

STATE OF MINNESOTA

DISTRICT COURT

COUNTY OF CARVER

FIRST JUDICIAL DISTRICT  
PROBATE DIVISION

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In the Matter of:

Court File No. 10-PR-16-46

Estate of Prince Rogers Nelson,

Decedent.

**ORDER & MEMORANDUM  
AUTHORIZING PERSONAL  
REPRESENTATIVE TO ENTER INTO  
ENTERTAINMENT TRANSACTION**

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The above-entitled matter came before the undersigned for a telephone conference on December 5, 2017, pursuant to the November 20, 2017 letter from Sharon, John, and Norrine Nelson objecting to the Estate's proposed business transaction and December 1, 2017 letter response from Comerica Bank & Trust, N.A. (the "Personal Representative"). Based on the submissions of the parties, the arguments of counsel during the conference, and all of the files, records, and proceedings herein,

**IT IS HEREBY ORDERED:**

1. The Personal Representative is authorized to enter into an entertainment transaction based on the deal memorandum attached as Exhibit A to the December 1, 2017 Declaration of Troy Carter.

2. Nothing herein shall be interpreted as limiting the Personal Representative's discretion to negotiate different or additional terms related to the entertainment transaction for the benefit of the Estate.

BY THE COURT:

Dated: December 8, 2017

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The Honorable Kevin W. Eide  
District Court Judge

NOTICE: A true and correct copy of this Order/Notice has been served by EFS upon the parties. Please be advised that orders/notices sent to attorneys are sent to the lead attorney only.

## MEMORANDUM

The Personal Representative has presented an entertainment rights proposal (hereinafter “the Proposal”) to the heirs and the Court. Sharon Nelson, John Nelson and Norrine Nelson have filed an objection to the Proposal. The Court has received written submissions from the interested parties and conducted a hearing by conference call on December 5, 2017. The objections of Sharon, John and Norrie Nelson and the response of the Personal Representative are as follows:

Objection 1: The Proposal allows unfettered access to certain entertainment assets made by or of Prince Rogers Nelson (hereinafter referred to as “Prince”). The Personal Representative responds by saying that the Estate and its advisors have negotiated rights to oversee and control which entertainment assets may be used and, by doing so, the release of unreleased material will increase, and not devalue, the public’s interest in the unreleased recordings owned by the Estate.

Objection 2: The Proposal does not provide for adequate compensation to the Estate. The Personal Representative recounts the history of their negotiations and the effort to obtain competing bids for the Proposal. The Court has heard no competent evidence or argument that the Personal Representative did not use due diligence in seeking proposals and continuing to negotiate to get the best value for the Estate. In all business negotiations it can always be said that perhaps something better could have been negotiated if the right term had been negotiated here or business pressure applied there. The Court believes and finds that the Personal Representative and its advisors entered into a competent and open negotiation, using multiple offers to get the best value for the Estate that they could.

Objection 3: The Proposal does not provide for adequate compensation to the heirs as consultants for the Proposal. Similarly, the Court believes and finds that the Personal Representative used open negotiation with multiple parties to achieve the best offer for the heirs.

Objection 4: The Personal Representative did not utilize the expertise of L. Londell McMillian, advisor to Sharon, John and Norrine Nelson, to negotiate the best possible deal for the Estate. Mr. McMillian has not negotiated a non-disclosure agreement with the Estate. Both sides blame the other for the stalling of this negotiation. The Court will address that issue in future orders. For this Order, the Court finds that it is in the best interest of the Estate to finalize this entertainment rights proposal as soon as possible and that Mr. McMillian’s advice is simply not available.

Objection 5: Troy Carter should not benefit personally for ongoing supervision of the

Proposal. The Personal Representative argues that Mr. Carter, as the Estate's principle entertainment industry advisor, needs to have creative input and, to some degree, control over the Proposal so that the interests of the Estate in protecting Prince's legacy and protection of the Estate's assets in the proper release of previously unreleased recordings is accomplished. The Court agrees that this ongoing input and control of the final product is in the best interest of the Estate.

In the last analysis, the objecting heirs have not been able to state to the Court, with any degree of credibility, that a better, more lucrative entertainment partner could be found. They only suggest that with Mr. McMillian's input, better terms could be negotiated. Such speculation is not persuasive and, as a matter of fact, his input is not available. The Court believes that it would be remiss in its fiduciary responsibility if it did not approve the Proposal as presented.

K.W.E.