

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF GEORGIA
ATLANTA DIVISION

KRISTEN ALISON HALL,

Plaintiff

v.

JENNIFER NETTLES and
KRISTIAN BUSH,

Defendants

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Civil Action No. 1:08-CV-2437-TCB

FIRST AMENDED COMPLAINT

Comes Now Plaintiff Kristen Alison Hall, for her causes of action against Defendants Jennifer Nettles and Kristian Bush and prior to the filing of any responsive pleadings, hereby amends her Complaint and states and alleges as follows:

JURISDICTION AND VENUE

1. The jurisdiction of this court is authorized under 28 U.S.C. § 1332 as Plaintiff and Defendants are citizens of different states and the amount in controversy exceeds \$75,000, exclusive of interest and costs.

2. Venue is proper in this district as one or more of the Defendants reside in this district, all Defendants reside in the State of Georgia and the partnership that is the subject of this action was formed and is located in the State of Georgia.

THE PARTIES

3. Plaintiff Kristen Alison Hall was a resident of Georgia at times relevant to the claims in this action and is currently a resident of Tennessee. Hall is the founder of country music act known as "Sugarland." Hall was a performer and principal songwriter for Sugarland.

4. Defendant Jennifer Nettles was a resident of Georgia at times relevant to the claims in this action. Nettles was and remains a member and performer in Sugarland.

5. Defendant Kristian Bush was a resident of Georgia at times relevant to the claims in this action. Bush was and remains a member and performer in Sugarland.

FACTUAL BACKGROUND

6. In and around January 2002, Hall created the name "Sugarland" for a prospective musical act, and Hall auditioned potential band members for positions in the musical act that would come to be known as Sugarland.

7. Later in 2002, Hall contacted Bush and invited him to join Sugarland and subsequently auditioned and hired Nettles for a position in Sugarland, and Hall and Defendants agreed to associate as co-owners in a business for profit and

entered into a partnership in connection with the pursuit of creative and commercial success as a musical act using the name Sugarland.

8. Hall, Nettles and Bush each contributed time, money and effort to the partnership and as partners, Hall, Nettles and Bush had and continue to have fiduciary duties to each other relative to the business and success of Sugarland.

9. Hall contributed creative expertise in writing songs for Sugarland and performing music and agreed, in connection with the partnership, to contribute the trade name, trademark and service mark "Sugarland" to the partnership.

10. Hall's contribution of the trade name, trademark and service mark included allowing her partners, Nettles and Bush, to obtain equal co-ownership in the trademark and service mark, "Sugarland," as evidenced by the registration of the trade and service mark with the United States Patent and Trademark Office. (Service mark registration #2747326, registered August 5, 2003 in IC 41 for entertainment services [filed September 9, 2002] & trademark registration #3250679, registered June 12, 2007 in IC 25 for clothing [filed October 5, 2005]).

11. In entering into the partnership, Hall, Nettles and Bush agreed to equally share and did share profits and losses incurred in connection with the partnership business including, but not limited to, the use and exploitation of the "Sugarland" trade name, trademark and service mark to generate publicity and

goodwill and touring, appearance and merchandise revenues as the country musical act professionally known as Sugarland.

12. In connection with the partnership, Hall, Nettles and Bush entered into a recording contract with MCA Recordings, Inc., a division of UMG Recordings, Inc., on or about September 16, 2003 using the professional name "Sugarland" for purposes of recording music and promoting Sugarland as a musical and recording act nationally and internationally.

13. From approximately mid-2002 until December 20, 2005, Hall, Nettles and Bush jointly endeavored to make the band Sugarland a creative and commercial success, and Hall contributed significant time, effort, energy and passion toward the creative and commercial success of Sugarland, including, on the band's behalf, re-recording its debut, breakthrough single, "Baby Girl," after two versions were received poorly by the band's label. "Baby Girl," as re-recorded by Hall, became one of the longest charting debut singles in the history of country music.

14. In addition to conceiving the name and creative concept for the band and allowing the band to use her personal credit cards to pay the expenses of its touring, recording, merchandising and promotional activities, Hall initially acted

as Sugarland's manager, booking agent and tour organizer and created and designed the band's promotional materials and merchandising.

15. As part of her contribution to the partnership, Hall collaborated generously with Bush and Nettles on the songs for Sugarland's first album, titled "Twice The Speed Of Life."

16. Hall wrote or co-wrote every song on "Twice The Speed Of Life," which was commercially released on October 26, 2004. Since its release "Twice The Speed of Life" has been certified Double Platinum (two million units sold) by Recording Industry Association of America ("RIAA") and rose to the number 16 position on the Billboard 200 Chart in 2005. In 2005 Sugarland was awarded "Breakthrough Favorite New Artist" at the American Music Awards.

17. To build recognition for the band, its music and the "Sugarland" brand and to develop the band's goodwill in the music industry, Hall and the band performed for free on numerous occasions throughout 2004 and 2005, and these efforts set the stage for and were integral to the band's commercial and financial success after December 20, 2005.

18. After December 20, 2005, Nettles and Bush have excluded Hall from all aspects of the partnership business including, but not limited to, failing to account for and pay her a share of the partnership profits and failing to allow her

access to and participation in the management and conduct of the partnership's business affairs.

19. Since excluding Hall from all aspects of the partnership's business, Nettles and Bush have continued to utilize and exploit partnership property and Hall's individual property and contributions to the partnership including, but not limited to, her interest in the Sugarland trade name, trademark and service mark and her intellectual property and creative efforts.

20. Building on the publicity, goodwill and commercial success of the partnership created with Hall's significant contributions, Sugarland released its second album titled "Enjoy the Ride" on or about November 7, 2006. "Enjoy the Ride" was also certified Double Platinum by RIAA and contained the song titled "Sugarland", which was an early songwriting collaboration between Hall and Bush.

21. Through the use of partnership property, Hall's share of the partnership property and Hall's individual property since approximately December 20, 2005, Nettles and Bush have obtained significant professional and commercial success as the musical act Sugarland and have not paid Hall any profits resulting from the partnership business, the partnership assets or accounted to Hall for any of her share of the profits generated from the partnership.

22. Despite excluding Hall from all aspects of the partnership business, Nettles and Bush have not compensated Hall for her interest in the partnership property, brand or good will or her individual property interest in the Sugarland trade name, trademark and service mark.

CAUSES OF ACTION

Count I - Breach of Partnership Agreement

23. Hall restates and realleges the foregoing paragraphs 1 through 22.

24. In entering into a partnership, Hall and Defendants agreed to be equal co-owners in a business for profit and to jointly pursue creative and commercial success as the musical act Sugarland.

25. Hall and Defendants agreed to equally share in the partnership assets and the profits generated by the partnership, and to equally benefit in the creative and commercial success of Sugarland.

26. Hall and Defendants agreed that all parties would have a right to participate in the management and conduct of the partnership's affairs.

27. After approximately December 20, 2005, Defendants have failed to account for and pay to Hall an equal share of the profits generated by the partnership as required under the parties' agreement and under Georgia law.

28. Defendants have excluded Hall from all aspects of the management and conduct of the partnership's affairs in violation of the parties' agreement and Georgia law.

29. Defendants have continued to use and exploit the property of the partnership and Hall's individual property without accounting for or compensating Hall for her partnership interest in Sugarland in violation of the parties' agreements and Georgia law.

30. Defendants' willful breach of the parties' agreements regarding the partnership has caused Hall to suffer monetary damages in excess of \$1,500,000.

Count II - Breach of Fiduciary Duty

31. Hall restates and realleges the foregoing paragraphs 1 through 30.

32. As partners in a partnership, Defendants owed Hall a fiduciary duty, which includes a duty of fidelity and disclosure regarding all matters relating to the partnership's business.

33. Defendants fiduciary duty required them, among other things, to fully account for and pay to Hall an equal share of the profits generated by the partnership.

34. Defendants' fiduciary duty required them to disclose all information relevant to the interests and business of the partnership to Hall.

35. After approximately December 20, 2005, Defendants have been in continual breach of their fiduciary duties to Hall by, *inter alia*, failing to account for and pay her an equal share of the profits generated by their partnership and by failing to disclose to Hall all information relevant to the interests and business of the partnership.

36. Defendants' breach of their fiduciary duties to Hall has damaged Hall in amount in excess of \$1,500,000.

Count III - Accounting

37. Hall restates and realleges the foregoing paragraphs 1 through 36.

38. As partners, Defendants have a duty to properly account to Hall and hold one-third of any profits that they derived from the business of the partnership as trustee for Hall pursuant to O.C.G.A. §14-8-21.

39. Defendants wrongful exclusion of Hall from the partnership business and their use and exploitation of the partnership property to their own use after Hall's exclusion entitles Hall to a formal accounting of all partnership affairs pursuant to O.C.G.A. §14-8-22 and O.C.G.A. §14-8-43 .

40. In addition and/or as an alternative to an accounting, Hall has a right to request that the partnership affairs be wound up and settled pursuant to

O.C.G.A. §14-8-40 and is entitled to damages for Defendants' wrongful defacto dissolution of the partnership O.C.G.A. §14-8-38.

Count IV – Attorneys Fees

41. Hall restates and realleges the foregoing paragraphs 1 through 40.

42. In excluding Hall from the Sugarland partnership and in failing to provide to Plaintiff an accounting and payment of her share of the partnership income and profits, Defendants have acted in bad faith, have been stubbornly litigious and have caused Plaintiff unnecessary trouble and expense within the meaning of O.C.G.A. §13-6-11, thereby authorizing an award of attorney's fees and costs to Plaintiff in an amount to be determined by the Court or at trial.

WHEREFORE, Plaintiff Hall requests the following relief:

1. For judgment against Defendants in a sum in excess of One Million Five Hundred Thousand (\$1,500,000) Dollars for Hall's share of the profits derived from the business and property of the partnership since December 20, 2005, together with interest, costs, and disbursements herein;

2. For judgment against Defendants for the damages suffered by Hall as a result of Defendants' defacto dissolution of the partnership due to their wrongful exclusion of Hall from all business of the partnership;

3. For an order directing Defendants to provide Hall a formal accounting of all partnership affairs and business;

4. Alternatively, for an order dissolving the partnership and settling the affairs of the partnership as between the partners;

5. For judgment against Defendants awarding Plaintiff attorneys' fees and litigation expenses pursuant to the provisions of O.C.G.A. §13-6-11; and

6. For such other and further relief as the Court may deem just, equitable and proper.

TRIAL BY JURY IS DEMANDED.

Certificate of Compliance

It is hereby certified that the foregoing **First Amended Complaint** has been prepared in a Times New Roman, 14 point font, as approved by this Court pursuant to Local Rule 5.1(B).

Dated: August 7, 2008

LOMMEN, ABDO, COLE, KING &
STAGEBERG, P.A.

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