IN THE CIRCUIT COURT OF COOK COUNTY, ILLINOIS COUNTY DEPARTMENT, LAW DIVISION

FILED 11/30/2020 12:03 PM IRIS Y. MARTINEZ CIRCUIT CLERK COOK COUNTY, IL 2020L012697

PAT THE MANAGER, LLC, an Illinois)	
limited liability company,)	
Plaintiff,)	The Hon.
v.)	Case No. 2020-L- 2020L012697
CHANCE THE RAPPER, LLC, an Illinois limited liability company; COOL POP MERCH, LLC, an Illinois limited liability company; and)))	Calendar No.
CTR TOURING, INC., an Illinois corporation,)	
Defendants.)	

COMPLAINT

Plaintiff Pat the Manager LLC, through his undersigned counsel, for his complaint against Defendants Chance the Rapper LLC, Cool Pop Merch, LLC and CTR Touring, Inc. states as follows:

NATURE OF THE CONTROVERSY

1. The iconic pair of Pat Corcoran ("Corcoran") and Chancelor Bennett ("Bennett"), an artist-manager combo for over eight years, together reimagined and forever changed musical artists' ability to control their careers. Electing to forego the operational and financial support of a major label and choosing instead to rely on their own hard work and self-sacrifice, Corcoran and Bennett upended traditional norms, broke barriers and redefined the music industry. The combination of Bennett's indisputable musical talent and Corcoran's revolutionary management style led the duo to international and critical acclaim, including three Grammy awards in 2017. Through Corcoran's calculated decision making, including the money saved by foregoing a traditional music label relationship, Corcoran was able to maximize profits from multiple sources, including, but not limited to, sales and streaming revenue from master recordings, marketing

opportunities, endorsements and branding deals, the sale of merchandise, and touring and other public appearances, which helped Bennett accomplish significant financial gain and international fame. Throughout this time, Bennett and Corcoran operated under a management agreement, where Corcoran earned a percentage of the net profits of the various operating entities established by Corcoran and Bennett relative to the CTR business. Following fan disappointment in Bennett's most recent album and underwhelming fan support for its associated tour, Bennett replaced Corcoran with Ken and Taylor Bennett, his father and brother, and has now refused to honor the terms of his agreement with Corcoran. As a consequence, PTM brings this action for all amounts due and owing and seeks all available remedies in law and in equity, including but not limited to compensatory damages and exemplary damages for breach of their agreement, related violations of the Illinois Sales Representative Act, and for its attorneys' fees and costs incurred in bringing this action.

JURSIDICTION AND VENUE

- 2. Jurisdiction is proper pursuant to 735 ILCS 5/2-209(a)(1), (3) and (7) because Defendants transact business in the State of Illinois, own and use property in the State and entered into a contract or promise substantially connected with the State.
- 3. Venue is proper in Cook County pursuant to 735 ILCS 5/2-101. Specifically, Cook County is the county in which the transaction or some part thereof occurred out of which this cause of action arose.

PARTIES

4. Plaintiff Pat the Manager LLC ("<u>PTM</u>") is an Illinois limited liability company with its principal place of business in Cook County, Illinois. Corcoran is the sole member of PTM and currently resides in and is a citizen of the State of Illinois.

- 5. Defendant Chance the Rapper LLC ("CTR") is an Illinois limited liability company with its principal place of business in Los Angeles, California. Upon information and belief, Bennett is the sole member of CTR and currently resides in and is a citizen of the State of Illinois.
- 6. Defendant Cool Pop Merch, LLC ("<u>Cool Pop Merch</u>") is an Illinois limited liability company with its principal place of business in Los Angeles, California. Upon information and belief, Bennett is the sole member of Cool Pop Merch, LLC and currently resides in and is a citizen of the State of Illinois.
- 7. Defendant CTR Touring, Inc. ("<u>CTR Touring</u>") is an Illinois domestic corporation with its principal place of business in Los Angeles, California.

FACTS COMMON TO ALL COUNTS

The Origin of the PTM-CTR Relationship and Their Commission Agreement

- 8. In May 2012, Corcoran and Bennett agreed that through Corcoran's dedication to the management of Bennett's musical talent, the two could profit from the music industry independently, without pressure from a record label. They realized Bennett's potential and set out to transform Bennett's music into a global brand—ultimately achieved through Corcoran's carefully crafted strategies and overall management of Bennett's career and image. The artist-manager relationship they forged over the next several years allowed them to realize their goals, achieve unprecedented success and revolutionize the music industry in the process.
- 9. At the outset, Corcoran's charge was to help Bennett achieve a higher profile and greater recognition beyond the pockets of fans he had developed in Chicago. Corcoran and Bennett agreed, broadly speaking, that Corcoran would represent Bennett and, among other things, provide Bennett with advice and counsel regarding: (a) venue selection for live performances; (b) publicity and public relations; (c) strategic considerations in the entertainment and publishing industries;

- (d) the design, production, marketing, distribution and release of music and merchandise and any additional creative endeavors related to the CTR brand; (e) negotiating deals; (f) managing finance and accounting; (g) business administration; (h) team oversight and management; (i) coordinating collaborations with other artists; (j) coordinating productions and music videos; (l) press strategy; (m) securing support from streaming platforms, social media sites and radio; (n) advertising strategy, including but not limited to: billboard campaigns, wheatpaste campaigns and social media campaigns; (o) operating and maintaining the brand's web presence and website, including ticket and merchandise purchases made thereon; and (p) general team logistics.
- 10. In exchange for Corcoran's services, in early 2013 Bennett promised to pay fifteen percent (15%) of the net profits that Bennett, and later CTR, received from all sources related to Bennett's music, including, but not limited to: (a) merchandise, (b) tours and concerts, (c) mixtape and album sales and streams (both electronic and hard-copy), (d) branding deals and endorsements and (e) film and television ventures and opportunities and (f) all other income channels related to the CTR entertainment brand.
- 11. Corcoran, and later PTM, acted and relied on Bennett's and CTR's promises. In fact, to completely immerse himself in the music industry, Corcoran withdrew from college, choosing to bet his future on his and Bennett's collective potential. Over the next several years, Corcoran invested untold time and resources learning the business. Through years of dedication, hard work and trial and error, Corcoran developed specialized knowledge and unique know-how in the music industry and talent management space.
- 12. To provide a legal structure for their relationship, Corcoran formed PTM, which he built into Chicago's premier talent management company. He also formed CTR, the entity through which Bennett would operate his business. As the brand's popularity progressed, Corcoran and

Bennett worked with the team's business manager to form Cool Pop Merch, LLC and CTR Touring, Inc. to manage the finances for merchandise sales and touring respectively.

- 13. From at least December 2013 to April 2020, PTM and CTR operated under the terms of their agreement, with CTR (and later Cool Pop Merch and CTR Touring) consistently remitting to PTM 15% of the net profits from all income sources as described above. CTR originally offered PTM 10% of its gross revenue, but PTM, wanting to ensure Bennett's financial success and avoid stunting his career trajectory, instead proposed and agreed to accept 15% of net profits after expenses.
- 14. As Bennett's career grew and other CTR entities were formed, PTM was paid by the associated entity for each vertical (i.e., merchandise, press, management, booking, touring and branding and endorsements), with Cool Pop Merch remitting to PTM payment of commissions from merchandise sales and CTR Touring remitting payment to PTM of commissions from all revenues generated from ticket sales and tours. Moreover, during Corcoran's tenure as Bennett's manager, Corcoran incurred over \$2.5 million of unreimbursed expenses supporting and promoting Bennett's career.

Chance the Rapper: From Local Talent to Nationwide Fame

- 15. Prior to forming their manager-artist relationship, Bennett had begun to establish himself by playing local shows in Chicago. Under different management at the time, Bennett had never headlined a show. Upon forming their relationship, Corcoran recommended that to establish his own brand, Bennett headline his own shows, first at Lincoln Hall (capacity over 500) and then the Metro (capacity over 1,000).
- 16. It was Corcoran's ability to define and execute strategy, combined with Bennett's artistic talent, that allowed Bennett to headline a show. Capitalizing on the popularity of Bennett's

self-released mixtape, 10 Day, released on April 3, 2012, Corcoran formed, operated, and with his own resources funded Bennett's merchandise operation, organized tour locations and dates and began designing a long-term strategy for Bennett's business and brand.

- 17. In June 2012, due to Corcoran's relentless marketing, Bennett sold out his first ever headlining show at Lincoln Hall. Shortly following the Lincoln Hall show and similar success at other venues recommended by Corcoran, Corcoran and Bennett began fielding interest from major music labels in New York and Los Angeles. Bennett and his father, Ken, were highly receptive to the overtures of Silvia Rhone of Epic Records/Vested in Culture. However, Corcoran presciently advised Bennett and his father to refrain from signing with Rhone or any other major label and to continue to build Bennett's brand and reputation independently. The Bennetts followed Corcoran's advice.
- 18. In the summer of 2012, Bennett committed to releasing another mixtape in the spring of 2013 as a free digital download. Acid Rap, Bennett's second mixtape, debuted at number 63 on Billboard's Top R&B/Hip Hop Albums and was later certified "diamond" for achieving over 10,000,000 downloads on Datpiff.com, a popular hip-hop website. It achieved similar results on other music-hosting sites including SoundCloud and Audiomack. In fact, Acid Rap was so ubiquitously popular that a bootleg label company based in Texas was able to sell thousands of pirated hard copies on Amazon.com; these illicit sales alone pushed the mixtape into the Billboard listings mentioned above.
- 19. As a result of the popularity of Acid Rap, Corcoran, coordinating with agent Cara Lewis, was able to schedule Bennett as the opening act for several well-known artists such as Eminem and Mac Miller. Touring with these and other high-profile acts, Bennett continued to achieve considerable popularity and fame while remaining wholly independent.

- 20. In the wake of Bennett's steadily rising profile, several record labels again approached Bennett to express their interest in signing him and promoting his music. Although Corcoran and Bennett took meetings with several major labels, Corcoran continued to counsel against jumping at these opportunities and urged Bennett to retain his independence, which would allow him maximum flexibility and autonomy.
- 21. Following that guidance, Corcoran and Bennett began building the CTR brand with their own proprietary teams that would handle all of the relevant verticals for a talent of Bennett's stature: merchandise, press, management, booking, touring, branding and endorsements. In fact, from 2012 to 2020, Corcoran ran the entire CTR operation out of a three-flat building that housed his office and apartment.
- 22. By following Corcoran's advice, and unlike many other prominent artists, Bennett retains ownership of his master recordings and complete creative control over his music and brand. And while Corcoran would provide guidance, the final artistic decisions were always made by Bennett.
- 23. Among other significant facets of the CTR business, Corcoran built the CTR merchandise operation from scratch. Corcoran sourced the products and vendors, acquired the chanceraps.com website and financed the inventory. Running the merchandise business may sound easy—selling t-shirts, posters and hats—but it was no small task. It required Corcoran and his friends to haul physical merchandise around the world, from venue to venue, while simultaneously managing an online, e-commerce business and shipping tens of thousands of pieces of merchandise out of Corcoran's apartment in Chicago. The sale of CTR merchandise was a source of considerable revenue for Bennett as well as Corcoran, who was paid a 15% commission for selling it.

- 24. Corcoran's management and marketing expertise was exemplified in the New Era ballcap, embroidered with a stylized number "3," which became inseparably associated with Bennett and his third mixtape, Coloring Book. In a standard merchandising agreement, the artist would simply receive a percentage of sales of the merchandise as a royalty. Corcoran instead negotiated a deal with New Era in which Cool Pop Merch, LLC purchased the hats wholesale and sold them exclusively on chanceraps.com. This approach resulted in increased upfront risk for the business, but also resulted in massive profits when demand for the hat skyrocketed. The Chance "3" hat, quickly became and still remains one of New Era's best-selling hats ever produced that is not affiliated with a major league sports team.
- 25. After touring extensively to promote Acid Rap, Bennett went back to the drawing board and spent several months writing Coloring Book. Coloring Book included collaborations with well-known artists such as Kanye West, Justin Bieber and Young Thug, among others. Coloring Book became a particularly complex undertaking for Corcoran, as it required him to supervise the scheduling, recording, and mixing of the album and negotiate the clearing process with teams of multiple A-list artists who put up considerable resistance.
- 26. Nonetheless, Coloring Book was released exclusively on the Apple Music platform from May 13 to May 26, 2016 (and other streaming services thereafter). The agreement with Apple represented not only Bennett and Corcoran's vision for an independent artist to achieve significant commercial success independently, but also signaled a paradigm shift in the music industry. In exchange for the exclusive release and streaming of Coloring Book for a two-week period on Apple Music, Corcoran and Bennett were able to secure the funds necessary to clear the album while still maintaining complete creative rights and control over the project and without sharing royalties with Apple.

- 27. Beyond the Apple deal, Corcoran undertook extensive efforts to promote the mixtape, including but not limited to a radio campaign resulting in the hit song "No Problem" reaching #1 on the urban format in United States radio, multifaceted marketing and press deployment, including a national wheatpaste postering campaign, a commercial broadcast during the NBA Finals, landing several coveted covers of magazines such as billboard and Rolling Stone (the latter of which Bennett turned down) and social media efforts. Corcoran performed similar marketing efforts for the merchandise associated with the album.
- 28. Coloring Book peaked at number eight on the Billboard 200 and enjoyed widespread acclaim, culminating in its winning the Grammy Award for Best Rap Album in 2017. It was the first—and to date the only—streaming-only album to receive a Grammy.

The Fallout from the Release of The Big Day

- 29. Having enjoyed repeated success with the release of his first three mixtapes—10 Day, Acid Rap and Coloring Book—Bennett announced on February 11, 2019 (without consulting with or giving advance notice to Corcoran) that he would release his first studio album in July of that year. Given the significant amount of work, care and attention needed to produce an album, Corcoran expressed serious concern with the projected release date Bennett had unilaterally announced for the album. Corcoran knew that in view of the commitments Bennett had in early 2019—including his own wedding—it was likely there was not enough time for the creative process that was involved in releasing an album, and Corcoran advised Bennett in that regard.
- 30. Corcoran opposed announcing the release of any album before the recording or writing process even began, let alone was substantially completed. Compounding the issue, Bennett's recording efforts were compromised by unproductive and undisciplined studio sessions. Procrastination and lackadaisical effort, perpetuated by various hangers-on uninterested in the hard

work of writing and recording, resulted in a freestyle-driven product of sub-par quality, a complete deviation from the meticulous writing process that brought Bennett fame for his wordplay and wit.

- 31. Bennett disregarded Corcoran's advice before and during the project, resulting in the forced release of a subpar product on July 26, 2019. While the album debuted at number two on U.S. Billboard 200, it was panned by many influential critics and faded from the chart after just 19 weeks. The Big Day quickly became Bennett's least popular project to date, delivering a blow to the reputations of Bennett and Corcoran.
- 32. As with many album releases, Bennett and Corcoran initially anticipated touring in support of the new music. In that regard, Corcoran organized a 30-city global tour estimated to gross \$25 to \$35 million and began implementing advertising campaigns to build anticipation. Despite Corcoran's efforts to arrange and market the tour, the underlying album failed to generate excitement comparable to prior releases. Based on low ticket sales and poor attendance projections, Corcoran recommended that Bennett take down The Big Day tour and use the time to regroup and refocus. Such a momentous recommendation was made only after Corcoran had assessed the situation, analyzed the available data and consulted with other touring and brand management professionals.
- 33. Although Bennett first postponed the tour just days before it was set to kick off in September, several months later it was shelved altogether with Bennett promising his fans that he would "come back much stronger and better in 2020." The tour was never put back on track.
- 34. Shortly before The Big Day's release, Corcoran and Bennett made new merchandise available for preorder, which included an exclusive presale for vinyl copies of Bennett's three most popular and critically acclaimed mixtapes and vinyl and compact disc copies of The Big Day—a plan that Corcoran and Bennett had discussed for months and was agreed upon

by both. This decision was based on Corcoran's research into how other artists generated significant revenue from similar pre-sale events and adherence to proven industry standards. However, interference with the plan by the Bennetts tarnished Bennett and Corcoran's merchandise operations as well.

- 35. This agreed-upon plan was suddenly halted at the last minute after Taylor Bennett unilaterally decided that he disagreed with the sale and distribution strategy which had been in place for months. This abrupt shift put a halt on the production of the goods and fulfillment of orders, which could only be lifted through express authorization from Bennett.
- 36. Taylor Bennett's meddling was but one example of Bennett's relatives' increasing efforts to manage the direction of Bennett's career. While Corcoran attempted to assess the fallout and analyze how Bennett's brand could recover from the disappointment surrounding The Big Day album, Ken and Taylor Bennett began pushing Bennett's career in a different direction under a different philosophy, despite having little or no experience in the music industry.
- 37. Instead of acknowledging the numerous distractions and artistic compromises that inevitably resulted from time wasted in the studio, all of which contributed to a lackluster album evidenced by historically low-ticket sales, Bennett ultimately blamed Corcoran for the judgment rendered by his fan base rather than accept that his own lack of dedication had doomed the project.
- 38. With Bennett misdirecting the blame for The Big Day's poor performance, Ken and Taylor Bennett, slowly eroded Bennett's confidence in Corcoran. From a purely operational standpoint, the Bennetts were inexperienced in the talent management space. Furthermore, they were seemingly more concerned with monetizing every available promotional opportunity for Bennett, rather than shoring up and stabilizing the CTR brand for future success—both musically and financially. By contrast, Corcoran was encouraging Bennett to reduce public appearances and

refocus his efforts on songwriting, productive studio time, attention to the business and optimizing CTR's management and decision-making processes. In short, Corcoran and the Bennetts had widely divergent views on the strategic management and future direction of CTR.

- 39. Eventually, against Corcoran's strong recommendation that Bennett step away from the public and regroup, Ken and Taylor Bennett continued to press for, and ultimately confirmed, Bennett's appearance on television programs such as Ellen, Good Morning America and The Late Show with Stephen Colbert, which only forced Bennett to publicly address his album's shortcomings, rather than generate excitement about a newly-released album, which is what such appearances are calculated to do. These appearances served only to further exacerbate the failure of The Big Day.
- 40. Despite several attempts at reconciliation, borne out of Corcoran's desire to get CTR back on a successful track and to rebuild the CTR brand, on April 27, 2020 CTR notified PTM that CTR was "terminating [its] engagement of Pat Corcoran and all entities controlled by Pat Corcoran, effective today."
- 41. After months of contentious interactions with CTR in an effort to receive payment for all commissions due and payable, PTM presented CTR with a list of commissions owed by CTR, Cool Pop Merch and CTR Touring, including but not limited to:
 - Commissions due and owing relative to the streaming and sales of 10 Day;
 - Commissions due and owing relative to the streaming and sales of Acid Rap;
 - Commissions due and owing on all proceeds from Live Nation Touring (including non-recourse advances);
 - Commissions due and owing on all 10 Day and Acid Rap vinyl sales and other merchandise;

- Commissions due and owing relative to the streaming and sales of The Big Day;
- Commissions due and owing relative to singles released during the course of 2018;
- Commissions due and owing on all The Big Day vinyl sales and other merchandise; and
- Commissions due and owing relative to Netflix: Rhythm + Flow (Season 2)
- 42. Upon information and belief, the commissions owed by CTR, Cool Pop Merch and CTR Touring to PTM in connection with the above are in excess of \$3 million.
- 43. Ignoring PTM's calculations, Bennett's father stated that Bennett was only willing to pay \$350,000 in a lump sum, which amounts to (i) a deviation from the parties' longstanding agreement on a commission rate of fifteen percent (15%) of net profits and (ii) a breach of their oral agreement.
- 44. Beginning in 2014 and continuing to April 2020 invoices were generated and sent to CTR and CTR, Cool Pop Merch and CTR Touring paid PTM commissions on income from the sale of merchandise, including but not limited to vinyl, albums, clothing, accessories, tickets and endorsements. No complaint, either oral or written, was ever made by CTR against PTM relating to the amount of commissions paid to PTM, the frequency of such payments or the manner in which due commissions were invoiced and/or fulfilled.
- 45. Moreover, In view of CTR's refusal to abide by its contractual obligation with regard to commissions now due and owing, PTM has every reason to believe that CTR will refuse to pay PTM all commissions that become due and payable for a period of 3 years (post-termination), which is standard industry practice.

46. Despite months of outreach and efforts at reconciliation, Bennett has refused to pay Corcoran the amounts Corcoran is fairly owed under the parties' long-standing agreement and well-settled course of conduct.

COUNT I (Breach of Contract)

- 47. PTM realleges and incorporates the allegations of Paragraphs 1 through 46 as if each were more fully set forth herein.
- 48. In or around June 2013, Corcoran and Bennett entered into an oral agreement pursuant to which Bennett promised to pay Corcoran fifteen percent (15%) of the net profits on all revenues generated by CTR, Cool Pop Merch and CTR Touring in exchange for Corcoran's management service.
- 49. In or around June 2013, Corcoran formed PTM and CTR on behalf of Bennett respectively, which adopted the terms of the oral agreement between Corcoran and Bennett and continued to honor the terms of that agreement from June 2013 to December 2019.
- 50. From June 2013 to April 2020, PTM fully performed under the terms of its agreement with CTR, Cool Pop Merch and CTR Touring.
- 51. Nonetheless, CTR, Cool Pop Merch and CTR Touring have stopped paying and refused to pay PTM commissions that are now due and owing and has breached the contract by refusing to pay all amounts due and outstanding.

WHEREFORE, Pat the Manager LLC respectfully requests the Court enter judgment in its favor and against Chance the Rapper LLC on Count I as follows: (i) compensatory damages in an amount in excess of \$50,000, plus pre-judgment interest; and (ii) such other and further relief as the Court may deem just and proper.

COUNT II (Violation of the Illinois Sales Representative Act)

- 52. PTM incorporates by reference paragraphs 1 through 51 as though each were more fully set forth herein.
 - 53. CTR, Cool Pop Merch and CTR Touring owe commission compensation to PTM.
- 54. CTR, Cool Pop Merch and CTR Touring, on one hand, and PTM on the other, are parties to an oral agreement pursuant to which PTM earns fifteen percent (15%) of the net profits of CTR, Cool Pop Merch and CTR Touring, including for, among other things, the sale of certain products and services which CTR produces and/or distributes for sale.
- 55. CTR, Cool Pop Merch and CTR Touring have contracted with PTM to solicit orders for such products and services and compensates PTM, in whole or in part, by commission payments. Consequently, CTR, Cool Pop Merch and CTR Touring are each a "principal" as defined by the Act.
- 56. CTR, Cool Pop Merch and CTR Touring have contracted with PTM to solicit the order of certain products and services on CTR, Cool Pop Merch and CTR Touring's behalf. PTM is compensated, in whole or in part, by commission and is not an employee of CTR, Cool Pop Merch or CTR Touring. Consequently, PTM is a "sales representative" as defined by the Act.
- 57. CTR, Cool Pop Merch and CTR Touring have violated the Act by failing to pay PTM commissions due at the time of termination of the agreement between CTR, Cool Pop Merch and CTR Touring and PTM within thirteen (13) days of termination.
- 58. CTR, Cool Pop Merch and CTR Touring have likewise violated the Act by failing to pay PTM commissions that have become due after the termination of the contract between CTR, Cool Pop Merch and CTR Touring and PTM within thirteen (13) days after such commissions became due.

59. Upon information and belief, the commissions owed by CTR, Cool Pop Merch and CTR Touring to PTM exceed \$2,000,000.00.

WHEREFORE, Pat the Manager LLC respectfully requests the Court enter judgment in its favor and against Chance the Rapper LLC, Cool Pop Merch, LLC and CTR Touring, Inc. on Count II as follows: (i) compensatory damages in excess of \$50,000.00; (ii) exemplary damages, in an amount not to exceed three (3) times the amount of the commissions owed to PTM as provided for by the Act; (iii) attorneys' fees and costs as provided for under the Act; and (iv) for any such other relief this Court deems just and equitable under the circumstances.

COUNT III (Unjust Enrichment—Unreimbursed Expenses)

- 60. PTM realleges and incorporates the allegations of Paragraphs 1 through 59 as if each were more fully set forth herein.
- 61. CTR, Cool Pop Merch and CTR Touring's conduct has resulted in CTR, Cool Pop Merch and CTR Touring retaining PTM's funds in the amount of \$2.5 million which funds were advanced on behalf of CTR, Cool Pop Merch and CTR Touring and which, in good conscious and equity, should be reimbursed to PTM.
- 62. CTR, Cool Pop Merch and CTR Touring's unjust enrichment has been at the direct expense of, and detriment to, PTM.

WHEREFORE, Pat the Manager LLC respectfully requests the Court enter judgment in its favor and against Chance the Rapper LLC, Cool Pop Merch LLC and CTR Touring, Inc. on Count III as follows: (i) restitution of all amounts unjustly obtained and/or withheld by Defendant Chance the Rapper LLC, Cool Pop Merch, LLC, and CTR Touring and (ii) such other and further relief as the Court may deem just and proper.

COUNT IV (Breach of Implied Contract—In the Alternative)

- 63. PTM alleges and incorporates the allegations of Paragraphs 1 through 62 as if each were more fully set forth herein.
- 64. In the alternative, if there was no contract in law between PTM, on one hand, and CTR, Cool Pop Merch and CTR Touring on the other, PTM states as follows: PTM performed services for CTR's benefit, including, but not limited to, those services articulated in Paragraph 9 above.
- 65. PTM and CTR have had dealings since as far back as 2012 that establish a course of conduct which led PTM to believe it would be compensated for the management services it has provided to CTR, Cool Pop Merch and CTR Touring.
- 66. CTR, Cool Pop Merch and CTR Touring knew or should have known that PTM would rely upon this course of conduct to perform its duties as manager with the expectation of being paid a commission of fifteen percent (15%) on the annual net profits of CTR, Cool Pop Merch and CTR Touring.

WHEREFORE, Pat the Manager LLC respectfully requests the Court enter judgment in its favor and against Chance the Rapper LLC, Cool Pop Merch, LLC and CTR Touring on Count IV as follows: (i) compensatory damages in excess of \$50,000.00; and (ii) for any such other relief this Court deems just and equitable under the circumstances.

COUNT V (Promissory Estoppel—In the Alternative)

67. PTM realleges and incorporates those allegations of Paragraphs 1 through 66 as if each were more fully set forth herein.

- 68. In the alternative, if there was no contract in law between PTM, on one hand, and CTR, Cool Pop Merch and CTR Touring on the other, PTM states as follows: In or around December 2013, CTR Cool Pop Merch and CTR Touring promised to pay PTM fifteen percent (15%) of annual net profits of CTR, Cool Pop Merch and CTR Touring in exchange for PTM's talent management services.
- 69. In reliance on CTR, Cool Pop Merch and CTR Touring's promises, PTM provided CTR, Cool Pop Merch and CTR Touring with talent management services from 2013 to 2020.
- 70. PTM's reliance on CTR, Cool Pop Merch and CTR Touring's promises under the circumstances was reasonable, expected and foreseeable.
- 71. PTM relied on CTR, Cool Pop Merch and CTR Touring's promises to PTM's detriment, as CTR, Cool Pop Merch and CTR Touring have refused to pay any commissions due and owing to PTM.

WHEREFORE, Pat the Manager LLC respectfully requests the Court enter judgment in its favor and against Chance the Rapper LLC, Cool Pop Merch, LLC and CTR Touring, Inc. on Count V as follows (i) all amounts unjustly obtained and/or withheld by Defendant Chance the Rapper LLC, Cool; and (ii) such other and further relief as the Court may deem just and proper.

COUNT VI (<u>Declaratory Judgment—Post Termination Commissions</u>)

- 72. PTM realleges and incorporates the allegations of Paragraphs 1 through 71 as if each were more fully set forth herein.
- 73. PTM contends that it has a contractual right to receive (and CTR, Cool Pop Merch and CTR Touring have an obligation to pay) commissions, consistent with the parties' agreements, for a period of three years post-termination, consistent with standards in the music industry.

- 74. CTR, Cool Pop Merch and CTR Touring have an opposing interest in paying such post-termination commissions.
 - 75. Accordingly, an actual, justiciable controversy exists between the parties.

WHEREFORE, Plaintiff Pat the Manager LLC respectfully requests the Court enter judgment on Count VI: (i) declaring PTM's right to receive post-termination commissions from CTR, Cool Pop Merch and CTR Touring for a period of three years from April 26, 2020 to April 25, 2023 and (ii) for such other and further relief as the Court may deem just and proper.

COUNT VII (Request for Accounting)

- 76. PTM alleges and incorporates the allegations of Paragraphs 1 through 75 as if each were more fully set forth herein.
- 77. The Defendants have earned substantial profits for the activities encompassed by the parties' management contract. Pursuant to the terms of their agreement, Defendants owe PTM a commission on these projects. The Defendants failed and continue to fail to pay PTM all owed commissions.
- 78. Upon information and belief, a full and complete accounting of all sums and consideration that the Defendants have realized from relevant activities will demonstrate what additional monies are due and owing PTM from Defendants under their management agreement. The full amount of money due from the Defendants to PTM cannot be ascertained without a full and complete accounting of revenues and consideration realized by the Defendants. The Defendants have access to such information, but this information has not been provided to PTM. Moreover, PTM does not and will not have access to all of such information.

79. An order from the Court is required for the Defendants to provide a full accounting of all sums and consideration they received in connection with any work falling under the parties' management agreement on a historical and moving forward basis.

WHEREFORE, Plaintiff Pat the Manager LLC respectfully requests the Court enter judgment on Count VII: (i) ordering an accounting of the amounts earned by Defendants from February 2013 through the present, and for revenues expected through 2023; (ii) for payment of such amounts owed to PTM as determined by the accounting; and (iii) for such other and further relief as the Court may deem just and proper.

JURY DEMAND

Plaintiff demands a trial by jury on all facts and issues so triable.

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