

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

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FRANK BASILE, CELESTE HOLM, AND  
HOLMBASE, LLC,

Plaintiffs,

- against -

SHANNON MULHOLLAND, MODA  
ENTERTAINMENT, INC., MODA  
PRODUCTIONS, LLC, MODA PUBLISHING,  
LLC, LICENSEBOX, LLC, AND  
PUBLICITYBOX LLC,

Defendants. :  
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Index No. 09103030

**SUMMONS WITH VERIFIED  
COMPLAINT**

Plaintiff designates New York  
County as the Place of Trial; Venue  
is Based on Situs of Incident and  
Defendants' Place of Business

**FILED**  
MAR. 04 2009  
NEW YORK  
COUNTY CLERK'S OFFICE

To the above-named Defendants:

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 twenty (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 in the complaint.

Dated: New York, New York  
March 4, 2009



Neal Brickman, Esq.  
Melinda M. Dus, Esq.  
The Law Offices of Neal Brickman  
Attorneys for Plaintiff  
317 Madison Avenue - 21<sup>st</sup> Floor  
New York, New York 10017  
(212) 986-6840

To: Shannon Mulholland  
MODA Entertainment, Inc.  
59 West 71<sup>st</sup> Street  
New York, NY 10023

MODA Entertainment, Inc.  
MODA Productions, LLC  
MODA Publishing, LLC  
LicenseBox, LLC  
PublicityBox, LLC  
59 West 71<sup>st</sup> Street  
New York, NY 10023

SUPREME COURT STATE OF NEW YORK  
NEW YORK COUNTY

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FRANK BASILE, CELESTE HOLM,  
AND HOLMBASE, LLC,

Index No. 2009/

Plaintiffs,

VERIFIED  
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-against-

SHANNON MULHOLLAND, MODA  
ENTERTAINMENT, INC., MODA PRODUCTIONS,  
LLC, MODA PUBLISHING, LLC, LICENSEBOX,  
LLC, AND PUBLICITYBOX LLC,

09103030

Defendants.

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COMES NOW, Plaintiffs Frank Basile ("Basile"), Celeste Holm ("Holm") and  
HolmBase, LLC ("HolmBase") (collectively referred to herein as "Plaintiffs") by and  
through their undersigned attorneys, The Law Offices of Neal Brickman, P.C., and as and  
for their Complaint against Defendants Shannon Mulholland ("Mulholland") and MODA  
Entertainment, Inc. ("MODA"), including its wholly owned subsidiaries MODA  
Productions, LLC, MODA Publishing, LLC, LicenseBox, LLC and PublicityBox, LLC  
(referred to collectively in the singular as "MODA"), states and alleges as follows:

**FILED**  
MAR. 04. 2009  
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**NATURE OF THE CASE**

1. Plaintiffs bring this action to redress Defendants' fraudulent, stealthy and deceptive actions, committed by and through Mulholland, individually and on behalf of or in concert with MODA, including (i) fraud; (ii) misrepresentation; (iii) violation of the New York Uniform Commercial Code; (iv) violation of the New York General Business Law; (v) breach of fiduciary duty; and (vi) breach of contract. Plaintiffs seek compensatory and punitive damages against Defendants, jointly and severally.

**PARTIES**

2. Frank Basile is an individual who resides in New York State, New York County.

Frank Basile is the husband of Celeste Holm.

3. Celeste Holm is an individual who resides in New York State, New York County, and is the renowned Academy Award winning actress.

4. Shannon Mulholland is an individual who resides, upon information and belief, at the main office for MODA, in New York State, New York County. Mulholland is, and was at all times relevant hereto, reputed to be the "founder" of MODA and was formerly the President and continues to be the CEO of MODA. Mulholland continues to work for and on behalf of MODA.

5. MODA is a Delaware corporation with its main office located at 59 West 71<sup>st</sup> Street, New York, New York 10023. Upon information and belief, MODA Entertainment is the parent or holding company of MODA Productions, LLC, MODA Publishing, LLC, LicenseBox, LLC, and PublicityBox, LLC, all of which operate out of the same location in New York City.

**JURISDICTION AND VENUE**

6. This Court has jurisdiction over this matter, which is properly brought in the Supreme Court of the State of New York, New York County, because (i) Defendants operate and/or do business within this District; (ii) Plaintiffs reside in this District; and (iii) the events and circumstances giving rise to the claims asserted herein took place within this District. The monetary claims set forth herein exceed the jurisdictional minimum.

**STATEMENT OF RELEVANT FACTS**

7. Defendants and, in particular, Mulholland created an alternate reality in which MODA pretended -- and represented repeatedly and continuously to Plaintiffs -- to be a full service talent agency, management company, licensing agent and production house, when MODA was and is, at best, a fledgling company, if not a completely fraudulent operation.

8. At all times, Mulholland was an agent of MODA, acting as its CEO and, up until August 2005, acting as President and CEO. Mulholland is also a member of the Board of Directors for MODA. Mulholland runs most if not all of MODA's subsidiaries and/or affiliates: MODA Productions, LLC, MODA Publishing, LLC, LicenseBox, LLC, and PublicityBox, LLC.

9. Defendants tried to palm themselves off as a full service agency and production house. In furtherance of this façade, Defendants developed and maintained a misleading website ([www.modaentertainment.com](http://www.modaentertainment.com)) indicating a luminous list of clients -- many of whom were never actually represented by MODA, created and published fictitious records and misleading publications in self-promotion, including baseless or false press releases and media coverage of events that did not take place.<sup>1</sup>

10. In 2004, Plaintiffs were invited to an event party by MODA whereat they met Mulholland and a few mutual acquaintances. The event also coincided with Plaintiffs' discovery that Mary Cooper Janis and Pia Lindstrom were filming a pilot television series which MODA was purportedly producing. No television series, however, ever resulted.

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<sup>1</sup> MODA also purported to publish ICONS magazine, a supposedly monthly publication first released in late 2004/early 2005 for which, upon information and belief, only two issues have ever been created despite the continuing collection of subscription fees from subscribers and despite the continuing misrepresentation by MODA of its "monthly" publication.

11. Additionally, Mulholland filled Plaintiffs' ears with all sorts of lies and exaggerations as to her Hollywood connections and the celebrity clients of MODA.
12. Mulholland told Plaintiffs that she "was the god-daughter of Maria Cooper Janis;" that she "was the heir to the Gary Cooper estate;" that she "represented Katherine Hepburn;" that she "represented the Hemingway estate;" that she "represented Humphrey Bogart's estate;" that she "represented Lauren Bacall;" and that "Mary Cooper Janis, Pia Lindstrom and Lauren Bacall were shareholders of MODA, in addition to other investors."
13. Amidst the cloud of Mulholland's calculated and star-struck fanfare, admiration and grandiose promises, Plaintiffs were ultimately enticed to sign up with MODA.
14. Plaintiffs engaged Defendants to create HolmBase, LLC and to promote the birthday of Celeste Holm and the wedding of Celeste Holm and Frank Basile in April 2004 in conjunction with Arts Horizon.
15. Shortly before the 2004 wedding celebration, Mulholland convinced Plaintiffs that in order to promote Celeste Holm properly she needed to archive their collection of memorabilia and career highlights. Mulholland expressly told Plaintiffs, and in particular Basile, in March 2004 in person, that she "archived Katherine Hepburn's collection" and "knew what had to be done." The archive project was suggested as a necessary pre-condition to any licensing work or promotional work by Mulholland on behalf of Plaintiffs. Mulholland promised projects including a documentary film, a coffee table book and licensing deals that she would pursue on Plaintiffs' behalf after the archiving project was completed. These promises induced Plaintiffs to proceed with the archiving.

16. Initially, Mulholland claimed that she knew a professional archival specialist who would come to Plaintiffs' home in April 2004 and work on the project there. When the purported specialist failed to show, Basile called to complain, at which time Mulholland convinced Plaintiffs that she would "do whatever it took to get the project done right" and offered to stay at Plaintiffs' home while they were away in June and July of 2004 in order to complete the archive project.

17. Although Mulholland stayed at Plaintiffs' home for a number of weeks while they were away, the project was not completed when Plaintiffs returned. Mulholland convinced Plaintiffs that she would complete the project in her own apartment. Again, Mulholland purported to have completed a similar project for Katherine Hepburn and assured Plaintiffs that MODA was capable of getting the job done.

18. In or about July 2004, Mulholland and a MODA employee came with a vehicle and collected dozens of large boxes filled with Celeste Holm's memorabilia. After the collection of materials, Mulholland told Plaintiffs that she "would have people work around-the-clock to complete the archive project."

19. On or about January 15, 2006,<sup>2</sup> once the archiving project was reported to Plaintiffs as "completed," Plaintiffs Celeste Holm and HolmBase, LLC entered into an express contract titled a Letter of Agreement with PublicityBox.<sup>3</sup> At this time in January 2006, Mulholland claimed and convinced Plaintiffs that MODA needed to keep the memorabilia – supposedly already archived – in order to work on and complete the documentary and the coffee table book projects.

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<sup>2</sup> The Letter of Agreement erroneously uses the date January 15, 2005 which is in error.

<sup>3</sup> This was the second agreement entered into by Plaintiffs with Mulholland. The first agreement was signed in 2004, but shortly thereafter ripped up in March 2004 at the express direction of Mulholland – in her presence – when Mulholland told Plaintiffs that the archiving project needed to be done before MODA could begin in earnest to promote Celeste Holm through a licensing agreement.

20. From the outset, and thereafter, Mulholland, on behalf of Defendants, manufactured various licensing deals and projects purportedly for Plaintiffs which did not exist, as a means of extracting payments from Plaintiffs, and charged Plaintiffs for work, supposedly completed or underway, which never materialized or was never actually done. Mulholland created bogus letter agreements and invoices, forged signatures, impersonated companies or individuals at certain companies, and issued and sold shares of MODA, as CEO and/or President, to Plaintiffs.

**COUNT I**  
**Celeste Holm Memorabilia**  
**(Breach of Contract, Conversion, Fraud, Unjust Enrichment)**

21. Plaintiff repeats, reiterates and re-alleges each and every allegation set forth in paragraphs "1" through "20" with the same force and effect as if fully set forth herein at length.

22. In 2004, Plaintiffs contracted orally with Defendants to create a catalogue of Celeste Holm's memorabilia and to transfer the same into a digital format. In furtherance of this project, Plaintiffs provided Defendants with precious mementos, letters, pictures and keepsakes for the purpose of archiving and cataloging the same. As part of the contract, Defendants agreed to organize and catalogue Celeste Holm's memorabilia, creating an inventory list that could be easily cross-referenced and that would be indexed in archival folios, with descriptions of each item. Defendants also agreed to transfer of the archived materials once inventoried to a digital format. In exchange, Plaintiffs agreed to pay the actual expenses incurred with the further agreement that MODA would use qualified and experienced individuals to complete the project.



23. In total, Plaintiffs provided approximately 3,000 pictures and 15,000 pages of letters, tangibles and/or documents. At all times, these materials were provided with the express intent and agreement that every item would be returned upon the completion of the project or at the request of Plaintiffs. Additionally, these items of memorabilia were also intended to be used as the basis of and spring board for licensing contract(s), and content for the Celeste Holm coffee table book and documentary film, which were supposedly – as represented by MODA – in the works up to and through mid-2006.

24. Defendants purported to work and create a catalogue archiving Celeste Holm's memorabilia between July 2004 and October 2005, and charged Plaintiffs approximately \$280,000.00 for MODA's supposed efforts. Periodically in 2005, Plaintiffs requested an invoice or accounting for the progress of the archiving project and the expense of the same. No such itemization was ever provided to Plaintiffs. Instead, Plaintiffs were told by Mulholland on multiple occasions in 2005 that "it cost over \$275,000.00 to catalogue the Katherine Hepburn memorabilia" and that "Katherine Hepburn never required itemized statements from the subcontractor."

25. To add to the farce, Mulholland told Plaintiffs by telephone and in person in late September 2005 that "the project had cost \$45.00 and \$50.00 per hour per worker to catalogue the material," which expense "had already been paid by MODA," that "MODA was paying weekly payroll expenses for the archivers," but that MODA "would charge [Plaintiffs] less and take a bath" and "claim the deduction on MODA's taxes for the loss, if [Plaintiffs] would pay up by the end of 2005" so that it "could be cleared off MODA's books and MODA could go public." Mulholland stated that Plaintiffs would have to pay for the archiving by the end of the year and represented that Plaintiffs' payment was

needed so that MODA could complete a deal selling off twenty percent of LicenseBox to a supposed investor for millions of dollars and then go public. To this end, in the fall of 2005, Mulholland demanded at least monthly installments to meet the supposed payroll expenses of the archivers, and that Plaintiffs pay at least half of the amounts owed (or approximately \$135,000.00) by the end of the year, which according to Mulholland, MODA had already paid.

26. Plaintiffs later learned that the subcontractor hired by Defendants to perform the work -- Michael Garry and his mother-in-law -- charged only \$10.00 an hour and, according to Garry, completed the work in March 2005 for a total cost of approximately \$2,700.00.

27. As a direct result of Mulholland's statement and bogus bills, Plaintiffs made payments to MODA in excess of approximately \$135,000.00, such that Plaintiffs were misled to overpay no less than \$132,500.00.

28. Moreover, only one year -- 1943 -- was ever catalogued with an inventory provided to Plaintiffs by Mulholland. The disk provided to Plaintiffs for 1943 was blank, with no digital imagery of anything or any content whatsoever. To date, Defendants have neither produced the completed archive catalogue as agreed nor returned the memorabilia to Plaintiffs.

29. It is unclear what, if any, work was actually accomplished with regard to the archive materials other than the inventory for 1943 (which does not include the archive folio, index for cross-reference, or any materials in digital format). Accordingly, Defendants breached the agreement.

30. In August 2006 and thereafter, Plaintiffs demanded an accounting or documentation (including the invoice from the subcontractor) supporting the exorbitant charges billed to Defendants in connection with the supposed archive work performed by Defendants.

31. Defendants refused and/or failed to provide any underlying documentation to support the amounts charged to Plaintiffs. Eventually, in or after August 2006, Plaintiffs contacted the subcontractor and learned that Defendants swindled them.

32. Moreover, despite having paid MODA over \$135,000.00 in connection with the archival project, Plaintiffs were informed by the subcontractor – a former MODA employee – that Garry was never paid for his services on the project.

33. After discovering in or after August 2006 that Michael Garry and his mother-in-law actually performed the archiving work at their home, Plaintiffs were able to obtain the memorabilia held by Garry in late 2006. The items recovered in late 2006, however, do not represent the full extent of the memorabilia provided to MODA. Indeed, the most precious items remain improperly in MODA's possession, custody and control, including Celeste Holm's baby books and her Jean Parke art work collection.

34. Timely demands for the return of the missing memorabilia were made to MODA in August 2006, September 2006 and October 2006 by telephone, email and formal letter from counsel.

35. At all times, Plaintiffs remained the lawful owners of these archive materials. Defendants refused and/or failed to return the archive materials despite Plaintiffs' timely and proper demand for the same. As a result, Defendants have improperly exercised

control and possession over this property to the exclusion of Plaintiffs and have thereby converted the same.

36. Defendants committed fraud and breached the agreement to the extent that Mulholland created and sent Plaintiffs fictitious and inflated bills itemizing false costs in a spreadsheet, on behalf of MODA, demanding approximately \$280,000.00 in payment, in order to improperly extract monies from Plaintiffs that were not owed under the agreement.

37. Defendants have been unjustly enriched at Plaintiffs' expense, such that equity and good conscience demand that Plaintiffs be made whole. At all times, Plaintiffs acted with the reasonable expectation of receiving value for the monies paid. No such value was received and all monies paid to Defendants should be returned.

38. As a direct and proximate result of Defendants' actions, Plaintiffs have suffered injury and damages.

**COUNT II**  
**Fraud, Unjust Enrichment, Violation of NY UCC, Violation of NY GBL**  
**(MODA Shares)**

39. Plaintiff repeats, reiterates and re-alleges each and every allegation set forth in paragraphs "1" through "38" with the same force and effect as if fully set forth herein at length.

40. MODA is a Delaware corporation, and at all relevant times Mulholland was or represented herself to be the President and/or CEO of MODA. MODA Entertainment, Inc. is a private company whose stock issuance and ownership remains a mystery.

41. In January of 2005 and thereafter, Mulholland represented to Plaintiffs by telephone and in person conversations that "MODA had issued stock to private investors"

and "intended to go public." Mulholland also represented to Plaintiffs that "Maria Cooper Janis, Stephen Bogart, Pia Lindstrom, and Lauren Bacall were shareholders of MODA." Mulholland represented to Plaintiffs that "MODA owned the memorabilia of the estate of Lauren Bacall, Humphrey Bogart and Gary Cooper."

42. In furtherance of MODA's stock scheme, Mulholland presented Basile with a stock certificate from MODA Entertainment, Inc., signed and dated December 1, 2004, marked "pending." The stock certificate was in Basile's name reflecting ten shares of MODA Entertainment, Inc., signed by Shannon Mulholland, as President and Secretary/Treasurer.

43. In February 2005, Mulholland told Plaintiffs by telephone and in person conversations that "George Levy was going to take MODA public;" "that MODA had a contract with George Levy to go public;" and "MODA's shares are going to go through the roof once MODA goes public." In January 2006, Mulholland told Basile that "MODA had an offer from an investor who agreed to pay \$4,000,000.00 to acquire a twenty percent (20%) stake in MODA's LicenseBox, LLC."

44. In 2005 and 2006, Mulholland on behalf of MODA, sold shares of MODA stock to Plaintiffs. In total, Plaintiffs purchased 20 shares at \$4,784.32 per share and 4 shares at \$5,288.68 per share in 2005, and 5 shares at \$6,249.54 per share in early 2006 (for an aggregate amount of 29 shares). In December 2005, Basile returned (by agreement as no physical shares had been conveyed to Plaintiffs yet) 8 shares valued at \$4,784.32 per share (the purchase price) to MODA with the agreement that the value of the shares would be applied toward the amounts then-invoiced to Plaintiffs by Defendants in

connection with the archiving project. In total, Plaintiffs paid approximately \$150,000.00 for 29 shares of MODA's stock.

45. Initially, Mulholland spun an intricate lie whereby she represented to Plaintiffs that she first needed to "buy back" stock from her original investors in order to sell any shares to Plaintiffs. To facilitate this ruse, in April 2005, Mulholland purported, in the presence of Celeste Holm and Frank Basile, to call up the supposed original investors of MODA to discuss the terms of the buy back and their return of shares. Mulholland made many such calls in April 2005 in the presence of Plaintiffs which supposedly freed up the shares that Mulholland then sold to Plaintiffs. Upon information and belief, Mulholland staged the one-side conversations with the phantom investors to induce Plaintiff's reliance upon her representations as to the value of MODA's shares as well as to the existence of other investors.

46. In furtherance of the sale of stock, Mulholland made express representations as to the value of the stock and the performance of MODA. Mulholland assured Basile that she was the majority shareholder and that she was authorized to sell MODA's stock.

47. As to MODA's padded performance, on multiple occasions including on or about May 2, 2005, June 4, 2005, July 5, 2005, August 1, 2005, August 17, 2005, August 21, 2005, February 16, 2006 and April 6, 2006, Mulholland told Basile in person or by telephone that "MODA produced a book on racing car drivers sold to NASCAR for \$35.00 a book and that already 35,000 books were sold to date." In furtherance of this lie, Mulholland showed Basile a copy of the book on or about August 21, 2005, supposedly published by MODA. Mulholland told Basile that "MODA was launching a Humphrey Bogart line of furniture which would generate millions of dollars in profit a

year for MODA.” Mulholland also claimed responsibility for the Hemingway line of furniture which she claimed “made millions for MODA every year.” Mulholland told Basile that “MODA was responsible for the ICONS slot machines in Vegas.” As to MODA “going public,” Mulholland told Basile that his “percentage of ownership in MODA would increase based upon the number of MODA’s shares that purchased;” and he “would get at least 3,000,000 ‘pink shares’ in the company, valued at \$1.00 a share, when MODA went public, if more than twenty shares of MODA were purchased.”<sup>4</sup>

48. Mulholland expressly stated to Basile, in sum or substance if not using the exact words, on multiple occasions, in person and over the telephone, including but not limited to in and around December 2004, May 2, 2005, June 4, 2005, July 5, 2005, August 1, 2005, August 17, 2005, August 21, 2005, December 9, 2005, February 16, 2006, and April 6, 2006, that “MODA generated millions of dollars a year in profit,” with “licensing deals valued at \$60,000,000.00,” and that MODA had “at least one million dollars in assets.”<sup>5</sup>

49. In May 2005, Mulholland expressly stated to Basile, in sum or substance if not the exact words, in person and over the telephone, that “each share of MODA paid out in dividends in excess of thirty percent of the share value,” that the “shareholders were all very happy,” that “share values have grown substantially every year,” and that “MODA would release a movie within a matter of months that was almost finished which would

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<sup>4</sup> Against the backdrop of Mulholland claiming that she wanted her clients as investors and to own the company, Mulholland engaged in a charade in 2006 in which she pretended to hem and haw in front of Plaintiffs weighing the pros and cons of going public. In retrospect, this play-acting appears to have been solely for the benefit of Plaintiffs’ deception, adding depth to Mulholland’s claims that “MODA was going public.”

<sup>5</sup> The supposed growth in share value claimed by Mulholland is why Plaintiffs bought shares initially priced at \$4,784.32, then at \$5,288.68 and lastly at \$6,249.54. According to Mulholland, at the time of purchase, the price of shares reflected MODA’s increasing value, that shares were “going up in value” and that the shares would “go through the roof when MODA went public.”

make MODA's stock worth over \$15,000.00 per share." Mulholland promised to get Basile financial information and Mulholland expressly stated to Basile, in person and over the telephone, on multiple occasions in 2005 and in 2006 that "MODA would go public." Additionally, Mulholland told Basile that "dividends would be paid after September 30, 2005," because "there was a three quarter waiting period before dividends could be paid to a new investor."

50. Mulholland told Plaintiffs that George Levy was going to take MODA public. Mulholland explicitly represented to Plaintiffs via cellular phone text messaging (from phone number 19175617854) on May 30, 2006 specifically, and at other times verbally, that MODA would "go public," and that Mulholland "would be chairman," and would "take the test 4 the chairman seat on the board." On June 6, 2006, Mulholland explicitly represented to Plaintiffs via cellular phone text messaging (from phone number 19175617854), and at other times verbally, that "the only one who is allowed to discuss anything about my company is me. Why u spoke to him 4 info is far bey." On June 9, 2006, Mulholland stated to Basile via cellular phone text messaging (from phone number 19175617854) that she "[hadn't] left [her] meeting to go downtown yet. [She is] putting together all other things 4 the same time as the shares." On June 14, 2006, Mulholland explicitly represented to Plaintiffs via cellular phone text messaging (from phone number 19175617854) that "[she] just finished. Yes [she] passed," referring to the claimed test that she supposedly took to sit as Chairman when MODA went public. On June 29, 2006, Mulholland expressly represented that MODA became a public company and stated to Basile via cellular phone text messaging (from phone number 19175617854) "Public. Haven't been downtown yet 4 stock." These text messages as to stock were in



response to Plaintiffs' inquiries as Mulholland promised Plaintiffs many times the number of stock that they purchased in "pink" shares once MODA went public.

51. Despite Mulholland's false representations to the contrary, MODA is not a public company, nor has it ever taken any formal steps to become a publicly traded company. Mulholland never sat for any type of examination in connection with serving as a member or as Chair of the Board of Directors. Mulholland never delivered the stock certificates promised to Plaintiffs.<sup>6</sup> Surprisingly, there are recent internet press releases (as of January 2009) describing an apparent sale of MODA; however, on the New York State Corporations website, MODA continues to be listed as an inactive corporation. Upon information and belief, MODA is far behind in its corporate taxes and/or registration fees such that it is either listed as delinquent or inactive as a corporation by the State of Delaware.

52. Upon information and belief, Mulholland pretended to sell shares of MODA's stock to Plaintiffs. Invoices issued by MODA on MODA letterhead/stationary to Celeste Holm, such as the October 29, 2005, reflect 20 "Corp. Shares" purchased in the amount of \$95,726.40. Mulholland told Plaintiffs that their "stock would be converted to stock on the 'pink sheets' when MODA went public."

53. Upon information and belief, MODA does not -- and did not -- generate millions of dollars in profit. Upon information and belief, MODA does not -- and did not -- have assets in excess of one million dollars. At no time was George Levy in contract with

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<sup>6</sup> In or around September 2005, Stephen Bogart, then the COO of MODA, told Plaintiffs that due to the restructuring of MODA, the monies paid by Plaintiffs were "redirected" to pay certain bills and/or invoices purportedly "outstanding." Bogart was apparently unaware that the money delivered was for the purchase of MODA's shares. Plaintiffs never authorized any such "redirection" and when they confronted Mulholland, she assured them that the monies paid were for stock, and that "they owned the stock." Significantly, Plaintiffs' purchase of stock is further memorialized in multiple invoices and/or statements from MODA, such that it is clear that MODA knew or should have known that Mulholland, on behalf of MODA, sold stock to Plaintiffs.

MODA or involved in taking MODA public. At no time did Plaintiffs receive any dividend from any of their MODA stock. MODA did not go public. Upon information and belief, MODA is not a Delaware corporation in good standing and/or may otherwise be delinquent with regard to its corporate standing.

54. At all times, Plaintiffs were purchasers in good faith who paid substantial value for the shares they bought without any notice that the sale of said shares may have been unauthorized by MODA. Specifically, at all times, Mulholland acted as the CEO and/or President, and signed the initial stock certificate in that capacity. Mulholland had the actual and apparent authority to issue stock certificates.

55. Other than the first stock certificate dated December 1, 2004, Defendants failed to provide Plaintiffs with a stock certificate representing the total number of shares purchased by Plaintiffs.

56. Mulholland, on behalf of Defendants, acted fraudulently and made material misrepresentations to Plaintiffs to induce Plaintiffs to purchase stock and upon which Plaintiffs relied to their detriment.

57. At exorbitant prices, MODA attempted to sell to Plaintiffs what did not exist, and what Plaintiffs would never have purchased but for Mulholland's misrepresentations as to the company's financial condition in terms of its revenue and assets, as to the value of the stock and the history of stock dividends, that the company was going to go public and did go public, and the forecasted tripling of the stock value upon release of its largely completed film production. None of these representations were true at the time they were made by Mulholland. Plaintiffs would not have purchased, nor have paid ever-increasing amounts for MODA's stock absent Mulholland's express representations.

58. Defendants' actions also violated the New York Uniform Commercial Code, including Article 8, and New York General Business Law § 349.

59. Moreover, Defendants have been unjustly enriched, at Plaintiffs' expense, such that equity and good conscience demand that Plaintiffs be made whole. At all times, Plaintiffs acted with the reasonable expectation of receiving value for the monies paid. No such value was received, and the monies paid should be returned.

60. As a direct and proximate result of Defendants' actions, Plaintiffs suffered injury and damages.

**COUNT III**  
**Fraud, Unjust Enrichment**  
**(Celeste Holm Coffee Table Book)**

61. Plaintiff repeats, reiterates and re-alleges each and every allegation set forth in paragraphs "1" through "60" with the same force and effect as if fully set forth herein at length.

62. Mulholland, on behalf of MODA, represented to Plaintiffs that MODA would develop, create and publish a coffee table book relating to the life and career of Celeste Holm. To that end, Defendants billed and received no less than \$30,000.00 from Plaintiffs, paid to create the coffee table book. To date, despite repeated requests by Plaintiffs, Defendants have never received a draft of the book, a manuscript, text, layout or any mockup of the supposed coffee table book.

63. In furtherance of the coffee table book, Plaintiffs authorized Defendants to use some of the pictures, letters and cherished memorabilia already provided to Defendants as part of the archiving project.

64. On November 17, 2005, Mulholland emailed Basile an invoice for the coffee table book in the amount of \$30,000.00. The invoice was printed on MODA stationary or letterhead. In the description section "Coffee Table Book Dev" . . . "Conceive, Develop, Design and Layout" was printed. No breakdown of costs was given, and when a breakdown and/or further details were requested by Basile, Mulholland emailed him on November 18, 2005 stating "No, I can't. This is conceiving, designing, developing, layout of a coffee table book for a set fee."

65. Specifically, in email, on December 15, 2005, Mulholland wrote to Basile and stated, in part, that "Bruce is still working on the PDF of the book. He has had other deadlines. As soon as he gets it transferred you will be the first to receive it. I will make a time with you to get the artwork."

66. Moreover, Mulholland made various representations as to the progress and release of the coffee table book in 2005 and 2006, including sending Plaintiffs an "event schedule planner" in late 2005 with phases 1, 2 and 3, relating exclusively to the coffee table book's release. To date, other than billing Plaintiffs and creating bogus release and promotion schedules, no work has been done with regard to the coffee table book.

67. Initially the coffee table book was scheduled to be released in March 2006. That release date was pushed back to the fall of 2006. At no time was a manuscript or text of the coffee table book provided to Plaintiffs from any source.<sup>7</sup>

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<sup>7</sup> In light of the many outright, abject fabrications by MODA it is not surprising that MODA represented the completion and existence of the Celeste Holm coffee table book, "Picturing Celeste Holm" on and through its website. In fact, MODA continued to use the supposed "Picturing Celeste Holm" coffee table book on its website for more than a year after Plaintiffs terminated their relationship with MODA in June 2006, and years after it was apparent to everyone involved that there never was a Celeste Holm coffee table book.

68. At the time Mulholland represented orally to Plaintiffs in person and by telephone in March 2006 that a coffee table book was in the process of being developed, written and "at least eighty percent completed," no such work existed. Mulholland misrepresented the status and existence of the coffee table book with the express if not sole intent of inducing Plaintiffs' reliance. Plaintiffs reasonably relied upon Mulholland's misrepresentations to their detriment.

69. Moreover, Defendants have been unjustly enriched, at Plaintiffs' expense, such that equity and good conscience demand that Plaintiffs be made whole. At all times, Plaintiffs acted with the reasonable expectation of receiving value for the monies paid. No such value was received, and the monies paid by Plaintiffs should be returned.

70. As a direct and proximate result of Plaintiffs' reliance, Plaintiffs suffered injury and damages.

**COUNT IV**  
**Fraud**  
**("Simple Things")**

71. Plaintiff repeats, reiterates and re-alleges each and every allegation set forth in paragraphs "1" through "70" with the same force and effect as if fully set forth herein at length.

72. On or about December 30, 2004, Mulholland on behalf of MODA presented to Basile via facsimile a fictitious Letter of Intent purportedly conveying the interest of Alfred Intl. Inc. in Basile's album, "Simple Things." The Letter of Intent appears to have been signed by Bryon Meyer, as an "Accredited Investor."

73. This document was created by Mulholland and, upon information and belief, there is no Alfred Intl. Inc., or if such a company exists, it did not contract with MODA with reference to Basile and/or "Simple Things."

74. In conjunction with the Letter of Intent, Mulholland told Basile in December 2004 that "there was a \$1,000,000.00 deal on the table" and that they "already bought the album" based on Mulholland's recommendation and reputation because she "trained with the renowned Frank Military and worked with his company before." Mulholland told Basile that he "needed only to record three songs to be paid in full." In reliance upon this representation, Basile hired a studio producer, had three songs arranged especially for him, and spent considerable money and time in the studio recording these songs.

74. At the time Mulholland expressly represented this company's interest in Basile's work, Mulholland knew there was either no such company or that there was no agreement with the company as conveyed in the Letter of Intent. Nor did Mulholland ever study under Frank Military. Upon information and belief, Mulholland forged the signature on the Letter of Intent and impersonated the signatory.

75. At all times, Mulholland knew her statements were false. Mulholland made these misrepresentations with the express if not sole intent of causing Basile to rely upon them. Basile reasonably relied upon Mulholland's statements to his detriment.

76. As a direct and proximate result of Defendants' conduct, Basile has suffered injury and damages.

**COUNT V**  
**Fraud, Unjust Enrichment, Conversion**  
**(Celeste Holm Documentary)**

77. Plaintiff repeats, reiterates and re-alleges each and every allegation set forth in paragraphs "1" through "76" with the same force and effect as if fully set forth herein at length.

78. Mulholland, on behalf of MODA, represented to Plaintiffs that MODA was creating and producing a one-hour documentary film about the life and career of Celeste Holm ("Documentary"). Mulholland told Plaintiffs that "the script would be written by John Mulholland," and MODA presented Plaintiffs with a proposed budget/spreadsheet for the film. To that end, Plaintiffs initially paid approximately \$15,000.00 to Defendants for the writing and production of the film. To support the Documentary, Plaintiffs provided home movies filmed on 8mm film and paid for these images to be transferred to a digital format, providing the digital format to MODA for its use in the Documentary. Additionally, Plaintiffs agreed to allow MODA to use the memorabilia that they were archiving for the Documentary as well.

79. In February 2006, in furtherance of the Documentary, interviews of Patricia Neal, Kitty Hart and Shirley Jones were taken. To date, not all of the tapes of these interviews have been given to Plaintiffs.

80. At all times, Mulholland expressly represented that the Documentary was "getting done," "being taken care of," and/or "in the works." Defendants deliberately and knowingly billed and/or invoiced Plaintiffs for work that was not done. At the time these statements were made there was no Documentary being developed to the extent that there was no script and/or outline or any production actually underway. Defendants billed

Plaintiffs tens of thousands of dollars over the course of a year and a half, supposedly in furtherance of the Documentary film. Plaintiffs later found out that the one day of filming cost only a few thousand dollars and that MODA improperly inflated its bill to Plaintiffs.

81. Moreover, Mulholland deliberately retained certain tapes of footage without the consent or approval of Plaintiffs. On or about August 21, 2006, Plaintiffs expressly demanded the return of all tapes. Defendants refused and/or failed to return all of them and the tapes provided were in an antiquated format. As a result, Defendants have improperly exercised control and possession over Plaintiffs' property to the exclusion of Plaintiffs and thereby have converted the same.

82. Mulholland made the misrepresentations with the express if not sole intent to defraud Plaintiffs. Plaintiffs reasonably relied upon Mulholland's misrepresentations to their detriment. Based upon Mulholland's statements, Plaintiffs overpaid MODA in connection with the Documentary.

83. As a direct and proximate result of Defendants' actions, Plaintiffs suffered injury and damages.

**COUNT VI**  
**Fraud**  
**(Classico San Francisco)**

84. Plaintiff repeats, reiterates and re-alleges each and every allegation set forth in paragraphs "1" through "83" with the same force and effect as if fully set forth herein at length.

85. On or about December 12, 2005, Mulholland, on behalf of MODA, presented Plaintiffs with a "Licensing Agreement Deal Memo" purportedly with Classico San



Francisco as to the sale of "Journals, Mirrors, Magnets" as well as cards and prints bearing the image of Celeste Holm, "based upon [the] illustrated Celeste Holm Book."

86. The Licensing Agreement Deal Memo, dated December 9, 2005, was purportedly signed by Ed Dietz on behalf of Classico San Francisco on December 12, 2005.

87. The Licensing Agreement Deal Memo was a complete fabrication made by Mulholland, who created the document, signed the document and conveyed the document to Plaintiffs.

88. Upon investigation by Plaintiffs after-the-fact in late 2006, it was discovered that at the time the agreement was purportedly executed by Ed Dietz, Ed Dietz had been dead for approximately two years and was therefore not an authorized agent of Classico San Francisco. Upon information and belief, Mulholland impersonated Ed Dietz and forged his signature on the Licensing Agreement Deal Memo.

89. At all times, Mulholland knew that the agreement she created and tried to pass off as real was not a legitimate agreement with Classico San Francisco. Mulholland expressly told Plaintiffs in November and December of 2005, that she "had a deal with Classico San Francisco" for Celeste Holm and presented Plaintiffs with a false Licensing Agreement Deal Memo in furtherance of her deception. The Licensing Agreement Deal Memo was on LicenseBox letterhead and/or stationary that was provided to Plaintiffs in December 2005 and listed "Classico San Francisco" as the company and "E. Dietz" as the contact.

90. The deal memo set forth a licensing period of approximately one year and a seven percent (7%) royalty rate on all products "based on [an] illustrated Celeste Holm Book."

91. Before sending the deal memo, Mulholland created an email that she supposedly sent to Classico San Francisco on November 17, 2005 stating "Per our conversation regarding support publicity and products concerning the Celeste Holm campaign with Classico, below please find our rough outline. Look forward to speaking with you again tomorrow. Best/Shannon." Three minutes thereafter, Mulholland forwarded this email to Basile, writing "Frank - FYI. Best/Shannon." In these emails, Mulholland lists four Publicity Events: "(1) Oklahoma CD Launching (Spring 2006), (2) Celeste Holm Birthday (2006), (3) Coffee Table Book/Calendar Release (Fall 2006) and (4) Jean Park Art Exhibit (Fall 2006)" and well as four Upcoming Support Products: "(1) Posters (4) Icons, (2) Postcards (4) Icons, (3) Coffee Table Book, and (4) Calendar." Upon information and belief, there was never an email sent to Classico San Francisco and the November 17, 2005 email was made and sent by Mulholland expressly for and in an effort to deceive Plaintiffs.

92. In November and December of 2005, and on or about December 9, 2005, Mulholland told Basile in person and by telephone that "Classico was only willing to do this deal because of [her], and because [she came] along with the deal." At that time, Mulholland told Basile in person and by telephone that she "would back the Classico deal up with a big publicity blitz, including a coffee table book and documentary." Mulholland told Plaintiffs, in sum or substance if not with the exact words, that "with Classico on board, now we can do the coffee table book and documentary."

93. In furtherance of the lie, Mulholland cautioned Plaintiffs from immediately accepting the supposed deal with Classico San Francisco, because "the deal with Classico could water down the market or result in overexposure when the campaign through

ICONS takes off.” Mulholland expressly told Plaintiffs that as share holders of MODA they “were owners of the company” and that they “would also own a stake in the ICONS restaurant and magazine stores,” a new division of MODA that was being launched, where Plaintiffs would supposedly profit more than with the Classico San Francisco licensing deal. Mulholland suggested to Plaintiffs in person and by telephone in December 2005, including on or about December 9, 2005, “to go with Classico with only a few limited items and leave the big ticket items for ICONS.”

94. Upon information and belief, all of the false deliberation concerning Classico was concocted by Mulholland and were lies layered over lies to create the impression that MODA was taking off, such that Plaintiffs’ shares were valuable, and to further induce Plaintiffs to acquire more MODA shares. Simply put, Mulholland used the false deal memo with Classico to string Plaintiffs along, inducing Plaintiffs to continue to deal with MODA.

95. At no time was there ever an agreement on behalf of Celeste Holm with Classico San Francisco. Nonetheless, Mulholland repeatedly told Plaintiffs that there was such a deal and outlined the supposed events and fictitious publicity campaigns for the deal. When Plaintiffs inquired as to this project in mid-2006, Defendants engaged in stall tactics, made excuses and otherwise avoided the topic.

96. At the time the representations as to Classico were made to Plaintiffs, Mulholland knew that there was no deal with Classico San Francisco and that she had fabricated the Licensing Agreement Deal Memo.

97. In December 2005 and thereafter, Mulholland made these misrepresentations with the express if not sole intent to defraud Plaintiffs. As a result of Mulholland’s statements

and the false documents, Plaintiffs reasonably relied upon Defendants' misrepresentations to their detriment.

98. As a direct and proximate cause of Defendants' actions, Plaintiffs suffered injury and damages.

**COUNT VII**  
**Breach of Contract, Breach of Fiduciary Duty**  
**(2006 Licensing Agreement)**

99. Plaintiff repeats, reiterates and re-alleges each and every allegation set forth in paragraphs "1" through "98" with the same force and effect as if fully set forth herein at length.

97. On or about January 17, 2006 Celeste Holm and HolmBase, LLC contracted with PublicityBox, a subdivision or affiliate of MODA. Specifically, MODA, as the consultant, agreed to *inter alia* provide "a broad range of publicity and marketing services" in exchange for payment on a monthly basis for services rendered, if any, and a one time payment of a retainer in the amount of \$3,500.00. Mulholland signed on behalf of "PublicityBox A division of MODA Entertainment, Inc." Celeste Holm signed on her own behalf and for HolmBase, LLC. This agreement was entered into upon Mulholland's representations that the archiving project was complete and that MODA had signed a deal with Classico on behalf of Celeste Holm.

98. As a result of this contract, Mulholland and MODA owed certain fiduciary duties to Plaintiffs, such as the duty to act in good faith and engage in fair dealing while performing pursuant to the contract.

99. Instead, Mulholland engaged in deceit and trickery designed to swindle money from Plaintiffs. Almost none of the supposed services purportedly being rendered by

Defendants ever materialized. Defendants failed to “provide publicity, marketing, research, communications and related consulting services,” despite having been paid by Plaintiffs to do so.

100. Notwithstanding the express terms of the agreement, MODA charged Plaintiffs as though there was a monthly retainer fee due in connection with the licensing agreement. Plaintiffs requested, but never received, receipts and other evidence as to the actual expenses paid by MODA, as expressly required by the licensing agreement. Moreover, Plaintiffs were induced to pay these fictitious fees in part upon Mulholland’s representation that “other clients were paying the same” and “that is what it costs.” For example, in or around May of 2006 MODA charged a \$5,500.00 fee to Plaintiffs for the licensing show in June 2006, for which inexplicably only Plaintiffs were billed (a fact later revealed to Plaintiffs after they left MODA as clients). There is no basis, in terms of underlying receipts and/or proof of expenses paid, to support any invoice sent by MODA in connection with the licensing agreement.

101. As a direct and proximate cause of Defendants’ actions, Plaintiffs suffered injury and damages.

**WHEREFORE**, Plaintiff demands judgment against Defendants as follows:

I. Against Defendants on Count I: the return of all property belonging to Plaintiffs; restitution and/or compensatory damages in an amount to be determined at trial but not less than \$132,000.00; punitive damages in an amount to be determined at trial; and Plaintiffs’ reasonable attorneys’ fees and costs incurred in bringing this action;

II. Against Defendants on Count II: restitution and/or compensatory damages in an amount to be determined at trial but not less than \$150,000.00; punitive damages in an

amount to be determined at trial; and Plaintiffs' reasonable attorneys' fees and costs incurred in bringing this action;

III. Against Defendants on Count III: restitution and/or compensatory damages in an amount to be determined at trial but not less than \$30,000.00; punitive damages in an amount to be determined at trial; and Plaintiffs' reasonable attorneys' fees and costs incurred in bringing this action;

IV. Against Defendants on Count IV: compensatory damages in an amount to be determined at trial; punitive damages in an amount to be determined at trial; and Plaintiffs' reasonable attorneys' fees and costs incurred in bringing this action;

V. Against Defendants on Count V: the return of all property belonging to Plaintiffs; restitution and/or compensatory damages in an amount to be determined at trial but not less than \$15,000.00; punitive damages in an amount to be determined at trial; and Plaintiffs' reasonable attorneys' fees and costs incurred in bringing this action;

VI. Against Defendants on Count VI: compensatory damages in an amount to be determined at trial; punitive damages in an amount to be determined at trial; and Plaintiffs' reasonable attorneys' fees and costs incurred in bringing this action

VII. Against Defendants on Count VII: compensatory damages in an amount to be determined at trial;

VIII. On all claims, Plaintiffs respectfully demand that the Court award to Plaintiffs interest and costs as allowed by law, together with such other relief as the Court finds to be just, proper and equitable.

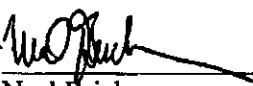
**JURY DEMAND**

Plaintiffs respectfully request that this action be tried before a jury.

Dated: New York, New York  
March 4, 2009

The Law Offices of Neal Brickman, P.C.  
*Attorneys for Plaintiffs*

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