnesota Statute Section 524.3-721 (the “Statute”), directing CAK and NorthStar Enterprises Worldwide, Inc. (“NorthStar,” and, together with CAK, the “Advisors”) “to refund excessive compensation” purportedly received “related to the Jobu Presents and UMG transactions.” Motion at 1. As set forth in more detail below, given Your Honor’s prior recusal from the Jobu Litigation (defined below), CAK respectfully requests that Your Honor recuse himself from considering the Motion pursuant to Minnesota Rule of Civil Procedure 63 and Minnesota General Rule of Practice for the District Courts 106 (the “Minnesota Rules”).¹

In the Court’s May 22, 2018 Order for Recusal & Reassignment (the “Recusal Order”), Your Honor recused himself from considering the separate litigation captioned *Jobu Presents, LLC v. CAK Entertainment, Inc., et al.*, Court File No. 10-CV-17-368 (the “Jobu Litigation”). The Court explained that it “d[id] not believe it can listen to the arguments advanced in connection with [the Jobu Litigation] without concern that its decisions might be perceived as clouded by the information” that the Court already had reviewed as part of the SSA’s May 15, 2018 Report and Recommendation of the Second Special Administrator Concerning the Jobu Presents Agreement (the “Jobu Report”). (Recusal Order at 1.) We believe the very same reasoning applies here in connection with the Motion.

As reflected in the Jobu Report and the SSA’s December 15, 2017 Report and Recommendation Concerning the Rescission of the Universal Music Group Agreement (the

¹ The Motion is an improper use of the Statute and a breach by the Estate of the June 16, 2016 Advisor Agreement between the Advisors and the Estate. As a result, CAK demanded that the SSA withdraw the Motion, or CAK would seek to recover from the Estate its costs and fees for responding to the Motion as a result of the breach of the Advisor Agreement. The SSA refused to withdraw the Motion, and CAK reserves its rights to seek costs from the Estate.

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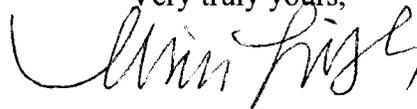
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“UMG Report” and, together with the Jobu Report, the “SSA Reports”), the SSA has taken the position that the Advisors received compensation in connection with their work for the Estate that the SSA alleges the Advisors are not entitled to retain -- and that the Advisors are liable to the Estate for purported damages -- as a result of alleged breaches by the Advisors of the Advisor Agreement and purported fiduciary duties owed by the Advisors to the Estate.² Although the SSA has not served its legal memorandum in support of the Motion yet, the Motion -- which seeks an order directing the Advisors to return to the Estate the very same compensation addressed in the SSA Reports -- is undoubtedly based on the purported facts and allegations contained in the SSA Reports. Therefore, for the same reasons Your Honor recused himself from the Jobu Litigation, CAK believes that Your Honor should recuse himself from consideration of all aspects of the Motion.

Specifically, the SSA Reports include lengthy factual recitations and legal arguments concerning the facts and circumstances related to the “Jobu Presents and UMG transactions,” Motion at 1, and thus the same concern set forth in the Recusal Order concerning Your Honor’s familiarity with the purported facts and allegations in the SSA Reports applies equally here. Indeed, not only has the Court reviewed and considered the SSA Reports, it is CAK’s understanding that the Court has also had communications with the SSA (and potentially others) without the Advisors being present concerning the facts, allegations, and recommended claims included in the SSA Reports. While CAK is not suggesting that there was anything improper about those *ex parte* communications, the fact that such discussions have taken place without the Advisors further confirms the need for recusal here. Accordingly, CAK respectfully submits that Your Honor should recuse himself from consideration of the Motion pursuant to the Minnesota Rules.

Thank you for your consideration of these issues. The SSA has advised CAK that the SSA does not agree that Your Honor should rescues himself from consideration of the Motion. We are available to discuss these or any other issues at the Court’s convenience.

Very truly yours,



Erin K. F. Lisle

cc: Parties via E-Serve

² CAK disputes all of the allegations against the Advisors set forth in the SSA Reports.