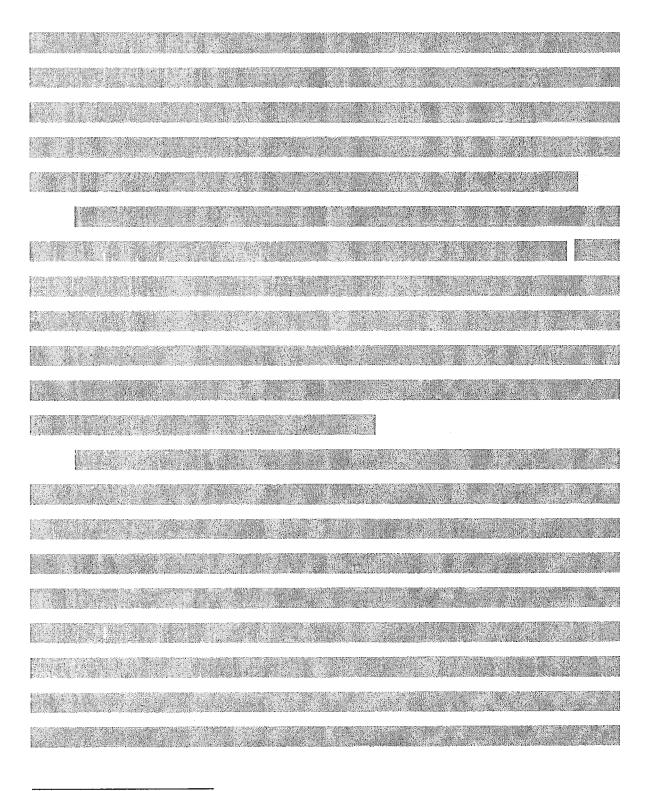
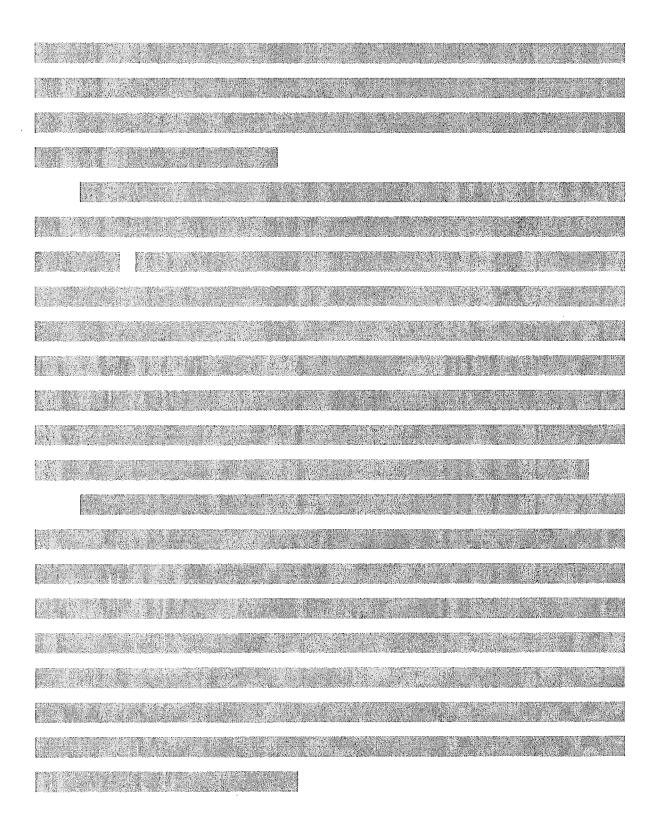
STATE OF MINNESOTA	DISTRICT COURT
COUNTY OF CARVER	FIRST JUDICIAL DISTRICT PROBATE DIVISION
In the Matter of: Estate of Prince Rogers Nelson	Court File No. 10-PR-16-46 Judge Kevin W. Eide
Decedent.	SECOND SPECIAL ADMINISTRATOR'S MEMORANDUM IN SUPPORT OF MOTION TO APPROVE SETTLEMENT WITH
	[REDACTED VERSION]
	2018 Order authorizing the Second Special
Administrator ("SSA") to pursue litigation on be	ehalf of the Estate and this Court's July 10, 2018
Order approving the Personal Representative's	engagement agreement with the SSA, the SSA
submits this memorandum in support of motion	n to approve settlement with
BACKGROUND ¹	
The claims against arise out of the	
. A brief background o	of that failed transaction illustrates the basis for
these claims.	
At the time of his death, Prince	

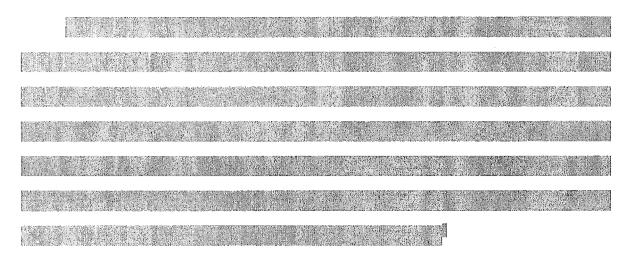
¹ The factual background is largely drawn from the Second Special Administrator's December 15, 2017 Report and Recommendation Concerning the Rescission of the Universal Music Group Agreement. The SSA would refer this Court that report for a more detailed explanation of the failed transaction.





On or about November 10, 2016, the Special Administrator retained MSF to assist it, SLS, and the Advisors in representation of the Estate in connection with the review and negotiation of the UMG Agreement. MSF was to negotiate with UMG's lawyers to finalize the UMG Agreement. Mr. McMillan and SLS remained actively involved in this negotiation process.





On January 31, 2017, Bremer Trust (as Special Administrator) and UMG entered into an Agreement ("the UMG Agreement"), which was publically announced on February 9, 2017. The UMG Agreement provided that,

On February 1, 2017, Comerica Bank & Trust, N.A. ("Comerica") was appointed Special Administrator to the Estate. On February 10, 2017, the day after the announcement of the UMG Agreement, WBR contacted Comerica expressing its concern that the UMG Agreement infringed

on rights held by WBR until December 31, 2020. WBR claimed that WBR and UMG had been "ill used by Bremer Trust, their lawyers and their advisors, as [UMG had] been granted rights that the estate [did] not possess." Concerned by the competing claims to the digital distribution of the WBR Masters, UMG demanded Comerica rescind the UMG Agreement or face litigation for fraud and breach of contract. In the end, Comerica was left with the untenable choice of either requesting this Court to rescind the UMG Agreement, or face potentially protracted litigation with both UMG and WBR, and the uncertainty whether the Estate would lose the ability to attempt to generate considerable revenue or face potential and substantial liability.

After an investigation of the issue, Comerica brought a motion before this Court on May 17, 2017 recommending rescission. In its briefing papers, Comerica noted the Advisors (and especially McMillan) went Comerica argued that rescission was in the best interest of the Estate. On July 13, 2017, this Court, recognizing the unenviable position of the Estate, granted the motion to rescind because it was in the best interests of the Estate.

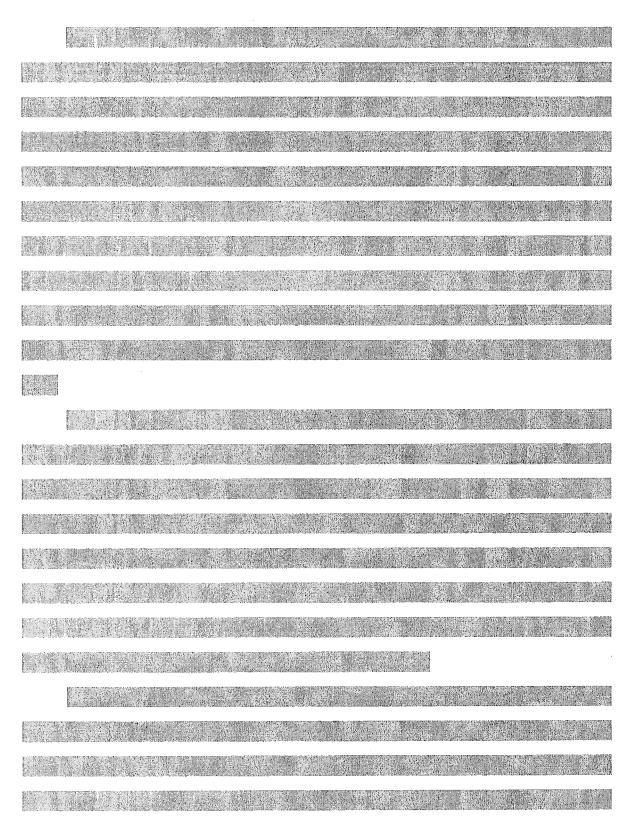
On August 18, 2017, this Court appointed the SSA to conduct an independent investigation into the rescinded UMG agreement and whether the Estate had a reasonable basis for a claim against any person or entity in connection with the rescission of the UMG Agreement.

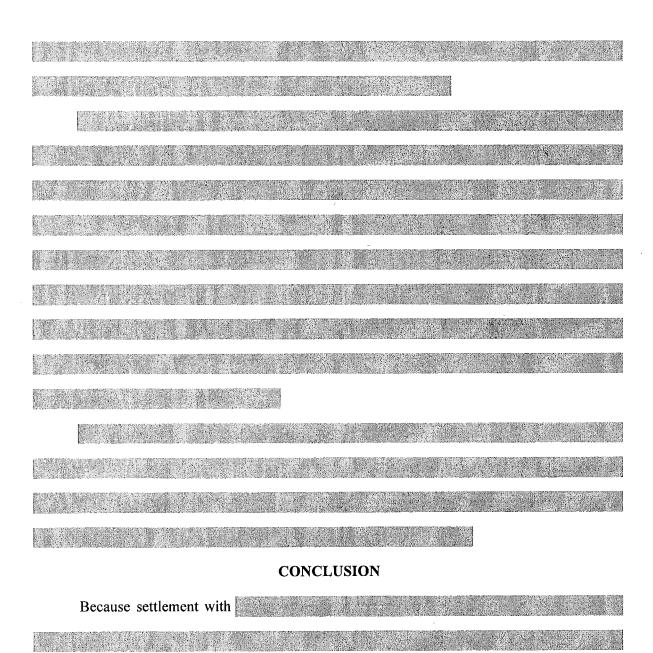
The SSA concluded that there exists a reasonable basis for a claim against SLS, MSF, and the Advisors in connection with the UMG rescission.

The Advisors demanded The Advisors demanded
In the interest of preserving Estate resources, the
SSA agreed.
And the field of the second contract of the s
And the field of the second contract of the s
And the field of the second contract of the s
And the field of the second contract of the s
And the field of the second contract of the s
And the field of the second contract of the s
SSA agreed.

ARGUMENT

The SSA believes the following reasons present sufficient justification for granting of this motion and approval of the settlement





the SSA requests this Court

approved the settlement agreement with

Date: January 30, 2019

$LARSON \cdot KING, LLP$

By s/Peter J. Gleekel

Peter J. Gleekel (#0149834) William J. Tipping (#0170343) Bradley R. Prowant (#0396079)

2800 Wells Fargo Place 30 E. Seventh Street

St. Paul, MN 55101 Tel: (651) 312-6500

Fax: (651) 312-6618 pgleekel@larsonking.com btipping@larsonking.com bprowant@larsonking.com

Second Special Administrator to the Estate of Prince Rogers Nelson

1809143

EXHIBIT A

[REDACTED VERSION]

CONFIDENTIAL SETTLEMENT AGREEMENT AND RELEASE