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7
8 UNITED STATES DISTRICT COURT
9 CENTRAL DISTRICT OF CALIFORNIA
10 WESTERN DIVISION
11

12 AEG PRESENTS LLC, a Delaware
limited liability company,

13 Plaintiff,

14 vs.

15 YSL TOURING LLC, a Georgia
16 limited liability company; JEFFERY
LAMAR WILLIAMS, an individual;
17 and YOUNG STONER LIFE
PUBLISHING, LLC, a Georgia
18 limited liability company,

19 Defendants.
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Case No. 2:20-CV-11601

**COMPLAINT FOR: (1) BREACH
OF CONTRACTS; (2) SPECIFIC
PERFORMANCE OF SECURITY
AGREEMENTS; (3)
DECLARATORY RELIEF; AND
(4) INJUNCTIVE RELIEF**

DEMAND FOR JURY TRIAL

1 Plaintiff AEG Presents LLC (“AEG”) brings this Complaint against Defendants
2 YSL Touring LLC (“YSL”), Jeffery Lamar Williams (“Mr. Williams”), and Young
3 Stoner Life Publishing, LLC (“YSLP”) (collectively “Defendants”) and alleges as
4 follows:

5 **JURISDICTION AND VENUE**

6 1. This is a civil action seeking monetary damages, specific performance,
7 and injunctive relief on claims brought under California law for breach of contracts,
8 specific performance of security agreements, declaratory relief, and injunctive relief,
9 all arising out of the failure of YSL and Mr. Williams to pay AEG about \$6,000,000
10 owed under various agreements entered into in 2016 and 2017 with regard to concert
11 tours by Mr. Williams, who performs under the name Young Thug. The Court has
12 subject matter and original jurisdiction over all claims for relief asserted herein
13 pursuant to 28 U.S.C. § 1332(a) because: (a) complete diversity of citizenship exists
14 between AEG, on the one hand, and Defendants, on the other hand (Mr. Williams is a
15 resident of Georgia for purposes of diversity jurisdiction, as are YSL and YSLP,
16 which are Georgia limited liability companies whose sole member Mr. Williams is a
17 resident of Georgia); and (b) the amount in controversy exceeds \$75,000, exclusive of
18 interest and costs.

19 2. The Court has personal jurisdiction over Defendants because: (a) they
20 regularly conduct business in California; (b) YSL and YSLP have their principal
21 places of business in Los Angeles, California; and (c) YSL and Mr. Williams entered
22 into agreements with a California company consenting to personal jurisdiction in Los
23 Angeles County, California.

24 3. Venue is proper in this judicial district: (a) pursuant to 28 U.S.C.
25 § 1391(b)(2) because a substantial part of the events or omissions giving rise to the
26 claim occurred; and (b) because YSL and Mr. Williams entered into agreements with
27 AEG consenting to venue in Los Angeles County, California.

28

1 **THE PARTIES**

2 4. AEG is a Delaware limited liability company. AEG’s sole member is
3 Anschutz Entertainment Group, Inc., a Colorado corporation.

4 5. AEG is informed and believes, and based thereupon alleges, that YSL is
5 a Georgia limited liability company and that Mr. Williams is its sole member.

6 6. AEG is informed and believes, and based thereupon alleges, that Mr.
7 Williams is a resident of Georgia. Mr. Williams is a rapper, singer, and songwriter
8 who is professionally known as Young Thug.

9 7. AEG is informed and believes, and based thereupon alleges, that YSLP is
10 a Georgia limited liability company and that Mr. Williams is its sole member.

11 **FACTUAL ALLEGATIONS**

12 **A. The 2016 Agreements.**

13 8. AEG (at that time known as AEG Live LLC) and YSL entered into an
14 Artist Agreement dated as of November 8, 2016 (exclusive of its exhibits, the “2016
15 Artist Agreement”) pursuant to which YSL agreed to grant AEG the exclusive right to
16 promote 20 concert performances by Mr. Williams in North America during a stated
17 term.

18 9. YSL executed a promissory note dated as of October 14, 2016 in the
19 original principal amount of \$300,000 in favor of AEG in connection with the 2016
20 Artist Agreement (the “2016 Note”).

21 10. On or about October 14, 2016, Mr. Williams executed an Inducement
22 Letter (Guaranty) in connection with the 2016 Note (the “2016 Guaranty”). (The
23 2016 Artist Agreement, the 2016 Note, and the 2016 Guaranty are referred to
24 collectively herein as the “2016 Agreements.”)

25 11. In the 2016 Guaranty, Mr. Williams agreed “to perform and discharge all
26 of [YSL]’s obligations, warranties and undertakings contained in the [2016] Note.”

27 12. YSL owes AEG \$126,324.60 under the 2016 Artist Agreement and the
28 2016 Note, which debt is comprised of an unearned advance of \$120,000 and

1 \$6,324.60 in vendor payments above artist earnings, as itemized in Exhibit A to a
2 letter sent by AEG to YSL and Mr. Williams on August 29, 2019. Pursuant to the
3 2016 Agreements, YSL and Mr. Williams are obligated to pay such amounts to AEG.

4 13. This total sum owing under the 2016 Artist Agreement and the 2016 Note
5 was liquidated by no later than August 29, 2019.

6 14. Hence, prejudgment interest at the legal rate of 10% per annum (which
7 equates to a daily rate of \$34.61) has accrued and is continuing to accrue on such
8 sums since no later than August 29, 2019.

9 **B. The 2017 Agreements.**

10 15. AEG, on the one hand, and YSL, on the other hand, entered into an Artist
11 Agreement dated as of July 10, 2017 (inclusive of the 2017 Note defined in Paragraph
12 16 below) (the “2017 Artist Agreement”) pursuant to which YSL agreed to grant AEG
13 the exclusive right to promote concert performances by Mr. Williams throughout the
14 world for a stated term.

15 16. Under the terms of the 2017 Artist Agreement, AEG advanced the sum of
16 \$5,250,000 to YSL (the “Advance”), and in connection therewith, YSL executed a
17 promissory note dated as of July 10, 2017 in the original principal amount of
18 \$5,250,000 in favor of AEG (the “2017 Note”). A true and correct copy of the 2017
19 Note, as redacted, is attached hereto as Exhibit A.

20 17. On or about July 10, 2017, Mr. Williams executed an Inducement Letter
21 (Guaranty) in connection with the 2017 Artist Agreement and the 2017 Note (the
22 “2017 Guaranty”). A true and correct copy of the 2017 Guaranty, as redacted, is
23 attached hereto as Exhibit B. (The 2017 Artist Agreement (inclusive of the 2017
24 Note) and the 2017 Guaranty are referred to collectively herein as the “2017
25 Agreements.”)

26 18. In the 2017 Guaranty, Mr. Williams agreed “to perform and discharge all
27 of [YSL]’s obligations, warranties and undertakings contained in the [2017 Artist
28 Agreement] (which for the avoidance of doubt includes the [2017] Note).”

1 19. Despite having granted AEG the exclusive right to promote Mr.
2 Williams' concert performances under the terms of the 2017 Artist Agreement, YSL
3 and Mr. Williams immediately failed and refused to honor their respective obligations
4 under the 2017 Artist Agreement by, among other things, disregarding AEG's rights,
5 performing concerts without AEG's involvement, and retaining all proceeds generated
6 therefrom.

7 20. YSL never paid to AEG any portion of the \$5,250,000 in principal owed
8 under the 2017 Note, nor any interest thereon.

9 21. In addition, YSL received revenue from Mr. Williams' concert
10 performances that it was contractually required to pay to AEG under the terms of the
11 2017 Artist Agreement in excess of any remuneration due from such performances in
12 a total amount of at least \$363,700, and it failed and refused to pay such revenue to
13 AEG.

14 **C. The Opt-Out Notice.**

15 22. In response to YSL's and Mr. Williams' failure to honor their respective
16 obligations under the 2017 Artist Agreement and their total disregard for AEG's rights
17 thereunder, AEG decided to exercise its right under the 2017 Artist Agreement to opt
18 out of any further obligation to promote Mr. Williams' concerts and to end the term of
19 such agreement early.

20 23. AEG delivered to YSL and Mr. Williams a Notice of Exercising Opt-Out
21 Right dated August 29, 2019 (the "Opt-Out Notice").

22 24. In the Opt-Out Notice, AEG exercised its rights to opt out of the
23 continued promotion of tour events and to end the term of the 2017 Artist Agreement
24 early, as provided for by Paragraph 15(c) of the 2017 Artist Agreement. In the Opt-
25 Out Notice, AEG designated September 4, 2019 as the last day of the Term under the
26 2017 Artist Agreement.

1 25. As the result of AEG’s exercise of its opt-out rights, YSL was to be
2 credited with a payment of \$250,000 under the 2017 Note as of the date of the Opt-
3 Out Notice, which credit was acknowledged in the Opt-Out Notice.

4 26. Under Paragraph 15(c) of the 2017 Artist Agreement and the terms of the
5 2017 Note, YSL agreed to repay \$5,000,000 of the Advance (plus interest that accrued
6 under the 2017 Note) to AEG.

7 27. The Opt-Out Notice made demand on YSL and Mr. Williams to pay the
8 principal sum due and owing under the 2016 Agreements and the principal and
9 interest due and owing under the 2017 Agreements (collectively, the “Agreements”)
10 as follows:

11 (a) The principal balance of the 2017 Note, in the amount of
12 \$5,000,000 (the “2017 Principal Debt”);

13 (b) Interest that had accrued on the unpaid principal amount
14 owing under the 2017 Note at the rate of six percent (6%) as of the date
15 of the Opt-Out Notice, in the amount of \$307,433.92 (the “2017 Interest
16 Debt”);

17 (c) The sum of \$363,700 due and owing under the 2017 Artist
18 Agreement as the result of YSL’s failure to pay AEG its share of pool
19 revenue received by YSL (the “2017 Additional Debt”); and

20 (d) The sum of \$126,324.60 due and owing under the 2016
21 Artist Agreement and the 2016 Note (the “2016 Debt”).

22 28. As the result of the Opt-Out Notice, the Term of the 2017 Agreement
23 ended on September 4, 2019. Hence, the Maturity Date under the 2017 Note (the
24 “2017 Note Maturity Date”) occurred on October 4, 2019 (*i.e.*, 30 days after the end
25 of the Term).

26 29. Interest continued to accrue under the terms of the 2017 Note from
27 August 29, 2017 through and including the 2017 Note Maturity Date at the rate of six
28 percent (6%) per annum (*i.e.*, at the daily rate of \$821.92), resulting in an additional

1 interest amount being due as of the 2017 Note Maturity Date of \$28,767.72. Hence,
2 as of the 2017 Note Maturity Date, the 2017 Interest Debt had increased to
3 \$336,201.64, making the total principal plus interest due under the 2017 Note as of the
4 2017 Note Maturity Date \$5,336,201.64; and when combined with the 2017
5 Additional Debt of \$363,700.00, the total amount owing to AEG by YSL under the
6 2017 Artist Agreement was no less than \$5,699,901.64 as of October 4, 2019.

7 30. From and after at least October 4, 2019, the total amount due under the
8 2017 Agreements has accrued, and is continuing to accrue, prejudgment interest at the
9 legal rate of 10% per annum (which equates to a daily rate of \$1,561.62).

10 **D. The Notice of Default.**

11 31. On December 5, 2019, AEG sent YSL and Mr. Williams a Notice of
12 Default (the “Notice of Default”) which provided written notice of such parties’
13 respective defaults in their obligations under both the 2016 Agreements and the 2017
14 Agreements.

15 32. Neither YSL nor Mr. Williams has paid any portion of the above-alleged
16 amounts owing under the 2016 Agreements and/or the 2017 Agreements.

17 **E. The Security Agreement.**

18 33. The 2017 Note included a security agreement, governed by California
19 law, wherein YSL pledged certain collateral (the “YSL Collateral”) to secure its
20 obligations under the 2017 Note as follows:

21 **SECURITY AGREEMENT**

22 To secure the faithful and timely performance of [YSL]’s
23 obligations hereunder and [YSL]’s obligations under the Artist
24 Agreement, and all extensions, modifications, substitutions,
25 replacements, and renewals of all such obligations (collectively, the
26 “Secured Obligations”), [YSL] hereby grants to [AEG], a security
27 interest in all of [YSL]’s right, title and interest in, to, and under the
28 following properties, assets and rights, wherever located, whether now
owned or hereafter acquired or arising (all collectively the “Collateral”):
all accounts and general intangibles (including, without limitation, all
software, payment intangibles, trademarks and copyrights), documents
and contracts, and all proceeds, replacements, substitutions, products,
accessions, and increases of any thereof, in any form, as those terms are
or may hereafter be defined in the California Commercial Code from
time to time in effect.

1 34. AEG perfected its security interest in the YSL Collateral by filing a UCC
2 financing statement with the Clerk of Superior Court, Fulton County, Georgia,
3 Instrument No. 0602017-06796, recorded on September 13, 2017.

4 35. Pursuant to the terms of the 2017 Guaranty, which was governed by
5 California law, Mr. Williams agreed “to perform and discharge all of [YSL]’s
6 obligations, warranties and undertakings contained in the [2017 Artist] Agreement
7 (which for the avoidance of doubt includes the [2017] Note).” Mr. Williams pledged
8 certain collateral (the “Mr. Williams Collateral”) in favor of AEG to secure all of his
9 obligations under the security agreement in the 2017 Guaranty, as set forth in
10 Paragraph 5 of the 2017 Guaranty as follows:

11 To secure all of its [*sic*] obligations hereunder, [Mr. Williams] hereby
12 grants a security interest to [AEG] in all of [his] present and future right,
13 title and interest in and to all of the following property, now owned or
14 hereafter acquired: all accounts, general intangibles (e.g., software,
15 payment intangibles, trademarks and copyrights), documents and
16 contracts and all proceeds, replacements, substitutions, products,
17 accessions, and increases of any thereof, in any form, as those terms are
or may hereafter be defined in the California Commercial Code from
time to time in effect; and agrees to reasonably cooperate with [AEG]’s
efforts to perfect such security interest in all such property. [Mr.
Williams] acknowledges and agrees that this Guaranty includes a security
agreement[.]

18 36. AEG perfected its security interest in the Mr. Williams Collateral under
19 the security agreement included in the 2017 Guaranty: (a) by filing a UCC financing
20 statement with the Clerk of Superior Court, Fulton County, Georgia, Instrument No.
21 0602017-06797, recorded on September 13, 2017; and (b) by sending to the U.S.
22 Copyright Office by overnight mail on December 5, 2019, December 12, 2019, and
23 July 28, 2020 Forms DCS (Document Cover Sheets) For Recordation of Documents
24 under 17 U.S.C. §205 attaching a copy of the 2017 Guarantee and identifying
25 registered copyrights that were known to be in the name of Mr. Williams (the
26 “Copyright Recordations”) in which AEG stated that it held a security interest in such
27 copyrights (but only as to Mr. Williams’ interests in such copyrights). Attached
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1 hereto as Exhibits C, D, and E, respectively, are true and correct copies of the
2 Copyright Recordations.

3 37. AEG submitted a copy of the 2017 Guaranty to the U.S. Patent &
4 Trademark Office for recordation in respect of the grant of a security interest in the
5 YOUNG THUG registered mark; the security interest was recorded on December 5,
6 2019 at Reel/Frame 6809/0915. (Under the applicable law, however, recordation is
7 unnecessary to perfect a security interest in a trademark.)

8 38. According to the U.S. Copyright Office's database, YSLP (identified
9 variously as "Young Stoner for Life Publishing," "Young Stoner Life Publishing,"
10 "Young Stoner Life Publishing LLC," and "Young Stoner Life Publsing [*sic*]) is a
11 copyright claimant on 34 copyright registrations for music on which Mr. Williams is
12 an identified author, with dates of publication ranging from 2017 through 2020. AEG
13 is informed and believes, and based thereon alleges, that Mr. Williams may have
14 purported to assign additional copyrights to YSLP that have not yet been registered
15 with the Copyright Office. (Together, any copyrights as to which YSLP is the
16 registered copyright owner or that have purportedly been assigned by Mr. Williams to
17 YSLP are referred to herein collectively as the "YSLP-Claimed Copyrights.")
18 Attached hereto as Exhibit F is a true and correct copy of a spreadsheet with
19 information from the U.S. Copyright Office's website that identifies the 34 copyright
20 registrations on which YSLP is named as a copyright claimant as of the date of filing
21 of this Complaint.

22 39. AEG is informed and believes, and based thereon alleges, that at the time
23 that Mr. Williams purported to assign to YSLP some or all of the YSLP-Claimed
24 Copyrights, such copyrights constituted collateral that was subject to the security
25 agreement set forth in Paragraph 5 of the 2017 Guaranty because: (a) Mr. Williams
26 held such copyrights as of July 10, 2017, the date of the 2017 Guaranty; or (b) such
27 works were created after that date. AEG is informed and believes that AEG's security
28 interest in any such YSLP-Claimed Copyrights has priority over any interest that

1 YSLP may claim in such copyrights because AEG's perfected security interest
2 attached prior to any right acquired by YSLP in the YSLP-Claimed Copyrights.

3 40. In the Notice of Default, AEG demanded pursuant to Cal. Comm. Code
4 § 9609 that YSL and Mr. Williams by no later than December 19, 2019: (a) assemble
5 all collateral pledged to AEG; and (b) make available to AEG, via email, 13 categories
6 of documents identified therein. The requested documents would have allowed AEG
7 to identify the collateral and to help maximize the recovery from exercising its rights
8 to the YSL Collateral and/or the Mr. Williams Collateral.

9 41. Neither YSL nor Mr. Williams has provided AEG with any of the
10 collateral or documents requested in the Notice of Default, which is itself a default
11 under the 2017 Agreements.

12 **FIRST CLAIM FOR RELIEF**

13 **(Breach of the 2017 Artist Agreement (inclusive of the 2017 Note))**

14 **(Against YSL)**

15 42. AEG refers to the allegations contained in paragraphs 1 through 41 above
16 and incorporates them by reference as though fully set forth herein.

17 43. The 2017 Artist Agreement (inclusive, for the avoidance of doubt, of the
18 2017 Note) is a valid and binding contract.

19 44. AEG has performed all of its obligations under the 2017 Artist
20 Agreement, unless excused.

21 45. YSL has breached the 2017 Artist Agreement (inclusive of the sums
22 owing under the 2017 Note) by failing to pay the 2017 Principal Debt and the 2017
23 Interest Debt, which together equaled \$5,336,201.64 as of October 4, 2019.

24 46. YSL has also breached the 2017 Artist Agreement by failing to pay the
25 2017 Additional Debt, which equaled \$363,700 as of October 4, 2019.

26 47. As a direct and proximate result of YSL's breach of its obligations under
27 the Artist Agreement (inclusive, for the avoidance of doubt, of the 2017 Note), AEG
28 has suffered injury in the amount of at least \$5,699,901.64 as of October 4, 2019.

1 48. AEG is entitled to recover from YSL its damages in an amount according
2 to proof, plus prejudgment interest from at least October 4, 2019.

3 49. AEG is also entitled under the 2017 Note to recover its reasonable
4 attorneys' fees incurred in enforcing such note.

5 **SECOND CLAIM FOR RELIEF**

6 **(Breach of the 2017 Guaranty)**

7 **(Against Mr. Williams)**

8 50. AEG refers to the allegations contained in paragraphs 1 through 49 above
9 and incorporates them by reference as though fully set forth herein.

10 51. The 2017 Guaranty is a valid and binding contract.

11 52. AEG has performed all of its obligations under the 2017 Guaranty, unless
12 excused.

13 53. Mr. Williams has breached the 2017 Guaranty by failing to pay AEG the
14 2017 Principal Debt, the 2017 Interest Debt, and the 2017 Additional Debt, which
15 together equaled no less than \$5,699,901.64 as of October 4, 2019.

16 54. As a direct and proximate result of Mr. Williams' breach of his
17 obligations under the 2017 Guaranty, AEG has suffered injury in the amount of at
18 least \$5,699,901.64 as of October 4, 2019.

19 55. AEG is entitled to recover from Mr. Williams its damages in an amount
20 according to proof, plus prejudgment interest at the per annum rate of 10% from
21 October 4, 2019.

22 **THIRD CLAIM FOR RELIEF**

23 **(Breach of the 2016 Artist Agreement and the 2016 Note)**

24 **(Against YSL)**

25 56. AEG refers to the allegations contained in paragraphs 1 through 55 above
26 and incorporates them by reference as though fully set forth herein.

27 57. The 2016 Artist Agreement and the 2016 Note are valid and binding
28 contracts.

1 58. AEG has performed all of its obligations under the 2016 Artist
2 Agreement and the 2016 Note, unless excused.

3 59. YSL has breached the 2016 Artist Agreement and the 2016 Note by
4 failing to pay AEG the Total 2016 Debt, which equaled \$126,324.60 as of August 29,
5 2019.

6 60. As a direct and proximate result of YSL's breach of its obligations under
7 the 2016 Artist Agreement and the 2016 Note, AEG has suffered injury in the amount
8 of at least \$126,324.60 as of August 29, 2019.

9 61. AEG is entitled to recover from YSL its damages in an amount according
10 to proof, plus prejudgment interest at the per annum rate of 10% from August 29,
11 2019.

12 62. AEG is also entitled under the 2016 Note to recover its reasonable
13 attorneys' fees incurred in enforcing such note.

14 **FOURTH CLAIM FOR RELIEF**

15 **(Breach of the 2016 Guaranty)**

16 **(Against Mr. Williams)**

17 63. AEG refers to the allegations contained in paragraphs 1 through 62 above
18 and incorporates them by reference as though fully set forth herein.

19 64. The 2016 Guaranty is a valid and binding contract.

20 65. AEG has performed all of its obligations under the 2016 Guaranty, unless
21 excused.

22 66. Mr. Williams has breached the 2016 Guaranty by failing to pay AEG the
23 Total 2016 Debt owed by YSL to AEG under the 2016 Artist Agreement and the 2016
24 Note, which equaled \$126,324.60 as of August 29, 2019.

25 67. As a direct and proximate result of Mr. Williams' breach of his
26 obligations under the 2016 Guaranty, AEG has suffered injury in the amount of at
27 least \$126,324.60 as of August 29, 2019.

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1 68. AEG is entitled to recover from Mr. Williams its damages in an amount
2 according to proof, plus prejudgment interest at the per annum rate of 10% from
3 August 29, 2019.

4 **FIFTH CLAIM FOR RELIEF**

5 **(For Specific Performance of Security Agreement in 2017 Note)**

6 **(Against YSL)**

7 69. AEG refers to the allegations contained in paragraphs 1 through 68 above
8 and incorporates them by reference as though fully set forth herein.

9 70. AEG is informed and believes, and on that basis alleges, that YSL is
10 presently the record owner of the YSL Collateral subject to the security agreement in
11 the 2017 Note.

12 71. AEG is the holder of the 2017 Note, as well as the beneficiary of the
13 security agreement included in the 2017 Note.

14 72. AEG has fully complied with and performed all provisions, terms, and
15 conditions required of it under the 2017 Note.

16 73. Pursuant to the security agreement included in the 2017 Note, YSL
17 agreed, *inter alia*, that (a) it irrevocably assigned to AEG all interests in the YSL
18 Collateral, and (b) AEG may, upon the occurrence of a default by YSL, collect the
19 YSL Collateral (including rights to payments), exercise its rights as a lienholder under
20 the terms of the 2017 Note and the California Commercial Code, and apply any net
21 proceeds against the amounts owed by YSL to AEG.

22 74. As a result of YSL's breach of the 2017 Note, including the security
23 agreement included therein, AEG is entitled to collect all amounts owing by YSL to
24 AEG on the 2017 Note, and to exercise all of its rights and remedies under the 2017
25 Note, including those in the security agreement included therein.

26 75. The 2017 Note provides that YSL will pay all costs of collection,
27 including reasonable attorneys' fees and legal expenses, incurred by AEG to enforce
28 its rights under that Note.

1 **SIXTH CLAIM FOR RELIEF**

2 **(For Specific Performance of Security Agreement in 2017 Guaranty)**

3 **(Against Mr. Williams)**

4 76. AEG refers to the allegations contained in paragraphs 1 through 75 above
5 and incorporates them by reference as though fully set forth herein.

6 77. AEG is informed and believes, and on that basis alleges, that Mr.
7 Williams is presently the record owner of the Mr. Williams Collateral subject to the
8 security agreement in the 2017 Guaranty.

9 78. AEG is the holder of the 2017 Guaranty, as well as the beneficiary of the
10 security agreement included in the 2017 Guaranty.

11 79. AEG has fully complied with and performed all provisions, terms, and
12 conditions required of it under the 2017 Guaranty.

13 80. Pursuant to the security agreement included in the 2017 Guaranty, Mr.
14 Williams agreed, *inter alia*, that (a) he irrevocably assigned to AEG all interests in the
15 Mr. Williams Collateral, and (b) AEG may, upon the occurrence of a default by Mr.
16 Williams, collect the Mr. Williams Collateral (including rights to payments), exercise
17 its rights as a lienholder un the terms of the 2017 Note and the California Commercial
18 Code, and apply any net proceeds against the amounts owed by Mr. Williams to AEG.

19 81. As a result of Mr. Williams' breach of the 2017 Guaranty, including the
20 security agreement included therein, AEG is entitled to collect all amounts owing by
21 Mr. Williams to AEG on the 2017 Guaranty, and to exercise all of its rights and
22 remedies under the 2017 Guaranty, including those in the security agreement included
23 therein.

24 **SEVENTH CLAIM FOR RELIEF**

25 **(For Declaratory Relief)**

26 **(Against YSLP and Mr. Williams)**

27 82. AEG refers to the allegations contained in paragraphs 1 through 81 above
28 and incorporates them by reference as though fully set forth herein.

1 83. An actual controversy has arisen and now exists relating to the rights and
2 duties of AEG, on the one hand, and YSLP and Mr. Williams, on the other hand, in
3 that AEG contends that:

4 (a) Some or all of the YSLP-Claimed Copyrights constitute Mr.
5 Williams Collateral under the security agreement included in the 2017
6 Guaranty because they were owned by Mr. Williams at the time of the
7 2017 Guaranty, or were acquired by Mr. Williams after the time of the
8 2017 Guaranty and prior to their alleged transfer by Mr. Williams to
9 YSLP;

10 (b) AEG's security interest in such YSLP-Claimed Copyrights
11 takes priority over any interest that YSLP may hold in such copyrights;

12 (c) AEG has the right, pursuant to the security agreement
13 included in the 2017 Guaranty, to require that YSLP and Mr. Williams
14 assemble such YSLP-Claimed Copyrights and turn them over to AEG;
15 and

16 (d) AEG has the right, pursuant to the security agreement
17 included in the 2017 Guaranty, to require that YSLP and Mr. Williams
18 make documents available to AEG with regard to such YSLP-Claimed
19 Copyrights.

20 84. AEG is informed and believes, and based thereon alleges, that YSLP and
21 Mr. Williams dispute AEG's contentions.

22 85. AEG desires a judicial determination of its rights and duties, and a
23 declaration that:

24 (a) Some or all of the YSLP-Claimed Copyrights constitute Mr.
25 Williams Collateral under the security agreement included in the 2017
26 Guaranty because they were owned by Mr. Williams at the time of the
27 2017 Guaranty, or were acquired by Mr. Williams after the time of the
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1 2017 Guaranty, and prior to their alleged transfer by Mr. Williams to
2 YSLP;

3 (b) AEG's security interest in such YSLP-Claimed Copyrights
4 takes priority over any interest that YSLP may hold in such Copyrights;

5 (c) AEG has the right, pursuant to the security agreement
6 included in the 2017 Guaranty, to require that YSLP and Mr. Williams
7 assemble such YSLP-Claimed Copyrights and turn them over to AEG;
8 and

9 (d) AEG has the right, pursuant to the security agreement
10 included in the 2017 Guaranty, to require that YSLP and Mr. Williams
11 make documents available to AEG with regard to such YSLP-Claimed
12 Copyrights.

13 86. A judicial declaration is necessary and appropriate at this time under the
14 circumstances so that AEG, on the one hand, and YSLP and Mr. Williams, on the
15 other hand, may ascertain their respective rights and duties in connection with the
16 YSLP-Claimed Copyrights.

17 **EIGHTH CLAIM FOR RELIEF**

18 **(For Injunctive Relief)**

19 **(Against Defendants)**

20 87. AEG refers to the allegations contained in paragraphs 1 through 86 above
21 and incorporates them by reference as though fully set forth herein.

22 88. Defendants are in possession of: (a) the YSL Collateral, which is subject
23 to the security agreement included in the 2017 Note; and (b) the Mr. Williams
24 Collateral, which is subject to the security agreement included in the 2017 Guaranty.

25 89. AEG is the secured party under the 2017 Note and the 2017 Guaranty.

26 90. The security agreements included in the 2017 Note and the 2017
27 Guaranty provide, among other things, that upon the occurrence of any event of
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1 default, AEG may inspect and/or take possession of the YSL Collateral or the
2 Mr. Williams Collateral, respectively.

3 91. AEG therefore is entitled to, and seeks, a preliminary and permanent
4 injunction against Defendants, and their officers, agents, partners, representatives, and
5 employees, prohibiting them, their agents, and anyone acting on their behalf or at their
6 direction, from transferring the YSL Collateral or the Mr. Williams Collateral.

7 **PRAYER FOR RELIEF**

8 WHEREFORE, AEG requests judgment in its favor, and against YSL,
9 Mr. Williams, and YSLP, as follows:

10 (1) For damages in an amount according to proof;

11 (2) For prejudgment interest;

12 (3) For an Order adjudging that AEG is entitled to immediate
13 and exclusive possession of the YSL Collateral and the Mr. Williams
14 Collateral for the purpose of exercising its rights as a lienholder under the
15 terms of the 2017 Note and the 2017 Guaranty, respectively, and the
16 California Commercial Code;

17 (4) For an Order (a) requiring Defendants to cease disposing of
18 the YSL Collateral and the Mr. Williams Collateral, to assemble such
19 Collateral, to provide AEG with the requested documents related to such
20 Collateral, and to turn over all such Collateral to AEG for the purpose of
21 exercising its rights as a lienholder under the terms of the 2017 Note and
22 the 2017 Guaranty, respectively, and the California Commercial Code,
23 and (b) otherwise awarding such specific performance as this Court
24 deems just and proper;

25 (5) For a declaration that:

26 (a) Some or all of the YSLP-Claimed Copyrights
27 constitute Mr. Williams Collateral under the security
28 agreement included in the 2017 Guaranty because they were

1 owned by Mr. Williams at the time of the 2017 Guaranty, or
2 were acquired by Mr. Williams after the time of the 2017
3 Guaranty and prior to their alleged transfer by Mr. Williams
4 to YSLP;

5 (b) AEG's security interest in such YSLP-Claimed
6 Copyrights takes priority over any interest that YSLP may
7 hold in such Copyrights;

8 (c) AEG has the right, pursuant to the security
9 agreement included in the 2017 Guaranty, to require that
10 YSLP and Mr. Williams assemble such YSLP-Claimed
11 Copyrights and turn them over to AEG so that AEG may
12 exercise its rights as a lienholder under the terms of the 2017
13 Note and the 2017 Guaranty, respectively, and the California
14 Commercial Code; and

15 (d) AEG has the right, pursuant to the security
16 agreement included in the 2017 Guaranty, to require that
17 YSLP and Mr. Williams make documents available to AEG
18 with regard to such YSLP-Claimed Copyrights;

19 (6) For a preliminary and permanent injunction against
20 Defendants, and their officers, agents, partners, representatives, and
21 employees, prohibiting them, their agents, and anyone acting on their
22 behalf or at their direction, from transferring the YSL Collateral or the
23 Mr. Williams Collateral;

24 (7) For attorneys' fees as authorized by contract or law;

25 (8) For costs and expenses of suit; and
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