

**IN THE CHANCERY COURT FOR DAVIDSON COUNTY, TENNESSEE
AT NASHVILLE**

VERGE RECORDS INTERNATIONAL,)
INC. D/B/A ONERPM)

Plaintiff,)

v.)

CMDSHFT, LLC, a Tennessee Limited)
Liability Company; RYAN FINDLEY)
p/k/a SONNY BAMA, an Individual;)
JARROD COOPER, an Individual)

Defendants.)

Docket No. 19-576-IV

JURY TRIAL DEMANDED

COMPLAINT

Plaintiff Verge Records International, Inc. d/b/a ONErpm ("ONErpm"), for its Complaint against Defendants CMDSHFT, LLC ("CS"), Ryan Findley p/k/a Sonny Bama ("Sonny"), and Jarrod Cooper ("Jarrod"), states the following:

NATURE OF ACTION

1. This matter arises from (i) CS's unlawful conduct in procuring the breach of and tortiously interfering with contracts between ONErpm and its clients, as well as (ii) the actions of two former representatives of ONErpm, Sonny Bama, an independent contractor, and Jarrod Cooper, an employee, in connection with defamatory statements regarding ONErpm and breach of the fiduciary duty of loyalty owed ONErpm.

2. Sonny and Jarrod started CS at least as early as September 2018 when they formed CS as a two-member limited liability company in Tennessee on September 7, 2018.

3. At the time, and until November 2018, Jarrod was still employed by ONErpm, and still received and accepted a salary and benefits from ONErpm.

4. Sonny and Jarrod had knowledge of, and, in fact, personally negotiated, many of ONErpm's client contracts, including the one at issue in this matter.

5. On September 8, 2017, ONErpm entered into an Exclusive Master Rights Administration Agreement (the "Agreement") with Dirt Rock Entertainment, LLC ("Dirt Rock").

6. Through its business activities and interactions with ONErpm's clients, CS unlawfully (i) procured the breach of the Agreement and (ii) tortiously interfered with the Agreement, in violation of Tennessee law, which resulted in damages to ONErpm.

7. Further to their improper conduct on behalf of CS, (i) Jarrod has also breached his fiduciary duty of loyalty to ONErpm and (ii) Sonny has defamed ONErpm through the publication of libelous falsities, both of which have damaged ONErpm.

THE PARTIES

8. ONErpm is a Tennessee corporation with its principal place of business in Davidson County, Tennessee, located at 2005 Russell St., Nashville, TN 37206-2053.

9. CS is a Tennessee Limited Liability Company with its principal place of business in Davidson County, Tennessee, located at 202 Colt Drive, Nashville, TN 37221-1505.

10. Upon information and belief, Ryan Findley p/k/a Sonny Bama is a citizen of the State of Tennessee and resides in Davidson County, Tennessee.

11. Upon information and belief, Jarrod Cooper is a citizen of the State of Tennessee and resides in Davidson County, Tennessee.

JURISDICTION & VENUE

12. Jurisdiction is proper pursuant to Tenn. Code Ann. § 16-10-102. This Court has jurisdiction over CS, which was created and controlled by residents of the State of Tennessee and which maintains its principal place of business in Davidson County, Tennessee. This Court also

has both general and specific personal jurisdiction over Sonny and Jarrod, as they are domiciled in Tennessee, purposefully availed themselves of the privileges of doing business in this State, and their activities in the State give rise to the claims presented in this Complaint.

13. Venue is proper in this Court pursuant to Tenn. Code Ann. § 20-4-104 because all or a substantial part of the events or omissions giving rise to the cause of action accrued in Davidson County, Tennessee and/or CS maintains its principal office in Davidson County, Tennessee.

FACTUAL BACKGROUND

14. ONErpm is a global digital music distribution service and fan engagement platform founded in 2010 by Emmanuel Zunz.

15. The Agreement between ONErpm and Dirt Rock provides, in part, for the exclusive digital distribution of certain masters and videos (collectively, the "Content"), collection of monies from the exploitation of Dirt Rock's Content, and payment to Dirt Rock of a percentage of net receipts from such exploitation.

16. The Agreement contains an express provision entitled "Inducement and Guarantee," which was signed by Dirt Rock's principals individually and separately, and which provides that the "Grant of Rights made by Dirt Rock Entertainment, LLC under the Agreement shall apply to all Masters and Videos created and released by the undersigned during the Term of the Agreement."

17. At all relevant times since the date the Agreement was executed, ONErpm performed its obligations under the Agreement, including substantial payments to Dirt Rock in connection with ONErpm's exclusive right to distribute the Content and collect from the direct and/or third-party exploitation of the masters and videos.

18. The term of the Agreement was for two years from the date of the September 8, 2017 execution, with an automatic two-year renewal periods unless terminated in accordance with the Agreement's terms.

19. Sonny negotiated the Agreement on behalf of ONErpm and has direct knowledge of its terms.

20. During the term of the Agreement and while each remained representatives of ONErpm, Sonny, along with Jarrod, began plans for their start-up company, CS.

21. Sonny resigned from ONErpm on August 1, 2018.

22. Sonny represented to ONErpm that he was leaving ONErpm to become the label manager for Dirt Rock.

23. Jarrod went on paid leave from ONErpm for personal reasons in July 2018.

24. Although ONErpm paid Jarrod during his leave, contributed to his 401(K) and provided other benefits to Jarrod, all of which he accepted, Jarrod did not return to his employment at ONErpm, which ended on November 1, 2018.

25. In or around November 2018, ONErpm learned that Jarrod and Sonny had created CS, a competing entity, and had been in contact with ONErpm's clients and other business partners, some of whom were parties to exclusive contracts with ONErpm.

26. ONErpm understands that Jarrod was undertaking these activities adverse to the interests of ONErpm and for the benefit of CS during his paid "leave" from ONErpm, during which time he owed a fiduciary duty of loyalty to ONErpm.

27. Specifically, CS began distributing and exploiting Dirt Rock Content created during the term of the Agreement, and, therefore, subject to the exclusivity in the Agreement between ONErpm and Dirt Rock.

28. As a result, Dirt Rock has breached the Agreement by permitting and/or enabling the distribution and exploitation of Content to which ONErpm has exclusive rights.

29. CS has profited from the unlawful distribution and exploitation of the exclusive Dirt Rock Content.

30. CS's actions have tortiously interfered with the performance of ONErpm's contracts and have procured the breach of the Agreement between ONErpm and Dirt Rock.

31. ONErpm has been and will continue to be damaged by CS's unlawful conduct.

32. On April 11, 2019, Sonny published a defamatory statement on social media regarding ONErpm, in which he made a false statement about ONErpm's business and expressly encouraged those with existing contracts with ONErpm to terminate those relationships and "#BreakFree." (See Exh. A, Screenshots from April 11, 2019 post by Sonny Bama on Instagram).

33. Due to his history of work on behalf of ONErpm and, indeed, direct knowledge of the terms of the contracts referenced in his publication, Sonny was aware that his statement lacked authenticity. Instead, Sonny's statement was made with the intent to incite ONErpm's clients to break their contracts with ONErpm, as well as deter prospective clients from entering into a business relationship with ONErpm – all presumably for the benefit of Defendants.

34. On March 1, 2019, Sonny threatened a representative of ONErpm via text message by stating that ONErpm had to release Dirt Rock "from the agreement or they will contact the media and burn ONErpm to the fucking ground." Sonny's belligerence and desire to cause harm to ONErpm is apparent and, based on his conduct thus far, ONErpm has reason to believe it will continue, causing further harm to ONErpm and its clients.

COUNT I
TORTIOUS INTERFERENCE WITH PERFORMANCE OF CONTRACT (CS)

35. ONErpm repeats and realleges the foregoing paragraphs of this Complaint.

36. The Agreement is a valid and enforceable contract.

37. CS, through its representatives Sonny and Jarrod, was aware of the existence of the Agreement through Sonny and Jarrod's employment/contract with ONErpm and/or their work in negotiating the Agreement on behalf of ONErpm.

38. CS intended to induce a breach of the Agreement by communicating with Dirt Rock and obtaining control of Content in which ONErpm had exclusive rights.

39. Through its distribution and exploitation of Content in which ONErpm had exclusive rights, CS acted maliciously by willfully violating the known right of ONErpm as exclusive distributor of Dirt Rock content.

40. The distribution and exploitation by CS of Dirt Rock Content that is subject to the Agreement and over which ONErpm has exclusive rights constitutes a breach of the Agreement.

41. CS's actions in distributing and exploiting Content in which ONErpm maintained exclusive rights were the proximate cause of the breach of the Agreement.

42. ONErpm has suffered damages resulting from the breach due to the loss of monies it would have received from distributing and exploiting Dirt Rock content that is subject to the Agreement, which CS unlawfully distributed and exploited in violation of ONErpm's exclusive rights.

43. CS is liable to ONErpm for punitive damages as a result of its unlawful actions.

COUNT II
PROCUREMENT OF BREACH OF CONTRACT
TENN. CODE. ANN § 47-50-109 (CS)

44. ONErpm repeats and realleges the foregoing paragraphs of this Complaint.

45. The Agreement is a valid and enforceable contract.

46. CS, through its representatives Sonny and Jarrod, was aware of the existence of the Agreement through Sonny and Jarrod's employment/contract with ONErpm and/or their work in negotiating the Agreement on behalf of ONErpm.

47. CS intended to induce a breach of the Agreement by communicating with Dirt Rock and obtaining control of Content in which ONErpm had exclusive rights.

48. Through its distribution and exploitation of Content in which ONErpm had exclusive rights, CS acted maliciously by willfully violating the known right of ONErpm as exclusive distributor of Dirt Rock Content.

49. The distribution and exploitation by CS of Dirt Rock Content that is subject to the Agreement and over which ONErpm has exclusive rights constitutes a breach of the Agreement.

50. CS's actions in distributing and exploiting content in which ONErpm maintained exclusive rights were the proximate cause of the breach of the Agreement.

51. ONErpm has suffered damages resulting from the breach due to the loss of monies it would have received from distributing and exploiting Dirt Rock Content that is subject to the Agreement, which CS unlawfully distributed and exploited in violation of ONErpm's exclusive rights.

52. CS is liable to ONErpm for treble damages as a result of its unlawful actions.

COUNT III
DEFAMATION – LIBEL (Sonny Bama)

53. ONErpm repeats and realleges the foregoing paragraphs of the Complaint.

54. Sonny published a false statement to the public about ONErpm and its business.

55. Sonny knew that the statement was false and defaming to ONErpm or operated with reckless disregard for the truth of the statement or with negligence in failing to ascertain the truth of the statement.

56. ONErpm has and will continue to be damaged by Sonny's false and defamatory statement.

COUNT IV
BREACH OF FIDUCIARY DUTY OF LOYALTY (Jarrod Cooper)

57. ONErpm repeats and realleges the foregoing paragraphs of the Complaint.

58. As an employee of ONErpm, Jarrod owed a fiduciary duty of loyalty to ONErpm during the term of his employment.

59. By accepting the benefits of his employment at ONErpm and simultaneously soliciting and/or working with Sonny to solicit ONErpm's clients and create a competing entity, all while an employee of ONErpm, Jarrod breached his fiduciary duty of loyalty to ONErpm.

60. ONErpm has been damaged as a result of Jarrod's breach of fiduciary duty in connection with the salary and benefits paid to and accepted by Jarrod during the time in which he was an employee of ONErpm yet solicited ONErpm's clients and unlawfully competed with ONErpm, including salary and other benefits provided to Jarrod during the period in which he breached his duty of loyalty.

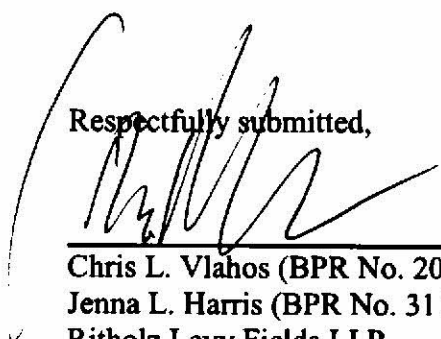
PRAYER FOR RELIEF

WHEREFORE, ONErpm respectfully prays for judgment against the Defendants as follows:

- a. Order awarding ONErpm compensatory, consequential and punitive damages against CMDSHFT, LLC for its tortious interference with ONErpm's September 2017 Agreement with Dirt Rock Entertainment;
- b. Order awarding ONErpm compensatory, consequential and treble damages against CMDSHFT, LLC for its procurement of Dirt Rock's breach of ONErpm's September 2017 Agreement in violation of TENN. CODE. ANN § 47-50-109;

- c. Order awarding ONErpm compensatory, consequential and punitive damages against Ryan Findley for his malicious, false and defaming public statements regarding ONErpm;
- d. Order awarding ONErpm compensatory damages against Jarrod Cooper for his breach of his fiduciary duty during the term of his employment with ONErpm, including, without limitation, salary and other benefits provided to Jarrod Cooper during the period in which he breached his duty of loyalty to ONErpm; and
- e. Any other relief the Court deems just and proper.

Respectfully submitted,



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