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Attorneys for Plaintiff
MICHAEL LERNER

SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF LOS ANGELES (NORTHWEST DISTRICT)

MICHAEL LERNER, an individual,

Plaintiff,

vs.

CORNER STONE PICTURES
CORPORATION, a Nevada corporation;
CORNER STONE PICTURES LLC, a
California Limited Liability Company;
RETIREMENT THE MOVIE, LLC, a
California Limited Liability Company;
RETIREMENT PRODUCTIONS, LLC, a
Louisiana Limited Liability Company;
CHARLES PICERNI, SR., an individual; JON
KNUTSON, an individual; MICHAEL
PIETRZAK, an individual; and DOES 1
through 100, inclusive,

Defendants.

) Case No.

) **COMPLAINT FOR DAMAGES,**
) **INJUNCTIVE RELIEF AND**
) **DECLARATORY RELIEF**

-) 1. BREACH OF CONTRACT
-) 2. ANTICIPATORY BREACH OF CONTRACT
-) 3. BREACH OF THE COVENANT OF GOOD FAITH AND FAIR DEALING
-) 4. VIOLATION OF SECTION 17200 OF THE CALIFORNIA *BUSINESS AND PROFESSIONS CODE*
-) 5. FRAUD
-) 6. CONVERSION
-) 7. DECLARATION OF CONSTRUCTIVE TRUST
-) 8. NEGLIGENT MISREPRESENTATION
-) 9. CONSPIRACY
-) 10. AN ACCOUNTING
-) 11. PRELIMINARY INJUNCTION, PRELIMINARY AND PERMANENT RESTRAINING ORDERS
-) 12. DECLARATORY RELIEF

Plaintiff MICHAEL LERNER brings this complaint for damages, injunctive relief and declaratory relief against Defendants CORNER STONE PICTURES CORPORATION, a Nevada

1 Corporation; CORNER STONE PICTURES, LLC, a California Limited Liability Company,
2 RETIREMENT THE MOVIE, LLC, a California Limited Liability Company; RETIREMENT
3 PRODUCTIONS, LLC, a Louisiana Limited Liability Company; CHARLES PICERNI, SR., an
4 individual; JON KNUTSON, MICHAEL PIETRZAK, an individual; and DOES 1 through 100,
5 inclusive, based upon the following allegations:
6

7 **THE PARTIES**

8 1. Plaintiff MICHAEL LERNER (hereafter occasionally referred to as “LERNER” or
9 “Plaintiff”) is an individual, residing in the County of Los Angeles, State of California.

10 2. Defendant CORNER STONE PICTURES CORPORATION (hereafter occasionally
11 referred to as “CORNER STONE CORP.”) is a Nevada Corporation, doing business in the County
12 of Los Angeles, State of California.

13 3. Defendant CORNER STONE PICTURES, LLC. (hereafter occasionally referred to as
14 “CORNER STONE LLC”) is a California Limited Liability Company, doing business in the County
15 of Los Angeles, State of California.

16 4. Defendant RETIREMENT THE MOVIE, LLC (hereafter occasionally referred to as
17 “RETIREMENT”) is a California Limited Liability Company, doing business in the County of Los
18 Angeles, State of California. RETIREMENT PRODUCTIONS, LLC, on information and belief, is a
19 Louisiana Limited Liability Company.
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21 5. RETIREMENT is a recently formed company, created to enable outside investors to
22 participate in an investment opportunity with it to finance, develop, produce, market and distribute a
23 motion picture titled “Retirement” (hereafter occasionally referred to as the “Retirement Movie” or
24 the “Picture”).
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1 6. CORNERSTONE LLC was founded to serve as the Member Manager of
2 RETIREMENT. It established business offices at 14900 Ventura Boulevard, suite 310, in Sherman
3 Oaks, California.

4 7. Defendant CHARLES PICERNI, SR (“PICERNE SR.”) is an individual, residing in the
5 County of Los Angeles, State of California. PICERNE SR., along with others, including Plaintiff
6 LERNER, PIETRZAK, KNUTSON, and Jon Warner were the founders of CORNERSTONE LLC.

7 8. Defendant JON KNUDSON (“KNUDSON”) is an individual, residing in the County of
8 Los Angeles, State of California. KNUDSON is the president of CORNER STONE CORP.

9 9. Defendant MICHAEL PIETRZAK (“PIETRZAK”) is an individual, residing in the
10 County of Los Angeles, State of California. PIETRZAK is the Sr. Vice President of Production of
11 CORNER STONE CORP.

12 10. Plaintiff LERNER is one of the initial principals of CORNER STONE PICTURES,
13 CORPORATION (hereafter occasionally referred to as “CORNER STONE CORP.”) and an
14 individual shareholder in Defendant CORNER STONE CORP. Additionally, LERNER was the Sr.
15 Vice President of Business Affairs for CORNER STONE CORP. before illegal shareholder and
16 board actions were taken by Defendants to remove LERNER from any affiliation with CORNER
17 STONE CORP. or affiliated entities.

18 11. Plaintiff LERNER is, and always was, the Executive Producer of the Retirement Movie.
19 As detailed herein, Defendants now seek to deny Plaintiff this credit.

20 12. LERNER is and was at all times relevant a resident of Los Angeles County, California.
21 Jurisdiction is proper in this court because the contracts sued upon were negotiated and entered to in
22 this judicial district.

23 13. DOE Defendants 1 through 100, inclusive, whether individuals, corporations,
24 partnerships or otherwise, are fictitious names of Defendants whose true names are, at this time,
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1 unknown to Plaintiff. Plaintiff is informed, believes, and thereon alleges that each of said
2 fictitiously-named Defendants contributed to the damages herein alleged and Plaintiff will name
3 such Defendants when their identities have been ascertained.

4 14. Furthermore, Plaintiff alleges that the DOE Defendants in this action committed the
5 same or similar acts alleged as the named Defendants in this cause of action. Therefore, all acts
6 alleged to have been committed by the named Defendants are also alleged to have been committed
7 by the DOE Defendants.

8 15. Plaintiff is informed, believes and thereon alleges that each of the Defendants is the
9 agent, joint venturer and/or employee of each of the remaining Defendants and in doing the things
10 hereinafter alleged, each was acting within the course and scope of said agency, employment and/or
11 joint venture with the advance knowledge, acquiescence or subsequent ratification of each and every
12 remaining Defendant.

13 **THE CORNER STONE ENTITIES AND THEIR INITIAL FOUNDERS**

14 16. In or about 2004, Plaintiff LERNER, and Defendants PICERNE, PIETRZAK,
15 KNUDSON, along with Jon Warner and others, founded CORNER STONE PICTURES CORP.,
16 CORNER STONE PICTURES LLC, and RETIREMENT, to secure financing for the production of a
17 motion picture entitled "Retirement," and to create other entertainment projects.

18 17. Plaintiff LERNER was designated as Sr. Vice President of Business Affairs for
19 CORNER STONE CORP., and was responsible for bringing in substantially all of the initial
20 financing for the Defendant entities.

21 18. From the inception of the project, Plaintiff LERNER was, and is, the Executive Producer
22 of the Retirement Movie, and is entitled to be credited as such.

23 19. As a part of the business transactions with the Defendants, Plaintiff LERNER was to
24 receive, among other things, a monthly salary, a designated percentage interest in CORNER STONE
25

1 CORP., a percentage of the funds he was responsible for raising from third party investors, a
2 percentage ownership in the proceeds from the commercial exploitation of the Picture., Executive
3 Producer credit on the Picture, and several other benefits and components of compensation,
4 including an automobile and payment, from CORNER STONE CORP. of the lease of Plaintiff's
5 residence.
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7 20. As detailed herein, the Defendants, and each of them, have sought to terminate Plaintiff
8 LERNER from all aspects of their business activities, and have wrongfully and unlawfully withheld
9 compensation from Plaintiff, have failed and refused to pay Plaintiff sums to which he is entitled,
10 and have wrongfully denied Plaintiff's role as Executive Producer of the picture. As such,
11 Defendants have breached their contractual obligations to Plaintiff, are anticipated to breach other
12 agreements, and have committed a variety of tortious acts, entitling Plaintiff to the relief sought
13 herein.
14

15 **ORIGINAL AGREEMENTS WITH PLAINTIFF LERNER**

16 21. In exchange for his services and efforts, as detailed herein, Plaintiff LERNER was
17 promised the following as compensation, among other things: (a) Plaintiff LERNER was to receive
18 finder's fee and Executive Producer's fees in an amount equal to fourteen percent (14%) of the
19 amount of money he raised for the film, "Retirement," (b) LERNER was to receive an annual salary
20 of \$175,000.00; (c) LERNER was to receive a specified number of shares of CORNER STONE
21 CORP.; (d) LERNER was to receive a percentage interest in CORNER STONE LLC and the
22 proceeds of the Picture; (e) LERNER was to receive Executive Producer credit on the film
23 "Retirement," during its creation and at all times thereafter; (f) as part of his compensation,
24 LERNER was to receive an automobile; (g) as part of his compensation, Defendant CORNER
25 STONE CORP. was to make the lease payments on Plaintiff's residence; and (h) LERNER was to
26 receive additional benefits and rights common in a position such as his.
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1 **PLAINTIFF LERNER'S TERMINATION WITHOUT CAUSE AS EXECUTIVE**
2 **PRODUCER AND OFFICER OF CORNER STONE**

3 22. In or about March 2005, without good cause or justification, Defendants, and each of
4 them, completely barred Plaintiff from the Defendants' business facilities, including filming
5 locations, and otherwise took steps to effectively terminate LERNER's affiliation with the
6 Defendants (although no formal notification of such termination was provided to LERNER).

7
8 23. Since his wrongful termination on, LERNER has not received the compensation due to
9 him, and the Defendants have undertaken a number of other activities to deny LERNER's rights and
10 to cause him additional harm. As detailed herein, LERNER is due appropriate compensation and
11 damages from the date of his removal, to the present, including deferred salary, finder's fees,
12 Executive Producer credit, share ownership, and other elements of compensation.

13 **DEFENDANTS REFUSALS TO PAY LERNER AND OTHER BREACHES**

14 24. Following the improper termination and lock-out of Plaintiff LERNER, Defendants, and
15 each of them committed a variety of actions constituting breaches of contract various wrongful torts.

16 Among other things:

- 17
- 18 ■ Mr. Lerner has not been fully compensated by the company for his agreed finder's
 - 19 fees/executive producer fees;
 - 20 ■ The company has failed and refused to pay his salary through the date he was
 - 21 (wrongfully) barred from the company's facilities;
 - 22 ■ Mr. Lerner has not been fully compensated for his deferred compensation;
 - 23 ■ Mr. Lerner has been denied his percentage interest in the Corner Stone Corporation and
 - 24 Limited Liability Company;
 - 25 ■ Mr. Lerner has been subjected to physical threats and intimidation;
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- 1 ■ Representatives of the company have wrongfully threatened Mr. Lerner with criminal
2 prosecution;
- 3 ■ The company has unlawfully sought to unilaterally cancel Mr. Lerner's stock ownership;
- 4 ■ Despite his undisputed designation as Executive Producer of the "Retirement" film, the
5 company has taken steps to disavow this title and to deny him credit in the film;
- 6 ■ The company has violated its contractual agreements by threatening to terminate agreed
7 house lease payments and have Mr. Lerner evicted, despite the fact that such continued
8 payments are a portion of his agreed salary for previously-provided services;
- 9 ■ Corner Stone and its principals have breached contractual obligations owed to Mr.
10 Lerner, most recently in demanding that he vacate his residence and in unlawfully
11 seeking to seize his automobile;
- 12 ■ Mr. Lerner has been denied access to the company's books and records, in violation of
13 California *Corporations Code* § 1601(a) and other applicable authority;
- 14 ■ Mr. Lerner has not been provided with requested tax forms and information;
- 15 ■ The company has apparently undertaken a number of corporate transactions to dilute the
16 interests of Mr. Lerner (and others), in violation of various corporate and securities laws,
17 and in disregard of requisite corporate formalities.

18 25. Plaintiff has demanded repayment of the amounts due to him, as well as restoration of
19 his Executive Producer credit on the Picture, his share ownership, and other elements owed to him.
20 The Defendants, and each of them, have failed and refused to comply with their contractual
21 obligations, and have refused to repay LERNER.

22 26. Plaintiff has demanded repayment, and Defendants have failed to comply with their
23 obligations under their agreements, and have refused to repay LERNER.
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FIRST CAUSE OF ACTION
FOR BREACH OF CONTRACT
(AGAINST CORNER STONE CORP., CORNER STONE, LLC, RETIREMENT, AND DOES
1-100)

27. Plaintiff repeats and realleges the allegations contained in paragraphs 1 through 26 of this Complaint as if fully set forth herein.

28. Plaintiff was affiliated with Defendants CORNER STONE CORP., CORNER STONE LLC, and RETIREMENT, which entities agreed to provide compensation, benefits and rights as described herein.

29. Defendants breached their contracts with Plaintiff LERNER by, among other things:

- i. Refusing to give Plaintiff the opportunity to succeed at his job;
- ii. Failing to treat Plaintiff in accordance with Defendants' stated policies;
- iii. Terminating Plaintiff in breach of the promises made to him;
- iv. Terminating Plaintiff without following the benefits of Defendants' policies and practices.

30. In addition:

- Mr. Lerner has not been fully compensated by the company for his agreed finder's fees/executive producer fees;
- The company has failed and refused to pay his salary through the date he was (wrongfully) barred from the company's facilities;
- Mr. Lerner has not been fully compensated for his deferred compensation;
- Mr. Lerner has been denied his percentage interest in the Limited Liability Company;
- Mr. Lerner has been subjected to physical threats and intimidation;

- 1 ■ Representatives of the company have wrongfully threatened Mr. Lerner with criminal
2 prosecution;
- 3 ■ The company has unlawfully sought to unilaterally cancel Mr. Lerner's stock ownership;
- 4 ■ Despite his undisputed designation as Executive Producer of the "Retirement" film, the
5 company has taken steps to disavow this title and to deny him credit in the film;
- 6 ■ The company has violated its contractual agreements by threatening to terminate agreed
7 house lease payments and have Mr. Lerner evicted, despite the fact that such continued
8 payments are a portion of his agreed salary for previously-provided services;
- 9 ■ Corner Stone and its principals have breached contractual obligations owed to Mr.
10 Lerner, most recently in demanding that he vacate his residence and in unlawfully
11 seeking to seize his automobile;
- 12 ■ Mr. Lerner has been denied access to the company's books and records, in violation of
13 California *Corporations Code* § 1601(a) and other applicable authority;
- 14 ■ Mr. Lerner has not been provided with requested tax forms and information;
- 15 ■ The company has apparently undertaken a number of corporate transactions to dilute or
16 eliminate the interests of Mr. Lerner (and others), in violation of various corporate and
17 securities laws, and in disregard of requisite corporate formalities.

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21 31. As a direct, foreseeable and proximate result of Defendants' breaches, Plaintiff
22 LERNER has suffered and continues to suffer substantial losses in earnings, and benefits, the precise
23 amount of which will be proven at trial, but within the jurisdiction of this Court.

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25 **SECOND CAUSE OF ACTION**

26 **FOR ANTICIPATORY BREACH OF CONTRACT**

27 **(Against All Defendants)**

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- 1 c. Neither party would take any action to unfairly prevent the other from obtaining
2 the benefits of their agreements;
- 3 d. Defendants CORNER STONE CORP., CORNER STONE LLC and
4 RETIREMENT would comply with their own representations, rules, policies, and
5 procedures in dealing with Plaintiff LERNER under their agreements;
- 6 e. Defendants would honor their agreement to credit Plaintiff as Executive Producer
7 of the Picture, during its production and upon its future release,
- 8 f. Defendants CORNER STONE CORP., CORNER STONE LLC and
9 RETIREMENT would not terminate Plaintiff without a fair and honest cause,
10 regulated by good faith on Defendants part;
- 11 g. Defendants CORNER STONE CORP., CORNER STONE LLC and
12 RETIREMENT would not terminate Plaintiff in an unfair manner; and
- 13 h. Defendants CORNER STONE CORP., CORNER STONE LLC and
14 RETIREMENT, as well as their individual officers would give Plaintiff's interests
15 as much consideration as they gave their own interests.

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18 37. Defendants' breach of each of their contracts with Plaintiff was wrongful, in bad faith,
19 and unfair, and therefore a violation of Defendants' legal duties. Plaintiff further alleges that
20 Defendants breached the covenant of good faith and fair dealings when they:

- 21 a. Repeatedly refused to abide by their own policies when dealing with Plaintiff;
- 22 b. Repeatedly denied the existence of their contracts with Plaintiff and his role as
23 Executive Producer of the Picture;
- 24 c. Unfairly prevented Plaintiff from obtaining the benefits of his relationship with
25 the defendants;
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- 1 d. Terminate Plaintiff's affiliation with Defendants for invalid reasons and in a
2 manner that was inconsistent with Defendants' legal obligations;
3 e. Refused to comply with the payment obligations to Plaintiff and disavowed and
4 interfered with LERNER's designation as Executive Producer, and;
5 f. Wrongfully sought to cancel Plaintiff's share certificate and ownership interest in
6 the Defendant entities.
7

8 38. Defendants' breach of the covenant of good faith and fair dealing was a substantial
9 factor in causing damage and injury to Plaintiff. As a direct and proximate result of Defendants'
10 unlawful conduct alleged in this Complaint, Plaintiff has lost substantial benefits with Defendants,
11 including loss of reputation, lost wages and compensation, and other benefits in an amount in excess
12 of the jurisdiction of this Court's jurisdictional minimum, the precise amount of which will be
13 proven at trial. In addition, through Defendants' continued actions, including efforts to seize
14 personal property of Plaintiff and to have Plaintiff evicted from his residence, Plaintiff has suffered
15 additional monetary damage, the precise amount of which will be proven at trial.
16

17 39. As a further direct and proximate result of Defendants' wrongful conduct, Plaintiff has
18 suffered extreme anguish, humiliation, and emotional distress the extent of which is not fully known
19 at this time, but the amount of the damages are in excess of the jurisdictional minimum of this Court,
20 the precise amount of which will be proven at trial.
21

22 **FOURTH CAUSE OF ACTION**

23 **FOR VIOLATION OF SECTION 17200 OF THE** 24 **CALIFORNIA *BUSINESS AND PROFESSIONS CODE***

25 **(Against All Defendants)**

26 40. Plaintiff LERNER repeats and realleges the allegations contained in paragraphs 1
27 through 31 of this Complaint as is fully set forth herein.
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1 41. California *Business and Professions Code* Section 17200 prohibits act of unfair
2 competition, which includes “any unlawful, unfair or fraudulent business act or practice.”

3 42. Defendants’ misrepresentations and nondisclosures of material facts are prohibited by
4 California *Corporations Code Section 25400*, California *Civil Code* Sections 1709, 1710, and 1711,
5 as well as principles of common law. Accordingly, Defendants have violated California *Business*
6 *and Professions Code* Section 17200’s proscription against engaging in an unlawful business act or
7 practice.
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9 43. In addition, Defendants’ continued activities in denying Plaintiff his compensation and
10 Executive Producer credit, and in seeking to seize his personal property and have him evicted from
11 his residence constituted an “unlawful, unfair or fraudulent business act or practice.” Accordingly,
12 Defendants have violated California *Business and Professions Code* Section 17200.
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14 44. As a result of Defendants’ unlawful, unfair and/or fraudulent business acts of practices
15 in violation of *Business and Professions Code* Section 17200, Plaintiff is entitled to relief under
16 Section 17203.

17 **FIFTH CAUSE OF ACTION**

18 **FOR FRAUD**

19 **(Against All Defendants)**

20 45. Plaintiff LERNER hereby realleges and incorporates by reference Paragraphs 1 through
21 44, inclusive, of this Complaint as though set forth in full.
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23 46. As alleged in paragraphs 1 through 44, above, continuing through his affiliation with the
24 Defendants, Plaintiff was solicited by the Defendants, through written communications and
25 telephonic and face-to-face meetings with Defendants to continue his efforts, to act in the best
26 interests of the Picture, and to refrain from taking actions against the Defendants in his own interests.
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1 47. In reliance on the above representations, Plaintiff agreed to assist the Defendants with
2 their efforts to launch their new motion picture and entertainment activities.

3 48. In furtherance of Plaintiff's faith and trust in Defendants, Plaintiff agreed to secure
4 funding for the Defendants, and to take an active role in the activities of the Defendant entities and to
5 otherwise act in the best interests in the Defendants.
6

7 49. At the time of the misrepresentations and omissions referenced herein, Defendants were
8 aware that such misrepresentations and omissions were taking place, and allowed them to take place
9 because they were co-directors and officers of the entities, and benefited from the misrepresentations
10 and omissions set forth herein.

11 50. By reason of said misrepresentations and fraudulent concealment as alleged herein,
12 Plaintiff has been damaged in an amount presently unascertained, but within the jurisdiction of this
13 Court. Plaintiff will seek leave of this Court to amend this Complaint when the sum has been
14 ascertained
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16 51. In doing the acts herein alleged, Defendants' conduct was willful and intentional, and
17 done in reckless disregard of the possible results. Defendants' conduct evidenced a conscious
18 disregard of the Plaintiff's rights, and exhibited a particularly malicious intent in light of the
19 Defendants' knowledge of Plaintiff's financial status, activities, and efforts. By reason thereof,
20 Plaintiff is entitled to exemplary and punitive damages against Defendants, and each of them.
21

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23 **SIXTH CAUSE OF ACTION**

24 **FOR CONVERSION**

25 **(Against All Defendants)**

26 52. Plaintiff hereby realleges and incorporates by reference Paragraphs 1 through 31,
27 inclusive, of this Complaint as though set forth in full.
28

1 benefits within a short period of time, would obtain credit as Executive Producer, and would be
2 compensated in accordance with the agreements described herein.

3 63. Defendants should have known, when they made said representations to Plaintiff that
4 they were false.

5 64. When Defendants made said representations, they had no sufficient or reasonable
6 grounds for believing that the representations were true, in that they did not have accurate
7 information or data concerning the subject matter of the representations and were well aware that
8 without such information and data, they could not accurately make said representations.

9 65. In truth and in fact, the Defendants, and each of them, never intended to act in Plaintiff's
10 best interest.

11 66. Plaintiff, at the time the said representations were made by Defendants, and each of
12 them, was ignorant of their falsity, but believed them to be true. In reliance thereon, Plaintiff was
13 induced to and did invest his money with the Defendants and perform as described herein.

14 67. By reason of said misrepresentations and concealment as alleged herein, Plaintiff has
15 been damaged in an amount presently unascertained, but within the jurisdiction of this Court.
16 Plaintiff will seek leave of this Court to amend this Complaint when the sum has been ascertained.

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20 **NINTH CAUSE OF ACTION**

21 **FOR CONSPIRACY**

22 **(Against All Defendants)**

23 68. Plaintiff Lerner hereby realleges and incorporates by reference Paragraphs 1 through 68,
24 inclusive, of this Complaint as though set forth in full.

25 69. For the purpose of inducing Plaintiff to act as alleged herein, Defendants, and each of
26 them, by and through the individual Defendants and DOES 1 through 100, inclusive, among others,
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1 falsely and fraudulently represented to Plaintiff, among other things, that if Plaintiff became
2 affiliated with them and contributed his time, expertise, experience, efforts and resources, then
3 Plaintiff would be fully compensated in accordance with the agreements set forth herein.

4 70. Defendants well knew, when they made said representations to Plaintiff, that they were
5 false.
6

7 71. In truth and in fact, the Defendants, and each of them, never intended to act as they
8 represented, and merely intended to utilize the Plaintiff's efforts and resources to benefit themselves
9 personally, as described herein.

10 72. Plaintiff is informed and believes, and based thereon alleges, that the Defendants, and
11 each of them, willingly and willfully conspired and agreed among themselves to perform the
12 wrongful acts and schemes set forth in this Complaint. Said conspiracy included, but is not limited
13 to, the methods employed by the Defendants, and each of them, to misappropriate the Plaintiff's
14 money, efforts, and experience, and to conceal their wrongful actions.
15

16 73. Plaintiff is informed and believes, and based thereon alleges that Defendants, and each
17 of them, did the acts and things hereinabove alleged, pursuant to, and in furtherance of, said
18 conspiracy and agreement, and as part of said continuing course of conduct.

19 74. By reason of the conspiracy as alleged herein, Plaintiff has been damaged in an amount
20 presently unascertained, but within the jurisdiction of this Court. Plaintiff will seek leave of this
21 Court to amend this Complaint when the sum has been ascertained.
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23 75. In doing the acts herein alleged, Defendants' conduct was willful and intentional, and
24 done in reckless disregard of the possible results. Defendants' conduct evidenced a conscious
25 disregard of the Plaintiff's rights, and exhibited a particularly malicious intent in light of the
26 Defendants' knowledge of Plaintiff's financial status, activities, and efforts. By reason thereof,
27 Plaintiff is entitled to exemplary and punitive damages against Defendants, and each of them.
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TENTH CAUSE OF ACTION

FOR AN ACCOUNTING

(Against All Defendants)

76. Plaintiff incorporates Paragraphs 1 through 75, inclusive of this Complaint as through set forth in full herein.

77. California *Corporations Code* § 1601 (a) provides: “The accounting books and records and minutes of proceedings of the shareholders and the board and committees of the board of any domestic corporation, and of any foreign corporation keeping any such records in this state or having its principal executive office in this state, shall be open to inspection upon the written demand on the corporation of any shareholder or holder of a voting trust certificate at any reasonable time during usual business hours, for a purpose reasonably related to such holder's interests as a shareholder or as the holder of such voting trust certificate. The right of inspection created by this subdivision shall extend to the records of each subsidiary of a corporation subject to this subdivision.”

78. Plaintiff has never received a complete or detailed accounting from the Defendants as to where and how their funds and corporate revenues have been spent, despite his requests for them. The sole means of ascertaining such information and documentation are within the control of the Defendants.

79. Plaintiff cannot determine the amount of money due him without a full and complete accounting from Defendants, and each of them.

80. Plaintiff has demanded such an accounting on repeated occasions. However, Defendants have continued to refuse to render an accounting to Plaintiff.

ELEVENTH CAUSE OF ACTION**FOR PRELIMINARY INJUNCTION, TEMPORARY AND****PERMANENT RESTRAINING ORDERS****(Against All Defendants)**

81. Plaintiff incorporates Paragraphs 1 through 80, inclusive of this Complaint as through set forth in full herein.

82. As detailed herein, Defendants have undertaken steps to disavow Plaintiff's role as Executive Producer of the Retirement Movie, and have embarked on efforts to complete and release the Picture without appropriately crediting Plaintiff as Executive Producer, which credit has significant value in the motion picture industry.

83. Unless the Defendants are enjoined from releasing the Picture, Plaintiff will suffer a great and irreparable injury, in that the Plaintiff will be completely prevented from having his credit on the Picture, leaving Plaintiff without an adequate remedy at law.

TWELVTH CAUSE OF ACTION**FOR DECLARATORY RELIEF****(Against All Defendants)**

84. Plaintiff incorporates Paragraphs 1 through 83, inclusive of this Complaint as through set forth in full herein.

85. An actual controversy has arisen and now exists between the Plaintiff and the Defendants concerning their respective rights in and concerning the Picture which is the subject of this lawsuit, as well elements of compensation and ownership of the Defendant entities.

86. A judicial determination is necessary and appropriate at this time under the circumstances in order that Plaintiff LERNER and the Defendants may establish their rights and

1 pursue their business interests. Because of the unique nature of the motion picture business, and the
2 fact that Plaintiff may have no other adequate remedy at law, this relief is necessary and appropriate.
3

4 **PRAYER FOR RELIEF**

5 **WHEREFORE**, Plaintiff prays for judgment against Defendants as follows:
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8 1. That the Defendants, and each of them, be ordered to pay, jointly and severally, to
9 Plaintiffs the following sums:

10 (a) The amounts owed to Plaintiff, under his agreements, in the sum in excess of the
11 jurisdictional minimum of this Court, according to proof, with interest thereon at the legal rate from
12 the date of Plaintiff's termination;

13 (b) All sums owed to plaintiff pursuant to the agreements described herein, plus
14 interest and all sums paid by Plaintiff to protect his legal interests, according to proof, plus interest at
15 the legal rate from the date of each such expenditure;

16 (c) Any and all sums according to proof, which will make Plaintiff whole, plus
17 interest thereon at the legal rate from the date of each expenditure.
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19 2. For general and special damages in the sum according to proof at time of trial;

20 3. For exemplary and punitive damages in an amount subject to the discretion of this Court,
21 but not less than an amount which will punish the Defendants for their actions and omissions to act;

22 4. For a judicial declaration that all amounts retained by the Defendants are held by the
23 Defendants as constructive trustees for Plaintiff;

24 5. That the Court declare the termination of Plaintiff to have been wrongful and without
25 cause;
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1 6. That the Defendants, and each of them, be ordered to pay, jointly and severally, to
2 Plaintiffs, the following sums:

3 (a) The amounts owed to Plaintiff, under his agreements, in a sum according to
4 proof, with interest thereon at the legal rate from the date of plaintiff's termination;

5 (b) All sums owed to plaintiff pursuant to the agreements described herein, plus
6 interest and all sums paid by Plaintiff to protect his legal interests, according to proof, plus interest at
7 the legal rate from the date of each such expenditure;

8 (c) Any and all sums according to proof, which will make Plaintiff whole, plus
9 interest thereon at the legal rate from the date of each expenditure.

10 7. For a restraining order keeping Defendants from harassing or assaulting Plaintiff;

11 8. For appropriate restraining orders, preliminary and permanent injunctions prohibiting the
12 release or commercial exploitation of Retirement Movie, unless and until Plaintiff has been
13 appropriately designated as the Executive Producer of the Picture;

14 9. For a Declaration that Plaintiff is the Executive Producer of the Picture, and for other
15 judicial declarations of the parties' rights and duties;

16 10. For costs of suit incurred herein;

17 11. For attorneys' fees; and;

18 12. For such other and further relief as the Court may deem just and proper.
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23 DATED: May 5, 2005

LAW OFFICES OF RICHARD D. FARKAS

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25 By: _____

26 RICHARD D. FARKAS,
27 Attorneys for Plaintiff
28 MICHAEL LERNER