2/18/2022 12:48 PM Marilyn Burgess - District Clerk Harris County Envelope No. 61892890 By: Chandra Lawson Filed: 2/18/2022 12:48 PM

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MEGAN PETE P/K/A MEGAN	§	IN THE DISTRICT COURT OF
THEE STALLION	§	
	§	
Plaintiff,	§	
	§	
VS.	§	HARRIS COUNTY, TEXAS
	§	
1501 CERTIFIED ENTERTAINMENT, LLC	§	
	§	
Defendant.	§	JUDICIAL DISTRICT

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PLAINTIFF'S ORIGINAL PETITION

TO THE HONORABLE JUDGE OF SAID COURT:

Plaintiff Megan Pete p/k/a Megan Thee Stallion ("Plaintiff" or "Pete") files this Original Petition against her recording label, Defendant 1501 Certified Entertainment ("Defendant" or "1501"), seeking a declaration that her album, "Something for Thee Hotties" constituted an "Album" as defined in the parties' recording agreement.

I. Introduction

- 1. Over the past two (2) years, Pete and 1501 shared a long and tortured history of disputes with each other concerning Pete's recording agreement, including the unconscionability of the agreement in its original form, as well as disputes concerning the release of Pete's music. The two have been able to resolve many disputes through the issuance of multiple temporary restraining orders and other relief from the 152nd Judicial District Court. But a new dispute has arisen requiring further assistance from the Court.
- 2. More specifically, on October 29, 2021 Pete released her new album called, "Something for Thee Hotties". More than two (2) months after its release, 1501 informed Pete

¹ Rule 3.2.2 of the Rules of the Civil Trial Division, Harris County District Courts, requires that any matter filed after a non-suit of a previous filings involving substantially-related parties and claims shall be assigned to the court where the prior matter was pending.

that it did not consider the album "Something for Thee Hotties" to meet the definition of an "Album" under her recording agreement and, therefore, allegedly does not satisfy her "Minimum Recording Commitment" for the second option period under the terms of the parties' agreement. 1501's new position, taken months after the album's release, is clearly a ruse in an effort to try to take further advantage of Pete, at great expense and not in good faith.

3. Contrary to 1501's position, "Something for Thee Hotties" clearly meets the definition of "Album" under the recording agreement because it is not less than forty-five (45) minutes in length. There are no other parameters or requirements under the contract for what can be deemed an "Album" other than total run time of the album. As such, "Something for Thee Hotties" satisfies her "Minimum Recording Commitment" for the second option period of the agreement. To protect herself, her music, and her artistic choices, Pete has been forced to bring this action to seek a declaratory judgment to that effect.

II. DISCOVERY CONTROL PLAN

4. Pete intends that discovery be conducted under Level 3 of the Texas Rule of Civil Procedure 190.4.

III. DAMAGES

5. Pursuant to Texas Rule of Civil Procedure 47, Pete seeks only non-monetary relief in the form of a declaratory judgment. Pete further seeks the recovery of attorneys' fees and costs.

IV. PARTIES

- 6. Pete, known professionally as "Megan Thee Stallion," is an individual and citizen of the State of Texas. Her address is protected as confidential.
- 7. 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.

V. JURISDICTION & VENUE

- 8. This Court has subject matter jurisdiction over this dispute and jurisdiction to grant all relief requested by Pete. Tex. Gov't Code § 24.008. The amount in controversy is within the jurisdictional limits of this Court.
- 9. Venue is proper in Harris County because Defendant has its principal office in Houston, Texas. *See* TEX. CIV. PRAC. & REM. CODE § 15.002(a)(3). Venue is also proper in Harris County because a substantial part of the events or omissions giving rise to this claim occurred in Harris County. *See* TEX. CIV. PRAC. & REM. CODE § 15.002(a)(1).

VI. FACTUAL BACKGROUND

10. Pete began her successful rap career right here in Houston, where she was first introduced to Carl Crawford ("Crawford") and his company, 1501.

A. The Recording Contract

- 11. As a result of Crawford's misrepresentations and omissions, which were the subject of prior litigation, Pete signed that certain Exclusive Artist Recording and Performance Contract, dated February 3, 2018 (the "Contract").
- 12. The terms of the Contract as originally written were entirely one-sided in favor of 1501, not consistent with industry standards, and wholly unconscionable to the detriment of Pete. When Pete raised the unconscionable nature of the Contract to 1501 and Crawford, 1501 and Crawford unlawfully instructed 300 Entertainment, the distributor of Pete's records, not to release or distribute Pete's then-upcoming extended-play album, "Suga". As a result, on March 2, 2020, Pete initiated a lawsuit against 1501 and Crawford and obtained a temporary restraining order ("TRO") against 1501 and Crawford to ensure that they refrained from preventing 300 Entertainment and others from releasing Pete's new records.

- 13. In an effort to resolve the parties' disputes, Pete and 1501 engaged in negotiations to amend the Contract. On or about March 1, 2021, Pete and 1501 entered into an agreement that amended certain provisions of the original Contract (the "Amendment").
- 14. The Contract and its Amendment are the subject of an order entered on October 1, 2021 permanently sealing the documents under Texas Rule of Civil Procedure 76a in Cause No. 2020-14018; *Megan Pete p/k/a Megan Thee Stallion v. 1501 Certified Entertainment LLC, et al.*; In the 152nd Judicial District Court of Harris County, Texas.
- 15. The Amendment did not change the definition of "Minimum Recording Commitment" nor the definition of "Album" from the definitions provided in the original Contract.

B. The Album "Something for Thee Hotties"

- 16. On October 20, 2021, 1501 exercised its option to extend the term of the Contract for the second option period.
- 17. On October 29, 2021, Pete released her new album called, "Something for Thee Hotties". The total run time on the "Something for Thee Hotties" album is 45:02 minutes. The album consists of new tracks recorded in 2021, previously unreleased tracks, and skits. "Something for Thee Hotties" debuted at No. 3 on Billboard's Top R&B/Hip-Hop Albums chart in its first week of release.²
- 18. In every respect, "Something for Thee Hotties" constituted an "Album" and met her "Minimum Recording Commitment" for 1501's second option period under the Contract.

C. 1501's Unlawful Attempt to Chain Pete Down to 1501 for Additional Albums

19. On or about January 5, 2022, 1501 sent a letter out-of-the-blue asserting that the album "Something for Thee Hotties" did not constitute an "Album" under the parties' agreement.

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² https://www.billboard.com/music/chart-beat/megan-stallion-something-hotties-top-10-rb-hip-hop-albums-chart-9658786/

- 20. Given that 1501 waited more than two (2) months after Pete's release of the album "Something for Thee Hotties" to take this position, it is clear that its position is frivolous and has no basis in law or in fact.
- 21. Prior to the release of "Something for Thee Hotties", Pete and her team took steps for the clearance of the album that were the same or similar to past practices to which 1501 never complained about or objected to. Specifically, Pete's team worked directly with 1501's distributor, Theory Entertainment, LLC d/b/a 300 Entertainment ("300 Entertainment"), leading up to the release of the album "Something for Thee Hotties." 300 Entertainment knew the list of songs and assisted with getting several of the songs cleared and sample agreements signed. Moreover, 300 approved of the album and pushed for its release on the night of October 29, 2021. Any objection after the release of the album is untimely and inconsistent with 1501 and 300 Entertainment's past conduct.
- 22. Pete can only speculate as to the reasons why 1501 has taken this new position. But the intended result of its actions is clear: 1501 wants to tie Pete down to release more albums under the Contract to the financial benefit of 1501. This is inconsistent with the Contract terms, which are clear and unambiguous. Accordingly, Pete seeks a declaratory judgment that, among other things, declares that her album, "Something for Thee Hotties", constitutes an "Album" under the terms of the Contract.

VII. CAUSE OF ACTION

A. Declaratory Judgment

- 23. Pete incorporates by reference all of the foregoing paragraphs for all purposes.
- 24. This cause of action is brought under section 37.001 of the Texas Civil Practice and Remedies Code as there is an actual and justiciable controversy between the parties.
 - 25. Pete seeks a declaratory judgment, declaring that:

- (1) Pete's album "Something for Thee Hotties" released on October 29, 2021 constitutes an "Album" as defined in the Contract;
- (2) Pete's album "Something for Thee Hotties" released on October 29, 2021 meets her "Minimum Recording Commitment" for the second option period under the Contract;
- (3) The only determining factor as to what constitutes an "Album" under the Contract is the total run time of the album released, which must be a minimum of 45 minutes;
- (4) An "Album" may consist of musical compositions, regardless of when the musical recordings were originally released along with spoken interlude recordings (sometimes referred to as "skits"); and
- (5) 1501 waived its alleged rights to "equal authority" to determine "the Musical Compositions to be recorded" by Pete.

VIII. ATTORNEY'S FEES

- 26. Pursuant to Chapter 37 of the Texas Civil Practice and Remedies Code, Pete is entitled to recover her reasonable, necessary, equitable, and just attorneys' fees incurred in the prosecution of this action, as well as costs.
- 27. Additionally, pursuant to Section 26(e) of the Contract, Pete is entitled to recover her reasonable attorneys' fees.

IX. CONDITIONS PRECEDENT

28. All conditions precedent for bringing this action have been satisfied.

X. JURY DEMAND

29. Pete demands a trial by jury on all issues.

XI. PRAYER

For the reasons set forth above, Plaintiff respectfully prays for the following relief:

- (1) The Court issues a declaratory judgment making the following declarations:
 - a. Pete's album "Something for Thee Hotties" released on October 29, 2021 constitutes an "Album" as defined in the Contract;
 - b. Pete's album "Something for Thee Hotties" released on October 29,

- 2021 meets her "Minimum Recording Commitment" for the second option period under the Contract;
- c. The only determining factor as to what constitutes an "Album" under the Contract is the total run time of the album released, which must be a minimum of 45 minutes;
- d. An "Album" may consist of musical compositions, regardless of when the musical recordings were originally released along with spoken interlude recordings (sometimes referred to as "skits"); and
- e. 1501 waived its alleged rights to "equal authority" to determine "the Musical Compositions to be recorded" by Pete;
- (2) For reasonable and necessary attorneys' fees, including contingent attorney's fees in the event of appeal;
- (3) For costs of court; and
- (4) Such other and further relief, general or special, legal or equitable, to which Plaintiff may show herself justly entitled.

Respectfully submitted,

HOLLAND & KNIGHT LLP

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Joyce Schmutzer on behalf of Bradley Hancock Bar No. 798238 joyce.schmutzer@hklaw.com Envelope ID: 61892890

Status as of 2/18/2022 2:09 PM CST

Associated Case Party: Megan Pete

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