SUPREME COURT OF THE STATE OF NEW YORK **COUNTY OF NEW YORK** ICELENE JONES AS ADMINISTRATOR OF THE ESTATE of RUSSELL TYRONE Index No. JONES, **SUMMONS** Plaintiff, v. WU-TANG PRODUCTIONS, INC., Defendant.

TO DEFENDANT:

Wu-Tang Productions, Inc. 545 West 34th Street, Suite 5B New York, NY 10018

YOU ARE HEREBY SUMMONED to answer the verified complaint of the Plaintiff herein and to serve a copy of your verified answer on the Plaintiff at the address indicated below within 20 days after service of this Summons (not counting the day of service itself), or within 30 days after service is complete if the Summons is not delivered personally to you within the State of New York. Should you fail to answer, a judgment will be entered against you by default for the relief demanded in the complaint.

Plaintiff is a Georgia resident and designates New York County as the place of trial. The basis of this designation is CPLR §301, pursuant to §23(d) of an Exclusive Recording Artist Agreement entered into by and between Plaintiff and Defendant, and CPLR §503, as Plaintiff was appointed administrator of the estate in New York County and Defendant's designated principal office is located in New York County.

Dated: New York, New York February 8, 2021

REITLER KAILAS & ROSENBLATT LLC

By: /s/ Brian Caplan

Brian D. Caplan 885 Third Avenue, 20th Floor New York, New York 10036 Tel.: (212) 209-3050 bcaplan@reitlerlaw.com

Attorneys for Plaintiff

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SUPREME COURT OF THE STATE OF NEW YORK **COUNTY OF NEW YORK**

ICELENE JONES AS ADMINISTRATOR OF THE ESTATE of RUSSELL TYRONE JONES,

Index No.

Plaintiff.

COMPLAINT

WU-TANG PRODUCTIONS, INC.,

v.

Defendant.

Plaintiff ICELENE JONES, as administrator of the ESTATE OF RUSSEL JONES, who was professionally known as Ol' DIRTY BASTARD, ("ODB"), (hereinafter referred to as the "Plaintiff") by and through her attorneys Reitler Kailas & Rosenblatt LLC, as and for her Complaint against defendant WU-TANG PRODUCTIONS, INC., ("Defendant"), alleges as follows:

NATURE OF THE ACTION

1. ODB, one of the founding members of the Wu-Tang Clan, was a world-renowned rapper, producer, and songwriter at the time of his untimely death in 2004 at the age of 35.

2. This is an action brought by ODB's widow, the administrator of his estate, to address the Defendant's ongoing willful and material breaches of the terms of a 1992 Exclusive Recording Artist Agreement entered into by and between ODB and Defendant. ("Recording Agreement"). In violation of the express terms of that agreement, Defendant has willfully refused to pay monies and make accountings due and owing to Plaintiff as the successor in interest to ODB thereunder.

THE PARTIES

3. Plaintiff Icelene Jones, pursuant to Letters of Administration issued by the Surrogate's Court of Kings County, New York on December 29, 2005, is the administrator of the Estate of Russell Tyrone Jones and resides in the state of Georgia.

4. The Estate of Russell Tyrone Jones (the "Estate') is administrated under the laws of the State of New York and the Estate has the right to receive royalties contractually due from Defendant for the commercial exploitation of recordings and music compositions created by ODB as a member of the Wu-Tang Clan and as a solo artist.

5. Defendant Wu-Tang Productions, Inc. ("Defendant") is a New York corporation and music production company with its principal place of business located at 545 West 34th Street, Suite 5B New York, New York 10018. Defendant is owned and operated by Robert Fitzgerald Diggs, popularly known as "RZA," ODB's cousin.

JURISDICTION AND VENUE

6. This Court has jurisdiction over this action pursuant to \$23(d) of the Recording Agreement, which specifies that "[t]his Agreement, shall be deemed to have been entered into in the State of New York, and the validity, interpretation and legal effect of this Agreement shall be governed by the laws of the State of New York applicable to contracts entered into and performed entirely within the State of New York. The New York courts, only, will have jurisdiction of any controversies regarding this Agreement; and, any action or other proceeding which involves such a controversy will be brough in the courts located within the State of New York, and not elsewhere."

7. This Court has in personam jurisdiction over the Defendant under CPLR §301 due to the Defendant's status as a New York corporation and the presence of its principal place of

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business in the State of New York.

8. Venue is proper in this Court in accordance with CPLR §503, as Defendant's designated principal office is located in New York County.

FACTUAL BACKGROUND

Relationship Between the Parties

9. During 1992, ODB co-founded the Wu-Tang Clan with a group of musical artists in Staten Island, New York.

In December of 1992, ODB, Dennis Coles ("Ghost Face Killer"), Corey Woods 10. ("Raekwon"), and Gary Grice ("GZA"), entered into a Recording Agreement both individually and as members of the Wu-Tang Clan with the Defendant ("The Recording Agreement") - (1) to provide their exclusive recording services to Defendant for the purpose of making "master recordings" embodying their performances, (2) to provide Defendant with a co-publishing interest and administration rights with respect to any musical compositions written in whole or in part by any of them, (3) to grant Defendant exclusive merchandising rights and video rights.

Recordings

Under §§ 6 and 7 of the Recording Agreement, all master recordings are the sole 11. property of the Defendant, subject to Defendant's obligation to pay the four Wu-Tang Clan members (hereinafter the "Wu-tang Clan Contracting Parties") "fifty (50%) percent of the net royalties and advances actually received by the Company from distributors for the exploitation of the sound recordings.

Co-Publishing

Under §19(a) of the Recording Agreement ODB assigned to Defendant an 12. undivided fifty (50%) percent interest in his copyrights in musical composition which are

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embodied on the master recordings, along with an exclusive right to administer and exploit such compositions (the "Compositions"). Under §19(b) Defendant is obligated to pay ODB "an amount equal to fifty (50%) percent" of net earnings of Defendant on the Compositions.

Merchandising and Videos

13. Pursuant to §17 of the Recording Agreement, ODB granted to Defendant rights to use ODB's name, portraits, pictures, likeness and biographical material in connection with the sale, lease, licensing or other disposition of merchandise rights solely during the term of the Recording Agreement. For such rights Defendant is obligated to pay ODB a royalty of "fifty (50%) percent of Company's net royalty receipts derived from the exploitation of such rights..."

14. Pursuant to §18(a) of the Recording Agreement ODB agreed to perform on films and videotapes featuring ODB performances of compositions embodied on the master recordings ("Videos") which Defendant would own. Pursuant to §18(c) of the Recording Agreement, distributor was obligated to account to ODB for "fifty (50%)" percent of Defendant's net receipts attributable to such Videos.

Accounting and Payment

15. Pursuant to §8(a) of the Recording Agreement Defendant was obligated to provide royalty statements and pay ODB for the exploitation of master recordings within forty-five days after Defendant's receipt of accounting and payments from distributors of the recordings. Pursuant to §19(c) accountings for royalties for exploitation of publishing rights on compositions were to be made semi-annually.

16. With respect to accountings to be rendered by Defendant, §8(c) of the Recording Agreement provides the following audit right: "At any time within two (2) years after any royalty statement is rendered to you hereunder, you shall have the right to give Company written notice

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of your intention to examine Company's books and records with respect to such statement. Such examination shall be commenced within three (3) months after the date of such notice..."

The Success of the Wu-Tang Clan and ODB Individually

17. The Wu-Tang Clan's debut album, entitled *Enter the Wu-Tang (36 Chambers),* which featured ODB's performance on all but two tracks of the album, was released on November 9, 1993 and went triple platinum, selling over three million copies.

18. The Wu-Tang Clan and ODB quickly garnered international recognition with the further platinum album *Wu-Tang Forever*, which released on June 3, 1997, and which featured ODB's performance on the tracks "Reunited ", "As High As Wu-Tang Get", "Maria", "Triumph", "Duck Seazon", and "Heaterz." (*Enter the Wu-Tang (36 Chambers), Wu-Tang Forever*, and all other recordings featuring ODB's performances with the Wu-Tang Clan will be collectively referred to as "the Wu-Tang Clan Recordings.")

19. As a result of the success of the Wu-Tang Clan Recordings and ODB's individual worldwide recognition, ODB launched his solo career with an album entitled *Return to the 36 Chambers: The Dirty Version* on March 28, 1995, which also reached platinum status.

20. ODB released further albums as a solo artist, including *Nigga Please*, which released in 1999 and boasted the hit single "Got Your Money", and a greatest hits album, *The Trials and Tribulations of Russell Jones*, which released in 2002.

21. Over eleven years covering ODB's association with the Wu-Tang Clan and his career as a solo artist, ODB authored or co-authored numerous Compositions, all of which were deemed created pursuant to the terms of the Recording Agreement and which were published, administered, and exploited by Defendant or its designees/assignees, including Warner-Tamerlane Publishing Corp.

ODB's Untimely Death and the Establishment of the Estate of Russell Tyrone Jones

22. On November 13, 2004, ODB collapsed during a recording session and tragically died before paramedics could reach him.

23. The term of the Recording Agreement ended upon ODB's death, if not sooner, subject to Defendants continuing payment and royalty accounting obligations.

24. On December 29, 2005, Icelene Jones, was appointed as administrator of the Estate of Russell Tyrone Jones, which included but was not limited to, the responsibility of managing the Estate's interests in ODB's right to receive record royalties and publishing income from Defendant.

Defendant's Breach of the Recording Agreement

25. Starting in 1992 through the present, Defendant has widely exploited the rights granted to it by ODB, both individually as a member of the Wu-Tang Clan. Such exploitation of rights has included, but is not limited to, (1) the exploitation of the master recordings featuring performances of ODB, including distribution of such sound recordings directly and through Loud/RCA Records, Priority Records, Columbia Records, eOne, Elektra Entertainment (a division of Warner Communications), Rhino Entertainment and others; (2) the exploitation of the Compositions by ODB, including through co-publishing/administration agreements between Defendant and Warner-Tamerlane Publishing Corp. and others; (3) the exploitation of OBD's merchandising rights in the production, licensing or sale of a wide variety merchandise featuring the image, name or likeness of OBD including in video games, clothing lines, television productions and a wide array of other products; and (4) the exploitation of the Videos.

26. Despite its repeated efforts and requests, the Estate has been unable to obtain payments and accountings from Defendant under the Recording Agreement for the sale of Wu-

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Tang Clan Recordings and ODB recordings since at least 2011. The only exception to such failure to account for and pay royalties under the Recording Agreement have been (a) payment of \$130,000 on July 6, 2021, by Defendant and (b) certain payments by Warner-Tamerlane Publishing Corp. during 2019 and 2020:

> In response to inquiries from the Estate, the Defendant paid the Estate (a) \$130,000 by check dated July 6, 2021, on account for sums due under the Recording Agreement (the "July 2021 Payment". No detailed accountings, however, were provided with the July 2021 Payment.

> (b) Additionally, pursuant to a letter of direction dated June 30, 2018 by Defendant to Warner-Tamerlane Publishing Corporation ("Warner-Tamerlane"), with whom Defendant had entered into co-publishing/administration agreement with respect to some of ODB's Compositions, Warner-Tamerlane directly accounted to the Estate for amounts purported to be due to the Estate for some of the exploitation of the Compositions. Warner-Tamerlane provided such accountings and payments to the Estate during 2019 through 2020 (the "Warner-Tamerlane Direct Payments");

27. Since at least 2011, Defendant has failed to render account statements to the Estate under the Recording Agreement.

28. With the exception of the July 2021 Payment and the Warner-Tamerlane Direct Payments, Defendant has failed for over 10 years, to pay or case to be paid royalties due under the Recording Agreement. The July 2021 Payment and the Warner-Tamerlane Direct Payments represent only a small percentage of amounts payable to the Estate under the Recording Agreement.

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FIRST CLAIM FOR RELIEF

(Breach of Contract)

29. Plaintiff repeats and realleges each and every allegation contained in paragraphs 1 through 28 of the Complaint as if fully set forth herein.

30. Plaintiff, as the successor in interest to ODB, has duly complied with all of its obligations under the Recording Agreement.

31. In violation of the terms of the Recording Agreement, and despite due demand from Plaintiff, Defendant has failed and refused to pay sums justly due and owing to Plaintiff thereunder in connection with the commercial exploitation of the Wu-Tang Clan Recordings ODB's solo recordings, ODB's Compositions, merchandising rights, and Videos.

32. By reason of Defendant's breach of contract, Plaintiff have been damaged in a sum, to be proved at trial, of no less than one million (\$1,000,000) dollars plus interest as provided by law.

WHEREFORE, Plaintiff demand judgment against the Defendant as follows:

(a) On the First Claim, awarding Plaintiff damages against Defendant in a sum to be proved at trial, of no less than \$1,000,000, plus interest as provided by law;

(b) Awarding Plaintiff costs, fees (including reasonable attorneys' fees) and

disbursements incurred in this action; and

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(c) Granting Plaintiff such other and further relief as this Court may deem just,

proper, and equitable.

Dated: New York, New York February 8, 2022

REITLER KAILAS & ROSENBLATT LLC

By: <u>/s/ Brian Caplan</u> Brian D. Caplan 885 Third Avenue, 20th Floor New York, New York 10036 Tel.: (212) 209-3050 bcaplan@reitlerlaw.com *Attorneys for Plaintiff*

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