## LARSON · KING

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August 30, 2018

## <u>VIA EMAIL</u>

Honorable Kevin E. Eide District Court Judge Carver County District Court 604 East Fourth Street Chaska, Minnesota 55318

Re: In the Matter of the Estate of Prince Rogers Nelson

Court File No.: 10-PR-16-46

## Your Honor:

As Second Special Administrator ("SSA") to the Estate of Prince Rogers Nelson ("Estate"), I write in response to the August 28, 2018 letter of Erin K. F. Lisle, attorney for CAK Entertainment Inc. ("CAK"), requesting Your Honor recuse himself from deciding the SSA's Motion for Refund of Fees ("Motion"). The Motion is scheduled to be heard on October 2, 2018. The SSA has endeavored to illustrate for CAK the frivolity of the current request, but, as demonstrated by its August 28 letter, our efforts have been unsuccessful. The SSA hopes the filing of its memorandum in support of the Motion will aid in the pursuit of clarity. For the time being, however, a brief response to CAK's request is warranted.

It would make little sense for Your Honor to recuse himself from the Motion. "A judge shall disqualify himself or herself in any proceeding in which the judge's impartiality may reasonably be questioned, including...personal knowledge of facts that are in dispute in the proceeding." Minn. Code of Judicial Conduct Rule 2.11(A) (emphasis added). Though not cited by CAK, this is effectively the basis for its request. CAK argues because Your Honor removed himself from presiding over Jobu Presents, LLC v. CAK Entertainment, Inc., et al. (court file no. 10-cv-17-368) ("Jobu Lawsuit"), that Your Honor should disqualify himself from this probate proceeding (i.e., the Motion). Oddly, CAK claims the basis is the same in both circumstances: Your Honor has knowledge of the SSA's SSA's Report Concerning the Jobu Transaction ("Jobu Report") and therefore, that knowledge affects Your Honor's impartiality.

There are, at least, three notable differences between the Jobu Lawsuit and the SSA's Motion. First, the Jobu Lawsuit, at its inception and at the time Your Honor recused himself, did not involve the Estate and was not part of the probate proceedings. The SSA has brought the Motion on behalf of the Estate within the probate proceedings Your Honor has overseen from the onset. Your Honor has more detailed knowledge of the administration of the Estate than any

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jurist any Minnesota. Any Motion brought within the Estate probate proceedings should only be heard by Your Honor.

Second, the Jobu Lawsuit is a *lawsuit* involving allegations under common law causes of action. The SSA's Motion is a *motion* brought pursuant to the Minnesota Probate Code. CAK's counsel has failed to understand this distinction. Yet, the distinction is critical. The SSA does not seek "damages" in its Motion based upon some cause of action. The SSA's Motion is brought pursuant to statute. Minn. Stat. § 524.3-721. That statute imposes an obligation on every Minnesota probate court, and could be raised by any party to the probate proceedings in an appropriate circumstance as is the case here. The obligation is to ensure an estate does not overcompensate those it employs. Determining reasonableness of compensation received by agents is within the sole discretion of the probate court; it is not subject to proving a given cause of action. Ordering a refund for overcompensation is not awarding "damages" for breach of contract.

Third, the "allegations" set forth in the Jobu Report are not allegations. The Jobu Report is not a complaint. By contrast, Jobu's Complaint in the Jobu Lawsuit contains allegations by Jobu against the Advisors that do not assert liability or fault against the Estate. The Jobu Report contains factual recitations based upon an impartial investigation conducted at the direction of this Court. Reading the Jobu Report was necessary to this Court's continued supervision of the administration of the Estate. That subsequently overseeing a lawsuit where Jobu alleges malfeasance by CAK "might be perceived as clouded by the [Jobu Report]" (emphasis added) is reasonable in light of the fact that at the time of the recusal, the Estate was not a party to that lawsuit nor were any of its rights placed at issue in the case. Any knowledge gained by Your Honor was only gained through your actions as a judicial officer overseeing the probate proceeding. See Minn. Code of Judicial Conduct Rule 2.11(A) (requiring "personal knowledge" for disqualification). It is unreasonable to suggest such judicial actions now disqualify Your Honor from continued supervision of the probate proceedings to the extent it involves CAK. Nor does Rule 2.11(A) require same. CAK is suggesting a new judge with no familiarity with the Estate proceedings hear this Motion. But it is difficult to conceive of someone in a better position than Your Honor (i.e., someone familiar with the probate proceedings) to decide the SSA's Motion. One wonders how a new judge might familiarize him/herself with the probate proceedings. If that judge read the Jobu Report, would they too then be disqualified?

CAK is effectively advocating the SSA's Motion never be heard or that a judge with no familiarity with CAK's work as advisor hear the motion. The former is an impossibility based on the language of Minnesota Statute Section 524.3-721. The latter is likely to find CAK hoisted by its own petard. There is no judge better suited or more qualified to hear the SSA's Motion than Your Honor. In is unreasonable to believe Your Honor, in exercising his official duties as a judicial officer, has now become impartial and unqualified to hear a motion over which Your Honor has sole discretion.

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Sincerely,

LARSON · KING, LLP

Peter J. Gleekel

PJG/bp 1741058

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