

CIVIL COVER SHEET

The JS-44 civil cover sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for use of the Clerk of Court for the purpose of initiating the civil docket sheet.

15 003 2015 14

PLAINTIFFS  
Young Money Entertainment, LLC and Dwayne Michael Carter, Jr.

DEFENDANTS  
Cash Money Records, Inc.

ATTORNEYS (FIRM NAME, ADDRESS, AND TELEPHONE NUMBER)  
Michael B. Kramer & Associates  
150 East 58th Street, 12th Floor (212-319-0304)  
New York, New York 10155

ATTORNEYS (IF KNOWN)  
Michael L. Reinert  
Fox Rothschild LLP (212-878-7900)  
New York, New York 10017

CAUSE OF ACTION (CITE THE U.S. CIVIL STATUTE UNDER WHICH YOU ARE FILING AND WRITE A BRIEF STATEMENT OF CAUSE)  
(DO NOT CITE JURISDICTIONAL STATUTES UNLESS DIVERSITY)

Diversity 28 U.S.C. 1332, Breach of Contract, Breach of Fiduciary Duty, Accounting, Anticipatory Breach of Contract

Has this action, case, or proceeding, or one essentially the same been previously filed in SDNY at any time? No  Yes  Judge Previously Assigned

If yes, was this case Vol.  Invol.  Dismissed. No  Yes  If yes, give date \_\_\_\_\_ & Case No. \_\_\_\_\_

IS THIS AN INTERNATIONAL ARBITRATION CASE? No  Yes

(PLACE AN [x] IN ONE BOX ONLY)

NATURE OF SUIT

TORTS		ACTIONS UNDER STATUTES			
<b>CONTRACT</b>	<b>PERSONAL INJURY</b>	<b>PERSONAL INJURY</b>	<b>FORFEITURE/PENALTY</b>	<b>BANKRUPTCY</b>	<b>OTHER STATUTES</b>
<input type="checkbox"/> 110 INSURANCE	<input type="checkbox"/> 310 AIRPLANE	<input type="checkbox"/> 367 HEALTHCARE/ PHARMACEUTICAL PERSONAL	<input type="checkbox"/> 625 DRUG RELATED	<input type="checkbox"/> 422 APPEAL	<input type="checkbox"/> 375 FALSE CLAIMS
<input type="checkbox"/> 120 MARINE	<input type="checkbox"/> 315 AIRPLANE PRODUCT	<input type="checkbox"/> 365 PERSONAL INJURY	<input type="checkbox"/> 625 DRUG RELATED	<input type="checkbox"/> 423 WITHDRAWAL	<input type="checkbox"/> 400 STATE
<input type="checkbox"/> 130 MILLER ACT	<input type="checkbox"/> 320 ASSAULT, LIBEL & SLANDER	<input type="checkbox"/> 365 PERSONAL INJURY	<input type="checkbox"/> SEIZURE OF PROPERTY	<input type="checkbox"/> 423 WITHDRAWAL	<input type="checkbox"/> 410 ANTITRUST
<input type="checkbox"/> 140 NEGOTIABLE INSTRUMENT	<input type="checkbox"/> 330 FEDERAL EMPLOYERS' LIABILITY	<input type="checkbox"/> 365 PERSONAL INJURY	<input type="checkbox"/> 21 USC 881	<input type="checkbox"/> 423 WITHDRAWAL	<input type="checkbox"/> 430 BANKS & BANKING
<input type="checkbox"/> 150 RECOVERY OF OVERPAYMENT & ENFORCEMENT OF JUDGMENT	<input type="checkbox"/> 340 MARINE	<input type="checkbox"/> 368 ASBESTOS PERSONAL INJURY PRODUCT LIABILITY	<input type="checkbox"/> 690 OTHER	<input type="checkbox"/> 423 WITHDRAWAL	<input type="checkbox"/> 450 COMMERCE
<input type="checkbox"/> 151 MEDICARE ACT	<input type="checkbox"/> 345 MARINE PRODUCT LIABILITY	<b>PERSONAL PROPERTY</b>		<input type="checkbox"/> 423 WITHDRAWAL	<input type="checkbox"/> 460 DEPORTATION
<input type="checkbox"/> 152 RECOVERY OF DEFAULTED STUDENT LOANS (EXCL VETERANS)	<input type="checkbox"/> 350 MOTOR VEHICLE	<input type="checkbox"/> 370 OTHER FRAUD		<input type="checkbox"/> 423 WITHDRAWAL	<input type="checkbox"/> 470 RACKETEER INFLU- ENCED & CORRUPT ORGANIZATION ACT (RICO)
<input type="checkbox"/> 153 RECOVERY OF OVERPAYMENT OF VETERAN'S BENEFITS	<input type="checkbox"/> 355 MOTOR VEHICLE PRODUCT LIABILITY	<input type="checkbox"/> 371 TRUTH IN LENDING		<input type="checkbox"/> 423 WITHDRAWAL	<input type="checkbox"/> 480 CONSUMER CREDIT
<input type="checkbox"/> 160 STOCKHOLDERS SUITS	<input type="checkbox"/> 360 OTHER PERSONAL INJURY	<input type="checkbox"/> 380 OTHER PERSONAL PROPERTY DAMAGE	<b>LABOR</b>	<input type="checkbox"/> 820 COPYRIGHTS	<input type="checkbox"/> 490 CABLE/SATELLITE TV
<input checked="" type="checkbox"/> 190 OTHER CONTRACT	<input type="checkbox"/> 362 PERSONAL INJURY - MED MALPRACTICE	<input type="checkbox"/> 385 PROPERTY DAMAGE PRODUCT LIABILITY	<input type="checkbox"/> 710 FAIR LABOR STANDARDS ACT	<input type="checkbox"/> 830 PATENT	<input type="checkbox"/> 850 SECURITIES/ COMMODITIES/ EXCHANGE
<input type="checkbox"/> 195 CONTRACT PRODUCT LIABILITY	<b>ACTIONS UNDER STATUTES</b>	<b>PRISONER PETITIONS</b>	<input type="checkbox"/> 720 LABOR/MGMT RELATIONS	<input type="checkbox"/> 840 TRADEMARK	<input type="checkbox"/> 890 OTHER STATUTORY ACTIONS
<input type="checkbox"/> 196 FRANCHISE	<b>CIVIL RIGHTS</b>	<input type="checkbox"/> 463 ALIEN DETAINEE	<input type="checkbox"/> 740 RAILWAY LABOR ACT		<input type="checkbox"/> 891 AGRICULTURAL ACTS
	<input type="checkbox"/> 440 OTHER CIVIL RIGHTS (Non-Prisoner)	<input type="checkbox"/> 510 MOTIONS TO VACATE SENTENCE 28 USC 2255	<input type="checkbox"/> 751 FAMILY MEDICAL LEAVE ACT (FMLA)	<b>FEDERAL TAX SUITS</b>	<input type="checkbox"/> 893 ENVIRONMENTAL MATTERS
<b>REAL PROPERTY</b>	<input type="checkbox"/> 441 VOTING	<input type="checkbox"/> 530 HABEAS CORPUS	<input type="checkbox"/> 790 OTHER LABOR LITIGATION	<input type="checkbox"/> 870 TAXES (U.S. Plaintiff or Defendant)	<input type="checkbox"/> 895 FREEDOM OF INFORMATION ACT
<input type="checkbox"/> 210 LAND CONDEMNATION	<input type="checkbox"/> 442 EMPLOYMENT	<input type="checkbox"/> 535 DEATH PENALTY	<input type="checkbox"/> 791 EMPL RET INC SECURITY ACT	<input type="checkbox"/> 871 IRS-THIRD PARTY	<input type="checkbox"/> 896 ARBITRATION
<input type="checkbox"/> 220 FORECLOSURE	<input type="checkbox"/> 443 HOUSING/ ACCOMMODATIONS	<input type="checkbox"/> 540 MANDAMUS & OTHER	<b>IMMIGRATION</b>	<input type="checkbox"/> 871 IRS-THIRD PARTY	<input type="checkbox"/> 899 ADMINISTRATIVE PROCEDURE ACT/REVIEW OR APPEAL OF AGENCY DECISION
<input type="checkbox"/> 230 RENT LEASE & EJECTMENT	<input type="checkbox"/> 445 AMERICANS WITH DISABILITIES - EMPLOYMENT	<b>PRISONER CIVIL RIGHTS</b>	<input type="checkbox"/> 462 NATURALIZATION APPLICATION	<input type="checkbox"/> 871 IRS-THIRD PARTY	<input type="checkbox"/> 950 CONSTITUTIONALITY OF STATE STATUTES
<input type="checkbox"/> 240 TORTS TO LAND	<input type="checkbox"/> 446 AMERICANS WITH DISABILITIES -OTHER	<input type="checkbox"/> 550 CIVIL RIGHTS	<input type="checkbox"/> 465 OTHER IMMIGRATION ACTIONS	<input type="checkbox"/> 871 IRS-THIRD PARTY	
<input type="checkbox"/> 245 TORT PRODUCT LIABILITY	<input type="checkbox"/> 448 EDUCATION	<input type="checkbox"/> 555 PRISON CONDITION		<input type="checkbox"/> 871 IRS-THIRD PARTY	
<input type="checkbox"/> 290 ALL OTHER REAL PROPERTY		<input type="checkbox"/> 560 CIVIL DETAINEE CONDITIONS OF CONFINEMENT		<input type="checkbox"/> 871 IRS-THIRD PARTY	

Check if demanded in complaint:

CHECK IF THIS IS A CLASS ACTION UNDER F.R.C.P. 23

DO YOU CLAIM THIS CASE IS RELATED TO A CIVIL CASE NOW PENDING IN S.D.N.Y.? IF SO, STATE:

DEMAND \$ 51,000,000 OTHER \_\_\_\_\_ JUDGE \_\_\_\_\_ DOCKET NUMBER \_\_\_\_\_

Check YES only if demanded in complaint

JURY DEMAND:  YES  NO

NOTE: You must also submit at the time of filing the Statement of Relatedness form (Form IH-32).

(PLACE AN x IN ONE BOX ONLY)

**ORIGIN**

- 1 Original Proceeding
- 2 Removed from State Court
  - a. all parties represented
  - b. At least one party is pro se.
- 3 Remanded from Appellate Court
- 4 Reinstated or Reopened
- 5 Transferred from (Specify District)
- 6 Multidistrict Litigation
- 7 Appeal to District Judge from Magistrate Judge Judgment

(PLACE AN x IN ONE BOX ONLY)

**BASIS OF JURISDICTION**

**IF DIVERSITY, INDICATE CITIZENSHIP BELOW.**

- 1 U.S. PLAINTIFF
- 2 U.S. DEFENDANT
- 3 FEDERAL QUESTION (U.S. NOT A PARTY)
- 4 DIVERSITY

**CITIZENSHIP OF PRINCIPAL PARTIES (FOR DIVERSITY CASES ONLY)**

(Place an [X] in one box for Plaintiff and one box for Defendant)

CITIZEN OF THIS STATE	PTF [ ] 1	DEF [ ] 1	CITIZEN OR SUBJECT OF A FOREIGN COUNTRY	PTF DEF [ ] 3 [ ] 3	INCORPORATED and PRINCIPAL PLACE OF BUSINESS IN ANOTHER STATE	PTF DEF [ ] 5 [ ] 5
CITIZEN OF ANOTHER STATE	[x] 2	[ ] 2	INCORPORATED or PRINCIPAL PLACE OF BUSINESS IN THIS STATE	[ ] 4 [x] 4	FOREIGN NATION	[ ] 6 [ ] 6

**PLAINTIFF(S) ADDRESS(ES) AND COUNTY(IES)**

Young Money Entertainment, LLC  
 1521 CONCORD PIKE #303  
 Wilmington, DE 19803

Dwayne Michael Carter, Jr.  
 C/o Garbett, Stiphany, Allen & Roza, P.A. (Antar K. Vaughan)  
 80 S.W. Eighth Street, Suite 3100  
 Miami, Florida 33130

**DEFENDANT(S) ADDRESS(ES) AND COUNTY(IES)**

Cash Money Records, Inc.  
 1755 Broadway, 6th Floor  
 New York, New York 10019  
 New York County

**DEFENDANT(S) ADDRESS UNKNOWN**

REPRESENTATION IS HEREBY MADE THAT, AT THIS TIME, I HAVE BEEN UNABLE, WITH REASONABLE DILIGENCE, TO ASCERTAIN RESIDENCE ADDRESSES OF THE FOLLOWING DEFENDANTS:

Check one: THIS ACTION SHOULD BE ASSIGNED TO:  WHITE PLAINS  MANHATTAN  
 (DO NOT check either box if this a PRISONER PETITION/PRISONER CIVIL RIGHTS COMPLAINT.)

DATE 1/28/2015 SIGNATURE OF ATTORNEY OF RECORD

ADMITTED TO PRACTICE IN THIS DISTRICT  
 NO  
 YES (DATE ADMITTED Mo. July Yr. 1975 )  
 Attorney Bar Code # MK 7071

RECEIPT #

Magistrate Judge is to be designated by the Clerk of the Court.

Magistrate Judge \_\_\_\_\_ is so Designated.

Ruby J. Krajick, Clerk of Court by \_\_\_\_\_ Deputy Clerk, DATED \_\_\_\_\_.

UNITED STATES DISTRICT COURT (NEW YORK SOUTHERN)

15 CV 00614

Michael B. Kramer [MK 7071]  
Peter T. Salzler [PS 2610]  
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UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

-----X  
YOUNG MONEY ENTERTAINMENT, LLC,  
and DWAYNE MICHAEL CARTER, JR.,

Plaintiffs,

-against-

CASH MONEY RECORDS, INC.,

Defendant.  
-----X

Index No.

**COMPLAINT**

U.S. DISTRICT COURT  
S.D. OF N.Y.  
2015 JAN 20 T. 3:11 PM

Plaintiffs, YOUNG MONEY ENTERTAINMENT, LLC, (“Young Money LLC”), and DWAYNE MICHAEL CARTER, JR. (“Carter”), by their attorneys Michael B. Kramer & Associates, as and for their complaint against the Defendant, CASH MONEY RECORDS, INC. (“Defendant” or “Cash Money”), allege as follows:

**THE PARTIES**

1. Plaintiff, Carter, (p/k/a “Lil Wayne”) is an internationally acclaimed, Grammy Award winning, songwriter, rap artist, producer and entrepreneur. Plaintiff is a citizen and resident of the State of Florida.

2. Plaintiff, Young Money LLC, is a limited liability company organized under the laws of the State of Delaware with a principal place of business in Miami, Florida. Carter is the sole member of Young Money LLC.

3. Young Money LLC is the owner of the right to furnish to third parties the professional services of Carter and also owns and controls a 49% interest in a joint venture with Cash Money known as “Young Money” more particularly described below (hereinafter the “Young Money Label”).

4. Young Money LLC and Carter are sometimes, collectively, referred to herein as “Plaintiffs”.

5. Upon information and belief, Defendant, Cash Money, is an American record company, incorporated under the laws of the State of Louisiana with a principal place of business in the City, County and State of New York. During time periods relevant hereto, Cash Money, regularly conducted its business activities in the City, County and State of New York and continues to maintain offices at 1755 Broadway, 6th Floor, New York, New York.

6. Cash Money is in the business of producing, manufacturing, licensing, distributing (through third parties) and otherwise exploiting throughout the world sound recordings containing the musical performances of recording artists.

### **JURISDICTION AND VENUE**

7. This Court has jurisdiction over this action pursuant to 28 U.S.C. §1332. The amount in controversy exceeds \$75,000, exclusive of interest and costs, and is between citizens of different states.

8. Venue is proper in this District under 28 U.S.C. § 1391(a)(2)-(d) because a substantial part of the events giving rise to the claim occurred in the District and the corporate Defendant regularly conducts business in the State, County, and City of New York.

### **FACTUAL BACKGROUND**

#### **A. The Agreements**

9. On November 1, 1998, Carter and Cash Money entered into a written recording agreement pursuant to which Carter agreed, *inter alia*, to provide exclusive recording services to Cash Money (the “1998 Recording Agreement”). Pursuant to the 1998 Recording Agreement, Cash Money agreed, *inter alia*, to render accountings and pay royalties to Carter on or before September 30 with respect to the semi-annual period ending June 30 and on or before March 31 for the semi-annual period ending December 31 in respect of the sales by Cash Money of recordings delivered by Carter thereunder. The 1998 Recording Agreement contains various provisions relating to royalties and advances payable to Carter, product delivery obligations, Carter’s rights of audit and option periods to extend the term thereof.

10. On or about February 20, 2003, Carter and Cash Money entered into a self-styled “Memorandum of Agreement” (the “2003 Label Agreement”) for the creation of the Young Money Label joint venture for the common purpose of the manufacture, distribution, promotion and exploitation of recordings containing the performances of new recording artists who would be signed to the Young Money Label following approval by Carter and Cash Money, the sole owners of the joint venture.

11. The 2003 Label Agreement provided that, *inter alia*, after the deduction of a distribution fee and costs, the profits of the Young Money Label would be divided 51%-49%

between Cash Money and Carter and ownership of all the Young Money Label property, (e.g., company recordings, copyrights, intellectual property, good will) would be similarly owned, 51%-49% between Cash Money and Carter, respectively.

12. The 2003 Label Agreement also provided that the Young Money Label would use the same manufacturer and the same distributor, Universal Music Group, Inc. (“Universal”), that Cash Money uses for its own recordings (i.e., non-Young Money Label recordings). Cash Money and Carter agreed that the Young Money Label would be charged the same net distribution fee by Universal in respect of the Young Money Label recordings as Cash Money was charged by Universal for Cash Money’s own recordings.

13. Subsequent to the execution of the 1998 Recording Agreement and the 2003 Label Agreement, various disputes arose between Cash Money and Carter. These disputes involved issues between Carter and Cash Money relating to (i) recordings by Carter pursuant to the 1998 Recording Agreement and (ii) Carter’s interest in the Young Money Label joint venture. These disputes resulted in a series of settlement agreements and amendments, between Carter and Cash Money, to the above referenced agreements.

14. The first of these was an agreement, dated January 20, 2005 (the “2005 Settlement Agreement”). The 2005 Settlement Agreement amended the 1998 Recording Agreement by, *inter alia*, extending the number of option periods during which Carter would be obligated to provide recordings embodying his individual recorded performances to Cash Money, fixing recording costs and amending royalty rates payable to Carter. The terms of the 1998 Recording Agreement not expressly amended by the 2005 Settlement Agreement remained in full force and effect.

15. The 2005 Settlement Agreement also amended the 2003 Label Agreement by, *inter alia*, extending the term thereof, amending the Young Money Label's service fee and providing Carter with an advance against profits earned by the Young Money Label.

16. By an agreement, dated July 24, 2006 (the "2006 Amendment"), between Carter and Cash Money, the parties further amended the 1998 Recording Agreement and 2005 Settlement Agreement by, *inter alia*, providing Carter with additional advances against royalties generated in respect of Carter's solo albums and by obligating Carter to perform on and deliver to Cash Money two duet albums.

17. The 2006 Amendment did not make any amendments to Carter's or Cash Money's rights or obligations with respect to the Young Money Label.

18. By agreement, dated June 5, 2008 (the "2008 Amendment"), Carter and Cash Money again amended the prior agreements and amendments between Carter and Cash Money. With respect to the 1998 Recording Agreement, as amended, relating to Carter's individual recordings, the 2008 Amendment, *inter alia*, amended Carter's album delivery requirement to Cash Money. More specifically, Carter and Cash Money agreed that the album, "Tha Carter III", would fulfill Carter's delivery requirements for the first option period of the 1998 Recording Agreement, as amended, and that Carter's future recording obligation to Cash Money, with option periods, would be four (4) solo albums and a second duet album.

19. The 2008 Amendment also provided that Carter and Cash Money would jointly own the master recording delivered by Carter in respect of the albums delivered during the "fourth" and "fifth" option periods of the 1998 Recording Agreement, as amended.

20. The 2008 Amendment also amended Carter's and Cash Money's agreements relating to the Young Money Label and extended the term of the their joint venture for five

years. The 2008 Amendment provided that Carter would be paid additional advances against profits for his work with the Young Money Label and that Cash Money would provide certain payments to the joint venture for overhead costs of the Young Money Label. Cash Money further agreed to maintain a One Million Dollar (\$1,000,000.00) escrow account to fund overhead payments and recording funds for the Young Money Label.

21. In the 2008 Amendment, Cash Money also agreed that the net profits due to Carter pursuant to the 2003 Label Agreement, as amended, could not be cross-collateralized against any monies that were unrecovered by Cash Money under the 1998 Recording Agreement, as amended.

22. The 2008 Amendment importantly provided that Cash Money would provide to Carter the monthly accountings rendered by Universal, the Young Money Label's distributor, reflecting, *inter alia*, the sales of and other income derived from the Young Money Label recordings.

23. After the execution of the 2003 Label Agreement, Carter assigned all of his rights and interests, including any right to receive accountings and payment, in the Young Money Label to Carter's wholly owned furnishing company, Young Money LLC.

24. During the term of the 2003 Label Agreement, as amended, the Young Money Label signed the recording artist p/k/a "Drake".

25. By virtue of a letter agreement, dated June 26, 2009 (the "2009 Drake Letter Agreement"), Young Money LLC and Cash Money agreed that Young Money LLC's share of the net profits earned in connection with any solo recordings released by Drake would not be cross collateralized against any advances or other payments paid to Young Money LLC, or Carter as its predecessor in interest, by Cash Money, pursuant to the 2003 Label Agreement, as



amended. Cash Money and Young Money LLC further agreed that Young Money LLC would be entitled to one third of the net profits earned by the Young Money Label in connection with recordings of Drake released by the Young Money Label pursuant to the 2009 Drake Letter Agreement.

26. The 2009 Drake Letter Agreement also provided that Cash Money would account and pay net profits to Young Money LLC and Aspire Records on a monthly basis.

27. By an agreement, dated September 14, 2010, (the “2010 Amendment”), the parties further amended the 1998 Recording Agreement and the 2003 Label Agreement, as previously amended. However, the amendments made are not relevant to the events herein.

28. By an agreement, dated April 5, 2012 (the “2012 Amendment”), Carter and Cash Money further amended the 1998 Recording Agreement and the 2003 Label Agreements, as previously amended. With regard to Carter’s recording agreements, the 2012 Amendment provided that Carter would grant Cash Money two (2) additional option periods and that his total remaining recording obligation to Cash Money would be four (4) solo albums and an additional duet album.

29. Pursuant to the 2012 Amendment, Cash Money agreed to pay Carter an advance of Ten Million Dollars (\$10,000,000.00) per solo album, with Eight Million Dollars (\$8,000,000.00) to be paid upon the commencement of the recording of each solo album and the remaining Two Million Dollars (\$2,000,000.00) to be paid upon delivery of such album to Cash Money.

30. The 2012 Amendment further amended Cash Money’s accounting obligation to Carter and provided that Cash Money would account to Carter on a monthly basis for 49% of the

Young Money Label's profits, at the same time and in the same manner as Cash Money's distributor, Universal accounted to Cash Money.

31. With regard to the Young Money Label, the 2012 Amendment extended the term of the 2003 Label Agreement until June 4, 2015. Carter/Young Money LLC received an advance as against the Young Money Label's net receipts. Cash Money also agreed to provide quarterly overhead payments of Two Hundred Thousand Dollar (\$200,000.00).

32. The 2012 Amendment also acknowledged that the copyrights in respect of all master recordings delivered under the 2003 Label Agreement would be registered as jointly owned by Cash Money and Young Money LLC.

**B. Factual Events Giving Rise to the Instant Action**

33. For, approximately, the past four (4) years, numerous issues and disputes have arisen between Cash Money and Carter, as a solo recording artist and with respect to Carter's and/or Young Money LLC's interest in the Young Money Label. Such issues have culminated in the past few months to give rise to the instant action.

34. Beginning at latest in 2013, Cash Money failed to provide proper monthly accountings to Carter and/or Young Money LLC as required for the Young Money Label and failed to make timely accounting and/or payments of net profits due to Carter and/or Young Money LLC pursuant the 2003 Label Agreement, as amended. In addition, Cash Money failed to make the required overhead payments of Two Hundred Thousand (\$200,000.00) per calendar quarter to the Young Money Label and also failed to maintain the escrow account funded with One Million Dollars (\$1,000,000.00) for overhead payments for the Young Money Label.

35. With regard to the 2009 Drake Letter Agreement, Cash Money, since at latest early 2012, has failed to account to Young Money LLC on a monthly basis and has failed to pay

Young Money LLC its share of net receipts with regard to solo recordings of Drake released by the Young Money Label. Cash Money has failed to provide a single accounting in respect of the exploitation of the Drake recordings, despite Drake being one of the bestselling recording artists in recent years.

36. In summary, Cash Money has failed to properly account and pay royalties and profits to Young Money LLC in respect of the exploitation of recordings owned and commercially exploited by the Young Money Label. Cash Money has also failed to make overhead payments and maintain the escrow fund as required by the 2003 Label Agreement and the amendments thereto. Moreover, while required to obtain approval from Carter/Young Money LLC for marketing expenses greater than Three Hundred Thousand Dollars (\$300,000.00), Cash Money failed to do so, and claims millions of dollars in marketing expenses for the Young Money Label.

37. Cash Money also failed to properly register the copyright in the Young Money Label recordings as jointly owned by Cash Money and Carter/Young Money LLC. Cash Money refused to accept artist's submitted by Carter to join the Young Money Label. Cash Money failed to account and pay monies due to various third parties involved with recordings artists signed to the Young Money Label. Such failures have resulted in legal actions against the Young Money Label and/or Plaintiffs and additional financial losses for Plaintiffs.

38. Upon information and belief, Cash Money has jeopardized the ability of the Young Money Label to properly and successfully conduct business and has improperly committed waste to the assets of the Young Money Label.

39. With regard to Carter's contractual relationship with Cash Money as a solo artist signed to the Cash Money label, Cash Money has also failed to properly account to Carter and

pay royalties and advances to Carter pursuant to the 1998 Recording Agreement and the amendments thereto.

40. Despite being obligated to do so, as of the date of this complaint, Cash Money has not registered Carter as a co-owner of the sound recordings contained in the album entitled “I Am Not a Human Being II,” which was delivered for the fourth option period. Upon information and belief, in breach of the 2008 Amendment, Cash Money registered the copyright in such sound recordings solely in the name of Cash Money.

41. Carter, as both an individual artist and on behalf of Young Money LLC, as a co-owner of the Young Money Label, has duly requested to audit the books and records of Cash Money in respect to the exploitation of Carter’s recordings covered by the 1998 Recording Agreement, as amended and the recordings released by the Young Money Label pursuant to 2003 Label Agreement, as amended. Cash Money has refused such demands as well as a demands by Carter and/or Young Money LLC for accountings in respect of the financial operations of their co-owned joint venture, the Young Money Label.

43. In early December, 2014, Carter delivered to Cash Money the sound recordings comprising the second of the solo albums, entitled “Tha Carter V”, provided for by the 2012 Amendment. Although obligated to pay Carter Eight Million Dollars (\$8,000,000.00) at the commencement of the recording of “Tha Carter V” and Two Million Dollars (\$2,000,000.00) upon delivery of the album, Cash Money breached the 1998 Recording Agreement as amended specifically by the 2012 Amendment, by failing to pay Carter the Eight Million Dollar (\$8,000,000.00) payment upon commencement of the recording and paying Carter only Two Million Dollars (\$2,000,000.00) over the course of the recording of “Tha Carter V”. Moreover, Cash Money has refused to pay Carter the Two Million Dollars (\$2,000,000.00) due upon

delivery of “Tha Carter V” to Cash Money. Cash Money has refused to pay Carter the balance of Eight Million Dollars (\$8,000,000.00) due Carter in respect of “Tha Carter V”, despite due demand therefore by Carter.

44. Cash Money has not provided Carter with any contractual or statutory basis for failing to pay the balance of the advance for “Tha Carter V” and has given no assurances that it will not similarly refuse to pay Carter the Ten Million Dollar (\$10,000,000.00) advances due to him for the next two (2) albums as required by the 2012 Amendment to the 1998 Recording Agreement.

**AS AND FOR A FIRST CAUSE OF ACTION**  
**(By Carter for Breach of Contract)**

45. Plaintiffs repeat and reallege the allegations contained in Paragraphs 1–44 of the Complaint as if fully set forth herein.

46. The 1998 Recording Agreement, as amended, constitutes a binding agreement between Carter and Cash Money.

47. Carter has fully performed any and all obligations required by him pursuant to the 1998 Recording Agreement, as amended.

48. Cash Money breached the 1998 Recording Agreement, as amended, by, *inter alia*, (i) failing to pay Carter Eight Million Dollars (\$8,000,000.00) for delivery of “Tha Carter V”; (ii) failing to properly account and pay royalties to Carter for monies earned by Carter’s recordings; (iii) prohibiting Carter from auditing the books and records of Cash Money; and (iv) knowingly failing to register the copyright of the Carter recordings for the album “I Am Not a Human Being II” in both Cash Money’s and Carter’s names.

49. By virtue of the above, Carter has been damaged in an amount not less than Eight Million Dollars (\$8,000,000.00) with statutory interest from the date of Cash Money's breaches.

**AS AND FOR A SECOND CAUSE OF ACTION**  
**(By Carter/Young Money LLC for Breach of Contract)**

50. Plaintiffs repeat and reallege the allegations contained in Paragraphs 1–49 of the Complaint as if fully set forth herein.

51. The 2003 Label Agreement, as amended, constitutes a binding agreement between Carter/Young Money LLC and Cash Money.

52. Carter/Young Money LLC has fully performed any and all obligations required by the 2003 Label Agreement, as amended.

53. Cash Money has breached the 2003 Label Agreement, as amended, by, *inter alia*, (i) failing to make quarterly overhead payments for the Young Money Label; (ii) failing to maintain One Million Dollars (\$1,000,000.00) in escrow for the benefit of the Young Money Label to be used for overhead payments and other costs; (iii) failing to properly account to Carter/Young Money LLC for income received from Young Money Label recordings; and (iv) failing to account to its joint venture partner, Carter/Young Money LLC in respect of the operations of the Young Money Label, and paying to Carter/Young Money LLC monies shown to be due to Carter/Young Money LLC by such accountings.

54. By virtue of the above, Carter/Young Money LLC has been damaged in an amount to be determined at trial.

**AS AND FOR A THIRD CAUSE OF ACTION**  
**(Breach of Fiduciary Duty)**

55. Plaintiffs repeat and reallege the allegations contained in Paragraphs 1-54 of the Complaint, as if fully set forth herein.

56. The 2003 Label Agreement, as amended, created a fiduciary duty on behalf of Cash Money to act in the best interests of its joint venture partner, Carter/Young Money LLC with regard to the operations of the Young Money Label.

57. Cash Money breached its fiduciary duty by *inter alia*, (i) knowingly failing to register the copyright of the Young Money Label recordings in both Cash Money and Young Money LLC and/or Carter's names; (ii) knowingly failing to properly account and pay royalties and profits for the Young Money Label; (iii) refusing to allow Plaintiffs to audit the books and records of Cash Money; and (iv) with regard to the Young Money Label, by failing to properly manage and protect the interest of Carter/Young Money LLC.

58. By virtue of the above, Plaintiffs have been damaged in an amount to be determined at trial but in no event less than Five Million (\$5,000,000.00) Dollars.

**AS AND FOR A FOURTH CAUSE OF ACTION**  
**(Unjust Enrichment)**

59. Plaintiffs repeat and reallege the allegations contained in Paragraphs 1-58 of the Complaint, as if fully set forth herein.

60. By receiving and retaining some or all of (i) Carter's share of the monies due pursuant to the 1998 Recording Agreement, as amended; and (ii) Carter/Young Money's share of monies due pursuant to the 2003 Label Agreement, as amended, Cash Money has been unjustly enriched.

61. To allow Cash Money to retain the benefit provided to it by Plaintiffs without compensation would be unjust and inequitable because Cash Money will have obtained an enormous economic benefit at Plaintiffs' expense without having provided Plaintiffs with full value in return for same.

62. As a direct and proximate result of the foregoing unjust enrichment, Plaintiffs have been damaged in an amount to be determined at trial, but in no event less than Thirteen Million Dollars (\$13,000,000.00).

**AS AND FOR A FIFTH CAUSE OF ACTION**  
**(Accounting)**

63. Plaintiffs repeat and reallege the allegations contained in Paragraphs 1-62 of the Complaint, as if fully set forth herein.

64. Cash Money has continuously failed and refused to account or has provided inaccurate and incomplete accountings to Plaintiffs for the exploitation of Carter's recordings and the Young Money Label's recordings.

65. Upon a fair and accurate accounting by Cash Money to Plaintiffs, substantial sums of money will be found to be due to Plaintiffs.

66. Prior to the commencement of this action, Plaintiffs duly demanded of Cash Money an accounting of such moneys belonging to Plaintiffs. However, Cash Money failed, omitted and refused to render and has never rendered such an accounting or paid such moneys in full to Plaintiffs.

67. Plaintiffs have no adequate remedy at law.



**AS AND FOR A SIXTH CAUSE OF ACTION**  
**(Anticipatory Breach of Contract)**

68. Plaintiffs repeat and reallege the allegations contained in Paragraphs 1-67 of the Complaint, as if fully set forth herein.

69. Pursuant to the 2012 Amendment to the 1998 Recording Agreement, Cash Money is to pay Carter Ten Million Dollars (\$10,000,000.00) for each solo album that he delivers, with Eight Million Dollars (\$8,000,000.00) payable upon the commencement of the recording of each album and Two Million Dollars (\$2,000,000.00) payable upon delivery thereof.

70. Pursuant the 2003 Label Agreement, as amended, Cash Money is required to make quarterly overhead payments of Two Hundred Thousand Dollars (\$200,000.00) for the Young Money Label and to also maintain an escrow account with a balance of One Million Dollars (\$1,000,000.00).

71. Carter's ability to furnish solo albums is interdependently related upon the payment of the monies due to him. Similarly, Carter and/or Young Money LLC's ability to perform future obligations under the 2003 Label Agreement, as amended, is interdependent upon receiving payments for overhead costs so that the Young Money Label may continue to function.

72. By failing to pay Carter the monies due to him for the recording and delivery of the solo album "Tha Carter V", Cash Money has overtly, positively, and unequivocally communicated that it has repudiated its future obligations with regard to the 1998 Recording Agreement, as amended. Based upon the foregoing, Carter's future obligations to perform pursuant to the 1998 Recording Agreement, as amended, would be fruitless and should be deemed terminated.

73. By failing to make overhead payments, failing to maintain an escrow account for the Young Money Label, failing to pay necessary third parties, and by failing to accept artists

that Carter submits to join the Young Money Label, Cash Money has overtly, positively, and unequivocally communicated that it has repudiated its future obligations with regard to the 2003 Label Agreement, as amended. Based upon the foregoing, Carter/Young Money LLC's future obligation to perform pursuant to the 2003 Label Agreement, as amended, would be fruitless and should be deemed terminated.

74. By virtue of the above, Plaintiffs have been damaged in an amount to be determined at trial, but not less than Twenty-Five Million Dollars (\$25,000,000.00).

**AS AND FOR A SEVENTH CAUSE OF ACTION**  
**(Declaratory Judgment)**

75. Plaintiffs repeat and reallege the allegations contained in Paragraphs 1-74 of the Complaint, as if fully set forth herein.

76. Pursuant to the 2003 Label Agreement, as amended, Carter and/or Young Money LLC is the joint owner and copyright claimant, along with Cash Money, of all the Young Money Label recordings.

77. Pursuant to the 1998 Recording Agreement, as amended, Carter is the joint owner of the all recordings delivered to Cash Money during the fourth and fifth option periods of the agreements. Accordingly, Carter is the co-owner of the recordings and copyrights constituting the album "I Am Not a Human Being II" and "Tha Carter V".

78. Cash Money has failed to register Carter as the joint owner of the copyright of the album "I Am Not a Human Being II" and has failed to register Carter and/or Young Money LLC as the joint owner of any of the Young Money Label recordings.

79. There is now an actual, genuine and justiciable controversy between the parties that can only be resolved by declaratory relief. In accordance with 28 U.S.C. §§2201-2202,

Plaintiff is entitled to a declaration that (i) pursuant to the 2003 Label Agreement, as amended, Carter and/or Young Money LLC has a 49% ownership in all the Young Money Label recordings and jointly owns the copyright of all such recordings with Cash Money; and (ii) that Carter is the co-owner of all the recordings delivered under the fourth and fifth option periods of the 1998 Recording Agreement, as amended, including, but not limited to the recordings constituting the album “I Am Not a Human Being II” and “Tha Carter V”.

80. Plaintiffs have no adequate remedy at law.

**AS AND FOR A EIGHTH CAUSE OF ACTION**  
**(CONVERSION)**

81. Plaintiffs repeat and reallege the allegations contained in Paragraphs 1-80 of the Complaint, as if fully set forth herein.

82. Pursuant to the 2003 Label Agreement, as amended, Carter and/or Young Money LLC is the joint owner and copyright claimant, along with Cash Money, of all the Young Money Label recordings.

83. Pursuant to the 1998 Recording Agreement, as amended, Carter is the joint owner of the all recordings delivered to Cash Money during the fourth and fifth option periods of the agreements. Accordingly, Carter is the co-owner of the recordings and copyrights constituting the album “I Am Not a Human Being II” and “Tha Carter V”.

84. By failing to register Plaintiffs as copyright owners of the above-mentioned recordings, Cash Money has interfered with and exercised unauthorized dominion over Plaintiffs’ property, in derogation of Plaintiffs’ rights.

85. By virtue of the foregoing, Plaintiffs have been damaged in an amount to be determined at trial.

WHEREFORE, Plaintiffs, demand judgment against the Defendants in each cause of action as follows:

A. On the First Cause of Action, a monetary judgment against Defendants in an amount to be determined at trial, but in no event less than Eight Million Dollars (\$8,000,000.00) with interest at the statutory rate from the date of Cash Money's breaches;

B. On the Second Cause of Action, a monetary judgment against Defendants in an amount to be determined at trial with interest at the statutory rate from the date of Cash Money's breaches;

C. On the Third Cause of Action, a monetary judgment against Defendants in an amount to be determined at trial but no less than Five Million Dollars (\$5,000,000.00) with interest at the statutory rate from the date of Cash Money's breaches;

D. On the Fourth Cause of Action, a monetary judgment against Defendants in an amount to be determined at trial, but in no event less than Thirteen Million Dollars (\$13,000,000.00) with interest at the statutory rate from the date of Cash Money's breaches;

E. On the Fifth Cause of Action, a judgment requiring Cash Money to render accountings to Carter and Carter/Young Money;

F. On the Sixth Cause of Action, a monetary judgment against Defendants in an amount to be determined at trial, but in no event less than Twenty-Five Million Dollars (\$25,000,000.00) with interest at the statutory rate from the date of Cash Money's breaches;

G. On the Seventh Cause of Action, a declaratory judgment determining that Carter is the joint copyright owner of the recordings delivered for the fourth and fifth option periods of

1998 Recording Agreement, as amended, and that Carter and/or Young Money LLC are/is the joint copyright owner of all of the Young Money Label recordings;

H. On the Eighth Cause of Action, a monetary judgment against Defendants in an amount to be determined at trial with interest at the statutory rate from the date of Cash Money's conversion; and

I. Granting Plaintiffs such other and further relief as this Court deems just and proper including the attorney's fees and costs of this action.

Dated: New York, New York  
January 28, 2015

MICHAEL B. KRAMER & ASSOCIATES



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