Filed in District Court State of Minnesota 1/25/2019 2:14 PM

### STATE OF MINNESOTA

COUNTY OF CARVER

In the Matter of:

Estate of Prince Rogers Nelson,

Decedent.

### DISTRICT COURT

FIRST JUDICIAL DISTRICT PROBATE DIVISION

Court File No. 10-PR-16-46 Judge Kevin W. Eide

### COMERICA BANK & TRUST, N.A.'S NOTICE OF MOTION AND MOTION TO APPROVE SETTLEMENT AGREEMENT

**PLEASE TAKE NOTICE** that at a date and time to be determined, before the Honorable Kevin W. Eide, at the Carver County Justice Center, 604 East 4th Street, Chaska, MN 55318, Comerica Bank & Trust, N.A., as the Personal Representative ("Personal Representative") of the Estate of Prince Rogers Nelson, will move the Court for an order approving the Settlement Agreement between Paisley Park Enterprises, Inc. and the Personal Representative, on the one hand, and Piet Van Rycheghem, on the other hand. In support of the motion, the Personal Representative provides the facts and argument below.

On August 31, 2018, the Personal Representative commenced a lawsuit against various defendants and John Does involved in the sale of unauthorized Prince music under the Eye Records bootleg label. The Personal Representative named Piet Van Ryckeghem as a Defendant in the Eye Records lawsuit because Mr. Van Ryckeghem sent Eye Records flyers to a group of Prince enthusiasts advertising compilations of bootleg Prince music. Upon learning of the lawsuit, Mr. Van Ryckeghem retained counsel and approached the Estate regarding potential settlement. Mr. Van Ryckeghem has cooperated with the investigation and represented that he has no association with Eye Records or the other individuals named in the complaint. He admits to

buying and selling bootlegs, but asserts that his total profit from sales of Prince bootlegs has amounted to about 360 Euros.

The Estate has negotiated for a permanent injunction against Mr. Van Ryckeghem preventing him from engaging in any further bootlegging involving Prince music. The proposed settlement agreement contains Mr. Van Ryckeghem's representations about his lack of connection with Eye Records or the individuals named in the complaint. The agreement also provides that the Estate's release is conditioned on his representations being true. If discovery in the lawsuit reveals that Mr. Van Ryckeghem is involved in the Eye Records enterprise, then the release is void and the Estate may pursue damages. The draft settlement agreement is attached as Exhibit 1.

The Personal Representative believes that the proposed settlement with Mr. Van Rycheghem is in the best interests of the Estate, and respectfully requests that the Court approve it.

Upon request by the Court or in the event that any party opposes this motion, the Personal Representative will provide any additional information necessary for the Court to address this matter.

Dated: January 25, 2019

/s/ Joseph J. Cassioppi Mark W. Greiner (#0226270) Lora M. Friedemann (#0259615) Joseph J. Cassioppi (#0388238) FREDRIKSON & BYRON, P.A. 200 South Sixth Street Suite 4000 Minneapolis MN 55402-1425 612-492-7000 612-492-7077 fax mgreiner@fredlaw.com lfriedemann@fredlaw.com jcassioppi@fredlaw.com

#### Attorneys for Comerica Bank & Trust, N.A.

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# EXHIBIT 1 to Notice of Motion and Motion to Approve Settlement Agreement 10-PR-16-46

### SETTLEMENT AGREEMENT

This SETTLEMENT AGREEMENT ("**Agreement**") is effective \_\_\_\_\_, 2019 ("**Effective Date**") by and between Paisley Park Enterprises, Inc. and Comerica Bank & Trust, N.A. as Personal Representative of the Estate of Prince Rogers Nelson (collectively, "Plaintiffs") and Piet Van Ryckeghem ("**Van Ryckeghem**"). The parties to this agreement are collectively referred to as "**Parties**," and each, individually, as a "**Party**."

### **Recitals**

A. Prince Rogers Nelson, the famous artist known as "**Prince**," died on April 21, 2016. A probate action is pending in Carver County, Minnesota, Court File No. 10-PR-16-46 ("Probate Action"). By appointment of the probate court, Comerica Bank & Trust, N.A. is Personal Representative of the Prince Rogers Nelson Estate ("**Prince Estate**"). Paisley Park Enterprises, Inc. is a Minnesota corporation that was owned by Prince during his lifetime and is now owned by the Prince Estate.

B. Van Ryckeghem is an individual residing in Belgium.

C. Van Ryckeghem used the e-mail address <brother.pete@skynet.be> to promote, offer for sale, sell, and distribute Eye Records' bootlegs of Prince music. On December 4, 2017, Van Ryckeghem sent a promotional e-mail from the e-mail address <brother.pete@skynet.be>, announcing Eye Records' release of *Blast From The Past 6.0*. The e-mail states "Eye Records R Proud 2 Present This Brand New 4CD Release: Blast From The Past 6.0 Gold Edition." The body of the email included images of Prince and displayed the Prince Estate's trademarks in Prince's name and the Prince Symbol. Van Ryckeghem sent a similar e-mail from the e-mail address <brother.pete@skynet.be> on June 13, 2018, announcing the release of a compilation titled *The Purple Underground Vol 7 (3CD by Eye Records)*. Again, Van Ryckeghem's e-mails feature Prince's name, image, and works in an attempt to solicit preorders for the bootleg compilation.

D. Van Ryckeghem also purchased five or six copies of the *Blast From The Past* CDs at a record fair in Belgium, planning to keep one and resell the rest to other fans in his circle with a small markup, and then to use that to buy additional bootlegs. Van Ryckeghem netted about 360 Euros in total trading of the aforementioned Prince bootlegs.

E. The Prince Estate filed a lawsuit against several defendants, including Van Ryckeghem, in the United States District Court, District of Minnesota, Case No. 1:18-cv-02556 alleging an international conspiracy to bootleg Prince music involving copyright infringement, violations of the civil anti-bootlegging statute (17 U.S.C. § 1101), violations of the Lanham Act, violations of the Minnesota Deceptive Trade Practices Act (Minn. Stat. §§ 325D.44-45), and violations of the right of publicity (the "Lawsuit"). Van Ryckeghem denies that his actions are part of the alleged bootlegging conspiracy.

F. The Parties deem it to be in their best interests to settle the Lawsuit as to Van Ryckeghem on the terms and conditions set forth in this Agreement.

### Agreement

NOW, THEREFORE, in consideration of the mutual covenants and conditions contained herein, the Parties hereby agree as follows:

1. <u>Court Approval in Probate Action</u>. The Parties acknowledge and agree that this Agreement is subject to court approval in the Probate Action, and that this Agreement is not binding until approved by the court in the Probate Action. When the Parties have reached an agreement on terms, the Prince Estate will use its best efforts to expeditiously secure the court's approval. If the court in the Probate Action approves this Agreement, the Parties will execute it within seven (7) days of the date the court in the Probate Action approves it.

2. <u>Cessation of Conduct</u>. Van Ryckeghem agrees that he will not promote, sell, offer to sell, distribute, or traffic in bootlegs of unreleased studio recordings of Prince music and unauthorized recordings of live Prince performances without the express written permission of the Prince Estate. Van Ryckeghem further agrees to not engage in any other act that infringes on the intellectual property of the Prince Estate or purchase bootlegs of studio recordings or unauthorized recordings of live Prince performances. If Van Ryckeghem breaches his obligations under this Agreement, the Parties agree that the Prince Estate shall be entitled to damages in the amount of twenty-five thousand dollars (\$25,000) per breach. The Parties further agree that this sum fairly approximates the damages to the Prince Estate if Van Ryckeghem breaches this Agreement.

3. <u>Consent Final Judgment</u>. Upon approval of this Agreement in the Probate Action, the Parties will direct their attorneys to file in the Lawsuit the Stipulation for Entry of Consent Final Judgment and Permanent Injunction as to Van Ryckeghem attached as **Exhibit A** and the proposed Consent Final Judgment attached as **Exhibit B**, both of which are incorporated by reference. If the Court does not enter the Consent Final Judgment, this Agreement shall be null and void.

4. **<u>Release</u>**. In exchange for the foregoing, and provided that the Representations in Paragraph 6 of this Agreement are true, Plaintiffs release and forever discharge Van Ryckeghem and his heirs, beneficiaries, insurers, agents, and attorneys from any and all claims, causes of action, demands, liabilities, damages, costs or losses of any kind or nature, whether known or unknown, relating to the claims asserted in the Lawsuit as of the Effective Date. Plaintiffs are not releasing or waiving any claims relating to performance under this Agreement. If Plaintiffs later determine that any of the Representations in Paragraph 6 are not true, Van Ryckeghem agrees that he will have breached this Agreement and this release shall be null and void.

5. **<u>Representations and Warranties</u>**. Each party signing this Agreement represents and warrants that he or she has authority to sign this Agreement and to bind the party indicated below to observe and perform its terms and conditions. Van Ryckeghem makes the following additional representations and warrants:

- Van Ryckeghem never had any association with any of the other defendants in the Lawsuit, including Eye Records;
- Van Ryckeghem never met nor communicated in any manner with any of the other defendants in the Lawsuit;
- Van Ryckeghem was unaware of the identity or existence of any of the other defendants in the Lawsuit who are natural persons prior to reading the Complaint;
- Van Ryckeghem's December 4, 2017 and June 13, 2018 e-mails described above were never circulated by him to any person or entity in the United States;
- Van Ryckeghem's December 4, 2017 and June 13, 2018 e-mails were sent from his personal e-mail account;
- Van Ryckeghem's December 4, 2017 and June 13, 2018 e-mails were sent to no more than 25 persons whom Van Ryckeghem knows personally, either through in-person or virtual communications, all of whom live outside the United States;
- Neither the text in the body of the December 4, 2017 and June 13, 2018 e-mails nor the attached fliers were created by Van Ryckeghem, and he became aware of these documents through interactions with other fans about unreleased music;
- Van Ryckeghem found the fliers online and copied them to include in the e-mails to those individuals listed above;
- Van Ryckeghem's knowledge of Eye Records comes through his interactions with other fans about unreleased music;
- To his knowledge, Van Ryckeghem has had no direct interactions with persons affiliated with Eye Records;
- In total, Van Ryckeghem netted about 360 Euros trading Prince bootleg CDs;
- To his knowledge, Van Ryckeghem has never communicated with any potential witness in this matter.

6. <u>Attorney's Fees</u>. Each Party will bear its/his own costs and expenses, including, attorneys' fees and costs incurred in connection with the Lawsuit. However, Plaintiffs shall be entitled to recover the reasonable attorneys' fees and costs incurred if any legal action is required to enforce this Agreement or the Consent Final Judgment.

7. **Entire Agreement.** This Agreement and its exhibits constitute the entire agreement of the Parties and supersede all previous negotiations, commitments or writings. No representation, additional promise or agreement not set out in this Agreement has been made as consideration for this Agreement and the signing hereof has not been induced by any such representation, additional promise or agreement.

8. <u>Modification</u>. No alteration, amendment, waiver, cancellation or any other change in term or condition of this Agreement will be valid or binding on either Party unless the same will have been mutually assented to in writing by both Parties.

9. <u>Successors and Assigns</u>. This Agreement shall be binding upon and inure to the benefit of the Parties' respective successors, assigns, and agents. The Prince Estate may assign or otherwise transfer any or all of its rights under this Agreement without restriction. Van Ryckeghem may not assign or otherwise transfer any rights under this Agreement without the prior written consent of the Prince Estate.

10. <u>Choice of Law, Jurisdiction, and Venue</u>. This Agreement will be construed and interpreted in accordance with, and any dispute or controversy arising from any breach or asserted breach of this Agreement will be governed by, the laws of the State of Minnesota, without regard to any choice of law rules. Any action brought to enforce or interpret this Agreement must be brought in the state or federal courts for the State of Minnesota, and the parties hereby consent to the jurisdiction and venue of such courts in the event of any dispute.

11. **<u>Counterparts</u>**. This Agreement may be executed, electronically, in counterparts, all of which when taken together constitute one agreement binding on all Parties.

### PAISLEY PARK ENTERPRISES, INC.

By: \_\_\_\_\_

Its:

ESTATE OF PRINCE ROGERS NELSON THROUGH COMERICA BANK & TRUST, N.A. AS PERSONAL REPRESENTATIVE

By: \_\_\_\_\_

Its: \_\_\_\_\_

PIET VAN RYCKEGHEM

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# **EXHIBIT A**

### UNITED STATES DISTRICT COURT DISTRICT OF MINNESOTA

Paisley Park Enterprises, Inc. and Comerica Bank & Trust, N.A. as Personal Representative of the Estate of Prince Rogers Nelson, Case No. 0:18-cv-2556 (DSD/TNL)

Plaintiffs,

v.

Eric Ziani; Marcel Peters; Piet Van Ryckeghem; Frederic Bianco; DOE 1 (d/b/a Eye Records); DOE 2 (d/b/a Lovesigne); DOE 3 (d/b/a House Quake); and DOES 4-20,

### STIPULATION FOR ENTRY OF CONSENT FINAL JUDGMENT AND PERMANENT INJUNCTION AS TO DEFENDANT PIET VAN RYCKEGHEM

Defendants.

Plaintiffs Paisley Park Enterprises, Inc. and Comerica Bank & Trust, N.A. (as Personal Representative of the Estate of Prince Rogers Nelson) and Defendant Piet Van Ryckeghem hereby stipulate to the following terms, and agree that the Court may enter a final judgment in favor of Plaintiffs and against Defendant Van Ryckeghem without further notice or appearance by Plaintiffs or Defendant Van Ryckeghem, as follows:

1. Prince Rogers Nelson, the international superstar and renowned artist known as "Prince," died on April 21, 2016. A probate action is pending in Carver County, Minnesota, Court File No. 10-PR-16-46. By appointment of the probate court, Comerica is Personal Representative of the Estate. Plaintiff Paisley Park Enterprises, Inc. is a Minnesota corporation that was owned by Prince during his lifetime and is now owned by the Prince Estate.

2. Plaintiffs allege that Defendant Piet Van Ryckeghem promoted, offered for sale, sold, and distributed bootlegs of unreleased studio recordings of Prince music and unauthorized recordings of live Prince performances without consent from the late artist's Estate, in violation of 17 U.S.C. §§ 501 and 1101, 15 U.S.C. §§ 1114 and 1125, Minn. Stat. §§ 325D.44-45, and the right of publicity, through at least two promotional e-mails sent on December 4, 2017 and June 13, 2018.

3. Without admitting or denying liability, Defendant Van Ryckeghem does not contest Plaintiffs' allegations, and has acknowledged that such conduct is wrongful.

4. This Court has subject matter jurisdiction under 15 U.S.C. § 1121, 28 U.S.C. §§ 1331, 1338(a) and (b), and 1367. Defendant Van Ryckeghem is subject to personal jurisdiction in this Court because his actions resulted in harm to Plaintiffs in this District. Venue is proper under 28 U.S.C. §§ 1391(b) and 1391(c) because Defendant Van Ryckeghem is an alien who engaged in infringing activities and caused harm within this District.

5. Under 17 U.S.C. § 502(a), this court may grant a permanent injunction "on such terms as it may deem reasonable to prevent or restrain infringement of a copyright."

6. Accordingly, Defendant Van Ryckeghem and anyone acting in concert with him, shall be and hereby is PERMANENTLY ENJOINED from promoting, selling, offering to sell, distributing, or trafficking in bootlegs of unreleased studio recordings of

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Prince music and unauthorized recordings of live Prince performances without the express written permission of the Prince Estate.

7. Defendant Van Ryckeghem understands and agrees that violation of the Judgment and Permanent Injunction will expose Defendant Van Ryckeghem to all penalties provided by law, including for contempt of Court.

8. Defendant Van Ryckeghem irrevocably and fully waives any and all right to appeal this Consent Final Judgment and Permanent Injunction, to have it vacated or set aside, to seek or obtain a new trial thereon, or otherwise to attack in any way, directly or collaterally, its validity or enforceability.

9. This Consent Final Judgment and Permanent Injunction shall be enforceable by, and to the benefit of, Paisley Park Enterprises, Inc. and the Estate of Prince Rogers Nelson, Comerica Bank & Trust, N.A. as Personal Representative of the Estate of Prince Rogers Nelson, and by any entity that has standing to appear before this court as successor-in-interest to the rights at issue in this litigation.

10. The Court shall retain jurisdiction of this action to entertain such further proceedings and to enter such further orders as may be necessary or appropriate to implement and enforce this injunction.

Dated: \_\_\_\_\_, 2019

Respectfully submitted,

By: <u>/s/</u>

Lora M. Friedemann (#259615) Grant D. Fairbairn (#327785) Barbara Marchevsky (#398256) FREDRIKSON & BYRON, P.A. 200 South Sixth Street, Suite 4000 Minneapolis, MN 55402-1425 Telephone: 612.492.7000 lfriedemann@fredlaw.com gfairbairn@fredlaw.com bmarchevsky@fredlaw.com

Attorneys for Plaintiffs Paisley Park Enterprises, Inc. and Comerica Bank & Trust, N.A. as Personal **Representative of the Estate of Prince Rogers** Nelson

Dated: \_\_\_\_\_, 2019

By: \_\_\_\_\_\_\_ Piet Van Ryckeghem

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# EXHIBIT B

## UNITED STATES DISTRICT COURT DISTRICT OF MINNESOTA

Paisley Park Enterprises, Inc. and Comerica Bank & Trust, N.A. as Personal Representative of the Estate of Prince Rogers Nelson, Case No. 0:18-cv-2556 (DSD/TNL)

Plaintiffs,

v.

Eric Ziani; Marcel Peters; Piet Van Ryckeghem; Frederic Bianco; DOE 1 (d/b/a Eye Records); DOE 2 (d/b/a Lovesigne); DOE 3 (d/b/a House Quake); and DOES 4-20,

# [PROPOSED] CONSENT FINAL JUDGMENT AND PERMANENT INJUNCTION AS TO DEFENDANT PIET VAN RYCKEGHEM

Defendants.

This matter is before the Court on Plaintiffs' and Defendant Piet Van

Ryckeghem's Stipulation for Entry of Consent Final Judgment and Permanent Injunction

(ECF No. \_\_\_\_). Based on the stipulation, and all the files, records and proceedings

herein, judgment is GRANTED, and the Court hereby enters the following findings of

fact, conclusions of law and Order as agreed upon by Plaintiffs and Defendant Van

Ryckeghem:

1. Plaintiff Comerica Bank & Trust, N.A. is the court-appointed Personal

Representative of the Estate of Prince Rogers Nelson (the "Prince Estate").

2. Plaintiff Paisley Park Enterprises, Inc. is a Minnesota corporation that was owned by Prince during his lifetime and is now owned by the Prince Estate.

3. Defendant Van Ryckeghem is an individual residing in Belgium.

4. This Court has jurisdiction over Plaintiffs and Defendant Van Ryckeghem and the subject matter of this action, and venue properly lies in this District.

5. Van Ryckeghem promoted, offered for sale, sold, and distributed bootlegs of unreleased studio recordings of Prince music and unauthorized recordings of live Prince performances without the express written permission of the Prince Estate.

6. Van Ryckeghem distributed e-mails promoting the release of bootleg records. The e-mails included unauthorized uses of Prince's name, image, likeness, and registered trademarks.

7. The Prince Estate and Paisley Park Enterprises, Inc. (collectively, "Plaintiffs") filed this lawsuit on August 31, 2018. In the lawsuit, Plaintiffs alleges that these e-mails were part of a bootlegging conspiracy that infringed copyrights owned by the Prince Estate, violated the civil anti-bootlegging statute, 17 U.S.C. § 1101, violated the Prince Estate's rights under the Lanham Act, violated the Minnesota Deceptive Trade Practices Act (Minn. Stat. §§ 325D.44-45), and violated of the right of publicity held by the Prince Estate. Van Ryckeghem denies that his actions are part of the alleged conspiracy.

8. The parties have reached an agreement resolving this dispute in which Defendant Van Ryckeghem has agreed that he will not promote, sell, offer to sell, distribute, or traffic in bootlegs of unreleased studio recordings of Prince music and unauthorized recordings of live Prince performances without the express written permission of the Prince Estate.

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### IT IS THEREFORE ORDERED, ADJUDGED AND DECREED THAT:

A. Defendant Van Ryckeghem, whether alone or in concert or participation with others, will permanently cease and refrain from promoting, selling, offering to sell, distributing, or trafficking in bootlegs of unreleased studio recordings of Prince music and unauthorized recordings of live Prince performances without the express written permission of the Prince Estate.

B. Except as to Defendant Van Ryckeghem's obligations set forth in this Consent Final Judgment, Plaintiffs' claims against Van Ryckeghem are hereby

### **DISMISSED WITH PREJUDICE.**

C. Each party shall bear its own expenses and attorney fees incurred in this action.

D. This is a Consent Final Judgement to which Plaintiffs and Van Ryckeghem waive all rights of appeal. This Court shall retain jurisdiction over this action for the purposes of implementing and enforcing this Consent Final Judgment.

E. This Consent Final Judgment is intended to bind Van Ryckeghem and is not intended to proscribe any acts by Plaintiffs, their successors or assigns. Van Ryckeghem's obligations under this Consent Final Judgment shall run with the copyrights-in-suit, trademarks-in-suit, and right of publicity so long as they remain valid and enforceable, regardless of the ownership of said copyrights.

F. This Consent Final Judgment shall be enforceable by, and inure to the benefit of, Plaintiffs, their successors and assigns, or any party having acquired sufficient rights in the intellectual property at issue in this litigation such that they would have been

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a real party-in-interest pursuant to Rule 17 of the Federal Rules of Civil Procedure had they acquired said rights during the original pendency of this action.

Dated:

Judge David S. Doty

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