

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

In the Matter of the Application of

RICHARD ELI BALL, EDE LLC, JOSEPH
ARENDS SOWELL, III as trustee of the
Joseph A. Sowell, III Revocable Trust,
MUSIC WORLD ENTERTAINMENT
CORPORATION, MARTIN KELMAN,
RONALD LAZAROV, STEPHEN MADSEN,
and CLARITAS PRIVATE CREDIT FUND,
I, LP,

Petitioners.

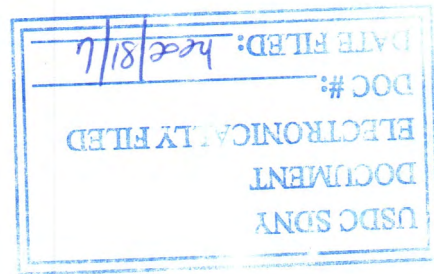
-against-

UTOPIA MUSIC HOLDINGS (US) INC. and
UTOPIA MUSIC AG,

Respondents.

Case No. 1:24-cv-5086

STIPULATION AND ~~PROPOSED~~
ORDER



WHEREAS, this action was commenced via Petition on July 3, 2024 to confirm a foreign arbitration award;

WHEREAS, on September 29, 2023, Petitioners Richard Eli Ball (“Ball”), EDE, LLC (“EDE”), Joseph Arends Sowell, III as trustee of the Joseph A. Sowell, III Revocable Trust, Music World Entertainment Corporation (“Music World”), Marty Kelman (“Kelman”), Ronald Lazarov (“Lazarov”), Stephen Madsen (“Madsen”), and Claritas Private Credit Fund, I, LP (“Claritas,” and collectively, “Petitioners”) commenced arbitration against Respondents Utopia Music Holdings (US) Inc. (“Utopia Music”) and Utopia Music AG (“Utopia AG” and together with Utopia Music, “Respondents”) administered by the London Court of International Arbitration (“LCIA”);

WHEREAS, the arbitration arose out of a transaction for the sale of 100% of the units of Lyric Financial LLC (“Lyric”) pursuant to a Sale and Purchase Agreement made on November 11, 2021 and stated to be effective as of October 29, 2021 (the “SPA”). The Petitioners in this action

are the sellers, who together owned Lyric. Utopia Music, is the purchaser of Lyric, and its Swiss parent company, Utopia AG, is a guarantor on the transaction;

WHEREAS, the purchase price under the SPA was US\$ 8 million, which was divided between a US\$ 5 million payment due upon conclusion of the SPA, followed successively by two deferred payments of US\$ 1.5 million each;

WHEREAS, Petitioners alleged that Respondents failed to make the final US\$ 1.5 million installment of the purchase price;

WHEREAS, The LCIA appointed an arbitration panel (the "Panel") comprised of Carine Dupeyron, Shane Daly, and Alexander Uff. The LCIA designated Alexander Uff as presiding arbitrator. Neither party objected to the composition of the Panel;

WHEREAS, on June 17, 2024, the Panel issued a Final Award;

WHEREAS, the Panel concluded that the SPA was a valid and binding contract (which Respondents did not contest), and that Respondents are liable to Petitioners for Respondents' nonpayment of the final \$1.5 million installment, and that Petitioners should be awarded damages, including costs, fees, and interest, as set forth therein;

WHEREAS, on July 3, 2024, Petitioners filed the Petition and attached a copy of the Final Award thereto;

WHEREAS, as described in the Petition, and as of the filing date of the Petition, the Final Award totals \$1,862,995.54;

WHEREAS, the Final Award further assesses post-award interest on the entire amount at the US Federal Reserve Rate of 5.33% plus 2% (two hundred basis points) per annum from July 3, 2024 to the date of the full payment;

WHEREAS, on July 9, 2024, the Court deemed the Petition to be a motion to confirm the arbitration award and required Respondents to respond to the motion within 30 days from the date of service;

WHEREAS, Respondents agree that they have been served with a copy of the Petition;

WHEREAS, Respondents admit that this Court has jurisdiction over the Petition pursuant to 9 U.S.C. § 203 and further has *quasi in rem* jurisdiction because Respondents' assets are located in New York;

WHEREAS, Respondents admit that venue is proper in this judicial district;

WHEREAS, Respondents admit that the Petition is timely pursuant to 9 U.S.C. § 207;

WHEREAS, Respondents admit that Petitioners are entitled to an order recognizing and enforcing the Final Award pursuant to 9 U.S.C. § 207 and Article III of the United Nations Convention on the Recognition and Enforcement of Foreign Arbitral Awards, June 10, 1958, 330 U.N.T.S. 38 (the "New York Convention"); and

WHEREAS, Respondents admit that none of the grounds for refusal or deferral of recognition or enforcement of the Final Award specified in Article III of the New York Convention exist.

NOW, THEREFORE, IT IS HEREBY STIPULATED AND AGREED by and between the undersigned attorneys for the parties as follows:

1. The Petition to recognize and confirm the Final Award is granted in its entirety.
2. The Clerk of the Court is directed to enter judgment for the Petitioners in the amount of \$1,862,995.54, with post-award interest on the entire amount at the US Federal Reserve Rate of 5.33% plus 2% (two hundred basis points) per annum from the date of the Petition, July 3, 2024, to the date of the full payment of the Final Award.

Dated: July __, 2024

Respectfully submitted.

UTOPIA MUSIC HOLDINGS (US) INC

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Peter Lohr

Attorneys or Petitioners

**PROPER GROUP AG (FORMERLY
UTOPIA MUSIC AG)**

By: Mr John Mitchell
Address as the company
Chairman of the board of directors

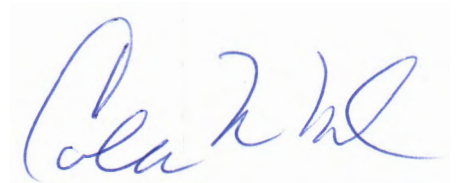
John Mitchell

Mr Peter Ödman
Address as the company
Member of the board of directors

Peter Ödman

SO ORDERED

Dated: 18 July 2024



United States District Court Judge

Signature Certificate

Reference number: MC8DU-FVF39-SRKYJ-BJK9L

Signer	Timestamp	Signature
Peter Löhr Email: pl@utopiamusic.com Sent: 16 Jul 2024 11:07:24 UTC Viewed: 16 Jul 2024 11:07:27 UTC Signed: 16 Jul 2024 11:07:45 UTC Recipient Verification: ✓ Email verified 16 Jul 2024 11:07:31 UTC		 IP address: 2.66.135.68 Location: Bromma, Sweden
John Mitchell Email: john.mitchell@utopiamusic.com Sent: 16 Jul 2024 11:07:24 UTC Viewed: 16 Jul 2024 11:33:40 UTC Signed: 16 Jul 2024 11:33:49 UTC Recipient Verification: ✓ Email verified 16 Jul 2024 11:33:40 UTC		 IP address: 1.145.31.154
Peter Ödman Email: po@mr-invest.com Sent: 16 Jul 2024 11:07:24 UTC Viewed: 16 Jul 2024 11:27:41 UTC Signed: 16 Jul 2024 12:11:31 UTC Recipient Verification: ✓ Email verified 16 Jul 2024 11:27:41 UTC		 IP address: 178.197.222.116 Location: Zurich, Switzerland

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16 Jul 2024 12:11:31 UTC

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