



The McMillan Firm™

October 4, 2018

VIA ELECTRONIC FILING

The Honorable Kathryn Davis Messerich
Chief Judge, First Judicial District
Dakota County Judicial Center
1560 Highway 55
Hastings, MN 55033

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

Dear Chief Judge Messerich:

This letter is respectfully submitted on behalf of interested parties L. Londell McMillan (“McMillan”) and NorthStar Enterprises Worldwide, Inc. (“NorthStar Enterprises”) (collectively, “NorthStar”) in connection with Your Honor’s review of Judge Eide’s Order, dated September 26, 2018 (the “Eide Order”).

The Eide Order denied a motion brought by interested parties Charles Koppelman (“Koppelman”) and CAK Entertainment, Inc. (“CAK Entertainment”) (collectively “CAK”), supported in writing by NorthStar, seeking the limited disqualification of Judge Eide from hearing a separate motion brought by the Second Special Administrator (the “SSA”) to the Estate of Prince Rogers Nelson (the “Estate”). The SSA’s motion (the “Refund Motion”) seeks recovery by the SSA of millions of dollars rightfully earned and retained by NorthStar Enterprises and CAK Entertainment under an Advisor Agreement with the Estate entered into on June 6, 2016, which was approved by Judge Eide. The Refund Motion has been fully briefed but has not yet been heard pending the resolution of this motion presently before Your Honor for review (the “Disqualification Motion”).

Rule 63.02 of the Minnesota Rules of Civil Procedure provides in part that “[n]o judge shall sit in any case if disqualified under the Code of Judicial Conduct.” MINN. R. CIV. P. 63.02. Rule 2.11 of the Minnesota Code of Judicial Conduct, in turn, provides that “[a] judge shall disqualify himself or herself in any proceeding in which the judge’s impartiality *might reasonably be questioned*.” MINN. CODE JUD. CONDUCT R. 2.11 (emphasis added).

As discussed in great detail in the papers previously submitted on the Disqualification Motion, the funds sought by the SSA in the Refund Motion stem directly from certain entertainment deal transactions entered into by the Estate with third parties and facilitated by CAK Entertainment and NorthStar Enterprises pursuant to their Advisor Agreement with the Estate. In his role overseeing the administration of the Estate, however, Judge Eide was closely

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involved in those transactions, both in their negotiations and in the ultimate decisions to rescind when certain disputes arose among the contracting parties, the Heirs, and the successor Personal Representative to the Estate.

A crucial issue in the Refund Motion is the reasonableness of the fees paid to CAK Entertainment and NorthStar Enterprises by the Estate for those transactions which, by extension, necessitates a subjective evaluation of the transactions themselves—transactions in which Judge Eide played a pivotal role and ultimately approved rescission. Additionally, Judge Eide has engaged in *ex parte* hearings with the SSA and reviewed the SSA's confidential reports into the transactions at issue. Further, in approving the SSA's decision to pursue the very recovery sought in the Refund Motion, Judge Eide explained that his decision was based on his "fiduciary duty" to the Estate. To admit a fiduciary relationship—and in fact go so far as to equate itself with the Estate, saying that a fraud on or breach of duty to the Estate is a fraud or breach of duty to the Court—is precisely the type of potential bias, or even appearance of bias, that the Minnesota Code of Judicial Conduct is designed to eliminate.

It should be noted that NorthStar does not assert in this submission that Judge Eide shall be biased, but the facts in this matter, coupled with the historical record, certainly suggest that his impartiality "might be reasonably questioned." Judge Eide has had to address a plethora of issues in the administration of this complex Estate, and almost all of the matters have been decided in favor of the requests made by the Personal Representative, even over the objection of the Heirs and the prior Special Administrator.

For these reasons, and for those argued in the supporting papers submitted by CAK and NorthStar as part of and prior to this review of the Eide Order, NorthStar respectfully requests that Your Honor grant the disqualification of Judge Eide for the purpose of hearing the Refund Motion.

Respectfully,

THE MCMILLAN FIRM

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