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**STINSON
LEONARD
STREET**

December 7, 2016

Via Electronic Filing

The Honorable Kevin W. Eide
Carver County Justice Center
604 East Fourth Street
Chaska, MN 55318

RE: *In re the Estate of Prince Rogers Nelson*
Court File No. 10-PR-16-46

Dear Judge Eide:

We write to briefly respond to the "Petition for Appointment of Successor Special Administrator" filed late yesterday evening by Ms. Tyka Nelson.

As you know, Bremer Trust informed the Court months ago, via a letter dated September 27, 2016 (attached), that Bremer Trust was not interested in continuing as Special Administrator after its current term expires. That remains Bremer Trust's position. Bremer Trust has also discussed with the Court and counsel for the non-excluded heirs its understanding that a joint petition to appoint a successor would be filed, accompanied by a petition for discharge of Bremer Trust. The nonexcluded heirs began their due diligence process but did not complete it by the initial term expiration on November 2, 2016 so this court extended Bremer Trust until January 2, 2017. Bremer Trust has consistently stated that it is committed to ensuring an orderly transition of Estate administration responsibilities once the non-excluded heirs reach consensus as to the appropriate successor; there should be no concern that it will "immediately resign" before that process concludes. Bremer Trust remains committed to working with the Court and the non-excluded heirs to transition administration of this complicated Estate to its successor in a timeline that serves the best interests of the Estate.

Ms. Nelson's petition of December 6, 2016, indicates that the non-excluded heirs are not unanimous on their selection of a successor special administrator. In light of this fact, we do not believe there is a current emergency that requires the Court to appoint a successor before all non-excluded heirs have been heard and the Court is satisfied that the successor is ready and able to take over the administrative duties of this Estate.

Ms. Nelson's petition suggests that the upcoming estate tax filing and "other estate litigation" are circumstances that demand an immediate replacement. We can assure the Court that Bremer Trust continues to manage the ongoing estate litigation and there are no pending deadlines or hearings that require emergency attention. Furthermore, any experienced trust company would be able to complete the preliminary filings for the estate tax return due on January 21, 2017 without significant preparation,

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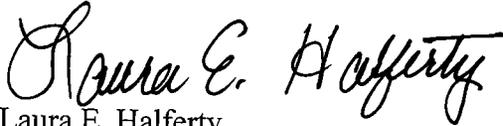
given the work Bremer Trust has already completed. Those preliminary filings will entail completing IRS Form 4768 Application for Extension of Time to File a Return and/or U.S. Estate Taxes, submitting estimated payments toward estate tax due to the IRS and the Minnesota Department of Revenue, and submitting a written statement to explain in detail why it is impossible or impractical to pay the full amount of the estate tax by January 21, 2017. These filings are short and routine.

Most of the potential successors identified in Mr. Barton's affidavit have had access to the Estate's financial information for weeks and have participated in lengthy meetings with Bremer Trust and its attorneys to better understand the Estate, which should enable most of them to complete the required January filings without difficulty. We note that Fiduciary Trust only recently requested access to financial information and has not yet had any meetings with Bremer Trust. Instead, Fiduciary Trust requested a phone conference to discuss the Estate with me and some of my partners the day before it met with the non-excluded heirs.

Bremer Trust is in the process of preparing an accounting from the date of acceptance through November 30, 2016, along with a petition for discharge. We anticipate filing the petition later this month, or on a schedule that the Court establishes. As is routine, after the hearing to discharge Bremer Trust, we plan to file a stub accounting from December 1, 2016, through the date of discharge. As Bremer Trust stated in its September 27 letter, it remains "fully committed and [will] continue to work as quickly as possible to organize, preserve and protect the tangible and intangible assets of the Estate" until it is discharged.

Respectfully submitted,

Stinson Leonard Street LLP


Laura E. Halferty

LEH:SLS

Enclosure



September 27, 2016

Redacted

Via Electronic Filing

The Honorable Kevin W. Eide
Carver County Justice Center
604 East Fourth Street
Chaska, MN 55318

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

Dear Judge Eide,

Thank you again for hosting the Nelson Estate meeting on September 9, 2016, and for working to create a positive dialogue. I hope we have made it clear, both at that meeting and throughout our appointment, that Bremer Trust is honored to serve as Special Administrator for the Estate. We have performed all our work to date with the goal in mind of organizing, preserving, and protecting the Estate for the individuals who the court determines are the heirs.

Although Bremer Trust has served as Special Administrator for less than five months, we have accomplished a great deal during that short time. With the tremendous assistance of our counsel and other experts, we have completed a far-reaching search for a will; conducted an heir search and established a protocol for heirship determinations and genetic testing; secured and maintained the physical property and real estate; interacted with law enforcement and conducted investigations; received and analyzed hundreds of accounts payable claims against the estate; protected intellectual property assets and enforced intellectual property rights; defended lawsuits against the Estate; inventoried assets and investigated and reviewed all past accounting records to find assets and create an accurate financial status; fielded entertainment-related requests; successfully negotiated a deal to establish the Paisley Park museum; and many other tasks. I am also proud of the level of collaboration we have had with the potential heirs and their counsel on the majority of our work.

Conversely, on the topic of monetizing the Estate's intellectual property assets, we feel that we have reached a point where the heirs' desired level of control over activities is hampering our ability to act in the best interest of the Estate. As was discussed at the September 16, 2016 meeting, we believe that the decision to withhold consent to important recording and publishing deals is delaying and potentially jeopardizing critical deals (totaling approximately Redacted) that would generate funds needed to pay expenses, debts and taxes.

We have exerted considerable time and effort to engage in collaborative decision-making and seek input from the heirs. Unfortunately, the mutual trust and confidence that is so critical to the relationship between the Special Administrator and the heirs appears to have substantially eroded. Given that, and as we discussed on September 9, 2016, although Bremer Trust is committed to serve our current term as court-appointed Special Administrator (ending November 2, 2016), we will not be requesting an extension of this term or seeking an

appointment as the Personal Representative for the Estate. Further, we would not object to the appointment of a new Special Administrator replacing Bremer prior to November 2, 2016. Please know that regardless of how long we serve in this role, we will remain fully committed and continue to work as quickly as possible to organize, preserve and protect the tangible and intangible assets of the Estate.

In summary, we believe that in order for us to be able to effectively serve as Special Administrator, we need to continue with our strategy of building financial and structural stability within the Estate (such as establishing the Paisley Park Museum and raising sufficient cash in order to pay future tax liabilities) so the Estate is in a viable position for distribution to the heirs. To ensure we can fulfill our role, we need to be able to work, with court supervised authority, in a way that allows us to make prudent business decisions, and among other things, move forward with monetization contracts brought forth from our experts so they may be approved by the court.

Again, Bremer Trust is honored to have been given the opportunity to serve during this critical time for the Nelson Estate. Our interim role is nearly complete and we look forward to assisting in a smooth transition to the Estate's next Special Administrator or Personal Representative.

Sincerely,



Craig N. Ordal
President
Bremer Trust, National Association