

ORIGINAL

1 VENABLE LLP  
2 HEND. WHITWELL (State Bar No. 138426)  
3 JEFFREY M. TANZER (State Bar No. 129437)  
4 2049 Century Park East, Suite 2100  
5 Los Angeles, California 90067  
6 Telephone: (310) 229-9900  
7 Facsimile: (310) 229-9901

FILED  
LOS ANGELES SUPERIOR COURT

DEC 21 2006

JOHN A. ULRICH, CLERK

BY RUGENA LOPEZ, DEPUTY

Case assigned to Judge *Murray*

BC363832

8 Attorneys for Plaintiffs  
9 MJJ PRODUCTIONS, INC. and  
10 MICHAEL J. JACKSON

11 SUPERIOR COURT OF THE STATE OF CALIFORNIA

12 FOR THE COUNTY OF LOS ANGELES

FILE BY FAX

VENABLE LLP  
2049 CENTURY PARK EAST, SUITE 2100  
LOS ANGELES, CALIFORNIA 90067  
(310) 229-9900

13 MJJ PRODUCTIONS, INC., a California  
14 corporation; MICHAEL J. JACKSON, an  
15 individual,

CASE NO.:

Plaintiffs,

COMPLAINT FOR NEGLIGENCE,  
BREACH OF FIDUCIARY DUTY,  
AND AN ACCOUNTING

v.

16 BERNSTEIN, FOX, WHITMAN, GOLDMAN  
17 & SLOAN, LLP, a limited liability partnership,  
18 and DOES 1 through 20 inclusive,

Defendants.

19 Plaintiffs complain of the above-named Defendant as follows:

20 1. At the times relevant hereto, Plaintiff MJJ Productions, Inc. ("MJJP") was a  
21 California corporation that maintained offices in the City of Los Angeles.

22 2. Plaintiff Michael J. Jackson ("Jackson") is an individual who resides in Ireland.

23 3. Plaintiffs are informed and believe and thereon allege that Bernstein, Fox  
24 Whitman, Goldman & Sloan, LLP ("Bernstein") is a limited liability partnership with its  
25 principal place of business in the City of Los Angeles, and the successor in interest to  
26 Bernstein, Fox, Whitman & Company LLP ("BFW"). At all relevant times, Bernstein and  
27 BFW have been comprised of certified public accountants and have provided business  
28 management and accounting services.

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(310) 229-8900

1 4. The true names and capacities, whether individual, corporate or otherwise, of the  
2 defendants named herein as Does 1 through 20, inclusive, are presently unknown to Plaintiffs,  
3 who therefore sue these defendants by such fictitious names. Plaintiffs will amend this  
4 Complaint to allege the true names and capacities of Does 1 through 20, inclusive, when the  
5 same have been ascertained. Plaintiffs are informed and believe, and on that basis allege, that  
6 each of the Doc defendants is legally responsible for the acts and omissions herein complained  
7 of, as alleged below.

8 5. Plaintiffs are informed and believe, and on that basis allege, that at all times  
9 relevant to this Complaint, each of the defendants was acting as the alter ego, co-conspirator,  
10 duly authorized agent, servant, employee and/or representative of the other defendants, and  
11 acting within the course, scope and authority of such conspiracy, agency, service, employment  
12 and/or representation.

13 ALLEGATIONS COMMON TO ALL CAUSES OF ACTION

14 6. This action involves Defendants' failures in the duties it undertook to administer  
15 and oversee the financial affairs of Plaintiffs. In or about 2003, Defendant Bernstein agreed to  
16 provide professional and business management services for Plaintiffs including, but not  
17 limited to, accounting and bookkeeping, opening bank accounts, receiving monies on behalf of  
18 Plaintiffs, depositing such moneys, reconciling bank accounts, and preparing and filing  
19 personal, corporate and real estate taxes.

20 7. Bernstein breached its duties to Plaintiffs by, among other things the following:

- 21 (a) Through its partners, including Allan Whitman, retaining individuals on behalf
- 22 of plaintiffs without authorization;
- 23 (b) Through its partners, including Allan Whitman, entering into agreements on
- 24 behalf of Plaintiffs without authorization;
- 25 (c) Through its partners, including Allan Whitman, failing to communicate directly
- 26 with Jackson or to keep Jackson apprised of his affairs;

27 8. Plaintiffs are also informed and believe, and on that basis alleged, that Bernstein  
28 withdrew from Plaintiffs' accounts \$2.5 million a year for payment of its services.



1 17. In acting as alleged above, Defendants acted with fraud, malice and oppression  
 2 and in wanton and conscious disregard of Plaintiffs' rights. Accordingly, punitive or  
 3 exemplary damages should be assessed against Defendants for the sake of example and by  
 4 way of punishing the Defendants.

5 **THIRD CAUSE OF ACTION**

6 (An Accounting - Against Defendant Bernstein)

7 18. Plaintiffs reallege and incorporate herein by reference, as though fully set forth  
 8 herein, each and every allegation contained in paragraphs 1 through 17 above.

9 19. To date, despite demand therefor, Bernstein has failed to provide Plaintiffs with  
 10 their financial records, or an orderly accounting of their management of Plaintiffs' financial  
 11 affairs. Bernstein continues to refuse and fail to provide Plaintiffs an accounting, and to  
 12 provide to them the statements of accounts and funds which are due to Plaintiffs.

13 **PRAYER FOR RELIEF**

14 WHEREFORE, Plaintiff prays for judgment against the Defendants, and each of them,  
 15 as follows:

- 16 1. On the First and Second Causes Of Action, for damages according to proof at  
 17 trial;
- 18 2. On the Third Cause of Action, for an accounting with respect to the disposition  
 19 of and all moneys received by Defendants in connection the services provided for Plaintiffs;
- 20 3. On the Second Cause of Action, for punitive damages in an amount appropriate  
 21 to punish Defendants and deter others from engaging in similar misconduct;
- 22 4. On all Causes of Action, for attorneys' fees incurred by Plaintiffs in connection  
 23 with this litigation, to the extent permitted by contract or statute;
- 24 5. On all Causes of Action, for costs of suit incurred herein;

VENABLE LLP  
 2048 CENTURY PARK EAST, SUITE 2100  
 LOS ANGELES, CALIFORNIA 90067  
 (310) 228-8900

VENABLE LLP

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- 1 6. On all Causes of Action, for interest at the maximum legal rate; and
- 2 7. For such other and further relief as the Court deems just and proper.
- 3

4 DATED: December 21, 2006

VENABLE LLP

6 By: AWE  
7 Attorneys for Plaintiffs

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VENABLE LLP  
2040 CENTURY PARK EAST, SUITE 2100  
LOS ANGELES, CALIFORNIA 90007  
(310) 225-9900