

NATURE OF THE ACTION

1. This action arises from the flagrant breaches of contract, repeated misrepresentations, and shameless dereliction of duty by Holdings, Worldview Inc. and their managers, officers and affiliated investment vehicles.

2. ***Fraud.*** In 2011, Plaintiff invested \$800,000 into an entity established by Holdings for the purpose of developing a single motion picture. Over the ensuing three years, Defendants Maria Cestone, Christopher Woodrow, Molly Conners and Hoyt David Morgan, and the corporate entities that they managed, fraudulently induced Plaintiff to make nearly \$25 million in additional investments in and loans to varied film entities (the “Worldview Film Funds”), and Holdings by making material misrepresentations and omissions regarding the actual and projected performance of Plaintiff’s investments in the Worldview Film Funds.

3. ***Mismanagement.*** After fraudulently inducing Plaintiff to invest millions of dollars in the Worldview Film Funds, Defendants Cestone, Woodrow, Conners and Morgan, and the corporate entities that they managed, engaged in gross mismanagement and breaches of fiduciary duty in connection with their operation of the Worldview Film Funds by, *inter alia*, entering into financing and distribution agreements that were inconsistent with industry standards and failing to oversee the film assets in which the funds had invested (which, in at least one case, resulted in a total loss of Plaintiff’s investment). This misconduct has substantially devalued Plaintiff’s investment and virtually ensured that she will recoup a fraction of the millions of dollars that she invested in the Worldview Film Funds.

4. ***Breach of Contract.*** Holdings, Worldview Inc. and the Worldview Film Funds breached express promises made to Plaintiff by, *inter alia*, paying producer and/or management fees to Holdings and Worldview Inc. despite express agreements that such fees would not be paid, and by deploying more than \$6 million in capital loaned by Plaintiff despite an express

agreement that such funds would not be deployed until certain preconditions were met (which they were not).

5. Defendants' misdeeds, stretching over more than three years, occurred under the watch of Defendant Maria Cestone, the co-founder of Holdings and the apparent puppeteer behind virtually all of Holdings' and Worldview Inc.'s actions. Cestone, together with Defendants Woodrow, Conners and Morgan, has engaged in a pattern of conduct that has permanently tarnished the Worldview name, alienated investors, caused the Worldview Film Funds substantial losses and liabilities, and significantly devalued Plaintiff's investments.

6. Accordingly, Plaintiff brings this action for, *inter alia*, fraud, breach of contract, negligent misrepresentation, gross negligence, unjust enrichment and breach of fiduciary duty, and seeks compensatory damages of at least \$20 million, the precise amount to be proven at trial, as well as punitive damages in the amount of at least \$50 million, attorney's fees and costs and a full accounting relating to Plaintiff's funds.

THE PARTIES

7. Plaintiff Sarah Johnson is a resident of New York.

8. Defendant Cestone is a resident of New Jersey who transacts business in New York, including through her affiliations with Holdings, Worldview Inc. and the Worldview Film Funds.

9. Defendant Woodrow is a resident of New York. Woodrow served as the Chief Executive Officer of Worldview Inc. until approximately May 2014.

10. Defendant Conners is a resident of New York. Conners currently serves as the Chief Operating Officer of Worldview Inc.

11. Defendant Morgan is a resident of New York. Morgan served as the Chief Financial Officer of Worldview Inc. until approximately March 2013.

12. Defendant Holdings is a Delaware limited liability company with a place of business at 1384 Broadway, 25th Floor, New York, New York 10018.

13. Defendant Worldview Inc. is a Delaware corporation with a place of business at 1384 Broadway, 25th Floor, New York, New York 10018. Holdings is the sole shareholder of Worldview Inc. Upon information and belief, Holdings is held in equal shares by Roseland, in which Defendant Cestone is the managing member, and Prospect Point Capital LLC (“Prospect Point Capital”), in which Defendant Woodrow is the managing member.

14. Defendant Roseland is a Delaware limited liability company. Upon information and belief, Defendant Cestone is the managing member of Roseland. Upon information and belief, Defendants Cestone and Woodrow each hold a 50% interest in Roseland.

15. Defendant WEC I is a Delaware limited liability company with a place of business at 1384 Broadway, 25th Floor, New York, New York 10018.

16. Defendant WEC II is a Delaware limited liability company with a place of business at 1384 Broadway, 25th Floor, New York, New York 10018.

17. Defendant WEP IV is a Delaware limited liability company with a place of business at 1384 Broadway, 25th Floor, New York, New York 10018.

18. Defendant WEP VII is a Delaware limited liability company with a place of business at 1384 Broadway, 25th Floor, New York, New York 10018.

19. Defendant WEP IX is a Delaware limited liability company with a place of business at 1384 Broadway, 25th Floor, New York, New York 10018.¹

¹ On March 6, 2015, Plaintiff received notice from Defendant Molly Conners that “Worldview Entertainment” (undefined in the notice) had “moved its offices” to Trenton, New Jersey (which, notably, is near Defendant Cestone’s residence).

JURISDICTION AND VENUE

20. This Court has personal jurisdiction over the Defendants pursuant to CPLR §§ 301 and 302.

21. Venue is proper in this county pursuant to CPLR §§ 503(a) and 503(c).

FACTUAL BACKGROUND

A. Cestone and Woodrow Marketed Worldview Inc. as a Sophisticated Film Finance Company

22. Upon information and belief, Defendants Cestone and Woodrow formed Holdings in or around 2007, and Cestone initially backed the company with approximately \$4,500,000 in seed capital.

23. Upon information and belief, as of January 5, 2011, Cestone and Woodrow held all shares of Holdings through two limited liability companies, Roseland and Prospect Point Capital, in which they each held a 50% interest. Upon information and belief, Cestone is the sole manager of Roseland, which in turn is the sole manager of Holdings.

24. As touted in various investor marketing materials, Worldview Inc. purports to be a “leading independent motion picture studio that finances, produces and acquires theatrical quality feature films for worldwide distribution.”

25. Upon information and belief, Worldview Inc. is the operating company by which Holdings conducts business and employs the individuals who conduct the day-to-day operations of Holdings and Worldview Inc. and manage investments in the Worldview Film Funds. Holdings is the sole shareholder of Worldview Inc.

26. Upon information and belief, Woodrow and Cestone, through Holdings, have formed at least nine Worldview Film Funds in the form of individual investment vehicles to

invest in single-picture or multi-picture film slates. Holdings or Worldview Inc. serve as the managing member, and a substantial shareholder, of each of the Worldview Film Funds.

27. Upon information and belief, a film called *Killer Joe* was one of Defendants' first theatrical motion picture investments. Materials circulated by Worldview Inc. to current and prospective investors represented that *Killer Joe* earned a return on investment ("ROI") of 22.1%. Upon information and belief, Worldview Inc. closed at least eight single picture investment vehicles over the ensuing three years, and began embarking on a strategy to raise money for the Worldview Film Funds.

B. Defendants Fraudulently Induced Plaintiff to Make Repeated Investments in the Worldview Film Funds by Misrepresenting Material Facts Regarding the Financial Prospects of the Worldview Film Funds

28. In 2011, Woodrow and Conners, the Chief Operating Officer of Worldview Inc., approached Plaintiff regarding potential investments in various Worldview Film Funds.

29. In or around June 2011, after meeting further with Worldview Inc. executives, including Woodrow, Plaintiff agreed to make an initial \$800,000 investment in Defendant Worldview Entertainment Partners II ("WEP II"), a Worldview Film Fund, which in turn invested a total of \$2 million in a single film, *Welcome to the Punch*. Plaintiff was advised in writing, via an internally-prepared quarterly portfolio summary, that her investment in WEP II generated an ROI of approximately 9.8%.

30. Due to the positive earnings indications from her investment in WEP II, and in reliance on representations made by Cestone, Woodrow, Conners, Morgan and other Worldview Inc. employees about Worldview Inc.'s business operations and the financial performance of the Worldview Film Funds (including but not limited to those detailed *infra* ¶¶ 38-47), Plaintiff agreed to make further investments in certain Worldview Film Funds throughout 2012 and 2013.

31. In or around January 2012, Plaintiff invested \$1,500,000 in Worldview Entertainment Partners III (“WEP III”). Upon information and belief, WEP III ultimately invested a total of \$3,600,000 in a single film, *The Immigrant*.

32. In or around May 2012, Plaintiff invested \$1,250,000 in Defendant Worldview Entertainment Partners IV (“WEP IV”). Upon information and belief, WEP IV ultimately invested a total of \$4,500,000 in a single film, *Devil’s Knot*.

33. In or around June 2012, Plaintiff invested \$525,000 in Worldview Entertainment Partners V (“WEP V”). Upon information and belief, WEP V ultimately invested a total of \$3,500,000 in a single film, *Blood Ties*.

34. In or around October 2012, Plaintiff invested \$225,000 in Worldview Entertainment Partners VI (“WEP VI”). Upon information and belief, WEP VI ultimately invested a total of \$1,750,000 in a single film, *The Sacrament*.

35. Beginning in December 2012 and continuing through August 2013, Plaintiff invested more than \$7 million in Defendant Worldview Entertainment Capital (“WEC I”), including through a transfer of \$5 million made in March 2013, a transfer of \$888,770 made in June 2013, a transfer of \$534,990 made in August 2013 and the rollover of certain proceeds from other films. Upon information and belief, WEC I ultimately invested a total of \$17,400,000 in a five-film slate, which included *Joe*, *The Green Inferno*, *Child 44*, *Song One*, and *Wish I Was Here*.

36. In or around March 2013, Plaintiff invested \$2,608,000 in Defendant Worldview Entertainment Partners VII (“WEP VII”). Upon information and belief, WEP VII ultimately invested a total of \$5,458,000 in a single film, *Birdman*.

37. In or around January 2014, Plaintiff invested \$3,250,000 in Defendant Worldview Entertainment Partners IX (“WEP IX”). Upon information and belief, WEP IX ultimately invested a total of \$3,250,000 in a single film, an as-yet-titled film produced by Warren Beatty.

38. Cestone, Woodrow, Conners, Morgan and other Worldview Inc. employees made repeated representations to Plaintiff regarding the status of her investments in order to induce her to make continued financial contributions to the Worldview Film Funds.

39. For example, on March 22, 2013, in response to an inquiry by Plaintiff concerning her investments and future returns, Conners emailed Plaintiff “detailed accounts of [her] current investments, current/future commitments and projected returns.” Upon information and belief, Conners sent this information at the request of Woodrow and Cestone. Conners assured Plaintiff that the “Worldview executive team worked to make sure these numbers are as detailed and accurate as possible. In addition to our own expertise, current pre-sales contracts, current sales negotiations, and market intelligence from CAA, sales agent partners and other industry insiders all went into these calculations.” Conners represented to Plaintiff that Worldview Film Funds “will be able to provide \$161,061 in cash to you by the end of Q2 that will provide living expenses [to you] that [s]tarting in Q4 of this year, you will be receiving significant returns each quarter for the next couple years.” Conners further represented that Worldview Film Funds expected a “total return” of \$13,486,325 on Plaintiff’s investment of \$11,567,750.

40. Upon information and belief, this purported “projection” was materially false and misleading when made, as Cestone, Woodrow, Conners, Morgan, Worldview Inc. and Holdings knew (or were reckless in not knowing) that Plaintiff’s investment would not return the amounts projected. Among other things, Cestone, Woodrow, Conners, Morgan, Worldview Inc. and Holdings knew the terms of the financing, distribution and sales agreements entered into in

connection with each of the Worldview Film Funds, and knew (or were reckless in not knowing) that the projected returns were not likely in light of the terms of these agreements and the market for the films invested in by each of the Worldview Film Funds.

41. Woodrow followed up on March 25, 2013 with another email to Plaintiff, urging her to wire an additional \$5 million and referencing an upcoming “partnership” with actors George Clooney and Brad Pitt that Woodrow was eager to bring to Plaintiff’s attention (a partnership that never materialized).

42. Shortly after Plaintiff received this email, she wired \$5 million to WEC I for investment in the five film slate—by far the largest single investment Plaintiff had made in a Worldview Film Fund at that time.

43. Plaintiff continued to request from Holdings and Worldview Inc. financial information regarding her investments throughout 2013, and continued to be advised (by Woodrow, Conners, Morgan and others) that her current investments in the Worldview Film Funds were performing well and in line with the projected 20% return on investment that was marketed to her when she made the investments. When Plaintiff requested financial statements regarding Holdings and Worldview Inc. in order to see how the business was being operated, Woodrow repeatedly responded that Plaintiff was not entitled to receive such documents because she was not a member or shareholder.

44. On the rare occasion that Plaintiff was provided with financial information, the information was inaccurate and contained assurances that additional information and documentation would be forthcoming.

45. For example, on July 24, 2013, Woodrow emailed Plaintiff purported financial information relating to Holdings’ financial state. In the email, Woodrow stated that Holdings’

likely valuation was \$10 million, “tak[ing] into account the operating company’s [*i.e.*, Worldview Inc.’s] revenue growth over the past year in addition to our 50% profit participation on the \$38.5mm in equity invested to date.” Upon information and belief, this purported “valuation” was materially false and misleading when made, and most if not all of the “revenue growth” related to producer fees improperly taken from the Worldview Film Funds.

46. In September 2013, a loan default occurred on the film *Devil’s Knot*, the sole film in the WEP IV fund. Approximately four months later, on January 26, 2014, former Worldview Inc. CFO Margaret Chu sent Plaintiff an internally prepared document entitled “Inception – 2015 Recoupment Projection” dated December 16, 2013. Among other things, the Recoupment Projection listed \$1,250,000 in projected income in WEP IV (*i.e.*, full recoupment of Plaintiff’s investment) beginning in Q4 of 2014 and continuing until Q3 of 2015. This document was prepared months after the September 2013 loan default on *Devil’s Knot*. Upon information and belief, Worldview Inc. representatives (including Defendants Woodrow, Cestone and Conners) were aware of this loan default, and the negative impact it would have on Plaintiff’s recovery of her investment in WEP IV as of January 26, 2014, but failed to disclose this fact until June 2014 (at which point Worldview Inc. projected a 100% loss on Plaintiff’s WEP IV investment).

47. In addition to making personal investments in the Worldview Film Funds, Plaintiff also relied upon the representations made by Cestone, Woodrow, Conners, Morgan and Worldview Inc. employees to enlist others to contribute financially to Worldview Inc. or Worldview Film Funds. In August 2012, Plaintiff’s sister, Holly Johnson Bartlett, loaned \$1.5 million to Worldview Inc., which was to be due in February 2014 (“Bartlett Loan”).

C. Plaintiff Requested Membership in Holdings

48. In light of Plaintiff's substantial capital contributions to the Worldview Film Funds, Plaintiff requested in late 2013 that Cestone and Woodrow grant her an equity stake in Holdings.

49. Plaintiff's attorney engaged in substantial negotiations with Woodrow regarding the terms of the Holdings Operating Agreement, sending back a redlined copy that contained Plaintiff's required modifications.

50. Woodrow ignored all of these changes and delivered a "final" version of the Holdings Operating Agreement to Plaintiff for her signature, implicitly representing that it contained her attorney's proposed comments. Woodrow did not copy Plaintiff's attorney on that correspondence. Plaintiff signed this agreement in late December 2013, only later to learn that not a single of her required changes were included therein.

51. Plaintiff repeatedly requested that the Holdings Operating Agreement be amended to reflect these agreed upon changes, but Cestone and Woodrow refused to do so. Holdings has never issued Plaintiff a membership certificate or provided requisite summaries of Plaintiff's purported capital account.

D. Plaintiff Loaned Over \$10 Million to Holdings and Worldview Entertainment Capital II

52. Upon information and belief, in early 2014, Defendants were becoming increasingly desperate for ways to fund additional films (and thus obtain the lucrative producer fees from such deals).

53. Plaintiff made clear that she was unwilling to make further investments. By this time, however, Plaintiff had invested over \$16 million in the Worldview Film Funds, continued

to receive positive projections from Defendants regarding her investments, and was willing to assist Holdings with its growth trajectory within certain established boundaries.

54. In or around early 2014, Plaintiff obtained access to a line of credit with UBS (the “UBS Line”) that carried a low interest rate. After discussions with Woodrow and Cestone, Plaintiff agreed to loan additional funds to Holdings by drawing down the UBS Line, with the understanding that Holdings and/or Worldview Inc. would cover the associated interest charges, repay the loans on a priority basis, and provide additional transparency with respect to the operations of Holdings and Worldview Inc.

55. At Cestone and Woodrow’s request, on or about February 18, 2014, Plaintiff agreed to wire \$1,180,000 to Holdings from the UBS Line as a loan to cover certain obligations of the operating company, including the payment of interest on the Bartlett Loan and a \$1 million commitment to amfAR, The Foundation for Aids Research, related to the amfAR Cinema Against AIDS Gala at the 2014 Cannes film festival (the “amfAR Loan”). Worldview Inc.’s former CFO Margaret Chu confirmed on February 20, 2014 that the amfAR Loan was reflected “on the balance sheet as ‘Loan from Sarah Johnson.’” Woodrow and Cestone subsequently confirmed to Plaintiff that Worldview Inc. would be “cover[ing] the costs of the loan from UBS” as well.

56. In March 2014, Cestone and Woodrow approached Plaintiff for further funds, this time for a slate of 10 films that was to be financed through Defendant WEC II. Plaintiff agreed to make a \$9.1 million loan to WEC II by drawing down the UBS line, again on the condition that Worldview Inc. pay the associated interested charges and repay her loan on a priority basis *vis a vis* the investors in WEC II. Plaintiff’s loan was also subject to the condition that Holdings, as Managing Member of WEC II, secure a minimum capital raise of \$30 million from additional

investors for WEC II. Plaintiff insisted, and Defendants agreed, that unless and until such time as \$30 million was raised, her funds would be held by WEC II and not used for any purpose.

E. Plaintiff Learned of Defendants' Contractual Breaches and Mismanagement

57. In or around May 2014, a Worldview Inc. employee alerted Plaintiff that Woodrow had been improperly utilizing corporate funds for personal use, as well as engaging in a pattern and practice of harassing Worldview Inc.'s employees.

58. Upon information and belief, a subsequent forensic investigation conducted by Berdon LLP revealed that Woodrow falsified invoices to be submitted with expense reports, submitted personal and/or non-business-related expenses for reimbursement and improperly directed Worldview Inc.'s law firm to disburse escrowed investor funds for his personal use.

59. Upon information and belief, Woodrow was terminated from Worldview Inc. in or around June 2014.

60. In the ensuing months, Plaintiff also came to learn that Cestone, Woodrow, Conners, Morgan and other Worldview Inc. employees had not only made false representations regarding her investments, they had also breached the agreements relating to these investments and had engaged in complete dereliction of duty with respect to the management of Plaintiff's funds.

i. WEP IV, WEP VII, WEP IX, WEC I and WEC II Breached Their Agreements with Plaintiff By Paying Unauthorized Management and/or Producer Fees From Her Investments

61. Plaintiff executed a Private Placement Memoranda and Operating Agreement in connection with WEP IV, which provides that a Deferred Executive Producing Fee of \$500,000 would be paid to Worldview Inc. only after WEP IV (and thus, its investors) recouped its Equity Investment plus its Preferred Return (of 20%).

62. Plaintiff was not sent (and has not executed) operating agreements or private placement memoranda for WEP VII, WEP IX, WEC I or WEC II, but transferred millions of dollars to these Worldview Film Funds after reaching express agreements with authorized representatives of the Worldview Film Funds as to the use of her funds, including that Holdings or Worldview Inc. would not be paid any management fees or producer fees, or would be paid such sums only after investors in the fund recouped their investment plus a 20% ROI.

63. Worldview Inc. representatives continued to assure Plaintiff that neither Holdings nor Worldview Inc. would take management fees or producer fees. For example, in or around December 2012, Morgan, the former CFO of Worldview Inc., invited Plaintiff to Worldview Inc.'s offices in New York to specifically sell Plaintiff on investing in WEC I. During the meeting, Morgan repeatedly told Plaintiff that neither Holdings nor Worldview Inc. would take management and/or producer fees from any of the WEC I films. When Plaintiff asked Morgan about the financial viability of Worldview Inc.'s operations, Morgan assured Plaintiff that Cestone was funding Worldview Inc.'s operations and further assured Plaintiff that Worldview Inc. was generating revenue.

64. Upon information and belief, several of the Worldview Film Funds paid Holdings and/or Worldview Inc. substantial management and/or production fees, totaling over \$2 million, prior to returning 20% to investors, despite expressly agreeing with Plaintiff that such payments would not be made. These unauthorized payments included payments of:

- a. \$500,000 in connection with WEP IV;
- b. \$250,000 in connection with WEP VI;
- c. \$600,000 in connection with WEP VII;
- d. \$450,000 in connection with WEP IX;

- e. Fees of at least \$250,000 in connection with WEC I films; and
- f. Fees of up to 10% of gross budget in connection with the four films financed from WEC II funds.

65. These payments were not authorized by Plaintiff, notwithstanding that, upon information and belief, they were often taken directly from her invested funds and directly impacted the recoupment of her investments.

ii. *WEC II Breached Its Agreement with Plaintiff By Deploying Funds Loaned By Plaintiff Prior to the Minimum Capital Raise Required*

66. Plaintiff reasonably expected that the \$9.1 million loan to WEC II would be appropriately safeguarded unless and until the \$30 million minimum guarantee was met, and she received verbal representations confirming this expectation. However, upon information and belief, Woodrow and Cestone authorized the funds loaned by Plaintiff to WEC II to be deployed before the minimum capital raise was met.

67. Indeed, upon information and belief, three weeks after Plaintiff wired the second installment for the \$9.1 million loan to WEC II, WEC II wired \$6 million as “partial funding” to The Weinstein Company (“TWC”) for the WEC II film *Tulip Fever*. Upon information and belief, Woodrow authorized this “partial funding” without any requisite legal documentation in place with TWC (thus subjecting WEC II and its investors to significant risk) and against the business advice of Worldview Inc.’s former CFO, Margaret Chu. *Tulip Fever* was not part of the slate of films pitched to potential investors in WEC II.

68. In or around July 2014, Plaintiff learned that only approximately \$16 million had been raised by WEC II (the bulk of which was Plaintiff’s \$9.1 million loan) and that the vast majority of these funds had already been deployed. Plaintiff requested that WEC II immediately return her loan. Plaintiff was advised that WEC II had insufficient funds to return her loan.

69. As a result of the improper distribution of funds prior to the minimum capital raise mandated by the WEC II operating agreement and private placement memorandum, two other WEC II investors have initiated arbitration proceedings seeking to claw back their investments in the fund.

iii. *Holdings and Worldview Inc. Grossly Mismanage the Worldview Film Funds*

70. Upon information and belief, Cestone, Woodrow, Connors and Morgan caused Worldview Inc. and the Worldview Film Funds to enter into financing, production and distribution agreements that were lopsided and inconsistent with industry standards, which reduced (or will likely reduce) the value of Plaintiff's investments.

71. Upon information and belief, WEP IV investors, including Plaintiff, are now projected to lose their entire investment in *Devil's Knot* due to Defendants' lapse in diligence in managing a loan default to a mezzanine lender on the film. Defendants were also aware of this loan default as of September 2013 but failed to disclose the risk to Plaintiff's investment (and indeed informed Plaintiff that she could expect to receive a full return on her WEP IV investment) for nearly a year thereafter, so as to induce her to make continued investments in Worldview Film Funds.

72. Upon information and belief, in connection with WEC I's investment in *Song One*, WEC I was required to pay a mezzanine lender approximately \$150,000 or lose all foreign rights to the film. WEC I did not pay this amount, and the mezzanine lender subsequently exercised its lien on the foreign rights. WEC I investors, including Plaintiff, are now projected to lose their entire investment in *Song One*.

73. Upon information and belief, WEC I has failed to pursue collection of approximately \$1,000,000 in foreign receivables due and owed relating to its investment in *Wish I Was Here*.

74. Upon information and belief, in connection with WEC II's investment in *Strangerland*, Cestone authorized Patrick Thompson, Woodrow's replacement as CEO of Worldview Inc., to enter into a distribution deal that was worth considerably less money than other distribution offers the company received, without any reasonable justification, thereby significantly diminishing WEC II's projected returns.

75. Upon information and belief, in addition, WEC II executed at least four contracts with TWC with terms disproportionately unfavorable to WEC II and that imposed on WEC II funding requirements that WEC II and Worldview Inc. could not be reasonably expected to satisfy. Upon information and belief, Woodrow and/or Cestone caused these agreements to be executed primarily to secure lucrative producer and/or management fees for Worldview Inc. from these films. Upon information and belief, WEC II was unable to meet the funding requirements and, in July 2014, TWC commenced arbitration against WEC II and Worldview Inc., alleging that WEC II and Worldview Inc. were in breach of three of the four film investment agreements.

76. Upon information and belief, Woodrow and Cestone also caused WEC II to enter into a \$30 million revolving credit facility with terms that potentially subject WEC II investors to hundreds of thousands of dollars in non-use penalties in addition to default based on a change in management provision.

77. Upon information and belief, Holdings and Worldview Inc. also engaged in gross mismanagement of their other film investments.

78. Defendants' negligence and lack of diligence in managing their extensive portfolio of film investments has operated to significantly diminish the value of Plaintiff's

investments and caused an overall decline in Worldview's industry profile and future business prospects.

iv. Defendants Engaged in Further Unauthorized Acts

79. Defendants engaged in further unauthorized and negligent actions that subjected Plaintiff's investments to greater risk or possibility of non-payment.

80. Among other things, Cestone, Woodrow and Connors caused Worldview Inc. to enter into an Agreement and General Release with Morgan (the "Morgan Separation Agreement"), which purportedly guaranteed Morgan production credits on certain films (including an Executive Producer credit on *Birdman*), and the return of any principal investment by Morgan into the Worldview Film Funds that remained outstanding and non-recouped as of May 31, 2014 (approximately \$1,787,600.84). In July 2014, Morgan filed suit seeking to enforce the Morgan Separation Agreement against Worldview Inc., Holdings, WEP VII, Cestone, Connors and Plaintiff. As a result of an injunction issued in that action, WEP VII's assets have been effectively frozen pending disposition of the case, thereby interfering with Plaintiff's realization of returns from her \$2,608,000 investment in WEP VII.

81. Upon information and belief, on March 11, 2014, Cestone and Woodrow caused WEC II to enter into an agreement to provide "countervailing career opportunities" in the form of film credits to the daughter of an investor, and to secure at least two roles for her in films "produced by Worldview and/or its production partners." The agreement further promises "to provide ongoing efforts to advance the acting career of [the investor's daughter], which include but are not limited to, facilitating introductions and providing referrals to various strategically positioned individuals or organizations within the film and talent industry." That investor has subsequently sued WEC II for breach of such agreement (again subjecting WEC II investors to massive risk).

82. Upon information and belief, Defendants also diverted Plaintiff's funds for undisclosed and unapproved uses. Specifically, upon information and belief, and without Plaintiff's knowledge or consent, Defendants committed \$104,974 of Plaintiff's funds to film distribution company Open Road for *The Green Inferno* for certain production and advertising expenses and \$150,000 to foreign sales agent Wild Bunch for *Jimmy P.* (a film that, upon information and belief, is not related to any Worldview Film Fund in which Plaintiff invested).

F. Following Woodrow's Termination, Cestone Continued to Engage In Gross Mismanagement of Worldview Film Funds

83. Following Woodrow's termination as CEO of Worldview Inc. in or around June 2014, Cestone hired a new CEO, Patrick Thompson, who, upon information and belief, has no film industry experience and operates at the complete control of Cestone. The rampant mismanagement of the Worldview Film Funds has continued under Thompson.

84. Upon information and belief, in September 2014, Cestone caused WEC II to enter into an agreement with TWC to settle the pending arbitration ("TWC Settlement Agreement"). The TWC Settlement Agreement improperly transfers liabilities of Worldview Inc. to WEC II, its lenders and investors. Specifically, the TWC Settlement Agreement extends the term of a "First Look Agreement" previously entered into between Worldview Inc. and TWC, and requires WEC II to refund at least \$200,000 in fees to TWC if its terms are not met. The TWC Settlement Agreement also renegotiated TWC's returns on *Tulip Fever*, the net effect of which decreases the percentage of returns due to WEC II on *Tulip Fever*.

85. Based on Cestone's unilateral action in settling the TWC arbitration, WEC II faces substantial liabilities and a decrease in equity.

86. Cestone has also mismanaged the lawsuits that have been piling up against Holdings, Worldview Inc. and the Worldview Film Funds, further subjecting Plaintiff's

investments to substantial devaluation. For example, on January 30, 2015, the judge overseeing the Morgan matter granted an order restraining and prohibiting WEP VII from transferring or paying any of its assets, including but not limited to any interest in *Birdman* or revenue derived therefrom, to the extent of \$2.7 million. This order has effectively resulted in all returns from *Birdman*—winner of the 2015 Academy Award for “Best Picture” in addition to other Academy Awards, and arguably Worldview’s most successful film investment to date—being frozen pending disposition of the Morgan lawsuit. The Court rested its determination in part upon documentary evidence supporting Morgan’s assertion that representatives of Holdings and Worldview Inc. had knowledge of and/or authorized the Morgan Separation Agreement.

G. Maria Cestone’s Complete Control Over Holdings

87. Upon information and belief, at all relevant times, Cestone has controlled the operations, finances and management of Holdings, Worldview Inc. and each of the Worldview Film Funds.

88. Until May 2014, Woodrow functioned as the Chief Executive Officer and President of Worldview Inc., a position that he held at the behest of Cestone.

89. Upon information and belief, all material decisions and actions by Woodrow during his tenure as CEO were expressly supervised and approved by Cestone.

90. Indeed, Cestone repeatedly assured Plaintiff that she was closely overseeing Woodrow’s management decisions, and communicated to Plaintiff, in no uncertain terms, that Woodrow was managing Worldview Inc. under Cestone’s supervision and approval. After Plaintiff raised concerns about Worldview Inc.’s management in or around March 2014, Cestone specifically told Plaintiff that she was in complete control of Holdings, Worldview Inc. and the Worldview Film Funds, and that she knew about every decision Woodrow made and authorized every agreement that Woodrow entered into. In reliance thereon, Plaintiff continued to invest in

the Worldview Film Funds because she believed at all times that Cestone was funding Holdings' and Worldview Inc.'s operations and overseeing every material decision made by Woodrow and Worldview Inc.'s employees.

91. Upon information and belief, Cestone directed the suspension of Woodrow in May 2014 as allegations of his fraudulent conduct emerged (and subsequently terminated him in or around June 2014).

92. After Woodrow's termination, Cestone hired Patrick Thompson as CEO of Worldview Inc. Upon information and belief, Thompson is a personal acquaintance of Cestone and does not have any film industry experience.

93. Upon information and belief, since 2008, Cestone has supported Holdings and Worldview Inc. with her own personal funds.

94. Upon information and belief, Cestone continues to make monthly payments of hundreds of thousands of dollars to Holdings and/or Worldview Inc. to support ongoing operations.

95. In November 2014, Cestone used personal funds to purchase the Bartlett Loan from Worldview Inc. and repay the principal and outstanding interest to Holly Johnson Bartlett. Plaintiff has not been repaid the \$180,000 that she loaned to Holdings to pay Holly Johnson Bartlett the first tranche of interest.

96. Absent Cestone's financial control over Holdings, the company would not have been capable of representing itself as a sophisticated film finance and production company.

97. Upon information and belief, Cestone authorized lavish spending and disproportionately large donations in order to generate publicity and attract attention from high net-worth investors.

98. Upon information and belief, Cestone approved a long-term lease of prime office space in Manhattan for Worldview Inc. with a monthly rent obligation that the company is no longer able to satisfy.

CLAIMS FOR RELIEF

COUNT I BREACH OF THE WEP IV OPERATING AGREEMENT (AGAINST WEP IV and HOLDINGS)

99. Plaintiff repeats and realleges the allegations set forth above as though fully set forth herein.

100. The Operating Agreement for WEP IV (“WEP IV Operating Agreement”) constitutes a valid contract, which includes, *inter alia*, express obligations in Sections 2.7.6 and 4.1.3.

101. Plaintiff has performed all of her obligations under the WEP IV Operating Agreement.

102. Holdings is the Manager of WEP IV. As the manager of WEP IV, Holdings has the duty to govern WEP IV in accordance with the Operating Agreement.

103. As set forth herein, WEP IV and Holdings materially breached their obligations under the WEP IV Operating Agreement, including (but not limited to) by causing a \$500,000 producer fee to be paid to Worldview Inc. prior to recoupment of WEP IV’s Equity Investment in direct violation of Section 2.7.6.

104. WEP IV, Holdings and Worldview Inc. have also materially breached their obligations under Section 4.1.3 of the WEP IV Operating Agreement by failing to use “ordinary care and reasonable diligence in carrying out the affairs of the Company” by mismanaging the only film asset under WEP IV, *Devil’s Knot*, in connection with a loan default which resulted in a significant loss of equity to Plaintiff and other WEP IV investors.

105. As a result of these breaches, Plaintiff has suffered, and continues to suffer, damages in an amount to be proven at trial.

**COUNT II
BREACH OF CONTRACT RELATING TO WEP VII
(AGAINST WEP VII, HOLDINGS and WORLDVIEW INC.)**

106. Plaintiff repeats and realleges the allegations set forth above as though fully set forth herein.

107. Plaintiff entered into a valid agreement with WEP VII, Holdings and Worldview Inc., either directly or through their authorized representatives, pursuant to which it was agreed that no producer or management fees would be paid out of funds contributed by Plaintiff to WEP VII until Plaintiff recouped her investment plus a 20% ROI and, additionally, that Plaintiff's investment would be handled with, at a minimum, ordinary care and reasonable diligence (the "WEP VII Agreement").

108. Plaintiff has performed all of her obligations under the WEP VII Agreement.

109. As set forth herein, WEP VII, Holdings and Worldview Inc. materially breached the WEP VII Agreement, including by causing unauthorized producer fees and/or management fees to be paid to Worldview Inc. and/or Holdings and by recklessly engaging in acts that have resulted in the effective freezing of the distribution of WEP VII funds to investors.

110. As a result of these breaches, Plaintiff has suffered, and continues to suffer, damages in an amount to be proven at trial.

**COUNT III
FOR BREACH OF CONTRACT RELATING TO WEP IX
(AGAINST WEP IX, HOLDINGS and WORLDVIEW INC.)**

111. Plaintiff repeats and realleges the allegations set forth above as though fully set forth herein.

112. Plaintiff entered into a valid agreement with WEP IX, Holdings and Worldview Inc., either directly or through their authorized representatives, pursuant to which it was agreed that no producer or management fees would be paid out of funds contributed by Plaintiff to WEP IX and, additionally, that Plaintiff's investment would be handled with, at a minimum, ordinary care and reasonable diligence (the "WEP IX Agreement").

113. In reliance thereon, Plaintiff has performed all of her obligations under the WEP IX Agreement.

114. As set forth herein, WEP IX, Holdings and Worldview Inc. materially breached the WEP IX Agreement, including by causing unauthorized producer fees and/or management fees to be paid to Worldview Inc. and/or Holdings.

115. As a result of these breaches, Plaintiff has suffered, and continues to suffer, damages in an amount to be proven at trial.

**COUNT IV
FOR BREACH OF CONTRACT RELATING TO WEC I
(AGAINST WEC I, HOLDINGS and WORLDVIEW INC.)**

116. Plaintiff repeats and realleges the allegations set forth above as though fully set forth herein.

117. Plaintiff entered into a valid agreement with WEC I, Holdings and Worldview Inc., either directly or through their authorized representatives, pursuant to which it was agreed that no producer or management fees would be paid out of funds contributed by Plaintiff to WEC I and, additionally, that Plaintiff's investment would be handled with, at a minimum, ordinary care and reasonable diligence (the "WEC I Agreement").

118. Plaintiff has performed all of her obligations under the WEC I Agreement.

119. As set forth herein, WEC I, Holdings and Worldview Inc. materially breached the WEC I Agreement, including (but not limited to) (a) by causing producer fees and/or

management fees to be paid to Worldview Inc. and/or Holdings and (b) by failing to exercise reasonable care in deploying Plaintiff's capital and managing the investments of the fund, including by failing to pay a mezzanine lender in connection with *Song One*.

120. As a result of these breaches, Plaintiff has suffered, and continues to suffer, damages in an amount to be proven at trial.

COUNT V
FOR BREACH OF CONTRACT RELATING TO WEC II
(AGAINST WEC II, HOLDINGS and WORLDVIEW INC.)

121. Plaintiff repeats and realleges the allegations set forth above as though fully set forth herein.

122. Plaintiff entered into a valid agreement with WEC II, Holdings and Worldview Inc. pursuant to which it was agreed that funds loaned by Plaintiff to WEC II would not be deployed until the required minimum capital raise of \$30 million was reached for the fund and, additionally, that Plaintiff's investment would be handled with, at a minimum, ordinary care and reasonable diligence (the "WEC II Agreement").

123. As set forth herein, WEC II, Holdings and Worldview Inc. materially breached the WEC II Agreement, including by deploying more than \$7 million of Plaintiff's funds loaned to WEC II despite the fact that the minimum capital raise of \$30 million had never been reached.

124. Moreover, WEC II, Holdings and Worldview Inc. failed to engage in any reasonable care in managing the improperly deployed funds, including by transferring at least \$6 million to Weinstein without any requisite agreements in place and entering into a distribution deal for *Strangerland* that was worth considerably less money than other distribution offers the company received, without any reasonable justification.

125. As a result of these breaches, Plaintiff has suffered, and continues to suffer, damages in an amount to be proven at trial.

COUNT VI
FOR AIDING AND ABETTING BREACH OF CONTRACT
(AGAINST CESTONE, WOODROW, CONNERS, MORGAN and WORLDVIEW INC.)

126. Plaintiff repeats and realleges the allegations set forth above as though fully set forth herein.

127. As set forth herein, the WEP IV Operating Agreement, WEP VII Agreement, WEP IX Agreement, WEC I Agreement and WEC II Agreement constitute valid contracts.

128. Plaintiff has performed all of her obligations under each of these agreements.

129. Upon information and belief, Worldview Inc. was the recipient of unauthorized producer fees paid from WEP IV, WEP VII, WEP IX, WEC I and WEC II and entered into the agreement(s) that permitted the payment of such unauthorized fees.

130. Upon information and belief, Cestone, the co-founder of Holdings and principal financial backer of Worldview Inc., knowingly participated in the material breach of these agreements by encouraging or otherwise collaborating with Worldview Inc., Holdings and/or the Worldview Film Funds in the material breach of their obligations under the agreements, including but not limited to by causing unauthorized producer fees to be paid and permitting gross mismanagement of Plaintiff's investments.

131. Upon information and belief, Woodrow, as CEO of Worldview Inc., knowingly permitted and facilitated the breaches of the WEP IV, WEP VII, WEP IX, WEC I and WEC II Agreements outlined herein.

132. Upon information and belief, Connors, as COO of Worldview Inc., knowingly permitted and facilitated the breaches of the WEP IV, WEP VII, WEP IX, WEC I and WEC II Agreements outlined herein.

133. Upon information and belief, Morgan, as CFO of Worldview Inc., knowingly permitted and facilitated the breaches of the WEP IV, WEP VII, WEP IX, WEC I and WEC II Agreements outlined herein.

134. As a result of these breaches, Plaintiff has suffered, and continues to suffer, damages in an amount to be proven at trial.

**COUNT VII
FOR COMMON LAW FRAUD
(AGAINST CESTONE, WOODROW, CONNERS, MORGAN, HOLDINGS and
WORLDVIEW INC.)**

135. Plaintiff repeats and realleges the allegations set forth above as though fully set forth herein.

136. As detailed above, despite Plaintiff's repeated requests for transparency, Cestone, Woodrow, Connors, Morgan, Holdings and Worldview Inc. consciously disregarded corporate bookkeeping formalities, made false and/or misleading representations of material facts, and/or concealed and failed to satisfy obligations to disclose material facts to Plaintiff, including but not limited to misrepresentations and omissions calculated to conceal and/or misrepresent the actual or projected performance of Plaintiff's investments in the Worldview Film Funds, thereby inducing Plaintiff to make more than \$25 million in financial contributions to Holdings, Worldview Inc. and the Worldview Film Funds.

137. Cestone, Woodrow, Connors, Morgan, Holdings and Worldview Inc. knew and understood that these representations were false and made them deliberately.

138. Cestone, Woodrow, Connors, Morgan, Holdings and Worldview Inc. intended to induce Plaintiff to rely on their representations and omissions.

139. Plaintiff reasonably relied on material misrepresentations and omissions made by Cestone, Woodrow, Conners, Morgan, Holdings and Worldview Inc. and suffered damages that were actually and legally caused by their fraudulent conduct.

140. As a direct and proximate result of fraudulent conduct by Cestone, Woodrow, Conners, Morgan, Holdings and Worldview Inc., Plaintiff has suffered, and continues to incur, damages in an amount to be proven at trial.

141. In addition, Cestone, Woodrow, Conners, Morgan, Holdings' and Worldview Inc.'s misconduct was willful, wanton and/or reckless, thus entitling Plaintiff to recover punitive damages.

**COUNT VIII
AIDING AND ABETTING FRAUD
(AGAINST CESTONE, WOODROW, CONNERS, MORGAN, HOLDINGS and
WORLDVIEW INC.)**

142. Plaintiff repeats and realleges the allegations set forth above as though fully set forth herein.

143. As alleged herein, Cestone, Woodrow, Conners, Morgan, Holdings and Worldview Inc. committed primary acts of fraud against Plaintiff.

144. As alleged herein, each of Cestone, Woodrow, Conners, Morgan, Holdings and Worldview Inc. had knowledge of the primary violations of the others and (i) knowingly provided substantial assistance therein, or (ii) recklessly provided substantial assistance therein, where each of Cestone, Woodrow, Conners, Morgan, Holdings and Worldview Inc. had a duty to disclose misconduct to Plaintiff.

145. Accordingly, each of Cestone, Woodrow, Conners, Morgan, Holdings and Worldview Inc. is secondarily liable for the other's acts of fraud against Plaintiff, and for all

damages incurred or otherwise owed to Plaintiff (including exemplary damages) with respect thereto.

146. In addition, the misconduct by Cestone, Woodrow, Conners, Morgan, Holdings and Worldview Inc. was willful, wanton and/or reckless, thus entitling Plaintiff to recover punitive damages.

COUNT IX
NEGLIGENT AND/OR GROSSLY NEGLIGENT MISREPRESENTATION
(AGAINST CESTONE, WOODROW, CONNERS, MORGAN, HOLDINGS and
WORLDVIEW INC.)

147. Plaintiff repeats and realleges the allegations set forth above as though fully set forth herein.

148. By virtue of their special relationships with, and conduct toward, Plaintiff—and/or because they assumed a fiduciary duty towards Plaintiff, *see infra* ¶¶ 22-26 and ¶¶ 87-98, each of Cestone, Woodrow, Conners, Morgan, Holdings and Worldview Inc. assumed a duty to give materially accurate information to Plaintiff and to disclose material facts relating to her financial contributions to Holdings, Worldview Inc. and the Worldview Film Funds.

149. Each of Cestone, Woodrow, Conners, Morgan, Holdings and Worldview Inc. made misrepresentations and omissions of material fact to Plaintiff, and did so negligently or with a reckless disregard for Plaintiff's rights tantamount to intentional wrongdoing. Among other things, Cestone, Woodrow, Conners, Morgan, Holdings and Worldview Inc. made misrepresentations regarding the actual or projected performance of Plaintiff's investments in the Worldview Film Funds, thereby inducing Plaintiff to make additional investments in the Worldview Film Funds.

150. Each of Cestone, Woodrow, Conners, Morgan, Holdings and Worldview Inc. made the misrepresentations and omissions with negligent or grossly negligent disregard for their

truth or falsity, with knowledge that the information that was the subject of their material misrepresentations and omissions was desired by Plaintiff for a serious purpose and that Plaintiff intended to rely upon such information, and with the intention to induce such reliance.

151. Plaintiff actually and reasonably relied on material misrepresentations and omissions of Cestone, Woodrow, Conners, Morgan, Holdings and Worldview Inc.

152. Plaintiff incurred, and continues to incur, damages that were actually and legally caused by the material misrepresentations and omissions of Cestone, Woodrow, Conners, Morgan, Holdings and Worldview Inc.

153. In addition, Cestone, Woodrow, Conners, Morgan, Holdings and Worldview Inc.'s misconduct was willful, wanton and/or reckless, thus entitling Plaintiff to recover punitive damages.

**COUNT X
FRAUDULENT CONCEALMENT
(AGAINST CESTONE, WOODROW, CONNERS, MORGAN, HOLDINGS and
WORLDVIEW INC.)**

154. Plaintiff repeats and realleges the allegations set forth above as though fully set forth herein.

155. Cestone, Woodrow, Conners, Morgan, Holdings and Worldview Inc. knowingly and actively concealed from and failed to disclose to Plaintiff material facts, including (but not limited to) facts related to the actual and projected financial performance of Holdings, Worldview Inc. and the Worldview Film Funds.

156. Cestone, Woodrow, Conners, Morgan, Holdings and Worldview Inc. each had a duty to disclose this information by virtue of their relationship with Plaintiff and/or fiduciary duties owed to Plaintiff.

157. In addition, Cestone, Woodrow, Conners, Morgan, Holdings and Worldview Inc. each made partial and incomplete disclosures to Plaintiff regarding her investments in the Worldview Film Funds. Because each undertook to speak about these matters, each owed a duty to disclose full information relating to Plaintiff's investments.

158. Cestone, Woodrow, Conners, Morgan, Holdings and Worldview Inc. each breached these duties when they intentionally made material omissions and nondisclosures to mislead Plaintiff and to induce Plaintiff to continue investing in and making loans to Holdings, Worldview Inc. and the Worldview Film Funds.

159. Plaintiff reasonably relied on representations and omissions by Cestone, Woodrow, Conners, Morgan, Holdings and Worldview Inc. in investing and making loans to Holdings, Worldview Inc. and the Worldview Film Funds.

160. As a direct and proximate consequence of the foregoing, Plaintiff suffered damages and continues to suffer damages, in an amount to be determined at trial.

161. In addition, the actions of Cestone, Woodrow, Conners, Morgan, Holdings and Worldview Inc. were willful, wanton and/or reckless, thus entitling Plaintiff to punitive damages.

COUNT XI
BREACH OF FIDUCIARY DUTY
(AGAINST HOLDINGS, WORLDVIEW INC. and ROSELAND)

162. Plaintiff repeats and realleges the allegations set forth above as though fully set forth herein.

163. Plaintiff is a minority member in each of the Worldview Film Funds in which she invested money.

164. Holdings is the managing member of WEP IV, WEC I and WEC II, as well as a member in each of the Worldview Film Funds in which Plaintiff invested and is a member.

Worldview Inc. is the managing member of WEP VII and WEP IX. Roseland is the managing member of Holdings.

165. As managing member, Holdings, Worldview Inc. and Roseland owed both express and implied fiduciary duties to minority members, including the duty of loyalty and of care.

166. In addition, Holdings, Worldview Inc. and Roseland assumed a relationship of trust and confidence with Plaintiff and had superior knowledge and expertise regarding the finances and operations of Holdings, Worldview Inc. and the Worldview Film Funds. Plaintiff based her trust and confidence in Holdings, Worldview Inc. and Roseland based on this relationship and superior knowledge and expertise.

167. Holdings, Worldview Inc. and Roseland breached their fiduciary duties including (but not limited to) by (i) failing to exercise sufficient oversight over the operations or financial health of the company; and (ii) improperly delegating material decision making to Woodrow.

168. In addition, Holdings, Worldview Inc. and Roseland consistently managed the Worldview Film Funds so as to benefit the bottom line of Holdings and Worldview Inc. while simultaneously devaluing the investments made by Plaintiff.

169. As a direct and proximate result of the foregoing, Plaintiff has suffered, and continues to incur, damages in an amount to be proven at trial.

COUNT XII
AIDING AND ABETTING BREACH OF FIDUCIARY DUTY
(AGAINST CESTONE, WOODROW, CONNERS and MORGAN)

170. Plaintiff repeats and realleges the allegations set forth above as though fully set forth herein.

171. As stated herein, Holdings, Worldview Inc. and Roseland breached their fiduciary duties to Plaintiff.

172. As set forth herein, Defendants Cestone, Woodrow, Conners and Morgan knowingly participated in, and in fact, directed, the breach of fiduciary duty committed by Holdings.

173. Upon information and belief, Cestone, the co-founder of Holdings and principal financial backer of Worldview Inc., knowingly participated in the breaches of fiduciary duties, including but not limited to by causing unauthorized producer fees to be paid and permitting gross mismanagement of Plaintiff's investments.

174. Upon information and belief, Woodrow, as CEO of Worldview Inc., knowingly permitted and facilitated the fiduciary breaches outlined herein.

175. Upon information and belief, Conners, as COO of Worldview Inc., knowingly permitted and facilitated the fiduciary breaches outlined herein.

176. Upon information and belief, Morgan, as CFO of Worldview Inc., knowingly permitted and facilitated the fiduciary breaches outlined herein.

177. As a direct and proximate result of the foregoing, Plaintiff has suffered, and continues to incur, damages in an amount to be proven at trial.

COUNT XIII
GROSS NEGLIGENCE/MISMANAGEMENT
(AGAINST ALL DEFENDANTS)

178. Plaintiff repeats and realleges the allegations set forth above as though fully set forth herein.

179. By their actions alleged herein, Defendants, either directly or indirectly, and with reckless disregard, abandoned and abdicated their responsibilities and duties to appropriately manage the assets and business of Holdings, Worldview Inc. and the Worldview Film Funds.

180. Among other things, Defendants have (1) failed to manage a loan default to a mezzanine lender on *Devil's Knot*, resulting in the loss of WEP IV's entire investment in the

film; failed to pay a mezzanine lender requiring payments in connection with *Song One*, resulting in the lender exercising its lien on foreign rights and the projected loss of WEC I's entire investment in the film; (2) failed to pursue collection of foreign receivables due and owing in connection with *Wish I Was Here*; (3) entered into an inferior distribution deal in connection with *Strangerland* in comparison with other deals offered; and (4) entered into a series of contractual arrangements with TWC that were disproportionately unfavorable to WEC II.

181. As a direct and proximate result of the foregoing, Plaintiff has suffered, and continues to incur, damages in an amount to be proven at trial.

**COUNT XIV
WASTE OF CORPORATE ASSETS
(AGAINST ALL DEFENDANTS)**

182. Plaintiff repeats and realleges the allegations set forth above as though fully set forth herein.

183. Defendants' financial mismanagement has created a pervasive scheme through which Defendants have devalued Plaintiff's investments, subjected the Worldview Film Funds to substantial liabilities, irrevocably damaged the reputation of the corporate entities, and depressed future business prospects.

184. Among other things, Defendants have entered into (or permitted to be entered into) agreements with the sole objective of taking exorbitant management and/or producer fees from Plaintiff's sizeable investments and have failed to meet even minimal thresholds of reasonableness in connection with their management of certain film assets, thereby irrevocably damaging Plaintiff's projected returns.

**COUNT XV
CONVERSION
(AGAINST WEP IV, WEP VII, WEP IX, WEC I, and WEC II)**

185. Plaintiff repeats and realleges the allegations set forth above as though fully set forth herein.

186. Plaintiff transferred funds to WEP IV, WEP VII, WEP IX, and WEC I. These entities were contractually obligated not to take producer and/or management fees from Plaintiff's funds unless and until her investment was fully recouped and, in some instances, until Plaintiff earned a specified return. WEP IV, WEP VII, WEP IX, and WEC I wrongfully converted and misappropriated these funds owned by Plaintiff by paying producer and/or management fees from Plaintiff's funds to Worldview Inc. and/or Holdings without authorization, and by refusing to return such funds.

187. Plaintiff transferred funds to WEC II. These funds were required to be held in escrow or otherwise returned if the minimum capital raise of \$30 million was not met. WEC II has wrongfully converted and misappropriated at least \$7,000,000 of Plaintiff's funds by deploying these funds notwithstanding that the minimum capital raise of \$30 million was not met, and by refusing to return such funds.

188. Plaintiff is entitled to the immediate return of the wrongfully converted and misappropriated funds, plus interest.

**COUNT XVI
AIDING AND ABETTING CONVERSION
(AGAINST WOODROW, CESTONE, CONNERS, MORGAN, HOLDINGS and
WORLDVIEW INC.)**

189. Plaintiff repeats and realleges the allegations set forth above and though fully set forth herein.

190. As set forth herein, WEP IV, WEP VII, WEP IX, WEC I and WEC II have wrongfully converted and misappropriated at least \$7,000,000, and likely more, owned by Plaintiff by, *inter alia*, (1) paying producer and/or management fees from Plaintiff's funds to Worldview Inc. and/or Holdings; and (2) deploying funds loaned by Plaintiff to WEC II prior to meeting the minimum commitment requirements of the fund.

191. Woodrow, Cestone, Conners, Morgan, Holdings and Worldview Inc. knowingly participated in this wrongful conversation and/or provided substantial assistance thereto by, *inter alia*, (1) representing to Plaintiff that her investment would be fully recouped before Holdings or Worldview Inc. was paid producer and/or management fees, so as to induce Plaintiff to invest money in Worldview Film Funds; (2) representing to Plaintiff that her \$9.1 million loan to WEC II would be held in escrow until WEC II had raised a minimum of \$30 million; (3) facilitating payment of producer and/or management fees from Plaintiff's funds to Holdings and Worldview Inc. before Plaintiff recouped her investment; and (4) permitting the deployment of certain of Plaintiff's \$9.1 million loan to WEC II before the minimum capital commitment was raised.

**COUNT XVII
UNJUST ENRICHMENT
(AGAINST ALL DEFENDANTS)**

192. Plaintiff repeats and realleges the allegations set forth above as though fully set forth herein.

193. Holdings and Worldview Inc. were unjustly enriched by their false representations and omissions of material fact, which induced Plaintiff to make continued investments in and loans to Holdings, Worldview Inc. and/or the Worldview Film Funds.

194. Moreover, as an alternative to the breach of contract claims against WEP IV, WEP VII, WEP IX, WEC I and WEC II, such entities were unjustly enriched at Plaintiff's expense.

195. Principles of equity require the return to Plaintiff of the funds, plus interest.

**COUNT XVIII
ACCOUNTING
(AGAINST WEP IV, WEP VII, WEP IX, WEC I, WEC II, HOLDINGS and
WORLDVIEW INC.)**

196. Plaintiff repeats and realleges the allegations set forth above as though fully set forth herein.

197. As a member of and/or lender to WEP IV, WEP VII, WEP IX, WEC I, WEC II, Holdings and/or Worldview Inc., Plaintiff has a common law right to seek an equitable accounting of the financial affairs of these entities.

198. As a result of Plaintiff's financial contributions to each of WEP IV, WEP VII, WEP IX, WEC I, WEC II, Holdings and/or Worldview Inc., each of these entities was entrusted with a duty to account for Plaintiff's funds.

199. Principles of equity entitle Plaintiff to a complete accounting as to the use of Plaintiff's funds in connection with each of WEP IV, WEP VII, WEP IX, WEC I, WEC II, Holdings and Worldview Inc. and the return to Plaintiff of such funds.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff prays for relief and judgment against Defendants as follows:

- (i) Entry of judgment in her favor on all counts;
- (ii) Award of general and compensatory damages according to proof at trial;
- (iii) An award of reasonable attorneys' fees and costs;
- (iv) Punitive damages;
- (v) Prejudgment interest; and
- (vi) Such other and further relief as the Court may deem just and proper.

Dated: New York, New York
March 12, 2015

GIBSON, DUNN & CRUTCHER LLP

By: _____

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