

and dilution of the value of ZMI's registered trademark: ZYNC.

THE PARTIES

3. Plaintiff Zync is a New York limited liability company engaged in the business of music licensing and publishing, with a specialization in pitching, procuring, and licensing musical works for synchronization uses.

4. The sole member of Zync is Castlemar Music LLC, a California limited liability company with principal offices for the conduct of its business located in the State of California.

5. Plaintiff ZMI is a corporation organized and existing in the State of New York, with its principal place of business located in Spain.

6. Upon information and belief, Defendant RHM is a limited partnership organized and existing in the State of Delaware, with its principal offices for the conduct of its business located in the State and County of New York.

7. Upon further information and belief, the general partner of Defendant RHM is Round Hill Music Royalty Fund II GP LP, a Delaware limited partnership.

8. Upon additional information and belief, Round Hill Music Royalty Fund II GP LP is the sole partner of RHM.

JURISDICTION AND VENUE

9. This Court has jurisdiction over this action pursuant to 28 U.S.C. §1331 in that this action arises under the Lanham Act, 15 U.S.C. §1051, et seq.

10. This Court has pendent jurisdiction over any claims asserted herein which arise under state law, including without limitation, Plaintiffs' claims seeking damages for breach of contract, breach of the implied covenant of good faith and fair dealing, fraudulent inducement,

unjust enrichment, conversion, and accounting, pursuant to 28 U.S.C. §1367 in that such claims flow from a common nucleus of operative facts.

11. Venue lies in this district pursuant to 28 U.S.C. §1391(a) in that a substantial part of the events and omissions giving rise to the claims herein occurred in the Southern District of New York, and at the time of commencing this action, Defendant maintains offices for the conduct of its business within the County and State of New York and regularly conducts business in this District. Defendant is therefore subject to personal jurisdiction in this District.

12. Venue and jurisdiction are also proper in this District pursuant to the terms of the parties' written joint tenancy agreement, which provides that "[t]he state courts of the State of New York in New York County, and the Federal Courts for the Southern District of New York, shall have sole and exclusive jurisdiction and venue of any and all controversies regarding or arising from" such agreement.

BACKGROUND

Zync's Services

13. Founded in 2002, Zync is a full-service music licensing and publishing company specializing in pitching, procuring, and licensing synchronization uses of musical works in various media, including, but not limited to advertising, film, television, and games.

14. Zync obtains the right to commercially exploit, license, and administer its clients' musical compositions and sound recordings by entering into written agreements with them, i.e., administration agreements, co-publishing agreements, and representation agreements.

15. Over the past two decades, under the leadership of Marisa Baldi ("Baldi") and Sanne Hagelsten ("Hagelsten"), Zync has earned a stellar reputation in the music publishing industry as a female-led premiere publishing company with strong personal relationships and

professional ties to the licensing community as well as the artists, songwriters, labels, and publishers it represents.

16. ZMI obtained the registered U.S. trademark ZYNC, U.S. Reg. No. 3,404,356, registered on April 1, 2008, in connection with the following goods and services: “commercial administration of licensing arrangements for the placement of and use by others of sound recordings and compositions” in International Class 35 (the “Mark”).

17. A true and correct copy of the U.S. Trademark registration certificate for the Mark is annexed hereto as **Exhibit A**.

18. ZMI granted an exclusive license for the use of the Mark to Zync, and Zync and ZMI have continuously and openly used the Mark in commerce since at least as early as July 2002.

19. Zync is the beneficial owner of the website located at the URL: www.zyncmusic.com (the “Zync URL”) and the associated assets thereof (the “Website Assets”).

Round Hill’s Services

20. RHM is the private equity arm of Round Hill Music (collectively with RHM, “Round Hill”), a music company founded in 2010 by Joshua Gruss, Richard Rowe, and Neil Gillis, that operates as a record label, music publishing company, music production library, and royalty administrator.

21. In its capacity as a music publisher, Round Hill obtains rights to commercially exploit and administer musical compositions by entering into publishing and administration agreements with songwriters and publishers, as well as acquisition agreements pursuant to which Round Hill purchases publishing companies and acquires such companies’ rights in various musical composition catalogs.

22. In its capacity as a record label, Round Hill also obtains the right to commercially exploit and administer sound recordings by entering into recording agreements with artists as well as acquisition agreements with third parties pursuant to which Round Hill purchases such third parties' rights in various sound recording catalogs.

23. For example, upon information and belief, in late 2017, Round Hill acquired Carlin Music, which company owned the rights to many musical compositions and sound recordings, including but not limited to works recorded by Elvis Presley, among others (the "Carlin Assets").

24. Upon further information and belief, following such acquisition, the Carlin Assets were, at all relevant times, owned and/or controlled by Round Hill Carlin, LLC, an affiliated entity of RHM and/or Round Hill.

25. In 2017, Round Hill sought to acquire Zync's considerable assets and capitalize on Zync's success and goodwill by entering into an agreement with Zync to bring Zync's synchronization licensing expertise to Round Hill.

The 2017 Asset Purchase Agreement

26. Zync and RHM entered into an asset purchase agreement dated October 16, 2017 (the "APA") pursuant to which RHM purchased Zync's right, title and interest in and to the then-existing assets of Zync (the "Acquired Assets"), which assets included, but were not limited to, Zync's client agreements and its associated rights to commercially exploit and license various musical compositions and sound recordings.

27. Zync's trademark and service Mark, ZYNC, the Zync URL, and the Website Assets, were not among the Acquired Assets.

The 2017 Joint Tenancy Agreement

28. Contemporaneously with the execution of the APA, effective as of October 16,

2017, RHM, on the one hand, and Zync, Hagelsten and Baldi, on the other, entered into a joint tenancy agreement (the “JT Agreement”). A true and correct copy of the JT Agreement is annexed hereto as **Exhibit B**.

29. The JT Agreement set forth the terms and conditions for the parties to operate together as a joint tenancy under the name “Zync Music Partners (Fueled By Round Hill)” a/k/a “Zync Music Partners (Powered By Round Hill)” (hereinafter, “ZMP”) to “identify and/or develop songwriters and recording artists [“**Talent**”]...enter into agreements with such Third Parties [each a “**Talent Agreement**”]...acquiring the copyrights and related rights of administration in and to, and/or the right to represent and exploit, the musical compositions and recordings created by Third Parties.”

30. The term of the JT Agreement (the “Term”) was for an initial period of three (3) contract years (the “Initial Term”).

31. The Term of the JT Agreement could be extended for up to two additional contract years, for a total of five contract years.

32. The JT Agreement defined “Contract Year” as the twelve-month period commencing on October 16, 2017 and each successive twelve (12) month period during the Term commencing on the anniversary thereof.

33. Pursuant to the terms of the JT Agreement, Zync, Baldi and Hagelsten were responsible for overseeing the day-to-day operation of ZMP, while Round Hill agreed to fund the costs of ZMP’s operations.

34. Round Hill also agreed to contribute its music publishing infrastructure and back office support to the joint venture, including, but not limited to, Round Hill’s registration of musical works with performing rights organizations and mechanical rights organizations,

accounting and payment services to clients, royalty collection, processing, and tracking, human resources duties, and legal services (including but not limited to the issuance of synchronization licenses negotiated by Zync), among other things, for Zync's use in carrying out the day-to-day operations of ZMP.

35. Under the JT Agreement, “[a]ll rights, contract rights, copyrights and all other rights (individually and collectively ‘**Term Assets**’) acquired during the Term from any Talent pursuant to a Talent Agreement shall be jointly owned in equal parts during the Term by [RHM] and Zync as tenants in common subject to the provisions” of the JT Agreement.

36. Pursuant to the JT Agreement, “[w]ithin sixty (60) days after the end of each fiscal year of the Term, or thereafter for so long as [RHM] and Zync are joint owners of the Term Assets, [RHM] shall compute the Net Revenue for such fiscal year (the ‘**Annual Net Revenue**’) and provide a written statement thereof to Zync within thirty (30) days thereafter” (the “Annual Net Revenue Statement”).

37. RHM and Zync agreed to share any positive Annual Net Revenue on an equal 50% basis.

38. RHM was also obligated to pay Zync its 50% share of the positive Net Annual Revenue to Zync at the same time that it furnished the Annual Net Revenue Statement for each Contract Year.

39. Notably, Zync's right to receive Annual Net Revenue Statements was “co-terminus with Zync's ownership interest in the Rights,” not with the Term of the JT Agreement.

40. The JT Agreement also contemplated that RHM would compile “annual statements of NPS to be sent to Zync” (“Annual NPS Reports”).

41. “NPS” refers to “Net Publisher’s Share,” i.e., Zync’s 50% share of all synchronization and master use monies received by or credited to RHM in respect of the Term Assets, and retained by RHM after payment of all amounts due to third parties, including writers’ shares and publishers’ shares, with respect to synchronization and master use licenses.

42. The Annual NPS Reports were an instrumental tool for Zync to be able to identify whether its proactive synchronization and master use licensing activities were successful and to guide Zync’s future licensing efforts.

43. In the JT Agreement, Zync also agreed to procure synchronization and master use opportunities with respect to Round Hill’s (as distinct from ZMP’s) musical compositions and master recordings, including, but not limited to, the Carlin Assets, in exchange for a commission to be paid by RHM for each such exploitation.

44. Pursuant to the terms of the JT Agreement, the then-current employees of Zync would become Round Hill employees.

45. At the time of the JT Agreement, Zync had a New York office located at 243 Mulberry Street, Suite 4R in New York City (the “Zync NY Office”).

46. The JT Agreement provided that Zync employees located in New York would primarily operate out of the Zync NY Office, but could, “at Zync’s option or at [RHM]’s reasonable request” operate out of RHM’s New York office (the “RHM NY Office”).

47. The parties agreed that Zync employees and RHM employees located in Los Angeles would operate out of a new Los Angeles location to be mutually determined and approved by both Zync and RHM (the “LA Office”).

48. RHM and Zync agreed to each pay fifty percent (50%) of the overhead expenses, e.g., rent, utilities, tax, and insurance, in connection with the LA office (the “Overhead Expenses”).

49. RHM and Zync also agreed to each pay fifty percent (50%) of the costs of the then-current Zync employees located in both New York and Los Angeles, excluding Hagelsten and Baldi (the “Employee Expenses”).

50. Notably, the Employee Expenses that Zync agreed to contribute to were only supposed to be chargeable to Zync with respect to former Zync employees who rendered services in respect of the Term Assets.

51. Other than the Overhead Expenses and the Employee Expenses, Zync did not agree to share in any other costs of the parties’ joint venture.

52. Pursuant to the JT Agreement, RHM was obligated to pay the Overhead Expenses and the Employee Expenses and submit an invoice to Zync, on a monthly basis, for Zync’s share of such expenses, to be reimbursed by Zync within thirty (30) days of its receipt of such invoice from RHM.

53. The JT Agreement also provided that the Mark would be exclusively licensed to ZMP during the Term of the JT Agreement in exchange for a license payment of One Hundred Thousand Dollars (\$100,000) per Contract Year (the “Mark License Fee”).

54. The Mark License Fee was payable each of the first three contract years as follows: fifty percent (50%) (i.e., \$50,000) within fifteen (15) business days after the beginning of each contract year and fifty percent (50%) (i.e., \$50,000) within fifteen (15) business days after the end of each contract year.

55. The JT Agreement also provided that if the term of the JT Agreement was extended for a fourth and/or fifth contract year, there would be no Mark License Fee for the fourth and fifth contract years, and ZMP would be able to continue using the Mark during those years as it was permitted to in the first three contract years.

56. Zync also granted ZMP a gratis license during the Term of the JT Agreement with respect to the Zync URL and the Website Assets.

57. Within 120 days following the expiration or earlier termination of the Term of the JT Agreement (the “Term Asset Closing”), RHM was obligated to purchase Zync’s interests in the Term Assets and the Talent Agreements as well as the Mark, the Zync URL and the Website Assets in exchange for payment to Zync of the “Term Asset Purchase Price” and the “Mark Purchase Price” (as those terms are defined in the JT Agreement).

58. The Mark Purchase Price, i.e., the amount to be paid by RHM to Zync for the purchase of the Mark, the Zync URL, and the Website Assets, was set at \$200,000.

59. To determine the Term Asset Purchase Price, the JT Agreement provided that after the expiration of the Term, RHM and Zync would each engage a “reputable third party appraiser” to determine the value of the Term Asset Purchase Price. If the parties’ respective appraisers agreed upon the value of the Term Asset Purchase Price, they were to jointly render a single written report stating that value. If the parties’ respective appraisers did not agree upon the value of the Term Asset Purchase Price, each appraiser was to render a separate written report and appoint a third independent appraiser to appraise the Term Asset Purchase Price.

60. Pursuant to the terms of the JT Agreement, the prevailing party in any legal action brought by one party against the other arising out of the JT Agreement “shall be entitled, in addition to any other rights and remedies available to it at law or in equity, to reimbursement for its costs and expenses (including court costs and reasonable fees for outside attorneys and expert witnesses) incurred with respect to bringing and maintaining any such action.”

The Operation of ZMP

61. The JT Agreement was effective as of October 16, 2017.

62. The Initial Term of the JT Agreement was therefore for a three-year period from October 16, 2017 through October 15, 2020.

63. From inception, Round Hill lauded its association with Zync to prospective clients and investors, promoting Zync's synchronization expertise and esteemed reputation to its commercial advantage.

64. As Round Hill's CEO, Joshua Gruss, boasted following the closing of the APA and JT Agreement, "Zync has arguably the best synchronization in the business" and Round Hill was "thrilled to have [Hagelsten] and [Baldi], and the entire Zync staff, join the Round Hill family."

65. Upon information and belief, Round Hill's affiliation with Zync – and the commercial success that Zync's services brought to Round Hill – was touted in every investor meeting that Round Hill had with prospective and current investors and business partners, and Round Hill regularly recruited Baldi to present – and Baldi did present – at such meetings about Zync's high quality services and commercial achievements.

The First Contract Year

66. Immediately after the execution of the APA and JT Agreement, ZMP was launched.

67. The first contract year was from October 16, 2017 through October 15, 2018 (the "First Contract Year").

68. The Mark was licensed to ZMP in accordance with the JT Agreement, and RHM, paid the Mark License Fee to Zync for the First Contract Year.

69. In accordance with the terms of the JT Agreement, Baldi and Hagelsten oversaw the day-to-day operations of ZMP and began identifying and signing Talent and licensing and managing the Term Assets.

70. Hagelsten handled the administrative duties attendant to Zync's music licensing and publishing business, while Baldi tended to the creative side of the business.

71. Zync also set out to provide synchronization licensing services in respect of Round Hill-owned assets, like the Carlin Assets.

72. However, it became immediately apparent to Baldi and to Hagelsten that key members of Round Hill's leadership were rude, dismissive, and oppressive, and Round Hill's platform was utterly disorganized and inefficient, both internally and in respect of its external client services.

73. Indeed, RHM's records and materials relating to its own assets were in such shambles that Zync was not even able to ascertain what works were included in Round Hill's catalog, let alone have adequate materials to be able to pitch and monetize them.

74. For example, although it is well known in the music industry that the Carlin Assets were comprised of more than 100,000 titles, Round Hill only had information about and materials for less than 8,000 of them at the beginning of the Term.

75. Moreover, Zync was never provided with access to Round Hill's proprietary software program (which was inefficient and problematic, in any event) for pertinent information Zync required to administer Round Hill's assets.

76. Zync therefore had to expend significant time, energy and effort to identify the musical compositions and master recordings that Round Hill had available to exploit, acquire copies of music files to be able to pitch Round Hill's works to third parties, and import Round Hill's catalog information into a usable software platform, just so that Zync could effectively manage and license them.

77. Moreover, Round Hill resisted Zync's efforts to clean up the Round Hill catalog, by failing and refusing to respond to repeated requests from Zync for Round Hill to fix and correct these myriad issues, effectively hampering, if not outright preventing, Zync's ability to earn commissions under the JT Agreement with respect to Round Hill's (as distinct from Term) assets.

78. RHM also failed to abide by the protocol, outlined in the JT Agreement, for the sharing of JT expenses during the First Contract Year.

79. Not only did RHM not render monthly expense invoices to Zync, Zync advanced 100% of the Employee Expenses for the first few months of the Term and Round Hill improperly sought to have Zync pay for and/or reimburse RHM for expenses beyond Zync's 50% share of the Employee Expenses and Overhead Expenses.

80. For example, Round Hill improperly requested that Zync contribute to its legal fees, despite the fact that Zync never agreed to reimburse Round Hill for any portion of such expense.

81. As another example, Round Hill improperly requested that Zync contribute to expenses pertaining to non-ZMP Talent.

82. Notwithstanding Zync's performance of all of its contractual duties and the outstanding job Zync did in securing and placing Term Assets as well as organizing and exploiting Round Hill's assets, RHM failed to provide an Annual Net Revenue Statement to Zync in respect of the first fiscal year of the Term.

83. RHM similarly failed to render any Annual NPS Report to Zync for the First Contract Year.

84. Nor did RHM pay Zync its share of the positive Annual Net Revenue, if any, in respect of the first fiscal year of the Term.

The 2019 Amendment

85. During the First Contract Year, and into the Second Contract Year, both Hagelsten and Baldi voiced their concerns with Round Hill's overall disorganization, operational inefficiencies, and poor accounting practices directly to Round Hill's senior management.

86. With respect to Hagelsten in particular, Hagelsten's frequent critiques of Round Hill caused many Round Hill employees to treat her with disdain and contempt, making her feel unwelcome to continue with the company.

87. As a result of her serious complaints falling on deaf ears and Round Hill's mistreatment, and given certain developments in her personal life, in or about 2019, during the Second Contract Year, Hagelsten determined to leave Zync.

88. Simultaneously with her departure from Zync, Hagelsten stopped rendering services to RHM and/or ZMP pursuant to the JT Amendment.

89. Hagelsten and RHM entered into a mutual release agreement in connection with Hagelsten's departure from Zync and ZMP.

90. Following Hagelsten's departure from Zync, Baldi continued to operate Zync and oversee the day-to-day operations of ZMP.

91. RHM, Zync and Baldi entered into a written modification and amendment to the JT Agreement effective as of September 10, 2019 (the "2019 Amendment"), which amendment memorialized Hagelsten's departure from the joint venture and amended certain provisions of the JT Agreement. A true and correct copy of the 2019 Amendment is annexed hereto as **Exhibit C**.

92. The 2019 Amendment affirmed Round Hill's continuing obligation to manage the joint tenancy' business and legal affairs, including its royalty collection, processing, and accounting services for Talent.

93. Pursuant to the 2019 Amendment, in addition to performing the duties and obligations contemplated by the JT Agreement, Zync's role in the joint tenancy with RHM was expanded "to act as the creative and synchronization division of" Round Hill and "to generate synchronization income for [Round Hill]'s masters and compositions" – including the Carlin Assets – "in addition to the Term Assets."

94. To incentivize Zync to generate synchronization income for (i) the Carlin Assets, and (ii) all other compositions and masters other than the Carlin Assets and Zync's Compositions, Masters, and Newly Created Catalogue Assets (as those terms are defined in the APA) (hereinafter, the "RHM Assets"), the parties revamped the prior commission arrangement, and agreed to certain bonuses (the "Bonuses"), i.e., payments to be credited to the Term Asset Purchase Price if ZMP exceeded certain NPS thresholds in connection with the proactive synchronization licensing efforts ("ActiveSync NPS") of Baldi, Zync, and/or ZMP for the Carlin Assets and the RHM Assets.

95. Thus, if as a result of Zync's proactive synchronization licensing efforts – i.e., the procurement of synchronization and/or master use licenses as a result of "the direct and demonstrable efforts of Baldi and/or ZMP/Company employees," as distinguished from passive synchronization licensing, where a licensing opportunity is obtained without affirmative, proactive action on the part of the licensor – ZMP earned at least \$600,000 in ActiveSync NPS in connection with the Carlin Assets, or at least \$500,000 (and in some cases, greater than that) in ActiveSync NPS in connection with the RHM Assets, RHM agreed to pay a bonus to Zync of 10% of the excess NPS above these thresholds to Zync at the Term Asset Closing.

96. The parties also agreed to certain hurdles (the "Hurdles"), i.e., minimum thresholds of ActiveSync NPS amounts – as opposed to NPS derived from passive, non-active

synchronization licensing activity – to be achieved by ZMP in order to avoid payments being debited from the Term Asset Purchase Price to be paid to Zync upon Term Asset Closing.

97. With respect to the Carlin Assets, the parties agreed that if the amount of ActiveSync NPS earned by ZMP in respect of the Carlin Assets was less than \$500,000 (the “Carlin Active Sync Hurdle”) in any Contract Year (or pro rated year) after the 2019 Amendment, a deduction of \$500,000 (or the pro rata share thereof with respect to the Second Contract Year) would be applied against the Term Asset Purchase Price due Zync at Term Asset Closing.

98. As for the RHM Assets, the parties agreed that if the amount of ActiveSync NPS earned by ZMP in respect of the RHM Assets was (i) less than \$350,000, (ii) between \$351,000 and \$375,000, or (iii) between \$376,000 and \$499,000 (the in any Contract Year (or prorated year) after the 2019 Amendment, a deduction of \$500,000, \$300,000, or the difference between the NPS actually achieved and the RHM Active Synch NPS Hurdle (as that term is defined in the JT Agreement), respectively, would be debited from the Term Asset Purchase Price due Zync at Term Asset Closing.

99. The RHM Active Synch NPS Hurdle was set at \$400,000 per Contract Year, to be increased by \$100,000 for each \$1 million paid by RHM to acquire additional musical compositions and/or master recordings during the applicable hurdle period.

100. The thresholds for the Bonuses and Hurdles were agreed to by Zync based upon RHM’s representations and warranties to Zync that the monetary thresholds used in the 2019 Amendment were consistent with the volume of proactive synchronization licensing and ActiveSynch NPS received by Round Hill as a result Round Hill’s proactive – not passive – synchronization licensing efforts for the Carlin Assets and the RHM Assets prior to the 2019 Amendment.

101. In fact, in the 2019 Amendment, RHM expressly represented that “the information provided to Zync prior to the execution [of the 2019 Amendment] with respect to Carlin Active Sync NPS and Round Hill Active Sync NPS amounts for periods prior to the Effective Date hereof are true and accurate.”

102. Upon information and belief, the information provided by RHM to Zync prior to the execution of the 2019 Amendment relating to its purported numbers for Carlin Active Sync NPS and RHM Active Sync NPS were, contrary to RHM’s representations and warranties, not accurate.

103. Upon information and belief, the true numbers of RHM’s Carlin Active Sync NPS and RHM Active Sync NPS prior to the 2019 Amendment were much lower than the amounts represented by RHM to Zync and Baldi.

104. Upon further information and belief, the numbers which RHM represented constituted the NPS earnings from RHM’s “proactive” synchronization licensing efforts prior to the 2019 Amendment were in respect of all synchronization income for the subject assets, not just derived from Round Hill’s proactive synchronization licensing efforts.

105. RHM has failed and refused to furnish Zync and Baldi with documentation to demonstrate that its representation and warranty in respect of the Carlin and RHM Active Sync NPS amounts were accurate, despite due demand therefor.

106. The Bonuses and Hurdles provisions were material provisions of the 2019 Amendment.

107. Baldi and Zync would not have agreed to enter into the 2019 Amendment in general, or to include the Bonuses and Hurdles provisions in particular, but for RHM’s

representation and warranty in respect of the truth and accuracy of Round Hill's pre-2019 Amendment figures for Carlin Active Sync NPS and RHM Active Sync NPS.

108. Upon information and belief, RHM fabricated and/or vastly overstated its ActiveSync NPS numbers in respect of the Carlin and RHM Assets in order to artificially inflate the Hurdles and Bonuses so that Zync would likely never meet them and further to artificially decrease the Term Asset Purchase Price by causing unwarranted deductions therefrom.

109. Pursuant to the 2019 Amendment, the Bonus and Hurdle amounts were to "be calculated...at the same time the Annual Net Revenue is calculated under the section entitled 'Distributions' in the JT Agreement."

110. Thus, in addition to the preexisting obligation for RHM to provide Annual NPS Reports to Zync within sixty (60) days after the end of each fiscal year of the Term, the 2019 Amendment also obligated RHM to furnish NPS reports for and provide annual calculations to Zync of the Bonus and Hurdle amounts with respect to the Carlin Assets and the RHM Assets.

111. Given the terms of the 2019 Amendment, the Annual NPS Reports were an even more valuable tool and necessity for Zync to be able to assess its synchronization and master use licensing activities, change and/or adjust its strategies, if necessary, to be able to meet the Hurdles and achieve the Bonuses, and to be able to have transparency with RHM as to what synchronization uses were categorized as "proactive" (as distinct from passive), to ensure Zync's (and Round Hill's) success in exploiting the Carlin Assets and RHM Assets.

112. The 2019 Amendment also modified the expense-sharing structure between RHM and Zync set forth in the JT Agreement such that RHM agreed to continue paying 100% of ZMP's Overhead and Employee Expenses up front and, with respect to Overhead Expenses and shared Employee Expenses paid by RHM after the First Contract Year, defer Zync's reimbursement of

50% of such expenses until the Term Asset Closing, at which time Zync's 50% share of the Overhead and Employee Expenses would be deducted from the Term Asset Purchase Price.

113. As certain of ZMP's employees (formerly Zync employees) were, as of the effective date of the 2019 Amendment, continuing to operate out of the Zync NY Office, and not the RHM NY Office, the 2019 Amendment provided that until such time as the RHM NY Office could accommodate the Zync/ZMP employees, RHM would pay (or more accurately, reimburse) Zync the rent for the Zync NY Office in the amount of \$3,750 per month retroactive to June 1, 2019 (the "NY Rent Reimbursements").

114. Thus, the 2019 Amendment provided for an "Adjusted Term Asset Purchase Price," i.e., the Term Asset Purchase Price increased or decreased (if at all) by the addition of the Bonuses and/or deductions of the Hurdles, with such Adjusted Term Asset Purchase Price to be offset by Zync's 50% share of the Overhead and Employee Expenses for the remainder of the Term of the JT Agreement after the First Contract Year.

RHM's Breaches of the JT Agreement

115. After the second and third contract years of the Initial Term, from October 16, 2018 through October 15, 2019 (the "Second Contract Year") and October 16, 2019 through October 15, 2020 (the "Third Contract Year"), respectively, the Term of the JT Agreement was extended for an additional two years such that the Term of the JT Agreement ended on October 15, 2022.

116. At all relevant times, Zync continued to duly perform its role under the JT Agreement, sourcing Talent, procuring Talent Agreements and Term Assets, and providing first-rate synchronization licensing and administration services in connection with the Term Assets and

on Round Hill's behalf with respect to the Carlin Assets and RHM Assets, even through a global pandemic.

117. Zync persevered in organizing the Carlin Assets, as well as the RHM Assets, and was able to contribute enormous value and profitability to those assets, to the substantial and undeniable benefit of RHM.

118. To the contrary, RHM did not hold up its end of the bargain.

119. The serious music publishing administration issues that Baldi and Hagelsten encountered and complained of during the First Contract Year persisted after the 2019 Amendment, leading to numerous complaints from JT Talent and Zync's former (now-RHM) clients as to Round Hill's unsatisfactory services.

120. As it did in the First Contract Year, RHM failed and refused to provide Annual Net Revenue Statements to Zync in respect of each of the Second, Third, Fourth, and Fifth Contract Years.

121. RHM similarly failed and refused to provide Annual NPS Reports to Zync for any Contract Year and did not timely provide any Bonus or Hurdle calculations to Zync for any of the contract year periods covered by the 2019 Amendment.

122. To the extent there was any positive Annual Net Revenue during the Second, Third, Fourth, and Fifth Contract Years, RHM failed and refused to pay Zync its share of the positive Annual Net Revenue for those years, meaning that RHM failed to pay Zync its share of any positive Annual Net Revenue for the entire Term of the JT Agreement.

123. RHM likewise failed to identify the purported "Overhead Expenses" and "Employee Expenses", or Zync's 50% share thereof, during each of the Second, Third, Fourth, and Fifth Contract Years.

124. Upon information and belief, RHM contends that it is entitled to deduct 50% of the cost of certain employees from the Term Asset Purchase Price as “Employee Expenses” regardless of the fact that RHM caused many of those employees to perform substantial services in respect of all of the RHM Assets and Carlin Assets, rather than solely in respect of the Term Assets as intended.

125. RHM also failed to make payment to Zync for the NY Rent Reimbursements.

126. Notwithstanding RHM’s myriad breaches of the JT Agreement, Zync continued to perform under the JT Agreement.

127. Indeed, Baldi continued to work in good faith with Round Hill pursuant to the JT Agreement despite the erratic, bullying and passive-aggressive behavior exhibited towards many Zync employees and RHM employees, especially female employees (including but not limited to Jennifer Scher and Tami Lester), by representatives of Round Hill, including Round Hill CEO, Joshua Gruss, and COO Steve Clark, and Round Hill leadership’s indifference and apathy to fostering positive employee relations and engagement around cultural matters of concern, like the Black Lives Matter movement, and diversity, equity and inclusion practices.

128. Moreover, and to RHM’s significant benefit, throughout the Term of the JT Agreement, RHM and/or Round Hill routinely exploited its association with Zync, lauding Zync’s services and quality to existing and prospective clients and investors.

RHM’s Failure To Pay The Term Asset Purchase Price and Mark Purchase Price

129. The Term of the JT Agreement expired by its terms on October 15, 2022.

130. Under the terms of the JT Agreement, as amended, within fifteen (15) days thereafter, i.e., by October 30, 2022, Zync and RHM were each required to appoint a third party appraiser to determine the Term Asset Purchase Price to be paid by RHM to Zync.

131. Within 120 days following the expiration of the Term, i.e., on or before February 12, 2023, RHM was obligated to purchase Zync's interests in the Term Assets and the Talent Agreements as well as the Mark, the Zync URL and the Website Assets and tender the Term Asset Purchase Price and the Mark Purchase Price to Zync.

132. As joint tenants, RHM and Zync continue to jointly own the Term Assets – and Zync is entitled to receive its 50% share of the revenue derived therefrom – until such time as RHM buys out Zync's interest therein pursuant to the JT Agreement.

133. While the parties continued to operate as joint tenants with respect to the Term Assets following the expiration of the Term of the JT Agreement, and did not immediately seek to effectuate the Term Asset Closing, they did so without a written agreement until in or about April 2023, when Round Hill terminated Baldi.

134. Thereafter, Zync engaged Prager Metis CPAs LLC (“Prager Metis”) as its appraiser to determine the value of the Term Asset Purchase Price.

135. RHM engaged Alderbrook Companies (“Alderbrook”) as its appraiser to determine the value of the Term Asset Purchase Price.

136. The parties exchanged their respective appraisers' appraisal reports.

137. Alderbrook's appraisal report grossly undervalues the Term Assets, and is indefensibly low.

138. Prager Metis and Alderbrook did not agree on the value of the Term Asset Purchase Price.

139. Although the parties and their respective appraisers each proffered proposals for an independent third appraiser, the parties could not mutually agree to any third appraiser, thereby

rendering the parties at an impasse with respect to the determination of the value of the Term Asset Purchase Price.

140. Moreover, RHM also claims to be entitled to adjust the Term Asset Purchase Price, whatever it may be, by deducting millions of dollars, consisting of, among other things, Zync's alleged 50% share of Overhead Expenses, Employee Expenses, and unrecouped Talent advances, as well as penalties for failing to clear the Hurdles.

141. RHM's claimed deductions are grossly inflated and improper.

142. For example, with respect to the Hurdles, RHM contends that Zync did not meet the Carlin Active Sync Hurdle or the RHM Active Sync Hurdle for any of the contract years following the 2019 Amendment such that RHM is entitled to deduct \$4.5 million from the Term Asset Purchase Price.

143. However, RHM has failed and refused, despite due demand, to furnish back up documentation to support its claimed NPS numbers with respect to the Carlin and RHM Assets.

144. Moreover, RHM's proposed deduction improperly seeks to penalize Zync for purportedly missing the Hurdles with respect to periods prior to the 2019 Amendment, i.e., prior to September 10, 2019, and/or post-Term, i.e., after October 15, 2022, even though RHM has no contractual basis to apply the Hurdles to those time periods.

145. Further, upon information and belief, RHM improperly calculated the RHM Active Sync Hurdle by failing to include the Term Assets with the RHM Assets for purposes of calculating the RHM Active Sync Hurdle. Had RHM properly calculated the RHM Active Sync NPS, the RHM Active Sync Hurdle would have been met in all applicable years, and no deduction in respect of the RHM Active Sync Hurdle can be applied to the Term Asset Purchase Price.

146. In fact, upon information and belief, if RHM properly calculates the RHM Active Sync NPS, Zync is entitled to Bonuses pursuant to the terms of the JT Agreement, as amended.

147. Setting aside the fact that RHM fraudulently induced Baldi and Zync to agree to 2019 Amendment by reason of its misrepresentations as to the true NPS of active synchronization income for the Carlin and RHM Assets, RHM's calculation of the Hurdles and the deductions, if any, required by reason of Zync's purported failure to achieve those Hurdles, is wrong.

148. The remainder of RHM's claimed deductions for expenses and unrecouped Talent advances are also erroneous and insupportable.

149. RHM seeks to deduct more than \$3 million from the Term Asset Purchase Price as Zync's purported 50% share of joint tenancy expenses, but RHM:

- a. seeks reimbursement of 50% of Employee Expenses for periods after the expiration of the Term of the JT Agreement, despite no contractual basis to do so;
- b. incorrectly calculates Zync's share of Employee Expenses; and
- c. improperly seeks to recoup 50% of RHM's legal fees, which Zync never agreed to contribute to.

150. RHM has failed and refused, despite due demand, to furnish back up documentation to support its claimed expense deductions to the Term Asset Purchase Price.

151. As to unrecouped Talent advances, RHM has no contractual entitlement to deduct any portion of those unrecouped balances from the Term Asset Purchase Price.

152. Moreover, deducting 50% of the unrecouped Talent advance balances from Zync's payout is wholly inappropriate and inequitable, as following consummation of the sale of the Term Assets and Talent Agreements to RHM, RHM will be entitled to keep 100% of the royalties

received by RHM which would go towards recoupment of such unrecouped advance balances, which would result in a windfall to RHM.

153. By reason of the foregoing, RHM has materially breached the JT Agreement, as amended, including representations and warranties contained therein.

154. Alternatively, RHM has materially breached the implied covenant of good faith and fair dealing inherent in the JT Agreement by its bad faith conduct.

RHM's Post-Term Unjust Enrichment and Conversion of the Jointly Owned Term Assets

155. In the nearly 18 months since the Term of the JT Agreement expired, RHM has held, controlled, and exploited (and continues to hold, control, and exploit) Zync's 50% share of the Term Assets and income related to such assets, including, but not limited to the positive Annual Net Revenue from the exploitation of such assets, without accounting to or paying Zync in respect of same.

156. Despite due demand, RHM has failed and refused to turn over the Term Assets (or 50% of them) to Zync or to provide Zync access to the Term Assets for joint use, and RHM contends that it is the sole owner of the Term Assets.

157. Upon information and belief, RHM has received income in respect of the commercial exploitation of the jointly-owned assets since October 15, 2022, 50% of which is due and owing to Zync, and is unjustly retained by RHM.

158. RHM has failed and refused to provide any accounting or payments to Zync in respect of the commercial exploitation of the Term Assets following the expiration of the Term of the JT Agreement, despite the fact that RHM and Zync remain joint owners of the Term Assets to date.

159. RHM has also continued to operate and use the Mark, the Zync URL, and the Website Assets after the expiration of the Term of the JT Agreement, without compensation to or authorization from Zync and/or ZMI.

160. Upon information and belief, RHM is incentivized to delay the process of purchasing Zync's interest in the Term Assets, the Mark, the Zync URL, and the Website Assets pursuant to the JT Agreement because of its ability to continue to exclusively use these aforesaid assets and keep all of the profits and benefits thereof unless Zync commences legal process.

161. To add insult to injury, since the conclusion of the Term of the JT Agreement, RHM has also improperly and in bad faith taken steps to diminish and dilute the value of the parties' jointly held Term Assets.

162. Upon information and belief, RHM is engaging in this bad faith campaign to diminish the value of the Term Assets in order to, among other things, reduce the amount of monies payable to Zync in respect of the post-Term exploitation of the Term Assets and tarnish Zync's and Baldi's name and goodwill.

163. Upon further information and belief, given that RHM and its appraiser, Alderbrook, believe that the post-Term exploitation of the Term Assets has a bearing on the determination of the Term Asset Purchase Price value, RHM is also seeking to reduce the Term Asset Purchase Price by devaluing the future value of the Term Assets.

164. Round Hill started this bad faith effort by terminating Baldi's employment with Round Hill in April 2023, depriving both Zync and Round Hill of the considerable benefit of Ms. Baldi's expertise, network, and experience both in the music industry at large and with respect to the Acquired Assets, Carlin Assets, and RHM Assets (including the Term Assets), in particular.

165. Round Hill has since also terminated numerous former Zync employees with institutional knowledge of Zync's business model and of the subject assets, which knowledge is essential to maximizing the commercial exploitation of those assets.

166. Round Hill has essentially gutted its synchronization department, leaving sparse resources to maximize the potential value of the Term Assets, which are held jointly by RHM and Zync.

167. Upon information and belief, without the assistance and expertise of Baldi and the rest of the former Zync team members, the Term Assets have fallen into such a state of disorganization (much like the state of the Carlin Assets when Zync first addressed them) that RHM is not able to monetize them effectively, and is tarnishing the music industry's perception of the Zync Mark, name, and brand by associating it with RHM's inferior synchronization licensing and administration services.

168. This pattern of conduct has resulted, and will continue to result, in irreparable harm to the Zync brand and name.

RHM's Trademark Infringement

169. Although the JT Agreement provided RHM and/or ZMP with a license to use the Mark, as well as the Zync URL and Website Assets, for the Term of the JT Agreement, the Term of the JT Agreement ended – and therefore the term of the license ended – on October 15, 2022.

170. Given that RHM has not purchased the Mark, ZMI remains the owner thereof.

171. As the owner of the Mark, ZMI has the absolute right to determine the manner in which the Mark is presented to the general public and the licensing community.

172. Despite not owning the Mark, RHM and/or Round Hill have continued to use the Mark (as well as the Zync URL and the Website Assets) in commerce without authorization from

ZMI for the precise purpose for which the Mark is registered: the “commercial administration of licensing arrangements for the placement of and use by others of sound recordings and compositions.”

173. In continuing to utilize the Mark in commerce after the expiration of the Term of the JT Agreement, and therefore the expiration of the term of the license to Round Hill to use the Mark, RHM’s use of the Mark is likely to cause confusion, mistake, or to deceive, the public, including but not limited to, publishers, artists, songwriters, and prospective licensees, that RHM is offering the first-class synchronization licensing and administration services that Zync is famous for.

174. The use of the Mark by RHM results in irreparable harm and injury to ZMI in that, among other things: (i) it deprives ZMI of the absolute right to determine the manner in which the Mark is presented to the general public, (ii) it unlawfully exploits the commercial value that Zync and ZMI have developed in the Mark, (iii) to the extent that RHM’s synchronization licensing and administration services are of inferior quality to Zync’s services, which Zync and ZMI contend they are, RHM’s use of the Mark irreparably harms and injures the reputation of Zync and/or ZMI, because the public is unaware that the services did not originate with Zync and/or ZMI, and (iv) it deprives ZMI of profits to which ZMI would otherwise be entitled by reason of said use of the Mark.

175. On or about April 6, 2024, Plaintiffs put RHM on notice that Round Hill’s use of the ZYNC Mark after the Term of the JT Agreement ended was “willful and unauthorized.” .

176. RHM has failed and refused to cease and desist its infringing actions.

177. Furthermore, and despite the end of the JT Agreement and RHM’s failure to purchase Zync’s share of the Term Assets or the Mark, Round Hill is, upon information and belief,

still touting its affiliation with Zync and capitalizing on Zync's and ZMI's goodwill by using the Mark without authorization or permission and flatly misrepresenting the nature of its relationship with Zync and the scope of its assets (insofar as it purports to own 100% of the Term Assets) to existing and/or prospective investors and clients.

178. RHM has acted intentionally, willfully, and in bad faith.

AS AND FOR A FIRST CLAIM

Breach of Contract – JT Agreement, as amended

179. Plaintiffs repeat and reallege each and every allegation contained in paragraphs 1 through 178 hereof as if fully set forth herein.

180. The JT Agreement, as amended, is a viable and existing agreement between and among Plaintiff Zync and Defendant RHM.

181. Plaintiff Zync has performed all of its obligations under the JT Agreement, as amended.

182. As set forth above, RHM has materially breached its obligations pursuant to the JT Agreement to, among other things, provide accountings and payments to Zync pursuant to the terms of the JT Agreement, including, but not limited to, Zync's share of positive Net Annual Revenue with respect to the Term Assets, the Term Asset Purchase Price and the Mark Purchase Price.

183. As set forth above, upon information and belief, RHM has also materially breached its representation and warranty contained in the 2019 Amendment regarding the accuracy of the information provided by RHM to Zync in respect of pre-2019 Amendment ActiveSync NPS numbers for the Carlin Assets and the RHM Assets.

184. RHM has failed and refused to cure such breaches, and has not cured such breaches.

185. By reason of the foregoing, Plaintiff Zync has been damaged in an amount to be determined at trial, but in no event less than \$5 million dollars.

AS AND FOR A SECOND CLAIM

Breach of Implied Covenant of Good Faith and Fair Dealing – JT Agreement

186. Plaintiffs repeat and reallege each and every allegation contained in paragraphs 1 through 185 hereof as if fully set forth herein.

187. A covenant of good faith and fair dealing is implicit in the JT Agreement.

188. The nature and purpose of the JT Agreement, as amended, is for Zync and RHM to jointly share in the profits and income derived from the Term Assets, and for Zync to share in the fruits of its proactive synchronization licensing efforts in respect of the RHM Assets (including the Term Assets) and the Carlin Assets.

189. By reason of the foregoing, Defendant RHM breached the covenant of good faith and fair dealing that is implied in the JT Agreement by engaging in conduct to undermine the value of the Term Assets, undercut Zync's ability to effectively commercially exploit the subject assets, and deprive Zync of the benefits of the JT Agreement.

190. By reason of the foregoing, Plaintiff Zync has been damaged in an amount to be determined at trial.

AS AND FOR A THIRD CLAIM

Fraudulent Inducement – 2019 Amendment

191. Plaintiffs repeat and reallege each and every allegation contained in paragraphs 1 through 190 hereof as if fully set forth herein.

192. The Hurdles and Bonuses provision of the JT Agreement, as amended by the 2019 Amendment, and RHM's representation and warranty related thereto were material terms of the 2019 Amendment.

193. RHM fraudulently induced Zync to execute the 2019 Amendment by falsely representing to Zync that the monetary thresholds used for the Bonuses and Hurdles in the 2019 Amendment were consistent with the volume of proactive synchronization licensing and ActiveSynch NPS received by Round Hill as a result Round Hill's proactive – not passive – synchronization licensing efforts for the Carlin Assets and the RHM Assets prior to the 2019 Amendment.

194. Upon information and belief, the true numbers of RHM's Carlin Active Sync NPS and RHM Active Sync NPS prior to the 2019 Amendment, which were withheld from Zync by RHM, were much lower than the amounts represented by RHM to Zync.

195. Zync was induced to execute the 2019 Amendment by reason of Defendant RHM's misrepresentations and omissions.

196. As a direct and proximate result of the aforementioned conduct by Defendant RHM, as alleged herein, Zync has been damaged in an amount that has yet to be ascertained, in an amount to be determined at trial.

197. Among other damages, RHM seeks to deduct \$4.5 million from the Term Asset Purchase Price due to the Hurdles, and Zync has been deprived of the commissions it otherwise would have earned in respect of its commercial exploitation of the Carlin Assets and/or RHM Assets under the JT Agreement prior to the amendment.

AS AND FOR A FOURTH CLAIM

Conversion

198. Plaintiffs repeat and reallege each and every allegation contained in paragraphs 1 through 197 hereof as if fully set forth herein.

199. Plaintiff Zync has the right to possession of 50% of the Term Assets after the Term of the JT Agreement ends, unless and until RHM purchases Zync's share thereof.

200. Defendant RHM has refused to provide Zync with possession of or access to its 50% share of the Term Assets, despite due demand therefor.

201. Defendant RHM is therefore in wrongful possession of Zync's 50% share of the Term Assets.

202. Defendant RHM is interfering with Zync's ownership interest and rights to the Term Assets.

203. Plaintiff Zync has been damaged by Defendant's wrongful conversion of its share of the Term Assets. As a direct and proximate result of the aforementioned conduct by Defendant, Plaintiff Zync has been damaged in an amount to be determined at trial, including consequential and incidental damages.

204. The aforementioned conduct of Defendant RHM, of which RHM had advance knowledge and/or ratified said wrongful conduct, was done intentionally or with a conscious disregard of Plaintiff Zync's rights, and with the intent to vex, injure, or annoy Plaintiff Zync so as to constitute oppression, fraud, or malice, thus entitling Plaintiff to exemplary and punitive damages in an amount to be determined at trial which is appropriate to punish or set an example of Defendant, and to deter such conduct in the future.

205. Zync has no remedy at law.

AS AND FOR A FIFTH CLAIM
Unjust Enrichment

206. Plaintiffs repeat and reallege each and every allegation contained in paragraphs 1 through 205 hereof as if fully set forth herein.

207. Defendant RHM has collected revenue generated by the exploitation of the Term Assets, which are jointly owned by RHM and Zync, after the Term of the JT Agreement ended.

208. Defendant RHM has not provided Zync's 50% share of such revenue to Zync.

209. Defendant RHM has improperly benefitted from exploitation of the Term Assets after the Term of the JT Agreement ended, to the detriment of Zync.

210. Defendant's actions are inequitable and constitute unjust enrichment, and Defendant should not be permitted to retain Zync's 50% share of the revenues generated by the post-Term exploitation of the Term Assets.

211. Zync has no remedy at law.

AS AND FOR A SIXTH CLAIM
Lanham Act – 15 U.S.C. §1125(a)

212. Plaintiffs repeat and reallege each and every allegation contained in paragraphs 1 through 211 hereof as if fully set forth herein.

213. This claim arises under Section 43(a) of the Lanham Act relating to trademarks, trade names and unfair competition (15 U.S.C. §1125(a)), and involves false designations of origin and false designations in commerce.

214. The Mark has been used, distributed, and advertised widely throughout the United States and the world by Zync and/or ZMI in connection with the commercial administration of licensing arrangements for the placement of and use by others of sound recordings and compositions.

215. As a result of said use, distribution, and advertisement, the name "Zync" and the Mark has developed and now has a secondary and distinctive meaning to purchasers of goods and services, including, but not limited to, publishers, artists, and songwriters who seek to engage Zync to administer and commercially exploit their musical works and prospective licensees who enter into licensing arrangements with Zync for the use of sound recordings and compositions.

216. RHM's unauthorized use of the name Zync and the Mark in the course of its synchronization licensing activities is so related to the commercial exploitation and administration

services offered by Zync that RHM's unauthorized use of the Zync name and Mark is likely to cause and/or has caused confusion, mistake, and/or deception as to the source of RHM's services.

217. RHM's services under the name Zync and using the Mark is, or will be, of inferior quality compared to the services of Zync, and is or will accordingly damaging to and will dilute the goodwill incurred and generated by the name and Mark "ZYNC."

218. RHM, by misappropriating and using the Mark without authorization, has and will falsely misrepresent and falsely describe to the general public the origin and source of the commercial administration and licensing services so as to create a likelihood of confusion by the ultimate client and/or licensee as to both the source and sponsorship of such services.

219. RHM's activities will and do constitute express and implied misrepresentations that the services rendered by RHM under the Zync name and using the Zync Mark are administered by, authorized by, or approved by Zync and/or ZMI.

220. The unauthorized and unlawful use by RHM of the Mark has impaired and will impair, or cause the likelihood of impairing, the goodwill of Zync and/or ZMI.

221. The aforesaid acts of RHM are in violation of Section 43(a) of the Lanham Act in that RHM has used and will use, in connection with services, a false designation of origin.

222. As a result of RHM's aforesaid conduct, Plaintiffs have suffered commercial damage, as well as the continuing loss of the goodwill and reputation established by ZMI and/or Zync in the Mark.

223. This continuing loss of goodwill cannot be properly calculated and thus constitutes irreparable harm and an injury for which Plaintiffs have no adequate remedy at law.

224. Plaintiffs have been and will continue to be irreparably harmed unless and until RHM is enjoined by this Court.

225. As a result of the foregoing, Plaintiffs are entitled to injunctive relief as well as monetary damages.

226. As a result of the foregoing, Plaintiffs are entitled to treble damages. RHM had direct and full knowledge of Zync's and/or ZMI's rights in the Mark before the acts complained of herein. The knowing, intentional and willful nature of RHM's acts set forth herein renders this an exceptional case under 15 U.S.C. § 1117(a).

AS AND FOR A SEVENTH CLAIM
State Law Unfair Competition

227. Plaintiffs repeat and reallege each and every allegation contained in paragraphs 1 through 226 hereof as if fully set forth herein.

228. Zync and/or ZMI has been and are now engaged in the business of providing commercial administration services and licensing arrangements for the placement of and use by others of sound recordings and compositions, and have extensively and continuously used the Mark in commerce in connection with the marketing, promotion and sale of such services.

229. Through widespread and favorable public acceptance and recognition, the Mark has become an asset of substantial value as a symbol of Zync and its quality services and goodwill in publishing administration and synchronization licensing, both to potential clients (i.e., artists, songwriters, and publishers) and prospective licensees.

230. By using the Zync name and Mark in connection with performing the identical services performed by Zync, with no authorization or permission from Zync and/or ZMI to do so, RHM has and will wrongfully and unfairly compete with Zync.

231. Plaintiffs have no adequate remedy at law, and if RHM's activities are not enjoined, Plaintiffs will suffer irreparable harm and injury as a result thereof.

AS AND FOR AN EIGHTH CLAIM

Accounting

232. Plaintiffs repeat and reallege each and every allegation contained in paragraphs 1 through 231 hereof as if fully set forth herein.

233. A fiduciary, trust, or other contractual relationship exists between Plaintiffs and Defendant for which an accounting of Defendant's books and records is appropriate to the extent necessary to trace the monies wrongfully withheld by Defendant that are due and owing to Plaintiffs in connection with the commercial exploitation and monetization of the Carlin Assets and RHM Assets (including the Term Assets).

234. In the absence of such an accounting, Plaintiffs cannot know the precise amount of monies misappropriated by Defendant in respect of the commercial exploitation and monetization of such assets.

235. Plaintiffs have no adequate remedy at law.

JURY DEMAND

236. Pursuant to Fed. R. Civ. P. Rule 38(b), Plaintiffs demand a trial by jury on all issues properly triable.

PRAYER FOR RELIEF

WHEREFORE, Plaintiffs respectfully request that this Court enter judgment as follows:

(a) On the First Claim, an award of damages against Defendant RHM and in favor of Plaintiff Zync in an amount to be determined at trial, plus pre-judgment interest thereon at the statutory rate;

(b) On the Second Claim, an award of damages against Defendant RHM and in favor of Plaintiff Zync in an amount to be determined at trial, plus pre-judgment interest thereon at the statutory rate;

(c) On the Third Claim, an award of compensatory damages in an amount no less than the amount of deductions sought to be debited from the Term Asset Purchase Price by RHM in respect of the Hurdles, if any, and the commissions that otherwise would have been due to Zync in respect of its commercial exploitation of the Carlin Assets and/or RHM Assets under the JT Agreement without amendment, plus pre-judgment interest thereon at the statutory rate, and exemplary and punitive damages in an amount sufficient to punish or set an example of Defendant, which amount will be demonstrated at trial;

(d) On the Fourth Claim, an award of compensatory damages in an amount to be determined at trial, including consequential and incidental damages, plus pre-judgment interest thereon at the statutory rate, and exemplary and punitive damages in an amount sufficient to punish or set an example of Defendant, which amount will be demonstrated at trial;

(e) On the Fifth Claim, an award of damages in an amount no less than 50% of the amounts collected by Defendant RHM from the exploitation of the Term Assets after the Term of the JT Agreement ended, plus pre-judgment interest thereon at the statutory rate;

(f) On the Sixth Claim,

- i. a preliminary injunction restraining, enjoining and prohibiting RHM and Round Hill, and each of their respective officers, directors, agents, employees and/or other individuals or entities within their control or supervision from using the name “Zync” and the Mark in connection with the commercial administration of licensing services for musical compositions and sound recordings, during the pendency of this action;
- ii. after a hearing on the merits, a permanent injunction restraining, enjoining and prohibiting RHM and Round Hill, and each of their respective officers, directors, agents, employees and/or other individuals or entities within their control or supervision from using the name “Zync” and the Mark in connection with the commercial administration of licensing services for musical compositions and sound recordings;
- iii. an order that RHM be required to pay ZMI such damages as ZMI has sustained in consequence of RHM’s infringement of the Mark;

iv. all gains, profits, and advantages derived by Defendant by its infringement of the Mark or such damages as the Court shall appear proper within the provisions of the Lanham Act; and

v. Treble damages as provided by 15 U.S.C. §1117;

(g) On the Seventh Claim, an order that RHM be required to pay Plaintiffs such damages as Plaintiffs have sustained in consequence of RHM's unfair competition practices, and account for all gains, profits, and advantages derived by RHM by said unfair competition practices;

(h) On the Eighth Claim, an accounting to Zync for all monies received by Defendant in connection with the commercial exploitation of the Term Assets, other RHM Assets, and the Carlin Assets, both during the Term of the JT Agreement and thereafter, including without limitation, Annual Net Revenue Reports and Annual NPS Reports and related back-up documentation reflecting Active Synch NPS;

(i) An award to Plaintiffs of the costs, including attorneys' fees, and disbursements incurred in prosecuting this action; and

(j) Such other and further relief as the Court deems just and proper.

Dated: May 13, 2024

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