

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

_____)	
NIKKI WILLIAMS,)	
)	No. 16-cv-7037
)	
Plaintiff,)	
)	JURY TRIAL DEMANDED
vs.)	
)	
CHAMELEON ENTERTAINMENT, INC.,)	
PRIMETIME MANAGEMENT INC. and)	
BREYON PRESCOTT,)	
)	
Defendants.)	
_____)	

COMPLAINT

Plaintiff Nikki Williams (“Ms. Williams”), by her undersigned attorneys Reitler Kailas & Rosenblatt LLC, as and for her Complaint in this Action, alleges as follows:

1. This is an action for declaratory and monetary relief arising from the actions of Breyon Prescott (“Prescott”), a self-serving manipulative and controlling personal manager, and the companies he controlled, Chameleon Entertainment, Inc. (“Chameleon”) and PrimeTime Management, Inc. (“PrimeTime”), who together have exploited, controlled and took advantage of a young and talented recording artist and songwriter.

2. Chameleon, in breach of a written production agreement with Ms. Williams and by aiding and abetting PrimeTime and Prescott in breach of the fiduciary duties owed by Defendants Prime Time and Prescott to Ms. Williams under the Prime Time management agreement, have intentionally warehoused Ms. Williams’ recording career for their own benefit.

3. Defendants' egregious breaches of their respective contractual obligations and fiduciary duties to Ms. Williams are set forth below, and include:

- withholding material information from Ms. Williams concerning her recording career;
- repeatedly refusing to provide Ms. Williams with information necessary to allow Ms. Williams to exercise a contractual termination right under her agreement with Chameleon;
- inducing and encouraging Ms. Williams to enter into inequitable one-sided agreements with Defendants; and
- failing, for several years, to take any steps to further develop Ms. Williams's career as a recording artist and live musical performer, thus depriving Ms. Williams from earning a living in the only field she is legally permitted to pursue under her O-1 visa status discussed below.

THE PARTIES

4. Ms. Williams is a musician, composer and performer and is a citizen of South Africa and a resident of Tennessee.

5. Defendant Chameleon is a New York corporation engaged in the business of producing musical sound recordings.

6. Upon information and belief, Chameleon maintains one or more offices in the State of New York.

7. Upon information and belief, Defendant PrimeTime is a New York corporation engaged in the business of managing the professional careers of entertainers. PrimeTime was administratively dissolved on June 29, 2016.

8. Upon information and belief, PrimeTime maintains one or more offices in the State of New York.

9. Upon information and belief, Defendant Prescott is the sole owner, president and chief executive of Chameleon and PrimeTime.

10. Upon information and belief, Prescott resides in Los Angeles County, California.

11. Upon information and belief, at all relevant times, Prescott maintained a full time position as a senior creative artists and repertoire executive for Epic Records, a record company owned by the Sony Music group of companies.

12. Upon information and belief, Chameleon and PrimeTime are, and at all relevant times have been, operated as thinly-capitalized shell entities solely owned and controlled by Prescott, having no employees other than Prescott, and having no material cash assets.

13. Upon information and belief, Chameleon and PrimeTime are merely instrumentalities through which Prescott operates and enters into contracts with third parties, including entertainers like Ms. Williams, in an attempt to shield Prescott himself from contractual obligations and liabilities while allowing himself to benefit personally from the activities of such entities.

14. Upon information and belief, Prescott is the alter ego of Chameleon and PrimeTime.

JURISDICTION AND VENUE

15. Upon information and belief, Chameleon transacts and has at all relevant times transacted business within the State of New York.

16. Upon information and belief, PrimeTime transacts and has at all relevant times transacted business within the State of New York.

17. Upon information and belief, Prescott transacts and has at all relevant times transacted business within the State of New York.

18. This Court has personal jurisdiction over Chameleon, PrimeTime and Prescott under New York CPLR sec. 301 and sec. 302, because all Defendants transact business within this jurisdiction, including the transactions at issue in this action, and pursuant to choice of venue clauses found in the written agreements which are the subject of this proceeding.

19. This Court has subject matter jurisdiction over this action under 28 U.S.C. §1332(a)(1) because no Defendant is a citizen of Ms. Williams' state of residency, Tennessee, or the nation of Ms. Williams' citizenship, South Africa, and the amount in controversy exceeds the sum or value of \$75,000, exclusive of interests and costs.

20. Venue is proper in this jurisdiction under 28 U.S.C. § 1391 because all Defendants are subject to the Court's personal jurisdiction and a substantial part of the events and omissions giving rise to the claims occurred in this judicial district, and pursuant to choice of venue clauses found in the written agreements which are the subject of this proceeding.

FACTUAL ALLEGATIONS

The Agreements

21. Ms. Williams is a dynamic and talented singer, performer and songwriter who, at the age of 21, met Prescott in early 2011.

22. Prescott was immediately impressed by Ms. Williams' abilities and sought to be engaged by Ms. Williams as Ms. Williams' exclusive personal manager in the entertainment industry.

23. In or about early 2011, Prescott and Ms. Williams entered into an oral management agreement under which Prescott agreed to serve as Ms. Williams'

professional manager and advance her career, in exchange for a percentage of certain revenues she earned through her work as a recording artist, vocalist, composer and performer (the “Oral Management Agreement”).

24. Under the Oral Management Agreement, Prescott had a fiduciary relationship with Ms. Williams requiring Prescott at all times to conduct himself in Ms. Williams’ best interests and to participate in no activities or arrangements inimical to Ms. Williams’ best interests.

25. Under the Oral Management Agreement, Prescott held himself out to persons within the music industry as Ms. Williams’ exclusive personal manager.

26. In or about March 2011, Prescott induced and encouraged Ms. Williams to enter in a written exclusive personal management agreement with PrimeTime, a Prescott alter-ego, dated March 7, 2011 (the “PrimeTime Agreement”), which purported to add material terms to the Oral Management Agreement, and otherwise reduce the Oral Management Agreement to writing. A true and correct copy of the PrimeTime Agreement is annexed hereto as Exhibit 1.

27. Under the PrimeTime Agreement, PrimeTime had a fiduciary relationship with Ms. Williams obligating it all times to conduct itself in Ms. Williams’ best interests and to participate in no activities or arrangements inimical to Ms. Williams’ best interest.

28. Also in or about March 2011, Prescott induced and encouraged Ms. Williams to enter into an exclusive agreement with Chameleon, another Prescott alter-ego, concerning Ms. Williams’ career as a recording artist which agreement included provisions for the production of sound recordings featuring Ms. Williams’ performances; this agreement was memorialized in a written agreement also dated March 7, 2011 (the

“Chameleon Agreement”). The Chameleon Agreement also contained provisions which restrict Ms. Williams’ right to enter to agreements concerning musical compositions written by Ms. Williams in whole or in part. A true and correct copy of the Chameleon Agreement is annexed hereto as Exhibit 2.

29. At that same time, Prescott induced and encouraged Ms. Williams to enter into a three-party agreement among Chameleon, PrimeTime and Ms. Williams, granting certain rights to Chameleon and PrimeTime for activities ancillary to Ms. Williams’ career as a recording artist, such as an income participation in merchandising and in other income streams (the “Ancillary Rights Agreement”). A true and correct copy of the Ancillary Rights Agreement is annexed hereto as Exhibit 3.

30. The written Ancillary Rights Agreement, executed by all three parties, was also dated March 7, 2011.

31. The Ancillary Rights Agreement is co-terminous with the PrimeTime Agreement.

32. The Oral Management Agreement, the PrimeTime Agreement, the Chameleon Agreement, and the Ancillary Rights Agreement are hereafter referred to collectively as the “Prescott Agreements.”

33. The Prescott Agreements gave Defendants extensive control over Ms. Williams’ professional career, effectively allowing the Defendants to determine whether, how and when Ms. Williams could earn a livelihood as a recording artist and musical performer.

34. Following the formation of the Oral Management Agreement, it was not in Ms. Williams’ interest to enter into either the Chameleon Agreement or the Ancillary

Rights Agreement, each of which benefitted and secured rights for Prescott on terms unfavorable to Ms. Williams.

35. Several months after the execution of the Prescott Agreements, Chameleon entered into an exclusive recording distribution agreement with Island Def Jam Music Group, dated August 26, 2011 (the “Def Jam Agreement”) under which Chameleon granted Island Def Jam Music Group (“Def Jam”) exclusive rights to distribute sound recordings featuring Ms. Williams’ performances.

36. Neither Prescott nor the other corporate Defendants disclosed to Ms. Williams the consideration they were receiving, or have received, under the Def Jam Agreement despite requests that they do so.

Defendants’ History of Improper Actions Under the Prescott Agreements

37. Shortly after Ms. Williams began working with Defendants under the Prescott Agreements, Prescott began a consistent course of conduct that was personally degrading, humiliating and demeaning to Ms. Williams, and that diminished her professional opportunities and earning potential in the music industry in violation of Defendants’ fiduciary duties to her.

38. Among Prescott’s egregious and injurious acts with respect to Ms. Williams were prohibiting her from performing and recording her own material, *e.g.* by telling her “just perform what I tell you to perform” because she allegedly had “no talent as a writer.”

39. Notwithstanding Prescott’s denigration of her songwriting abilities, Ms. Williams continued to compose.

40. Only after another recording artist proved Prescott wrong by achieving great success with a recording of a song written in part by Ms. Williams did Prescott relent and allow Ms. Williams to begin recording her own compositions.

41. Prescott also pressured Ms. Williams to defraud her music publisher, whom Prescott did not control, by cajoling her to falsely list Prescott as a co-writer on Ms. Williams' compositions. In the presence of Ms. Williams' mother, Prescott offered to make clandestine payments to Ms. Williams if she would participate with him in this fraudulent scheme. Ms. Williams refused to accept Prescott's illegal proposition.

42. Because Ms. Williams is in the United States on an O-1 visa – sponsored by Chameleon – that only permits her to earn a living in the music industry as a recording artist, live performer and songwriter, Defendants' acts complained of herein have effectively precluded her from earning any livelihood whatsoever other than a minimal monthly draw as a songwriter and composer, under a publishing agreement that pre-dated the Prescott Agreements and expired at the end of June 2016.

43. Pursuant to the terms of the Chameleon Agreement, Chameleon now has the right to approve or match the terms of any new publishing agreement offered to Ms. Williams.

44. Prescott also frequently berated Ms. Williams about her appearance, specifically remarking that her breasts were too large and bounced excessively when she danced.

45. Prescott's harassment of Ms. Williams about her breasts was so unrelenting that he coerced Ms. Williams into having breast reduction surgery in 2013.

46. Instead of providing advice and counsel in his capacity as a personal manager, Prescott dictated, verbally abused, and denigrated Ms. Williams and was constantly, and continues to be, overbearing.

47. Prescott has taken no actions to further Ms. Williams' career as a recording artist and live musical performer for a number of years.

48. Such conduct is consistent with Defendant Prescott's ongoing pattern of exercising excessive dominion and control over "his" artists and "warehousing" the performers who are contractually bound to Prescott, effectively holding such performers' careers hostage for as long as possible while Prescott and the other Defendants do nothing to materially advance those careers. Examples of such conduct are alleged in a recent action pending in the Supreme Court of the State of New York, New York County, Norwood v. Chameleon Entertainment Inc. et al., No. 653767/2016 (filed July 18, 2016).

49. The above described actions of Defendants were willful, egregious, and reprehensible, and demonstrate such wanton dishonesty as to imply a criminal indifference to civil obligations.

Termination of the Def Jam Agreement

50. Upon information and belief, in 2014 or early 2015, Def Jam determined, and communicated to the Defendants, that it no longer wished to have the rights to distribute recordings by Ms. Williams under the Def Jam Agreement.

51. Upon information and belief, the Def Jam Agreement was terminated in or about May 2015, following extensive negotiations between Chameleon and Def Jam.

52. Upon information and belief, Def Jam provided Chameleon with an execution copy of a termination agreement ("Termination") as early as May 2015.

53. Despite requested requests from Ms. Williams' transactional attorney, Defendants did not provide Ms. Williams with a signed copy of the Termination, or even a description of the financial or other terms of the Termination; Defendants also repeatedly ignored requests made by Ms. William's transaction counsel to at least let Ms. Williams know the status of the Termination.

54. Despite further requests in August 2016 from the undersigned litigation counsel for Ms. Williams, Defendants have still not provided Ms. Williams with a signed copy of the Termination, or a description of the financial or other terms of the Termination.

55. Defendants are and were obligated under the Agreements to advise Ms. Williams of the termination of the Def Jam Agreement, and to keep Ms. Williams apprised of developments under it, but they have repeatedly failed and refused to do so.

56. Assuming *arguendo* that the Def Jam agreement has been terminated, Chameleon has a limited opportunity under the Chameleon Agreement to arrange for a successor agreement, in order to secure other comparable distribution for sound recordings made by Ms. Williams.

57. Under paragraph 17(a)(ii) of the Chameleon Agreement, however, if Chameleon does not enter into an appropriate successor distribution agreement within five (5) months of the termination of the Def Jam Agreement, Ms. Williams has a brief, thirty (30) day window in which she may serve notice to Chameleon terminating the Chameleon Agreement.

58. Because Defendants have not advised and refuse to confirm whether or when the Termination became effective, they have intentionally thwarted Ms. Williams'

rights under the Agreements and have placed Ms. Williams' career in the entertainment industry in a terminal holding pattern, making her in effect an indentured servant of Defendants.

59. Upon information and belief, and assuming *arguendo* that the Def Jam Agreement was terminated, Defendants have withheld and are withholding material information about the termination of the Def Jam Agreement in an effort to cause Ms. Williams' opportunity to send notice terminating the Chameleon Agreement to expire before Defendants have advised her of the relevant facts.

60. Upon information and belief, and assuming *arguendo* that the Def Jam Agreement has not been terminated, Ms. Williams has satisfied her delivery commitment under the Def Jam Agreement and all relevant Prescott Agreements.

61. On August 11, 2016, undersigned counsel for Ms. Williams provided written notice to counsel for Defendants that Ms. Williams deems the Prescott Agreements to be terminated as of that date.

First Cause of Action – Breach of Fiduciary Duty as to PrimeTime and Prescott

62. Ms. Williams restates the allegations set forth in Paragraphs 1 through 61 as if fully set forth.

63. Ms. Williams has complied in all respects with the Prescott Agreements.

64. Defendants' acts as set forth above, including Defendants' failure to advise Ms. Williams as to the Termination of the Def Jam Agreement, constitute a breach of Prescott's and PrimeTime's fiduciary duties to Ms. Williams under the Prescott Agreements.

65. Ms. Williams has been damaged by Defendants' actions in an amount to be determined at trial.

Second Cause of Action – Aiding and Abetting Breach of Fiduciary Duty as to Chameleon

66. Ms. Williams restates the allegations set forth in Paragraphs 1 through 61 as if fully set forth.

67. Ms. Williams has complied in all respects with the Prescott Agreements.

68. Defendants' acts as set forth above, including Defendants' failure to advise Ms. Williams as to the Termination of the Def Jam Agreement, constitute aiding and abetting of Prescott's and PrimeTime's breach of fiduciary duties to Ms. Williams under the Prescott Agreements.

69. Ms. Williams has been damaged by Defendants' actions in an amount to be determined at trial.

Third Cause of Action –Breach of Oral Management Agreement as to Prescott

70. Ms. Williams restates the allegations set forth in Paragraphs 1 through 61 as if fully set forth.

71. Ms. Williams has complied in all respects with the Oral Management Agreement.

72. Defendants' acts as set forth above, including Defendants' failure to advise Ms. Williams as to the Termination of the Def Jam Agreement, constitute a material breach of Defendant Prescott's contractual obligations to Ms. Williams under the Oral Management Agreement, including without limitation the covenant of good faith and fair dealing inherent in every agreement.

73. Ms. Williams has been damaged by Defendants' actions in an amount to be determined at trial.

Fourth Cause of Action – Breach of PrimeTime Agreement

74. Ms. Williams restates the allegations set forth in Paragraphs 1 through 61 as if fully set forth.

75. Ms. Williams has complied in all respects with the PrimeTime Agreement.

76. Defendants' acts as set forth above, including Defendants' failure to advise Ms. Williams as to the Termination of the Def Jam Agreement, constitute a breach of Defendants' contractual obligations to Ms. Williams under the PrimeTime Agreement, including without limitation the covenant of good faith and fair dealing inherent in every agreement.

77. Ms. Williams has been damaged by Defendants' actions in an amount to be determined at trial.

Fifth Cause of Action – Breach of Chameleon Agreement

78. Ms. Williams restates the allegations set forth in Paragraphs 1 through 61 as if fully set forth.

79. Ms. Williams has complied in all respects with the Chameleon Agreement.

80. Defendants' acts as set forth above, including Defendants' failure to advise Ms. Williams as to the Termination of the Def Jam Agreement, constitute a breach of Defendants' contractual obligations to Ms. Williams under the Chameleon Agreement, including without limitation the covenant of good faith and fair dealing inherent in every agreement.

81. Ms. Williams has been damaged by Defendants' actions in an amount to be determined at trial.

Sixth Cause of Action – Declaration That the Prescott Agreements Are Void

82. Ms. Williams restates the allegations set forth in Paragraphs 1 through 61 as if fully set forth.

83. Ms. Williams has complied in all respects with the Prescott Agreements.

84. Defendants' acts as set forth above, including Defendants' failure to advise Ms. Williams as to the Termination of the Def Jam Agreement, constitute a breach of Defendants' contractual obligations to Ms. Williams under the Prescott Agreements that is so material and fundamental as to go to the very core purpose of the Prescott Agreements, and that is not capable of cure.

85. Defendants' acts as set forth above, including Defendants' failure to advise Ms. Williams as to the Termination of the Def Jam Agreement, thus constitute a repudiation of the Prescott Agreements by Defendants, which relieves Ms. Williams of any further obligation to perform services or grant rights thereunder.

86. In the alternative, Defendants' acts as set forth above, including Defendants' failure to advise Ms. Williams as to the Termination of the Def Jam Agreement, constitute grounds for Ms. Williams to rescind the Prescott Agreements.

87. Defendants' conduct has created a genuine dispute for which a declaration would immediately and practically influence the parties' actions because upon entry of the requested declaratory judgment Ms. Williams will be free to contract with a third party for her recording services and thus to continue to pursue her livelihood as a recording artist.

88. Ms. Williams therefore seeks a declaratory judgment that the Prescott Agreements have been repudiated by reason of Defendants' material breaches thereof, and that Ms. Williams no longer has any obligations to Defendants under those agreements, or in the alternative that the Prescott Agreements are subject to rescission by Ms. Williams at her election.

Prayer for Relief

WHEREFORE, Ms. Williams demands judgment as follows:

- A. Awarding Ms. Williams all compensatory monetary damages available at law, in an amount to be determined at trial;
- B. Awarding Ms. Williams punitive damages as a result of Defendants' egregious and willful conduct as described herein, in an amount to be determined at trial;
- C. Declaring the Prescott Agreements have been repudiated by reason of Defendants' material breaches thereof, and that Ms. Williams no longer has any obligations to Defendants under those agreements, or in the alternative that the Prescott Agreements are subject to rescission by Ms. Williams at her election.
- D. Awarding Ms. Williams her costs and attorney's fees to the full extent permissible by law;
- E. Awarding such other and further relief as this Court deems just and proper.

Dated: September 8, 2016

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