COMPLAINT

1100 Glendon Avenue 14th Floor Los Angeles, CA 90024,3518

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Plaintiff Jolene Holdings, LLC, d/b/a The Cherry Party ("The Cherry Party" or "Plaintiff") hereby alleges, on information and belief, as follows:

INTRODUCTION

- 1. After appearing on "The Voice" in 2013, Judith Hill signed an exclusive recording agreement with Sony (on behalf of a Sony / The Cherry Party joint venture), and commenced work on what would have been her first album. In blatant disregard of this agreement, the world-famous artist known as Prince pursued Hill, told her she should work with him instead, produced an album containing new recordings of songs that Hill had already recorded for release by The Cherry Party, and then released that album to the world as a digital download for free. Judith Hill's first album "Back in Time" is now out, but, rather than cheering along with her, the people who paid hundreds of thousands of dollars to develop her career and album and worked to position Hill for her first release (as well as those who co-wrote many of the songs) are sitting dumb-founded on the sidelines while Prince gives away their investment for free.
- 2. The Cherry Party has commenced this action to hold Prince accountable for tortiously interfering in its agreement with Hill and to recover damages stemming from the fact that he has deliberately interfered with its relationship with Hill and made it economically unfeasible for them to ever release Hill's "first album" or their recordings of the songs "Cry," "Angel in the Dark," "Beautiful Life," "Cure," and "Jammin the Basement," which Hill had already recorded for The Cherry Party. Though Prince may think that rules and laws do not apply to him, he is mistaken and must be held accountable for poaching one of The Cherry Party's artists. By this action, The Cherry Party seeks damages to compensate them for these losses, as well as punitive damages based on Prince's egregious, unlawful conduct and complete disregard of its rights.

PARTIES AND VENUE

- 3. Plaintiff Jolene Holdings, LLC, d/b/a The Cherry Party (the "Cherry Party"), is, and at all times relevant hereto was, a limited liability company organized under the laws of the State of California and headquartered in Los Angeles County, California.
 - 4. The Cherry Party is informed and believes, and on that basis alleges, that

Defendant Prince Rogers Nelson p/k/a Prince ("Prince") is, and at all times relevant hereto was, an individual residing in the state of Minnesota. Prince is subject to jurisdiction in California because he not only has substantial, continuous and systematic contacts with California, does business in California, and has lived in Los Angeles from time to time, but also because he directed Hill's "Back in Time" to residents of California for commercial purposes, including the promotion of Hill, her album and his business relationship with her.

5. The true names and capacities of the defendants named herein as DOES 1 through 20, inclusive, whether individual, corporate, associate or otherwise, are presently unknown to The Cherry Party, and, therefore, The Cherry Party sues these defendants by such fictitious names. The Cherry Party will amend its Complaint to substitute such true names and capacities when same have been ascertained. The Cherry Party is informed and believes, and on that basis alleges, that each of the fictitiously named defendants is responsible in some manner for the occurrences and damages alleged herein.

COMMON ALLEGATIONS

- 6. Judith Hill is an up-and-coming vocalist and songwriter who has been a backup singer for legends that include Stevie Wonder, Elton John and Michael Jackson. In 2013, Hill stepped out of their shadow as a contestant on NBC's hit competition program "The Voice."
- 7. Jolene Cherry ("Cherry"), the principal of The Cherry Party, is a successful music producer and recording industry executive who has been credited with discovering Lady Gaga, among other incredibly successful artists. In October 2012, The Cherry Party entered into an agreement with Sony (the "JV Agreement"), which established a joint venture between Sony and The Cherry Party (the "Sony/Cherry JV") for the purposes of signing recording artists. Pursuant to the JV Agreement, Cherry was to identify artists to be signed for the benefit of the Sony/Cherry JV, and was to oversee all creative decisions, while Sony assumed all business affairs responsibilities relating to the negotiation of artist recording agreements for the Sony/Cherry JV, as well furnishing certain funding commitments for the Sony/Cherry JV and serving as the exclusive distributor (whether via Sony or its affiliate, Red Distribution) of Sony/Cherry JV artist recordings. Under the Sony/Cherry JV Agreement, Sony and The Cherry Party jointly owned all

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assets of the joint venture, including all artist recording agreements entered into by Sony on behalf of the Sony/Cherry JV, and all artist recordings made thereunder, including all copyrights therein. Hill is one of the artists that Cherry brought to Sony pursuant to the Sony/Cherry JV Agreement.

- 8. Shortly after Cherry introduced Hill to Sony, and at Cherry's direction, Sony (on behalf of and for the benefit of the Sony/Cherry JV), entered into an exclusive recording agreement with Hill dated September 10, 2013 (the "Recording Agreement"). The Recording Agreement was subject to the JV Agreement and was an asset jointly owned by the Sony/Cherry JV, of which arrangement Hill was well aware. Several months ago, Sony and The Cherry Party mutually agreed to restructure their relationship, with the result that (i) Sony relinquished to The Cherry Party its interest in the Sony/Cherry JV, (ii) Sony agreed to transfer to Cherry the assets of the Sony/Cherry JV, (iii) Cherry agreed to enter into a long term exclusive distribution agreement with Sony affiliate Red Distribution, and (iv) Sony agreed to provide certain ongoing funding to cover recording and marketing budgets provided for in the recording artist agreements covered by the Sony/Cherry JV (including substantial recording budgets set forth in Hill's Recording Agreement). As such, The Cherry Party is the valid successor-in-interest to all of the rights under the Recording Agreement.
- 9. Pursuant to the Recording Agreement, Hill was required to make four albums for Sony. Further, Hill agreed to the following exclusivity provision:

During the Term and in the Territory, Artist will not record or authorize the recording of Artist's musical performances for any individual or entity ("Person") other than Sony, or release or authorize the release of any recordings of Artist's musical performances by any Person other than Sony or enter into any negotiations or discussions with respect to any of the foregoing with any Person other than Sony provided, however, subject to paragraph 12A below, the foregoing shall not preclude or limit Artist from, performing as a background vocalist or background instrumentalist for the purpose of making audio records for others.

Recording Agreement, Paragraph 3.

10. Several months ago, prior to the restructuring of the Sony / The Cherry Party relationship, Cherry and Sony personnel heard rumors that Hill was meeting with Prince and having a recording session or sessions with him. Thereafter, over the course of many months, Hill and/or her representatives made various requests, both to Sony and to The Cherry Party, asking that she be permitted to record and release an album with Prince, which requests were considered

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and rejected in view of the substantial time and money already spent recording her first album under the Recording Agreement. The Cherry Party was clear with Hill that it did not want her to record and release an album with Prince at that time, and that she needed to focus on the completion of her album under the Recording Agreement. In early March 2015, The Cherry Party sent Hill a letter advising her that any work with Prince would violate the Recording Agreement, and demanding that she stop. Moreover, representatives of Sony and/or The Cherry Party also advised Prince's representatives that Hill was under contract and that no authorization was given to exploit any recordings that Hill may have been working on with Prince.

- 11. The Cherry Party is informed and believes, and on that basis alleges, that Hill and Prince boldly and inexplicably ignored these warnings (and the law) and continued to proceed. Indeed, not only did Hill and Prince finish an album of eleven songs, but they also played that music for a group of reporters and then proceeded to release it on the Internet as a free digital download.
- 12. The Cherry Party is informed and believes, and on that basis alleges, that on March 22, 2015 Prince hosted members of the media at his Paisley Park recording studio for the purpose of listening to music he produced for Hill. Reporters who attended the session stated that Prince sought their advice about how to best get Hill's music to the public, and that Hill gave a live concert for approximately fifty fans.
- 13. The very next day, on March 23, 2015, through a variety of online channels, Prince released an album purporting to be Hill's "debut album." The Cherry Party is informed and believes, and on that basis alleges, that Prince caused Live Nation to send a March 23, 2015 email blast titled "A Note From Prince" that contained a link to download Hill's "debut album BACK IN TIME." The Cherry Party is informed and believes, and on that basis alleges, that this email went to all Live Nation email subscribers, including those who reside in California. The cover note read as follows: "Sorry 2 bother U. Just wanted 2 send U this baby picture of Judith Hill with Her 1st piano. Loox like her parents, who r also musicians- had a plan. Well, that plan succeeded. This is Judith Hill's debut album BACK IN TIME. Please spend some time with this music and then share it with someone U love."

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- 14. In addition to its email blast, Live Nation also tweeted "#NewMusicTuesday gift from Prince to YOU! Check out @Judith Hill's debut album "BACK IN TIME" bit.ly/JudithHillBIT." A person who clicked the link was directed to a new webpage hosted by "wetransfer.com" from which he or she could quickly download the entire Hill album for free.
- 15. Hill simultaneously commenced promotion of the album release on her own website (http://www.judithhill.com/) and Twitter page (@Judith Hill), by Tweeting: "So THAT happened!!! xo Get it for free, now through Wednesday" and providing a link to download the album (bit.ly/JHBackInTime).
- 16. Several days later, on March 25, 2015, The Cherry Party is informed and believes, and on that basis alleges, that, Prince caused Ticketmaster to send an email to all Ticketmaster subscribers with text identical to that sent by Live Nation on March 23, 2015, including a link where the recipient could download "Back in Time."
- 17. The Internet has been flooded with articles labeling Prince as Hill's "producer" and the album "Back in Time" as "his project." For example, in the last few days, the following articles have been posted on the Internet: "Prince launches campaign for new protegee" (Yahoo! News); "Prince Introduces His New Project, Judith Hill, at private Paisley Park event" (Star Tribune); "Prince Introduces New Protégé Judith Hill, Artist Tracked Her Down After Seeing an Interview" (Latin Post); "Prince introduces Judith Hill's debut album in most Princely way possible" (New Pittsburgh Courier, with a link to download the album at the end of the article); and "Prince Releases Judith Hill's Debut Album For Free" (Diffuser).
- 18. Hill re-tweeted the Diffuser article writing, "Check out the article from @DiffuserFM on the story behind @Judith Hill's Debut Album!! bit.ly/1M0ayJT #LongTimeComing." She also posted a link to the Diffuser article on her website.
- 19. Around the same time, a "Soundcloud" page at https://soundcloud.com/judithhill/judith-hill-back-in-time was created containing the entire "Back in Time" album. Hill linked to that website on both her Twitter account and website.
- 20. Upon word circulating that Hill's "debut album" had been released by Prince, songwriters who had co-written various songs with Hill at the behest of The Cherry Party began

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inundating The Cherry Party with complaints and cease and desist communications. These writers mistakenly assumed that The Cherry Party must have authorized Prince's release of their songs without notice and for free. Of course, The Cherry Party did no such thing and it is as much a victim of Prince's malicious conduct as they are.

FIRST CAUSE OF ACTION

Intentional Interference with Contractual Relations (Against Prince and DOES 1-20)

- 21. The Cherry Party hereby incorporates by reference each and every allegation made in Paragraphs 1 through 20, inclusive, as though fully set forth herein.
- 22. At all times relevant to this cause of action, The Cherry Party had a valid Recording Agreement with Hill.
- 23. The Cherry Party is informed and believes and on that basis alleges that Prince knew of the Recording Agreement and Hill's exclusive obligations to The Cherry Party under the Recording Agreement when he recorded and released "Back in Time."
- 24. The Cherry Party is informed and believes and on that basis alleges that Prince intentionally encouraged Hill to work with him, record an album with him, and permit him to release that album in violation of her contractual obligations to The Cherry Party, and this intentional encouragement was designed to induce Hill's breach of the Recording Agreement. As a proximate result, Hill did breach the Recording Agreement by, among other things, working with Prince, re-recording with Prince songs that she had already recorded for The Cherry Party, recording the rest of "Back in Time" for Prince, authorizing Prince to release that album while she was exclusively bound to The Cherry Party, and then promoting the album on her Twitter account and website.
- 25. As a proximate result of Prince's interference with Hill's Recording Agreement, The Cherry Party has suffered damages in an amount to be determined at trial but in excess of the minimum jurisdiction of this court.
- 26. On information and belief, Prince's conduct that constitutes intentional interference with contractual relations was carried out willfully, fraudulently, maliciously and with a wanton

disregard of The Cherry Party's rights, thereby entitling The Cherry Party to punitive damages to be proven at trial.

PRAYER FOR RELIEF

WHEREFORE, The Cherry Party prays for judgment against Prince as follows:

- 1. Compensatory damages, past and future, in an amount adequate to compensate Plaintiffs;
 - 2. General damages;
 - 3. Exemplary and punitive damages for Prince's willful and malicious actions;
 - 4. Pre-judgment and post-judgment interest at the maximum rate allowed by law;
 - 5. For costs of suit herein incurred; and
 - 6. For such other and further relief as the Court may deem just and proper.

Dated: March <u>27</u>, 2015

LINER LLP

By:

Stanton L. Stein

Attorneys for Jolene Holdings LLC d/b/a The

Cherry Party

DEMAND FOR JURY TRIAL

Plaintiffs Jolene Holdings LLC and Sony Music Entertainment demand trial by jury on all matters and issues so triable.

Dated: March <u>27</u>, 2015

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LINER LLP

By:

Attorneys for Jolene Holdings LLC d/b/a The

Cherry Party