

SUPREME COURT OF THE STATE OF NEW YORK  
COUNTY OF NEW YORK

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DAVID BERGSTEIN,	:	Index No.
	:	
Plaintiff,	:	<b>SUMMONS</b>
	:	
-against-	:	Plaintiff designates New York
	:	County as the place of trial.
THE HOLLYWOOD REPORTER and PROMETHEUS	:	
GLOBAL MEDIA LLC,	:	The basis of the venue is
	:	Defendants' residence
Defendants.	:	
	:	

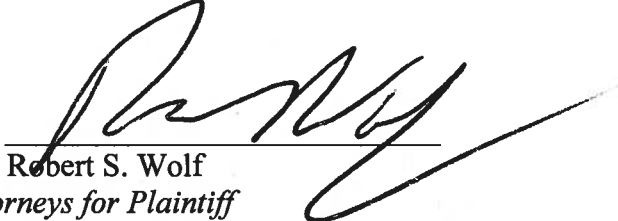
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**YOU ARE HEREBY SUMMONED** to answer the complaint in this action and to serve a copy of your answer or, if the complaint is not served with this summons, to serve a notice of appearance, on the plaintiff's attorneys within 20 days after the service of this summons, exclusive of the day of service (or within 30 days after the service is complete if this summons is not personally delivered to you within the State of New York); and in case of your failure to appear or answer, judgment will be taken against you by default for the relief demanded herein.

The relief sought is monetary damages and an injunction.

Dated: February 19, 2014  
New York, New York

MOSES & SINGER LLP

By: 

Robert S. Wolf  
Attorneys for Plaintiff  
405 Lexington Avenue  
New York, New York, 10174  
(212) 554-7800

TO:  
THE HOLLYWOOD REPORTER and  
PROMETHEUS GLOBAL MEDIA LLC,

SUPREME COURT OF THE STATE OF NEW YORK  
COUNTY OF NEW YORK

DAVID BERGSTEIN,

Plaintiff,

-against-

THE HOLLYWOOD REPORTER and  
PROMETHEUS GLOBAL MEDIA LLC,

Defendants.

Index No.

Date filed:

**COMPLAINT**

Plaintiff, David Bergstein (“Bergstein”), for his complaint against defendants, The Hollywood Reporter and Prometheus Global Media LLC, alleges as follows:

**ALLEGATIONS APPLICABLE TO ALL CLAIMS**

1. This is an action for defamation and interference with business relations brought by David Bergstein against defendants The Hollywood Reporter and Prometheus Global Media LLC, arising out of defendants’ statements and actions in defaming Mr. Bergstein, damaging and attempting to damage his reputation, interfering with, and attempting to interfere with, his business and interests, and aiding and/or conspiring with others to do the foregoing.

2. Plaintiff, David Bergstein, is a private person, residing in Los Angeles County, California. Bergstein is a successful entrepreneur with business interests in a variety of industries, including entertainment.

3. Defendant Prometheus Global Media LLC (“Prometheus”) is a foreign limited liability entity with a principal place of business at 770 Broadway, New York, New York. Prometheus is the publisher, owner and operator of *The Hollywood Reporter*, a weekly and bi-monthly publication which also operates a website. Defendant Hollywood Reporter (“THR”) is, on information and belief, a division or subsidiary of Prometheus, and is wholly controlled, run

and/or operated by Prometheus. THR maintains an office for the transaction of business at 770 Broadway, New York, New York.

4. Defendant *The Hollywood Reporter* purports to be "...the definitive interpretive voice of the entertainment industry." In fact, however, it is a publication with a lurid history of character assassination, smearing innocent people, ruining lives through defamation, and engaging in other improper conduct. *The Hollywood Reporter* instigated the infamous Hollywood Blacklist, branding key Hollywood writers as "Communists" or "Communist sympathizers," and prompting and contributing directly to, the subsequent hearings and activities of the House Un-American Affairs Committee. Only in 2012 did THR acknowledge its conduct in that matter.

5. Further, in 2013, by Stipulation and Court Order, Prometheus admitted that The Hollywood Reporter copied source code from the website of Penske Media, a direct competitor, and agreed and was ordered to pay \$162,500 to compensate Penske.

6. In the present matter, defendants have served as knowing participants and advocates in a business dispute between plaintiff and a former business associate, David Molner. Molner is the principal behind Aramid Entertainment Fund ("AEF"), a Cayman Islands mutual fund established in 2006. AEF, under Molner's control, apparently lost a very substantial part of the funds invested by investors in the fund; Molner was apparently unable to account for \$60 million dollars in fund assets, and was later sued by investors in AEF. By 2008, nearly all investors in AEF were demanding return of their money, but Molner was unable to honor the redemption requests.

7. Molner needed an explanation to reconcile what happened to the \$60 million that he could not account for, and in an effort to divert attention away from himself, Molner attempted

to make plaintiff -- whose affiliates had engaged in several transactions with AEF -- into a scapegoat that he could blame for all of AEF's problems. Molner then utilized AEF's remaining assets to engage in a worldwide litigation and publicity campaign to blame plaintiff for his own losses and misdeeds at AEF; in the process, Molner pursued plaintiff's acquaintances, and surreptitiously obtained and utilized plaintiff's privileged and confidential information to further his attack on plaintiff.

8. In the underlying dispute with Molner, plaintiff's former lawyer, Susan Tregub, was seduced by and conspired with Molner; Tregub breached her fiduciary duties to plaintiff and others, passing plaintiff's confidential information to Molner and Molner's colleagues, and assisting them in improperly using that confidential material in an egregious manner, to, among others, bring legal proceedings against plaintiff. Tregub's and Molner's actions resulted in legal defaults engineered by Tregub and Molner, in involuntary bankruptcy petitions being filed against five companies with which plaintiff had an affiliation, in many other lawsuits and bankruptcy proceedings being filed, and in interference in plaintiffs' business relationships and transactions. Indeed, Molner and his affiliates filed more than ninety lawsuits against plaintiff, including a claim in this Court for \$190 million. Tens of millions of dollars have been spent in connection with these legal proceedings, and ***plaintiff has won every proceeding that has been concluded; indeed, Molner and Tregub have not prevailed in a single proceeding.***

9. Ultimately, extensive proceedings in the five involuntary bankruptcy matters commenced by Molner's affiliates were dismissed by the U.S. Bankruptcy Court. In addition, following trial, judgment was entered in plaintiff's favor and against plaintiff's former lawyer, Tregub, who was found to have violated her fiduciary duties to plaintiff, and to have committed

malpractice, with the jury unanimously awarding plaintiff approximately \$49,500,000 in compensatory damages, and further awarding \$500,000 in punitive damages.

10. Notwithstanding the outrageous conduct to which plaintiff was subjected by Molner and Tregub, defendants advocated, promoted, facilitated and participated in Molner's outrageous conduct, and, in the guise of reporting on the entertainment industry, repeatedly described events in an inaccurate, biased and knowingly false manner. Defendants' reporting included material misstatements which were not matters of opinion, inference, shading or context, but were simply untrue. Indeed, defendants reported plaintiffs' victories as defeats or as problems, while parroting plaintiff's adversaries' contentions, even when such contentions were rejected by the courts. Defendants' reports of aspects of these proceedings were neither fair nor true, and an objective person could have easily fact-checked and reported accurately. That defendants did not do so displays defendants' bias, as well as their wholesale disregard for journalistic standards and ethics, and subjects them to liability.

11. No other publications have reported things remotely similar to certain bizarre statements made by defendants. No other publications have done so because no unbiased publication would have agreed to publish such clearly erroneous reports.

12. Alex Ben Block, a reporter who works for defendants, wrote most of the false and defamatory stories about plaintiff which were published by defendants. Others of defendants' employees authored other stories.

13. Plaintiff was advised that Block was paid and compensated by Molner, and Block and defendants were given special access in return for the favorable bias which defendants' articles set forth. Block and defendants continued to play a key role in furthering Molner's improper efforts. Defendants supported, facilitated and encouraged Block's false and

defamatory statements and “reporting”, and permitted themselves to be used as promoters of Molner’s outrageous and improper conduct, while knowing of Block’s clear bias, and of the erroneous reporting set forth in defendants numerous publications. Further, during the period since early 2010, defendants inexplicably published approximately 100 articles about plaintiff -- a relatively minor figure in the film industry – and those publications contained numerous, false and defamatory statements.

14. As an example, defendants began their publicity attacks on plaintiff in early 2010, with the publication on February 10, 2010 -- approximately one month prior to Molner’s involuntary bankruptcy filings against the companies affiliated with plaintiff, and in an express effort to coincide with the Berlin Film festival -- of an article entitled “*Beleaguered David Bergstein still hustling*”. This article by defendants was replete with clearly false and defamatory statements, all of which served to dissuade others from doing business with plaintiff at the Berlin Film Festival, to further Molner’s efforts to interfere with and eliminate plaintiff’s business, and specifically, to prevent plaintiff from doing business, both generally and at the Berlin Film Festival.

15. Among the egregious, defamatory, material falsehoods in the February 10 article were defendants’ false and defamatory statements: that there were 89 judgments in the UK alone against Capitol, an entity affiliated with plaintiff, when in fact, there were none; that Capitol owed Comerica, a financial institution, \$76 million, when in fact, no such debt existed; that Pangea, Capitol’s parent and an affiliate of plaintiff, was attempting to sell films in Berlin that it might not control. All of these statements were false and defamatory and caused third parties to refrain from engaging in business transactions with the entities affiliated with plaintiff.

16. The truth of these facts was relatively easy to confirm, but defendants failed and refused to confirm or attempt to confirm these purported “facts”. Indeed, judgments are a matter of public record; further, defendants later admitted that they never checked on the alleged debt with Comerica, and there was no basis for defendants’ accusations regarding Pangea.

17. Rather than confirm the facts and print the truth, defendants published false defamatory material, and facilitated and supported Molner’s unlawful interference.

18. Further, defendants’ choice of words in stating that plaintiff was “*hustling*” was defamatory per se of plaintiff, as it tended to portray plaintiff as engaging in deceptive, misleading and unsavory conduct.

19. The defamation of the February 10, 2010 article was part and parcel of a negative press campaign against plaintiff, which defendants engaged in after Block was recruited by Molner and his affiliates, and in which defendants participated in furtherance of Molner’s effort to disrupt plaintiff’s business interests and enable Molner to blame on a defeated Bergstein, his own self dealing and mismanagement of a Cayman Islands hedge fund. Defendants’ article was specifically timed to destroy plaintiff’s ability to sell films at the Berlin Film festival, interfere with a judicial proceeding in the UK, and impair plaintiff’s ability to purchase Miramax, something that plaintiff was then working on. The defamatory articles published by defendants had this effect, with potential buyers at the Berlin Festival stating that they declined to purchase because of the bad publicity. Similarly, during the summer of 2010, as a result of the defamatory articles published by defendants, Disney and the lender on the transaction indicated that they would proceed with the Miramax transaction only if plaintiff were not employed by, or have a management function with, the buyer; plaintiff was specifically advised that the bad publicity was the specific reason that he needed to be excluded from a management role.

20. Plaintiff and his counsel repeatedly advised and informed defendants of defendants' false and defamatory statements, and Block's falsity, inaccuracies, apparent bias and defamation, and demanded retractions, and that defendants discontinue their course of conduct. Yet, defendants persisted in their untruthful and defamatory publications. Indeed, throughout the many articles that followed, defendants reported primarily on the alleged victories of Molner, often misstating the results. Even when defendants reported on the victories achieved by plaintiff, defendants couched the developments as problematic, as creating potential further liability for plaintiff. Defendants' articles were such that third parties who read the defendants' publications would be discouraged from dealing with plaintiff, and be led to believe that plaintiff was to be avoided. *In reality, however – and notwithstanding defendants false, defamatory and misleading reporting – it is plaintiff who has prevailed in all litigation resolved to date.*

21. The false and defamatory reporting by defendants, and the attendant publicity, was designed to give, and gave, impetus and support to Molner and Tregub and their efforts, and furthered the interference with plaintiff's business, both directly and by *innuendo*. Indeed, defendants, directly and/or through their support and endorsement of Block, and the uncritical publication of Block's articles, were key players and material participants in furthering Molner's efforts.

22. Block has acknowledged and testified under oath that he has written more than sixty articles about plaintiff, a relatively minor figure in the film industry. Block *conceded* that there was no other subject – no matter how important - as to which he had written nearly as many articles. Indeed, Block actually wrote more than sixty articles about plaintiff during the eighteen month period after the article of February 10, 2010, and has written an additional 30 to 40 articles about plaintiff since that time. *He has written more than twice as many articles*



*about plaintiff – a relatively minor figure in the entertainment industry – than he has about any other subject in his entire career.*

23. The number of articles written about plaintiff, and the repeatedly inaccurate reporting, call into question defendants' motivation. These facts lend credence to the inference that Block and/or defendants were incentivized to continue to publish incorrect and biased articles intended to harm Mr. Bergstein.

**Falsity, Bad Faith and Lack of Objectivity**

**A. Block.**

24. In addition to the unusually large number of articles published by defendants, which defendants' reporter, Block, has written about plaintiff, and the numerous factual errors and misstatements in those articles, Block has actually admitted to bias against plaintiff. Block has stated to third parties that he felt that plaintiff Bergstein had slandered him, and that it was Block's desire to file a lawsuit against Mr. Bergstein. Under these circumstances, Block could not and has not objectively reported on plaintiff Bergstein.

25. Defendants, by continuing to permit Block to report on plaintiff and on events relevant to him, and by continuing to publish reports replete with error and *innuendo*, even after being informed of Block's bias, departures from fact and defamation, have acted in a wanton fashion, with reckless disregard for the truth.

**B. Defendants' False Reporting and Complicity in Breaching a Confidentiality Order and in Attempting to Interfere with a Bankruptcy Court Proceeding.**

26. On August 19, 2013, defendants posted on their websites, a secretly and illegally recorded audio tape, and a story written by Block, entitled "*David Bergstein On Tape: Plans to Smear Judge But 'I Don't Want It to Look Like Extortion.'*" The judge in question was the bankruptcy judge administering the ThinkFilm bankruptcy and the rest of the five involuntary bankruptcies filed by Molner and his colleagues, using the surreptitious and unlawful assistance of plaintiff's lawyer, Susan Tregub.

27. The title of the article was false in that it stated that "David Bergstein On Tape: Plans to Smear Judge." In truth and in fact, the statements on the tape by Bergstein did not state or threaten that Bergstein planned to "smear" or extort the judge, and Bergstein could not, in any case, have "smeared" the judge by disclosing relevant facts.

28. The title of the article was defamatory in that it falsely stated or implied, or suggested through *innuendo*, that Bergstein intended to engage in improper and unsavory conduct, or to improperly interfere with the judicial process in the ThinkFilm and other bankruptcies, by making defamatory public statements about the judge.

29. Rather, if anyone, it was defendants who "smeared" the judge, by doing Molner's bidding and giving public forum to a tape which had been sealed by court order, and the content, meaning and circumstances of which was subject to sharp disagreement.

30. In the August 19, 2013 article, and in a subsequent article written by Block and published by defendants on September 30, 2013, entitled "*Creditors in ThinkFilm Bankruptcy Ask Judge to Step Aside,*" defendants disclosed, publicly posted on their website, and reported on, this tape recording of a telephone conversation with plaintiff which had been unlawfully

made by one Paul Parmar, a former business associate of plaintiff who had become affiliated with Molner. The tape was sealed by court order - it, along with other tapes unlawfully made by Parmar, were the subject of a nondisclosure sealing order entered by a court in California. Defendants nevertheless posted the tape on their website and made it publicly available.

31. On information and belief, the tape was surreptitiously provided to defendants by Molner or Molner's associate; the defendants then utilized this tape to create and publish their "Exclusive" August 19 article, which was highly critical of plaintiff. On August 19, 2013, defendants posted the tape on their website, and published the "Exclusive" article, describing statements made by plaintiff that could be regarded as offensive to the Bankruptcy Court judge assigned to the *ThinkFilm* bankruptcy and related proceedings.

32. The purpose of defendants' "reporting", and of the public posting of the sealed tape, then became clear when, immediately after defendants' published the article and posted the tape, *Molner and his entities took defendants' "Exclusive" August 19, 2013 article – which would not ordinarily even have been seen by the federal Bankruptcy judiciary – and specifically brought it to the attention of the Bankruptcy Judge. The Molner interests then attempted to get the Bankruptcy Judge to disqualify himself on the theory that he was now aware of defendants' article—which the movants brought the his attention, and of the tape supplied by Molner and published by defendants, and of statements on the tape as reported in that article.*

33. Defendants' key role in the process became even clearer when the "Exclusive" August 19th article was itself used by Molner's counsel as the centerpiece of the arguments made in trying to get the bankruptcy judge to disqualify himself. The Bankruptcy Judge stated, specifically, that the release of the tape, and Molner's attempt to use it to obtain recusal of the

judge, was "...an engineered attempt, because Aramid and Mr. Molner are just unhappy with the [Court's] rulings." The Bankruptcy Court found Molner's motion to be "totally without merit".

34. In their September 30, 2013 article, defendants further falsely reported, "While the existence of the tape was known, Aramid, like Bergstein, was under a court order not to make it public until earlier this month when a federal judge in New Jersey ruled that it was not confidential."

35. These statements published by defendants were false, and they were known to be false when published by defendants. Prior to defendants publication of any of these articles, and prior to their posting the tape, counsel for plaintiff advised defendants that their statements were actually false and that the tape was, in fact, subject to a confidentiality order.

36. In August, 2013, Block contacted plaintiff or his counsel concerning the allegations that defendants then referred to in the August 19 article, and also referred to in the September 30 article. At that time, counsel for plaintiff specifically advised defendants – both Mr. Block and a corporate representative of the defendants – that defendants' statements about the court proceedings were inaccurate. Counsel provided to defendants and their reporter, Block – in mid-August, 2013, prior to publication of the August 19 article – copies of the court transcript and relevant document, showing that neither court had made any ruling releasing that tape—*ie.*, showing that the statements later made by defendants in the August 19 article, were false and inaccurate.

37. Specifically, in mid-August, 2013, prior to the August 18 article, counsel for plaintiff:

- advised defendants in writing that plaintiff had been the victim of an extortionate scheme perpetrated by David Molner and Paul Parmar, related to Parmar having illegally recorded numerous conversations with Mr. Bergstein;
- advised defendants in writing that on December 11, 2012, the Los Angeles County Superior Court, issued an order sealing those recordings;
- provided to defendants a copy of the December 11, 2012 Order;
- provided to defendants a copy of the ruling of the federal court in New Jersey related to tapes on an attorney-client privilege log, not tapes of conversations between Parmar and plaintiff; and
- provided to defendants a copy of the New Jersey Federal court ruling.

38. When counsel gave Block the aforesaid information and documents, Block initially claimed, falsely, that he had read a transcript of the August 15 proceeding in the New Jersey court, in which, according to Block, the tape had been “unsealed.” In truth and in fact, at the time of Block’s statement, there was no transcript of the August 15, 2013 proceeding in New Jersey, and, in any event, *the court in New Jersey had ordered production of items that had been listed on a privilege log, and the sealed tape here at issue was not even on that privilege log.*

39. The story Block told was a lie, a complete fabrication, designed to justify defendants’ publication of the tape. Block’s story and conduct confirms defendants’ plan both to facilitate, and to conceal their facilitation of, Molner’s plan, and defendants’ hostility, lack of objectivity and adverse advocacy against plaintiff.

40. Notwithstanding the court orders that had been entered and timely provided to defendants, defendants published this false material, at the very time that Molner and his colleagues were trying to get the bankruptcy judge to disqualify himself. Through their actions

as aforesaid, defendants were assisting Molner in his improper attempt to influence the bankruptcy court proceeding.

41. In addition, defendants were complicit in the violation of the court's confidentiality order, as defendants posted to their websites a copy of the tape that previously had been sealed by the court.

**C. Additional Defamation.**

42. On or about February 27, 2013, defendants published an article in which they expressly stated and implied that plaintiff "... siphoned money from the companies before and after the involuntary bankruptcy was declared in March 2010."

43. Defendants' statements as aforesaid were false and defamatory *per se* of plaintiff, as they state and imply that plaintiff engaged in illegal or improper conduct, tend to expose plaintiff to contempt, ridicule or aversion, or to induce an evil or unsavory opinion of him in the minds of a substantial number of the members of the community, and tend to injure him in his trade or occupation.

44. Further, on their face, as well as in context, defendants' statements expressly state, and also imply, through *innuendo* and context, that plaintiff was involved in inappropriate, improper and/or unlawful conduct. Indeed, dictionary after dictionary indicates that to "siphon" money connotes illegal conduct.

45. Plaintiff did not "siphon money from the companies."

46. Defendants, by posting this statement on their website, authorized and/or intended publication and republication, which was foreseeable, and defendants are responsible for any damage caused thereby, including the damage stemming from further republication.

47. Defendants engaged in additional statements defaming Bergstein. In numerous publications, defendants, knowingly and intentionally, by false *innuendo* which defendants endorsed, and by omission of key material facts, defamed plaintiff and falsely indicated that plaintiff was engaged in illegal or unsavory conduct, when, in truth and in fact, plaintiff did not engage in such conduct; it was Molner, Tregub and their colleagues who were engaged in improper actions – which defendants facilitated -- and the courts have now rendered judgment against Tregub, and have dismissed Molner’s claims.

48. Defendants’ statements were and are false, are defamatory *per se* of plaintiff, and caused him harm as alleged herein.

49. Contrary to defendants’ defamatory statements, plaintiff did not engage in any of the improper behavior claimed, asserted and suggested by defendants, but, to the contrary, was a victim of defendants’ conduct as alleged herein.

50. Defendants published and republished the false defamatory statements as aforesaid, and did so: (i) negligently; (ii) in a grossly irresponsible manner, without due consideration for the standards of information gathering and dissemination ordinarily followed by responsible parties; and/or (iii) with actual malice as a matter of law, in that defendants had actual knowledge that the statements were false, and/or published the statements with reckless disregard for the truth.

51. In publishing the defamatory statements, defendants, among other things, acted with actual malice, and were negligent and grossly irresponsible in that they intentionally omitted relevant facts, failed and neglected to: investigate, analyze and examine the facts, contact and interview the plaintiff. Had defendants been acting responsibly and within the standards and norms of information gathering and dissemination followed by responsible persons, they would

have, among others, closely investigated and analyzed the information and conflicting information, verified and investigated the facts, and not made the false and outrageous statements alleged above.

52. Instead, defendants acted in concert with, facilitated and acted essentially as spokespersons for Molner and his colleagues, obtaining a *quid pro quo* from Molner, in the form of alleged “exclusives” and other special access and special return; defendants published the false and defamatory statements as aforesaid, negligently, improperly, with wanton disregard for its responsibilities, and with reckless disregard for the truth. Moreover, defendants knew that the foregoing statements were false, or made the statements with reckless disregard for the truth, and defendants are liable therefor.

53. As a direct and proximate result of defendants’ improper and tortious conduct as alleged herein, plaintiff’s reputation was damaged, and plaintiff seeks compensation for the injury to his reputation. Further, plaintiff’s business was damaged because of defendants’ false and defamatory statements, and plaintiff has lost business partners and opportunities. In addition, plaintiff has incurred legal fees and significant expenses in investigating and responding to the falsities stated and circulated by defendants.

**First Claim (Defamation)**

54. Plaintiff repeats and realleges each and every allegation herein as if fully set forth.

55. Defendants published false statements about plaintiff with knowledge of, or reckless disregard as to, the falsity, and/or did so negligently or in a grossly negligent and wanton manner, which caused actual injury to plaintiff and prejudiced plaintiff in the eyes of a substantial and respectable part of the community.

56. Defendants’ statements concerning plaintiff were false and defamatory of the plaintiff.



57. Defendants' statements were defamatory *per se* because they imputed conduct and characteristics that are undesirable, illegal and that have been taken to mean that plaintiff is an undesirable person. Defendants' statements suggest lack of honesty in plaintiff, prejudice him in his trade or business, and tend to deter, and actually deterred, others from working with him.

58. Plaintiff is a private figure, but even to the extent plaintiff may be considered a public figure, defendants published said false and defamatory statements to the media and to others, despite their knowledge that the statements were false, or with reckless disregard as to their truth.

59. Plaintiff is entitled to the damages and other relief requested herein on this basis alone.

60. In addition, defendants, on information and belief, acted as private, proprietary entities in connection with the matters alleged herein, and/or acted in concert and conspiracy with, facilitated and acted essentially as spokespersons for Molner and his colleagues, obtaining a *quid pro quo* in return for taking Molner's side, and/or in trying to harm plaintiff, and not as members of the news media acting as such.

61. The statements and conduct of defendants were not privileged, in any event, because they were false, and done with malice and/or reckless disregard for the truth and/or as a *quid pro quo*, and/or were done in concert with, and as co-conspirators of Molner. Accordingly, plaintiff is entitled to his damages as well as punitive damages.

62. Defendants, intentionally and without justification, interfered with plaintiff, and attempted to portray him as undesirable and to encourage others not to do business with him.

63. As a result of defendants' actions, statements and conduct as aforesaid, plaintiff has suffered significant damage to his reputation. Plaintiff has also suffered economic damages

as a result of defendants' statements, in an amount not yet determined and to be determined, the exact amount to be determined at trial.

64. Defendants' false and defamatory statements constituted both defamation *per se*, and defamation causing damage to plaintiff's business affairs and reputation, in the amount of not less than \$50,000,000, plus interest, costs and fees, the exact amount to be determined at trial.

**Second Claim (Tortious Interference With Business Relations)**

65. Plaintiff repeats and realleges each and every allegation herein, as if fully set forth.

66. Plaintiff had contracts and advantageous business relationships with identifiable third-parties, creating actual and prospective legal rights in plaintiff.

67. In connection with the acquisition of Miramax from Disney, plaintiff had contractual relations with third parties pursuant to which he was to receive a substantial equity position in Miramax, as well as millions of dollars in fees and other compensation for his key role in the transaction and company.

68. Defendants had knowledge of these relationships, of plaintiff's key involvement in the Miramax acquisition, and of plaintiff's entitlement to substantial compensation.

69. As part of defendants' efforts, both directly and through their reporter, Block, in furtherance of their involvement in Molner's plan to interfere with plaintiff's business and interests, and in furtherance of the corrupt arrangement with Molner, defendants, through the actions and statements of Block and others, repeatedly and intentionally interfered with, and attempted to interfere with, plaintiff's involvement in the Miramax transaction, by falsely asserting and promoting in numerous articles and statements, a purported actual connection between, and threat to, the distinct Miramax transaction, and the disputes with Molner, including

the involuntary bankruptcies. In addition, to further their efforts as aforesaid, defendants published and made widely available, another sealed document, a “Trustee’s Report” which was actually sealed by the U.S. Bankruptcy Court, and the statements in which were: (i) not findings of the court, (ii) not based upon an adversarial process of proof, and (iii) found, in many instances, to be inaccurate by other court proceedings.

70. Defendants succeeded in interfering with plaintiff’s agreements and relationships, and his interest in the Miramax transaction was reduced. Plaintiff was specifically advised that the stories in “the press”, all of which came from defendants, were an express reason why this reduction was forced upon plaintiff.

71. Plaintiff negotiated a modified agreement in connection with the Miramax acquisition, pursuant to which he was still to receive in excess of \$12 Million in Closing and Transaction Fees, and an indirect equity position in the ownership of Miramax, the total value of which was well in excess of \$20 Million.

72. Even after the sale of Miramax, defendants knew that not all issues concerning Miramax had been finalized, and that plaintiff was entitled to substantial amounts of money as compensation, fees or interests in the Miramax deal, and that he might have some additional role.

73. Defendants, directly and through their corrupt reporter, Block, intentionally continued to interfere with plaintiff. Defendants continued to falsely assert an actual relationship between, and threat to, the Miramax transaction and the dispute with Molner and his affiliates, and to assert that plaintiff was threatening the Miramax deal – a deal which plaintiff actually conceived and structured. For example, on April 20, 2013, defendants published an article which they entitled “Miramax in the Cross Hairs”, and in which defendants stated, “...the mounting legal tangles over Miramax investor Ronald Tutor's involvement with embattled film

financier David Bergstein could reach the doorstep of the relaunched film company....” In truth and in fact, the “legal tangles” involving plaintiff had no relationship to, and led nowhere near “...the doorstep of” Miramax, and no one other than defendants, on behalf of Molner, suggested otherwise.

74. Similarly, on April 26, 2011, defendants published an article which they entitled “How the David Bergstein Scandal Could Impact Ron Tutor’s Miramax”, which, similarly, falsely asserted a relationship between the Miramax transaction and the litigation involving Molner and plaintiff, when, in truth and in fact: there was no such relationship, and no one -- other than defendants, in support Molner’s interference -- suggested otherwise. The reference to “Ron Tutor’s Miramax” was further false and misleading since Ron Tutor was not slated to be operating or have a dominating ownership position in Miramax; *ie.*, it was not “Ron Tutor’s Miramax”, and defendants clearly knew as much.

75. Defendants engaged in the foregoing conduct not as the “media”, but as part of the efforts to interfere with plaintiff’s business and interests; indeed, defendants continued to use Block as defendants’ primary reporter and source in this area, when Block’s objectivity and accuracy were not only suspect, but had been shown to be false and faulty, and his statements, defamatory.

76. In 2011 and 2012, the other parties to plaintiffs’ agreements concerning Miramax, declined and refused to honor those agreements; they refused to pay plaintiff more than \$6 Million owed, and refused to provide plaintiff with the equity stake to which he was entitled under their transaction. Plaintiff was told, expressly, that the stories in the press – all of which came from defendants – were key reasons why the agreements with plaintiff would not be honored, and why he was not going to receive monies and interests due to him.

77. But for defendants' intentional conduct as aforesaid, plaintiffs' agreements would have been honored, plaintiff's relationships would have been maintained, and plaintiff would have received the substantial amounts owed. Indeed, but for defendants' conduct, plaintiff would have been able to remain in the ownership and management of Miramax, would have received far more in compensation, and would have been able to profit from many additional opportunities.

78. By engaging in their conduct as aforesaid, and by facilitating, promoting and acting in concert with the Molner interests as alleged above, defendants intentionally and without justification, tortiously interfered with plaintiff's contracts and relationships, causing damage to plaintiff.

79. Further, defendants failed to exercise ordinary care and ignored the foreseeable harm to plaintiff, and accordingly, defendants negligently interfered with plaintiff's relationships, causing damage.

80. As a result of the foregoing, plaintiff was forced to retain counsel and bring suit to enforce his reduced and modified interest in Miramax. Plaintiff was forced to expend legal fees and costs in that matter in the amount of at least \$500,000, the exact amount to be determined at trial. In resolution of the lawsuit, plaintiff settled for a small fraction of what was owed, resulting in a loss to plaintiff of in excess of \$25,000,000, the exact amount to be determined at trial. Had defendants not engaged in their tortious conduct, plaintiff would also have received an additional approximately \$50,000,000, the exact amount to be determined at trial, under his original deal pertaining to Miramax; plaintiff did not receive this amount because defendants' conduct interfered with his relationships and enabled others to renege on their agreements with him.

81. Plaintiff was damaged by defendants by all of the foregoing, and seeks his damages herein.

82. But for defendants' conduct and statements – which were not privileged, plaintiff would have closed numerous additional transactions and have been able to participate in the potential buyer of Miramax. Without the negative, interfering and defamatory publicity provided by defendants, and without defendants' intentional efforts and support for Molner's bad faith efforts, the campaign against plaintiff and his businesses would not have gained any traction, nor proceeded to the extent that they did. Indeed, the litigation and claims brought by the Molner entities have been without merit, and by now, most have been dismissed.

83. On information and belief, but for defendants' conduct as aforesaid, and but for the actions of defendants in conspiring with, and/or attempting to further Molner's efforts and/or to harm plaintiff, plaintiff would have (i) recovered fully under his original transaction pertaining to Miramax; (ii) recovered fully under his modified transaction pertaining to Miramax; (iii) not have been forced to incur substantial legal fees and other costs to vindicate his rights; (iv) engaged in numerous additional business transactions, and developed numerous additional business opportunities.

84. As a result of defendants' actions as aforesaid, plaintiff has been damaged in the amount of not less than \$100,000,000, plus interest, costs and fees, the exact amount to be determined at trial.

**Third Claim (Negligent Interference).**

85. Plaintiff repeats and realleges each and every allegation herein, as if fully set forth.

86. Plaintiff was party to agreements, and was in economic relationships, that would have resulted in a future economic benefit to plaintiff.

87. Defendants actually knew or should have known of these relationships.

88. Defendants knew or should have known that these relationships would be disrupted if defendants continued to attempt to further Molner's efforts, and if defendants failed to act with reasonable care, and if defendants continued to act with reckless disregard for the truth and engaged in their conduct as alleged herein.

89. Defendants failed to act with reasonable care and did engage in the conduct alleged herein, and plaintiff's contracts and economic relationships were disrupted.

90. Plaintiff was harmed thereby. As a result of defendants' actions as aforesaid, plaintiff has been damaged in the amount of not less than \$100,000,000, plus interest, costs and fees, the exact amount to be determined at trial.

**Fourth Claim (Interference with Prospective Advantage)**

91. Plaintiff repeats and realleges each and every allegation herein, as if fully set forth.

92. Defendants used wrongful means as aforesaid, and/or acted solely out of malice, spite and ill will toward plaintiff, and defendants' actions caused damage to plaintiff as aforesaid.

93. Plaintiff was harmed thereby. As a result of defendants' actions as aforesaid, plaintiff has been damaged in the amount of not less than \$100,000,000, plus interest, costs and fees, the exact amount to be determined at trial.

**Fifth Claim (Aiding and Abetting)**

94. Plaintiff repeats and realleges each and every allegation herein, as if fully set forth.

95. Plaintiff had agreements and advantageous business relationships with identifiable third-parties creating actual and prospective legal rights in plaintiff.

96. Both defendants, and Molner and his affiliated entities, had knowledge of those relationships, and this was known to defendants.

97. Defendants intentionally and without legal justification, facilitated and acted in concert with the Molner interests as alleged above, and conspired in, and aided and abetted, the attempts by Molner to damage plaintiff, and Molner's tortious interference with plaintiff, causing damage to plaintiff.

98. Defendants provided substantial assistance to Molner and his affiliates, affirmatively aiding Molner in his efforts to dissuade others from dealing with plaintiff. These actions caused harm to plaintiff as alleged herein.

99. By engaging in their statements and conduct as aforesaid, and by facilitating and acting in concert with the Molner interests as alleged above, defendants intentionally and without justification, tortuously harmed, interfered with and caused damage to plaintiff.

100. As a result of defendants' actions as aforesaid, plaintiff has been damaged in the amount of not less than \$100,000,000, plus interest, costs and fees, the exact amount to be determined at trial.

#### **Sixth Claim (Conspiracy)**

101. Plaintiff repeats and realleges each and every allegation herein, as if fully set forth.

102. Defendants conspired in Molner's tortious interference and other tortious conduct against plaintiff, in that defendants, through Block and their own conduct, entered into a corrupt agreement with Molner, and engaged in the many overt acts alleged herein, in furtherance of the agreement and of the plan, all of which resulted in damage to plaintiff.



103. As a result of defendants' actions as aforesaid, plaintiff has been damaged in the amount of not less than \$100,000,000, plus interest, costs and fees, the exact amount to be determined at trial.


WHEREFORE, plaintiff demands judgment against defendants and each of them:

- (1) Awarding him damages for injury to reputation, in an amount of approximately \$100,000,000, the exact amount to be determined at trial;
- (2) awarding actual, special, consequential, and punitive damages on each of his claims, in an amount in excess of the jurisdiction of the lower courts, the exact amount to be determined at trial;
- (3) awarding him \$50,000,000 in additional compensation and liquidated damages;
- (4) awarding him the costs and expenses in this action, including attorney's fees; and,
- (5) granting him such other relief as the Court deems just and proper.

Dated: February 19, 2014  
New York, New York

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