

CAUSE NO. 2020-14018

**MEGAN PETE P/K/A
MEGAN THEE STALLION**
Plaintiff,

v.

**1501 CERTIFIED ENTERTAINMENT,
LLC, ET AL,**
Defendants.

IN THE DISTRICT COURT

152ND JUDICIAL DISTRICT

HARRIS COUNTY, TEXAS

**PLAINTIFF'S SUPPLEMENTAL ORIGINAL PETITION, ORIGINAL JURY DEMAND,
APPLICATION FOR DECLARATORY RELIEF, APPLICATION FOR EX PARTE
TEMPORARY RESTRAINING ORDER, AND APPLICATION FOR TEMPORARY
AND PERMANENT INJUNCTION**

TO THE HONORABLE COURT:

In accordance with the Texas Rules of Civil Procedure, Plaintiff, Megan Pete p/k/a/ Megan Thee Stallion ("Plaintiff" or "Pete"), files this *Supplemental* Original Petition, Original Jury Demand, Application for Declaratory Relief, Application for Ex Parte Temporary Restraining Order¹, and Application for Temporary and Permanent Injunction ("Supplemental Request") against Defendants 1501 Certified Entertainment, LLC ("1501") and Carl Crawford ("Crawford"), and added Defendants Theory Entertainment LLC d/b/a 300 Entertainment ("300 Entertainment"), and James Prince ("Prince"), and would respectfully show the Court as follows:

INTRODUCTION

Pete is the epitome of a Houston success story. Now a world famous recording artist in the rap genre, Pete began her career right here in Houston, where she was first introduced to Crawford and 1501, which would ultimately become her label. From the day Crawford and 1501

¹ Plaintiff seeks *ex parte* relief as to 300 Entertainment and Prince only. Plaintiff will suffer immediate and irreparable injury without this Court's intervention and issuance of an *ex parte* temporary restraining order. See Megan Pete Declaration, ¶12.

fraudulently induced Pete to sign an exclusive contract with them, Crawford and 1501 have done nothing to help Pete grow her career in the music industry and have only put up roadblocks in an attempt to stifle her artistic expression as a music artist and irreparably harm her career. Today is no different. Once again, Defendants, including 300 Entertainment and Prince, are forcing Pete to seek emergency relief from the Court *before this Friday, August 27, 2021*, to allow her new music to be released this week as previously-scheduled. If Pete is not allowed to release a new track this Friday on which she is the featured artist in a remix with BTS of the song called, "Butter," her music career will suffer irreparable damage, including a devastating impact to her relationships with her fans and with other recording artists in the music industry. Such irreparable injury to her personal goodwill and the silencing of her artistic expression in music cannot be compensated in the way of monetary damages. As such, Pete seeks emergency relief from this Court.

Notably, Defendants' conduct blatantly violates an already-existing TRO which the Court previously granted under very similar circumstances—i.e., Defendants' refusal to allow Pete to release her music. More specifically, on March 2, 2020, the ancillary Judge in Harris County granted Pete's TRO and enjoined Defendants 1501 and Crawford from, among other things, preventing distributor 300 Entertainment from releasing, distributing, or selling Pete's new records or trying to prevent or limit others from working with Pete, in any manner. The TRO was subsequently extended and remains enforceable. The parties had worked towards a resolution, but the conditions precedent to that resolution were not yet met. Now, 1501 and Crawford, in concert with Prince and 300 Entertainment, have engaged in conduct that clearly violates the TRO. Specifically, 1501, Crawford, Prince, and 300 Entertainment (through extension and through instructions from the other defendants) have engaged in tactics to block Pete's newest music track from its scheduled release date—Friday, August 27, 2021. 1501 and Prince refuse to approve the

new music track and have instructed 300 Entertainment not to release it. Consequently, 300 Entertainment has followed their directive. The conduct in question directly violates the plain language in the TRO. Pete now asks this court to (1) compel Defendants to obey the TRO; (2) to hold them in contempt, if necessary, until they comply; and if Defendants are not compelled to obey the March 2, 2020 TRO, in the alternative (3) enforce and/or extend a revised TRO consistent with the allegations herein.

The release of new music from Pete is vital to maintain her status as a relatively new but still up and coming artist. Absent immediate help from the Court, Pete's art will be impacted, the release of the song derailed, and Pete's goodwill, reputation, and overall career will suffer detrimental, undesirable, and irreversible harm.

I. DISCOVERY

1. Consistent with Rule 190.3 of the Texas Rules of Civil Procedure, Pete intends to conduct discovery under Level 2.

II. PARTIES

2. Pete, known professionally as "Megan Thee Stallion," is an individual and citizen of the State of Texas. Her address is protected as confidential.

3. 1501 Certified Entertainment, LLC, is a limited liability company with its principal place of business in Harris County, and it is organized and exists under the laws of the State of Texas. 1501 Certified Entertainment, LLC may be served through its registered agent, Carl Crawford, at 15618 Bristol Lake Drive, Houston, Texas 77070 or wherever he may be found.

4. Carl Crawford is an individual and a resident of Harris County, and the Chief Executive Officer of 1501 Certified Entertainment, LLC. Crawford can be served at 15618 Bristol Lake Drive, Houston, Texas 77070 or wherever he may be found. On information and belief,

Crawford is the founder, sole employee, and sole officer of 1501 Certified Entertainment, LLC, and operates it as his alter ego.

5. Theory Entertainment LLC d/b/a 300 Entertainment is a limited liability company with its principal place of business in New York, NY, and may be served through its registered agent, Roger Gold, 112 Madison Avenue, 4th Floor, New York, NY 10016 or wherever he may be found.

6. James Prince is an individual and a resident of Harris County, and can be served in Harris County. His address is protected as confidential.

III. JURISDICTION AND VENUE

7. This Court has jurisdiction over this matter because the amount in controversy exceeds the minimum jurisdictional limits of this Court.

8. Venue is proper in Harris County, Texas because a substantial portion of the events or omissions giving rise to Pete's claims arose or occurred in Harris County, Texas.

IV. FACTUAL BACKGROUND

9. On March 2, 2020, Pete initiated the underlying lawsuit² against 1501 and Crawford because both Defendants took complete advantage of Pete and fraudulently induced her to enter into the Exclusive Artist Recording and Performance Contract (the "Contract"), which on its face was entirely unconscionable. *See* Lawsuit, attached as **Exhibit 1**.

10. After inducement into the unconscionable Contract, on or about March 2, 2020, Defendants 1501 and Crawford unlawfully instructed 300 Entertainment, the distributor of Pete's records, not to release or distribute any of Pete's new music after Pete raised the unconscionable

² Cause No. 2020-14018, In the 152nd Judicial District Court, Harris County, Texas; *Megan Pete p/k/a, Megan Thee Stallion vs. 1501 Certified Entertainment LLC, and Carl Crawford* (the "Lawsuit")

nature of the Contract to Defendants and sought to renegotiate the entirely onerous provisions therein—to no avail.

11. Accordingly, Pete's Lawsuit sought a Temporary Restraining Order ("TRO") against Defendants 1501 and Crawford to ensure Defendants refrained from preventing 300 Entertainment from releasing Pete's new records, among numerous additional allegations still pending in district court.

12. The district court granted Pete's Application for TRO against 1501 and Crawford and denied each of the Defendants' subsequent efforts to reverse its decision, including Defendants' Motion to Dissolve the TRO and Defendants' Motion to Compel Arbitration. *See* TRO, attached as **Exhibit 2**. Following a Rule 11 Agreement between the parties, the court ordered an extension of the TRO "through the date on which the Court resets the Temporary Injunction hearing . . .". *See* Agreed Order Extending TRO, attached as **Exhibit 3**. To date, the Temporary Injunction hearing date has not been reset, thus the TRO is still enforceable.

13. Plaintiff Pete is a world famous recording artist in the rap genre who took the rap world by storm. 300 Entertainment is the distributor of Pete's records, thus Pete is unable to distribute her music without cooperation from 300 Entertainment. Prince is the CEO of the Houston based record label Rap-A-Lot records and is notorious in the music industry for strong armed intimidation tactics. Crawford associated himself with Prince around the time Pete signed with Roc Nation. At that time, Prince announced he was one of Crawford's "partners". This Supplemental Request, is necessary because Defendants, 1501 and Prince, have, among other things, taken the extraordinary step of instructing 300 Entertainment, the distributor of Pete's records, not to release or distribute her new music. This instruction, which 300 Entertainment has advised it will follow (absent relief from this Court), will have a devastating impact, and cause

irreparable injury, to Pete's career. Specifically, all Defendants are blocking from release, a BTS³ music track featuring Pete (the "Feature Track"), scheduled for release on August 27, 2021.

14. The Feature Track at issue is a remix of BTS' song "Butter" featuring a new rap introduction performed by Pete. *See* Megan Pete Declaration ("Pete Declaration"), ¶7. BTS is a South Korean boy band that has experienced world-wide success, including several hits topping the charts in the United States and abroad. Pete's creative self-expression in the Feature Track with BTS will not only expand her fan base here in the United States but also internationally. If Pete is prohibited from releasing the Feature Track this Friday, her music career will suffer irreparable damage, including devastating her relationships with her fans and with other recording artists in the music industry, including BTS. *See* Pete Declaration, ¶¶10-12. Such irreparable injury to her personal goodwill and the silencing of her artistic expression in music cannot be compensated in the way of monetary damages. *See* Pete Declaration, ¶12. Moreover, it is a direct violation of the plain language in the existing TRO.

15. For unlawful reasons, 1501 and Prince have instructed 300 Entertainment and others that they do not approve of the Feature Track. *See* Pete Declaration, ¶9. On or about July 14, 2021, 1501's legal representative informed 300 Entertainment's legal representative that the only way it would grant a waiver for Pete's appearance on the Feature Track is if Pete agreed to a fee arrangement where 1501 received a \$100,000 fee to be retained entirely by 1501 that Pete could not participate in. *See* Pete Declaration, ¶8. In essence, 1501, Crawford, and Prince are extorting Pete by threatening to harm her career by refusing to release the Feature Track unless 1501 is paid money at Pete's expense and for which they are not entitled to.

16. Rather than engage in discussions, 1501 has done nothing other than send a vague

³ BTS, also known as the Bangtan Boys, is a South Korean boy band.

email stating that 1501 does not believe the Feature Track "is good for her career as a recording artist and so are NOT approving" release of the Feature Track. *See* Pete Declaration, ¶9. 1501 is doing nothing, and has been doing nothing to assist Pete, her career, or her art—other than try to hurt it and make money off of Pete. The alleged reason for not approving of the Feature Track is entirely made up and unsubstantiated and a clear ruse for 1501, Crawford, and Prince to extort money from Pete.

17. As a result of the fraudulent misrepresentations and coercion of Defendants 1501, Crawford, and Prince, Defendant 300 Entertainment has followed their directive and informed Pete that the Feature Track will not be released as scheduled. *See* Pete Declaration, ¶6.

18. By these failures, Defendants have violated the terms in the TRO, tortuously interfered with Pete's business relationships, and conspired to cause Pete irreparable damage. Each Defendant is responsible for the conduct in question. In the event Defendants Prince and 300 Entertainment are not bound by the terms in the TRO, the addition of these Defendants is necessary because they remain complicit in the unlawful actions taken by 1501 and Crawford. A condition precedent to 1501's compliance with the Court's order is 300 Entertainment's agreement to release the music in question. However, as detailed above, 300 Entertainment, at the direction of Prince, Crawford, and 1501 has refused to release the Feature Track. *See* Pete Declaration, ¶6.

19. Pursuant to the conduct of all Defendants, Pete faces irreparable injury which the Court previously agreed was unlawful. Defendants efforts to restrain Pete from engaging in her artistic expression, and to prevent her from working with the hit band BTS cannot be quantified in terms of damages. An artist, especially a music artist, cannot be silenced without causing tremendous injury. The conduct of Defendants have greatly hindered the plans surrounding release of the Feature Track, including a tease announcement scheduled for August 24, 2021, an official

announcement on August 25, 2021, and the ultimate release of the Feature Track on August 27, 2021. *See* Pete Declaration, ¶10. These are planned events, and Defendants' conduct is irreparably interfering with them. Absent immediate help from the Court, Pete's art will be impacted, and the scheduled release derailed. If 1501 is allegedly due any money for Pete's appearance in the Feature Track, 1501's claim can be resolved in court. But any delay in the release of the Feature Track will cause detrimental, undesirable, and irreversible harm to Pete's goodwill, reputation, and overall career. The release of new music from Pete is vital to maintain her status as a relatively new but still up and coming artist. It is essential that the Court provide Pete with the requested emergency relief so that the Feature Track can be released, as scheduled, on August 27, 2021.

V. CAUSES OF ACTION

COUNT 1: Tortious Interference with Prospective Relations

20. Pete incorporates by reference the allegations set forth in the foregoing paragraphs.

21. Defendants willfully and intentionally interfered with and continue to attempt to interfere with Pete's ability to earn a living by entering into contracts with third-parties. Defendants have maliciously and improperly interfered with Pete's ability to enter into prospective contracts with other artists by conspiring and making material misrepresentations to induce Pete to contract with 1501 and by virtue of the other conduct detailed above.

22. Defendants' actions have caused Pete immediate irreparable injury and harm which cannot be fully compensated by money damages, including harm to Pete's goodwill, reputation, and prospective business relationships.

COUNT II: Civil Conspiracy

23. Pete incorporates by reference the allegations set forth in the foregoing paragraphs.

24. Defendants were members of a combination whose object was to accomplish

unlawful purposes or a lawful purpose by unlawful means. Defendants had a meeting of the minds on their object and/or course of action. Specifically, Defendants have conspired to block the Feature Track from release. As a proximate result of this wrongful conduct, Pete suffered actual damages. Additionally, because Defendants engaged in such conduct willfully and with malice or reckless disregard of Pete's rights, Pete is entitled to recover exemplary damages in an amount to be determined by the jury and sufficient to deter others from acting similarly in the future.

25. Defendants actions have caused Pete immediate irreparable injury and harm which cannot be fully compensated by money damages, including harm to Pete's goodwill, reputation, and prospective business relationships.

COUNT III: Application for Ex Parte Temporary Restraining Order

26. Pete incorporates by reference the allegations set forth in the foregoing paragraphs.

27. Pete is entitled to injunctive relief prohibiting all Defendants from blocking the release of the Feature Track, scheduled to be released on August 27, 2020.

28. Temporary or injunctive relief preserves the status quo pending a final determination of the parties' rights. *Nelson v. Vernco Construction, Inc.*, 367 S.W.3d 516, 521 (Tex. App.—El Paso 2012, no pet.). The decision to grant interim equitable relief lies within the sound discretion of the trial court. *Regal Entertainment Group v. iPic-Gold Class Entertainment, LLC*, 507 S.W.3d 337, 345 (Tex. App.—Houston [1st Dist.] 2016, no pet. h.).

29. Generally, to establish a right to injunctive relief, the applicant must plead and present evidence that (a) it has a probable right to recovery, and (b) it will suffer a probable, imminent and irreparable injury in the absence of the injunction. *Patel v. St. Luke's Sugar Land Partnership, L.L.P.*, 445 S.W.3d 413, 419 (Tex. App.—Houston [1st Dist.] 2013, pet denied). "The only question before the trial court is whether the applicant is entitled to preservation of the

status quo pending trial on the merits." *Patel*, 445 S.W.3d at 419.

30. Defendants have engaged in strong arm tactics in order to interfere with the release of the Feature Track. Indeed Defendants 1501, Crawford and Prince have instructed distributor, 300 Entertainment, to stop the distribution of the Feature Track, scheduled to be released on August 27, 2021. *See* Pete Declaration, ¶6. Defendants' conduct has and will cause unquantifiable irreparable damage. If Defendants are not immediately enjoined from the actions described above, Pete will suffer irreparable injury. *Comed Medical Sys., Co., Ltd., d/b/a GEMSS Medical et al v. AADCO Imaging, LLC et al*, 2015 WL 869456 (Tex. App.—Austin 2015, no pet.).

31. If injunctive relief is not granted, Pete will be unable to release new music, permanently impacting her as a relatively new and up and coming artist. *See* Pete Declaration, ¶10. Money damages are not sufficient because the harm Pete will suffer will be extremely difficult to measure by any pecuniary standard. *See* Pete Declaration, ¶12. There is no relief that is as plain and complete and as practical to the ends of justice and its prompt administration as the injunctive relief Pete seeks herein.

32. It is probable that Pete will recover from Defendants after a trial on the merits. In this instance, it cannot be plausibly disputed that Defendants have engaged in a conspiracy to harm Pete and interfere with her other business relationships. Defendants are extorting Pete by threatening to harm her career by refusing to release the Feature Track unless 1501 is paid money at Pete's expense and for which they are not entitled to. *See* Pete Declaration, ¶8. Given the evidence in the record, there is a substantial likelihood Pete will prevail on the merits.

33. The harm faced by Pete outweighs the harm that would be sustained by Defendants if the injunctive relief is granted. Indeed, 1501 is doing nothing, and has been doing nothing to assist Pete, her career, or her art—other than try to hurt it and make money off of Pete. *See* Pete

Declaration, ¶9. Pete is faced with permanent and critical loss if she cannot release the Feature Track scheduled for a tease announcement on August 24, 2021, with an announcement of Pete's feature on "Butter" August 25, 2021, and final release on August 27, 2021. *See* Pete Declaration, ¶10. Moreover, the requested injunctive relief is narrow in scope and only seeks to prohibit Defendants from preventing the release of Pete's records.

34. If Pete's application is not granted, harm is imminent because Defendants will ultimately block release of the Feature Track and all associated marketing efforts. *Id.*

35. The harm that will result if the temporary restraining order is not issued is irreparable because Pete's relationship with BTS will be severely damaged, if not ruined, and Pete's status as a new artist will be irreparably harmed. *See* Pete Declaration, ¶12. Further, the damage to the opportunity Pete has to expand her fan base here in the U.S. and internationally will be irreparably harmed. *Id.*

36. Pete does not have an adequate remedy at law because if Defendants prevent the release of the Feature Track, Pete will have no ability to release her music on August 27, 2021 as planned. *Id.* Absent injunctive relief, the status quo will be destroyed before a resolution of the dispute can be obtained. *Id.*

37. Moreover, an *ex parte* temporary restraining order as to Defendants 300 Entertainment and Prince should be issued because harm to Pete's reputation and music career is imminent given the approaching August 27, 2021 release date. *Compass Bank v. Katz*, 287 F.R.D. 392, 396-97 (S.D. Texas 2012). Both 300 Entertainment and Prince have engaged in an unreasonable level of misconduct. If 300 Entertainment and Prince receive notice that injunctive relief is being sought to prohibit them from engaging in further misconduct, additional violations of the law are highly probable prior to the issuance of the injunction.

38. Pete therefore respectfully requests that the Court prohibit Defendants from blocking or otherwise interfering with the release of the Feature Track's release, distribution and sale scheduled for August 27, 2021.

VI. CONDITIONS PRECEDENT

39. All necessary conditions precedent have been performed or have occurred to entitle Plaintiff to the relief she seeks.

VII. RULE 47 DISCLOSURE

40. The damages sought by Pete is within the jurisdictional limits of the Court. Plaintiff seeks monetary relief over \$1,000,000 and non-monetary relief as described herein.

VIII. EXEMPLARY DAMAGES

41. Defendants committed acts designed to be injurious to Pete or that were committed without regard for the protected rights and interests of Pete. Defendants' misconduct has been willful, malicious and/or in reckless disregard of Pete's rights, thus Pete is entitled to recover exemplary damages.

IX. ATTORNEYS' FEES

42. Plaintiff is entitled to reasonable and necessary attorneys' fees incurred in prosecuting these claims against Defendants.

X. JURY DEMAND

43. Plaintiff demands a jury trial and has tendered the appropriate fee.

PRAYER

Plaintiff respectfully request the following forms of relief:

- a. Extension of the March 2, 2020 TRO, or in the alternative, the issuance of a new Temporary Restraining Order.
- b. After due notice, an Injunction be issued against Defendants;

- c. Judgment against Defendants for reasonable and necessary attorneys' fees;
- d. Judgment against Defendants for costs of Court;
- e. Judgment against Defendants for pre-judgment and post-judgment interest at the highest rate allowed by law; and for
- f. Such other and further relief, general and special, at law or in equity, to which Plaintiff may show herself to be justly entitled.

Dated: August 24, 2021

Respectfully submitted,

Holland & Knight LLP

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