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 CAPITOL RECORDS, LLC

UNITED STATES DISTRICT COURT
 SOUTHERN DISTRICT OF NEW YORK

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CAPITOL RECORDS, LLC, CAPITOL	:	12 CV 00095 (RJS)
CHRISTIAN MUSIC GROUP, INC. and	:	
VIRGIN RECORDS IR HOLDINGS, INC.,	:	
	:	<u>SECOND AMENDED COMPLAINT</u>
Plaintiffs,	:	
	:	
-against-	:	
	:	
REDIGI INC., JOHN OSSENMACHER and	:	
LARRY RUDOLPH a/k/a LAWRENCE S.	:	
ROGEL,	:	
	:	
Defendants.	:	
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Plaintiffs Capitol Records, LLC, Capitol Christian Music Group, Inc. and Virgin Records IR Holdings, Inc. (collectively, “Plaintiffs”), by and through their undersigned attorneys, as and for their Second Amended Complaint, allege as follows:

INTRODUCTION

1. This action is for copyright infringement, contributory copyright infringement, vicarious copyright infringement, and inducement of copyright infringement under the United States Copyright Act, as well as common law copyright infringement under the law of the State of New York, all arising from Defendants’ willful and systematic infringement of Plaintiffs’ sound recordings.

2. Defendants own and operate the “ReDigi” music service, which holds itself out as the first online marketplace for “used” or “recycled” digital music files. With a stated purpose of

helping consumers buy and sell “used” digital music files, ReDigi makes and assists its users in making systematic, repeated and unauthorized reproductions and distributions of Plaintiffs’ copyrighted sound recordings. ReDigi’s technology at issue in this case (designated as “ReDigi 1.0”) was developed to upload copies of copyrighted sound recordings to its service for interested “sellers,” and then download copies for and to interested buyers, in order to build a user base and earn profits for Defendants from their infringing conduct.

3. While ReDigi has touted its service as the equivalent of a used record store, that analogy is inapplicable: used record stores do not make copies to fill their shelves. ReDigi is actually a clearinghouse for copyright infringement and a business model built on widespread, unauthorized copying of sound recordings owned by Plaintiffs and others. Plaintiffs bring this lawsuit to halt Defendants’ infringement of Plaintiffs’ copyrighted works and to recover damages for the harm caused by Defendants’ activities.

THE PARTIES

4. Plaintiff Capitol Records, LLC (“Capitol”) is a Delaware limited liability company with its principal place of business in Los Angeles, California.

5. Plaintiff Capitol Christian Music Group, Inc. (“CCMG”) is a California corporation with its principal place of business in Los Angeles, California. Capitol and CCMG are affiliated entities under common ownership.

6. Plaintiff Virgin Records IR Holdings, Inc. (“Virgin”) is a Delaware corporation with its principal place of business in Los Angeles, California. Virgin is wholly owned by Capitol.

7. Upon information and belief, Defendant ReDigi Inc. (“Defendant” or “ReDigi”) is a Delaware corporation with its principal place of business at Cambridge Innovation Ctr., 14th

Floor, 1 Broadway, Cambridge, MA 02142.

8. Upon information and belief, Defendant John Ossenmacher (“Ossenmacher”) is an individual residing in Cambridge, MA. Mr. Ossenmacher is the Chief Executive Officer and a founding owner of ReDigi.

9. Upon information and belief, Defendant Larry Rudolph a/k/a Lawrence Rogel (“Rudolph”) is an individual residing in Cambridge, MA. Mr. Rudolph is the Chief Technology Officer and a founding owner of ReDigi.

JURISDICTION AND VENUE

10. This civil action seeks injunctive relief and damages for copyright infringement under the Copyright Act, 17 U.S.C. § 101 et seq., and for common law copyright infringement under New York law with respect to Plaintiffs’ sound recordings fixed prior to February 15, 1972.

11. This Court has subject matter jurisdiction over the federal copyright claims under 28 U.S.C. §§ 1331 and 1338(a), and has supplemental jurisdiction over the related state law cause of action under 28 U.S.C. § 1367(a), inasmuch as that claim is so related to the federal claims as to form part of the same case or controversy.

12. This Court has personal jurisdiction over Defendants because, on information and belief, Defendants transact business in New York State and have committed tortious acts both within and outside New York causing injury in New York.

13. Venue is proper in this judicial district pursuant to 28 U.S.C. § 1391(b) and 1400(a).

FACTS

Plaintiffs' Business

14. Plaintiffs are part of a well known record company engaged in the business of producing, manufacturing, distributing, selling, licensing and facilitating the distribution and sale of sound recordings in the United States. Plaintiffs' reputation as a producer of sound recordings of high artistic and technical quality is known in New York, and throughout both the United States and the world.

15. Plaintiffs are the copyright owners or owners of exclusive rights (by way of agreement) with respect to an extensive and diverse catalog of sound recordings, including those of such famous recording artists as the Beatles, Norah Jones and Katy Perry to name just some. Under the Copyright Act, Plaintiffs have the exclusive rights, among other things, to "reproduce the copyrighted work[s]" and "distribute copies or phonorecords of the copyrighted work[s] to the public," as well as to authorize or license others to engage in such activities. 17 U.S.C. § 106.

16. Additionally, Plaintiff Capitol has entered into various agreements by which it obtained the common law copyrights in sound recordings embodying certain performances that were initially "fixed" prior to February 15, 1972 (the "Pre-1972 Recordings"). These performances are subject to protection under state law rather than federal copyright law, and the Copyright Act cannot be used to "annul[] or limit[]" those rights "until February 15, 2067." 17 U.S.C. § 301(c). Pursuant to these agreements and New York common law, Capitol possesses, among other things, the exclusive and complete rights to manufacture, reproduce, distribute and sell the Pre-1972 Recordings.

17. In addition to manufacturing, distributing, selling and licensing phonorecords in

the form of CDs, cassettes and other tangible media, Plaintiffs also distribute and license their sound recordings in the form of digital audio files, which are marketed and distributed online in a variety of forms (e.g., permanent downloads, conditional downloads, subscription services, streaming, etc.), and delivered to the consumer via the Internet. Legitimate avenues for the digital distribution of music exist through authorized services, such as Apple's iTunes, Spotify and Amazon's MP3 Music Service, which provide these sound recordings for consumers pursuant to agreements that the services negotiated with Plaintiffs.

18. Plaintiffs have invested and continue to invest significant money, time, effort and creative talent to discover and develop recording artists, and to create, manufacture, advertise, promote, sell and license sound recordings embodying the performances of their exclusive recording artists. Plaintiffs, their recording artists and others in the music industry are compensated for their creative efforts and monetary investments largely from the sale and distribution of their sound recordings to the public, and from other exploitation of such sound recordings.

19. A list of federally copyrighted sound recordings for which Plaintiffs have the right to sue for infringement pursuant to 17 U.S.C. §501(b) and that have been illegally reproduced and distributed by or for users of Defendants' ReDigi 1.0 service is attached hereto as Exhibit A. This list includes sound recordings for which Plaintiffs are the copyright owners or owners of exclusive rights (by way of agreement) or were the copyright owners or owners of exclusive rights (by way of agreement) at the time of infringement and have retained the right to sue for such past infringements. Plaintiffs have received Certificates of Copyright Registration from the Register of Copyrights for these copyrighted sound recordings.

20. A list of Pre-1972 Recordings in which Capitol holds exclusive rights under New

York and other state laws and which have been illegally reproduced and distributed by or for users of Defendant's ReDigi 1.0 service is attached hereto as Exhibit B.

Defendants and Their Illegal Business

21. Upon information and belief, Defendants own and operate the ReDigi website and service located at www.redigi.com. Launched in 2011 as part of a test and "inventory build" phase, ReDigi styled itself as "the world's first and only online marketplace for used digital music" and boasted that its service allows users to "buy used digital music from others at a fraction of the price currently available on iTunes."

22. Although the ReDigi website cryptically claimed that its "genius" was "to facilitate the transfer of a digital music file from one user to another without copying or file sharing," the entire service and business model were predicated upon making and assisting users in making multiple, unauthorized copies and distributions of sound recordings owned by Plaintiffs and others.

23. ReDigi's pre-launch press release revealed how selling digital music via its service necessarily entailed making copies of sound recordings. According to the press release, after downloading ReDigi's proprietary "Music Manager" software, users designated the songs they wished to sell from their desktop computers. "Eligible" tracks were then allegedly removed from the user's computer and "synced" devices, "stored in the ReDigi cloud and offered for sale on ReDigi's website."

24. The track "stored" in and offered to consumers from ReDigi's "cloud" was necessarily a *copy* of the user's original file, which ReDigi purportedly deleted from the user's hard-drive. The user's original file was duplicated and then stored by the ReDigi service in the new tangible, material object of the ReDigi "cloud," regardless of whether the user's original file

remained on his or her computer or was deleted.

25. As ReDigi's press release explained, "When the song is purchased, the track and license will be instantly transferred to its new owner." That new owner is then provided access to the cloud copy of the recording, which is an unauthorized reproduction of the recording with which the seller began.

26. The tutorial video on ReDigi's website homepage similarly highlighted the copying that is made of the sound recordings offered for sale or sold via the ReDigi website. The video encouraged users first to download the "ReDigi Desktop Client" to open a ReDigi account and begin selling "used" digital files. After the user chooses and confirms the tracks he or she wished to sell, "ReDigi will *upload your songs for sale* and clean all of those unwanted files off your computer." Uploading, by its very nature, can only be accomplished by making an unauthorized copy of the original user's track. The user does not "sell" that original track but merely agrees to its deletion after it has been copied.

27. The video then continued that interested purchasers can designate songs they wish to buy from any computer, after which those songs are "safely stored in the ReDigi Cloud." Users were urged, "you'll be able to buy a song from any computer, and *download* it later to your computer." Downloading again presupposes the making of additional copies of the file that resided on the original user's computer.

28. Defendants offered ReDigi users various incentives to encourage and induce them to participate in the unauthorized reproduction and distribution of Plaintiffs' sound recordings. For example, the video tutorial explained that for each song uploaded, a user earned "ReDigi coupons" which could be used to buy additional songs for a "discounted price." Likewise, when those uploaded songs were sold, the original user earned ReDigi "credits" that could be applied

to the purchase of new songs.

29. Further encouraging infringement, the ReDigi website homepage offered contests and incentives urging users to avail themselves of the service. The homepage promised, “Store or Sell at Least 10 MP3s on the ReDigi Cloud and be Entered to Win” prizes ranging from a Fiat sports car to headphones. Moreover, by simply storing those 10 songs for purposes of later resale, the user was promised, “Get 5 FREE songs just for storing 10 songs on ReDigi.”

30. Upon information and belief, in making and encouraging these various unauthorized reproductions and distributions, Defendants hoped to build a large user-base and corresponding profits. According to a ReDigi spokeswoman quoted in a November 14, 2011 New York Times article, ReDigi sells tracks for approximately 79 cents, and earns a commission for each sale. That commission totals 60% of the purchase price.

31. In short, Defendants’ business model was designed to build a customer base and earn profits by infringing and encouraging ReDigi users to infringe copyrighted sound recordings, including those owned by Plaintiffs. Without these infringing acts, Defendants would have no service to offer.

32. Defendants have sought to excuse their activities legally in various public statements, but none justify their infringing conduct.

33. Defendants promised, for example, that their “Verification Engine” analyzed each file uploaded for sale to ensure that the track was “legally downloaded” by the user in the first instance and thus “eligible for sale.” Given the widespread piracy of sound recordings on the internet, it is questionable whether Defendants can effectively screen files as lawfully obtained in the first instance.

34. Regardless, even if lawfully obtained, such files may not be reproduced for

purposes of resale. By urging users to upload their content for resale, Defendants encouraged those users to infringe copyrights.

35. ReDigi's website also boasted that after a file was "verified" for eligibility, ReDigi ensured that the original user would not "willfully use/possess any copies of the sold item," presumably by deleting the original source file from the user's computer and synchronized devices. But even ReDigi's founder and CEO, Ossenmacher, has acknowledged publicly that there is no way to ensure absolutely that users are not retaining copies of the files they upload to ReDigi's service, perhaps on other devices or media that ReDigi's software cannot reach. Regardless, even if the source file is effectively deleted from a user's computer, an infringing copy of that file must be uploaded and downloaded – copied – for the ReDigi 1.0 service to function.

36. Finally, ReDigi protested on its website that its service was protected by the "First Sale Doctrine" codified at 17 U.S.C. §109, which permits "owners of a particular copy or phonorecord lawfully made under this title ... to sell" that copy or phonorecord. Defendants, however, are not "owners" of any such lawfully made copy, nor have Defendants or their users disposed of the actual "particular copy" with which the seller began. Rather, Defendants and their users made and distributed unauthorized copies of that original file.

37. The Copyright Act defines "copy" and "phonorecord" as material objects in which a work or sounds are fixed, respectively. Neither Defendants nor their users have resold the original material object that resided on the original user's computer. Rather, in violation of Plaintiffs' rights of reproduction, Defendants and their users duplicated digital files both in uploading and downloading discrete copies distinct from the original file that originally resided on a user's computer.

38. Beyond their own infringing conduct, Defendants materially contributed to and induced infringing conduct by its users. Defendants knowingly and willfully offered them financial incentives for participating in unauthorized reproductions and distributions of Plaintiffs' sound recordings. Defendants encouraged those users to commit copyright infringement, and essentially created a marketplace where users engaged in widespread infringement.

39. Defendants Ossenmacher and Rudolph personally participated in, and supervised and directed, the infringing acts described above. Indeed, they personally conceived of the infringing business model and technology at issue in this case, were the ultimate decision makers concerning the development and implementation of such infringing activity and directed and approved all key aspects of ReDigi's activities found by this Court to infringe Capitol's copyrights. They were the moving force behind those infringing acts.

40. Defendants' aggressive promotion of their service has resulted in many of Plaintiffs' best-selling, most valuable sound recordings being infringed via the ReDigi service. A list of the federally registered, copyrighted sound recordings owned by Plaintiffs and infringed by Defendants using the ReDigi 1.0 technology at issue in this case (as described in detail above) is attached as Exhibit A. A corresponding list of Pre-1972 sound recordings owned by Capitol and infringed by Defendants using the ReDigi 1.0 technology is attached as Exhibit B.

41. The Recording Industry Association of America ("RIAA"), a trade association whose members, including Plaintiffs, create, manufacture and distribute sound recordings legitimately sold in the United States, notified ReDigi in November 2011 that its service violated the RIAA members' copyrights and demanded that ReDigi cease and desist from any further infringement.

42. Defendants refused to halt their infringing use of the ReDigi 1.0 technology described above and at issue in this case until the Court issued its summary judgment ruling in this case on March 30, 2013 finding ReDigi liable for direct and contributory infringement.

43. As a result of ReDigi's unlawful actions, Plaintiffs have been damaged and have suffered, and continue to suffer, irreparable injury for which they have no adequate remedy at law. An injunction is necessary to ensure that Defendants permanently cease any further use of the ReDigi 1.0 technology to infringe Plaintiffs' sound recordings.

COUNT 1
(Copyright Infringement)

44. Plaintiffs repeat and reallege the allegations set forth in paragraphs 1-43 above with the same force and effect as if set forth fully herein.

45. Defendants have engaged in the unauthorized reproduction and distribution of Plaintiffs' copyrighted sound recordings listed in Exhibit A hereto. As a result, Defendants are liable for copyright infringement of Plaintiffs' exclusive rights of reproduction and distribution under 17 U.S.C. § 106.

46. The infringement of Plaintiffs' rights in each of its copyrighted sound recordings constitutes a separate and distinct act of infringement.

47. Defendants' acts of infringement are willful, intentional and purposeful, in disregard of Plaintiffs' rights.

48. As a direct and proximate result of Defendants' infringement of Plaintiffs' copyrights, Plaintiffs are entitled to maximum statutory damages, in the amount of \$150,000 per work infringed, pursuant to 17 U.S.C. § 504(c), or for such other amount as may be proper pursuant to 17 U.S.C. § 504(c).

49. Unless and until Defendants' conduct is enjoined by this Court, they will continue

to cause irreparable injury that cannot fully be compensated for or measured in money, and Plaintiffs are accordingly also entitled to an injunction pursuant to 17 U.S.C. § 502 prohibiting further infringement of their exclusive rights under copyright.

50. Plaintiffs are further entitled to attorneys' fees and costs pursuant to 17 U.S.C. § 505.

COUNT II
(Inducement of Copyright Infringement)

51. Plaintiffs repeat and reallege the allegations set forth in paragraphs 1-50 above with the same force and effect as if set forth fully herein.

52. ReDigi users have engaged in the unauthorized reproduction and distribution of Plaintiffs' copyrighted sound recordings listed in Exhibit A. As a result, such users are liable for direct copyright infringement of Plaintiffs' exclusive rights of reproduction and distribution under 17 U.S.C. § 106.

53. Each one of these users' infringing acts has been encouraged and made possible by Defendants, whose object is to promote the unlawful reproduction and distribution of Plaintiffs' and others' sound recordings.

54. Defendants' inducement of copyright infringement is apparent from their active promotion of their ability to assist users in making unauthorized copies and sales of Plaintiffs' and others' sound recordings, and Defendants' adoption of a business model that depends upon a high volume of infringement to create a user base and generate sales commissions.

55. As a result of the foregoing, Defendants are liable under the Copyright Act for inducing the infringing acts of their users, in violation of Sections 106 and 501 of the Copyright Act.

56. The infringement of Plaintiffs' rights in each of their copyrighted sound

recordings constitutes a separate and distinct act of infringement.

57. Defendants' acts of infringement are willful, intentional and purposeful, in disregard of Plaintiffs' rights.

58. As a direct and proximate result of Defendants' infringement of Plaintiffs' copyrights, Plaintiffs are entitled to maximum statutory damages, in the amount of \$150,000 per work infringed, pursuant to 17 U.S.C. § 504(c), or for such other amount as may be proper pursuant to 17 U.S.C. § 504(c).

59. Unless and until Defendants' conduct is enjoined by this Court, they will continue to cause irreparable injury that cannot fully be compensated for or measured in money, and Plaintiffs are accordingly also entitled to an injunction pursuant to 17 U.S.C. § 502 prohibiting further infringement of their exclusive rights under copyright.

60. Plaintiffs are further entitled to attorneys' fees and costs pursuant to 17 U.S.C. § 505.

COUNT III (Contributory Copyright Infringement)

61. Plaintiffs repeat and reallege the allegations set forth in paragraphs 1-60 above with the same force and effect as if set forth fully herein.

62. ReDigi users have engaged in the unauthorized reproduction and distribution of Plaintiffs' copyrighted sound recordings listed in Exhibit A. As a result, such users are liable for direct copyright infringement of Plaintiffs' exclusive rights of reproduction and distribution under 17 U.S.C. § 106.

63. Defendants had actual and constructive knowledge of their users' infringing activity and materially contributed to that activity by promoting Defendants' ability to help users make and sell unauthorized copies of sound recordings, including those owned by Plaintiffs.

Defendants provided its users with software to facilitate unauthorized copying, and awarded users “coupons” or “credits” towards future purchases every time they uploaded a song for “sale” or succeeded in distributing a track, thus urging and contributing to infringing conduct.

64. Moreover, Defendants were notified of such infringing conduct by the RIAA, but refused to take the necessary action to halt that conduct.

65. As a result of the foregoing, Defendants are liable under the Copyright Act for contributorily infringing Plaintiffs’ copyrights, in violation of Sections 106 and 501 of the Copyright Act.

66. The infringement of Plaintiffs’ rights in each of their copyrighted sound recordings constitutes a separate and distinct act of infringement.

67. Defendants’ acts of infringement are willful, intentional and purposeful, in disregard of Plaintiffs’ rights.

68. As a direct and proximate result of Defendants’ infringement of Plaintiffs’ copyrights, Plaintiffs are entitled to maximum statutory damages, in the amount of \$150,000 per work infringed, pursuant to 17 U.S.C. § 504(c), or for such other amount as may be proper pursuant to 17 U.S.C. § 504(c).

69. Unless and until Defendants’ conduct is enjoined by this Court, they will continue to cause irreparable injury that cannot fully be compensated for or measured in money, and Plaintiffs are accordingly also entitled to an injunction pursuant to 17 U.S.C. § 502 prohibiting further infringement of their exclusive rights under copyright.

70. Plaintiffs are further entitled to attorneys’ fees and costs pursuant to 17 U.S.C. § 505.

COUNT IV
(Vicarious Copyright Infringement)

71. Plaintiffs repeat and reallege the allegations set forth in paragraphs 1-70 above with the same force and effect as if set forth fully herein.

72. ReDigi users have engaged in the unauthorized reproduction and distribution of Plaintiffs' copyrighted sound recordings listed in Exhibit A. As a result, such users are liable for direct copyright infringement of Plaintiffs' exclusive rights of reproduction and distribution under 17 U.S.C. § 106.

73. Defendants had the legal right and actual ability to supervise and control the infringing activities that occurred through their site and service. Their website noted that if users were uncertain about the legal origins of their songs, "... don't sweat it. If you aren't sure where it [the user's music file] came from, we'll help you figure it out." Defendants also insisted that they can identify and take action against repeat infringers, and explained that they would terminate the account of those who retained files Defendants believe they have "cleaned" out of sellers' computers. Defendants have further admitted that they are intimately involved in supervising the sale and offers for sale of recordings via ReDigi 1.0.

74. Defendants nevertheless refused to exercise any control over the illegal reproduction of copyrighted music, and as a direct and proximate result of such failure, ReDigi users have infringed Plaintiffs' copyrighted sound recordings, including those listed in Exhibit A.

75. Defendants derived direct and substantial financial benefits from the infringements of Plaintiffs' copyrighted sound recordings occurring via its 1.0 service. In addition to attracting a user base, Defendants charged a percentage sales commission when unauthorized recordings were sold via the ReDigi site.

76. As a result of the foregoing, Defendants are liable under the Copyright Act for

vicariously infringing Plaintiffs' copyrights, in violation of Sections 106 and 501 of the Copyright Act.

77. The infringement of Plaintiffs' rights in each of its copyrighted sound recordings constitutes a separate and distinct act of infringement.

78. Defendants' acts of infringement are willful, intentional and purposeful, in disregard of Plaintiffs' rights.

79. As a direct and proximate result of Defendants' infringement of Plaintiffs' copyrights, Plaintiffs are entitled to maximum statutory damages, in the amount of \$150,000 per work infringed, pursuant to 17 U.S.C. § 504(c), or for such other amount as may be proper pursuant to 17 U.S.C. § 504(c).

80. Unless and until Defendants' conduct is enjoined by this Court, they will continue to cause irreparable injury that cannot fully be compensated for or measured in money, and Plaintiffs are accordingly also entitled to an injunction pursuant to 17 U.S.C. § 502 prohibiting further infringement of their exclusive rights under copyright.

81. Plaintiffs are further entitled to attorneys' fees and costs pursuant to 17 U.S.C. § 505.

COUNT V
(Common Law Copyright Infringement)

82. Plaintiffs repeat and reallege the allegations set forth in paragraphs 1-81 above with the same force and effect as if set forth fully herein.

83. The Pre-1972 Recordings are subject to common law copyright protection under New York law. As the owner of valid common law copyrights in the Pre-1972 Recordings, Capitol possesses the exclusive rights to sell, copy and distribute these recordings.

84. Capitol has not granted or licensed Defendants the right to copy or distribute the

Pre-1972 Recordings in any manner, including by digital transmission. Defendants' conduct as described above constitutes infringement of Capitol's common law copyrights in the Pre-1972 Recordings listed in Exhibit B hereto.

85. The infringement of Capitol's rights in each of its Pre-1972 Recordings constitutes a separate and distinct act of infringement.

86. As a direct and proximate result of Defendants' violation of Capitol's rights in and to the Pre-1972 Recordings, Capitol has suffered damages in an amount to be proven at trial. Capitol is entitled to recover all proceeds and other compensation received or to be received by Defendants arising from their infringement of Capitol's Pre-1972 Recordings, and is entitled to an accounting to ascertain the amount of such profits and compensation.

87. Defendants' acts of infringement are willful, intentional and purposeful, in disregard of Capitol's rights, and Capitol is entitled to punitive damages in addition to actual damages.

88. Unless and until Defendants' conduct is enjoined by this Court, they will continue to cause irreparable injury that cannot fully be compensated for or measured in money, and Capitol is accordingly also entitled to an injunction prohibiting Defendants from further violating Capitol's rights in the Pre-1972 Recordings.

WHEREFORE, Plaintiffs respectfully request that this Court enter judgment in their favor and against the Defendants as follows:

A. On all Counts, for such permanent injunctive relief as is necessary to prevent or restrain infringement of Plaintiffs' copyrights, including a preliminary injunction requiring that Defendants and their agents, servants, employees, officers, directors, attorneys, successors, assigns, licensees and all others in active concert or participation with any of them, cease

infringing, or causing, aiding, enabling, facilitating, encouraging, promoting, inducing or materially contributing to or participating in the infringement of any of Plaintiffs' copyrights or exclusive rights protected by the Copyright Act or common law (whether now in existence or hereafter created), including without limitation the recordings listed in Exhibits A and B.

B. On Counts I-IV, for maximum statutory damages in the amount of \$150,000 with respect to each copyrighted work infringed, or for such other amount as may be proper pursuant to 17 U.S.C. § 504(c).

C. On Count V, for compensatory damages, an accounting for all gains, profits and advantages derived from Defendants' wrongful acts and punitive damages in amounts to be proven at trial.

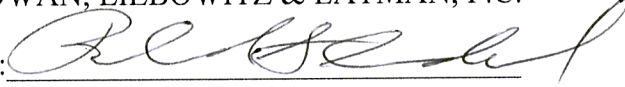
D. For Plaintiffs' attorneys' fees, costs and disbursements in this action.

E. For prejudgment and post-judgment interest.

F. For such other and further relief as the Court may deem just and proper.

Dated: New York, New York
October 29, 2014

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