

UNITED STATES BANKRUPTCY COURT
DISTRICT OF CONNECTICUT
HARTFORD DIVISION

-----	X	
In re:	:	
	:	
	:	Chapter 11
CURTIS JAMES JACKSON, III,	:	
	:	Case No. 15-21233 (AMN)
Debtor.	:	
-----	X	

DECLARATION OF CURTIS J. JACKSON III UNDER 28 U.S.C. § 1746

I, Curtis J. Jackson III, under penalty of perjury, declare as follows:

1. My name is Curtis J. Jackson III and I am the debtor and debtor in possession in the above-captioned bankruptcy case that was filed under chapter 11 of Title 11 of the United States Code, §§ 101-1532, as amended (the "Bankruptcy Code").¹

2. Except as otherwise indicated, all of the facts set forth in this Declaration are based upon my personal knowledge, my review of relevant documents, or my opinion based upon experience, knowledge and information concerning my business affairs and operations. If called upon to testify, I will testify competently to the facts set forth herein.

3. On or about January 12, 2016, counsel for three major creditors representing approximately ninety five (95%) of the total unsecured claims, Sleek Audio, LLC ("Sleek Audio"), Lastonia Leviston and SunTrust Bank (collectively, the "Major Creditors"), filed their *Disclosure Statement to Joint Plan* [D.E. 308] (the "Disclosure Statement"), as well as their *Joint Plan* [D.E. 307] (the "Joint Plan"). Included in the Disclosure Statement on ECF pages 17 through 19, were references to certain postings on my social media accounts relating to brands,

¹ All section references contained in this Declaration, not otherwise defined herein, are to the Bankruptcy Code.

projects, products and other entertainment-related matters I actively promote. At no time prior to the filing of the aforementioned Disclosure Statement did the Major Creditors, their counsel or the U.S. Trustee make a formal request for information regarding any of these posts. To the extent that any informal requests for information were made, my counsel provided prompt responses and no formal follow-up discovery demands were sent to my attorneys or required.

4. On July 24, 2015, at my initial debtor interview (the "Debtor Interview"), I personally met with Attorney John F. Devlin ("Mr. Devlin"), an attorney for William K. Harrington ("Mr. Harrington") the U.S. Trustee (the "UST") for Region 2 in New York City. Neither Mr. Harrington, nor Holly Claiborn (another attorney at the office of the UST, who authored the UST's Examiner Motion, as defined below) attended that meeting. In order to be responsive and to provide as complete picture as possible for the UST, I appeared not only with my bankruptcy counsel, but also with my accountants from California, my general counsel most familiar with my pre-petition legal affairs and those of my affiliated entities, and the principal employee of my main business. Both my counsel and I assured Mr. Devlin that we intended to be fully transparent throughout the entire bankruptcy process and advised that if anyone had questions or concerns they could be directed to my attorneys or to my accountants for a prompt response. I even gave the UST authority to speak with my accountants directly with no need for any such inquiries to be filtered through my attorneys. As might be expected, the UST, who was furnished with voluminous documents prior to the Debtor Interview, had certain follow up questions and requests, all of which were fully satisfied.

5. On August 5, 2015, I appeared at the office of the UST in New Haven, Connecticut for a § 341 meeting of the creditors (the "Creditors Meeting") before Abigail Hausberg, an attorney at the UST's office. During the Creditors Meeting, together with my

attorneys and business manager/accountant, I provided sworn testimony regarding my finances. More specifically, I answered questions and informed the creditors and the UST about all the real property I own, my monthly expenses, and how I earn money as the performer known as "50 Cent," including through concert performances, record sales, music publishing and through the television/film industry.² At the conclusion of the Creditors Meeting, my general counsel specifically stated the following on the record: "I encourage any creditor that has a question to feel free to reach out to us and we'll informally produce whatever information we can."³

6. In order to further explain and disclose the nature of the income generated by my concert performances, I produced a pre-petition Loan-Out Agreement I entered with G-Unit Touring, LLC ("Touring"), a limited liability company that I own, under which Touring, among other things, makes my personal services available for concert performances. Such agreements are standard in the music industry. Touring is a promotional vehicle to keep my record label alive, transmit new music to fans and it helps cover certain operational expenses since I run an independent record label. The fees for concert performances are paid directly to Touring, not to me personally. For some concert performances and tours, Touring uses the services of a licensed talent agent, presently Agency For The Performing Arts ("APA"). Some of the negotiations are done by Touring and others are done directly by the talent agent. Each concert is different with respect to how expenses are allocated between the promoter/individual booking the concert and Touring. Sometimes fees are "all inclusive" of expenses (i.e. airfare, hotel, ground transportation), sometimes the purchasing party pays for expenses directly and sometimes expenses are paid through a separately negotiated travel expense "buy out." It all depends on the

² See the Transcript of the Creditors Meeting (the "§ 341 Transcript"), pp. 66-67, 70-71, 73, and 78-79.

³ § 341 Transcript, pp. 146-147.

situation at hand. Depending on the agreement and venue, taxes, attorneys' fees and agency fees may also deducted from the final payment received by Touring. Touring also has its own operating costs and creditors who are separate and apart from my individual creditor body. In addition to paying its operating expenses and concert costs, Touring is required to maintain sufficient working capital to fund future concerts and tours. Touring is also able to book concerts by entering a contract directly with a venue and self-promoting or co-promoting the event with a third-party so that revenues are generated directly from ticket sales. Again, the key take away from all of this is that all fees generated from my concert performances are paid to Touring, not to me personally.

7. When the Disclosure Statement was filed by the Major Creditors, it included questions which appeared to indicate confusion about: (a) the role of my affiliated businesses; (b) the discovery requested and produced to the Major Creditors; and (c) the testimony I provided at the Creditors Meeting. First, the Disclosure Statement raises questions about the absence of touring revenues in my personal accounts, which we already advised appear in the affiliated entities. Second, the Major Creditors never opted to schedule a Bankruptcy Rule 2004 Examination and the UST never scheduled a continuation of the Creditors Meeting, although it was stated on the record that a continued date would be provided. Moreover, the only formal discovery demands served upon my counsel were from the Major Creditors, and they were limited to the books and records relating to my personal accounts, all of which were provided. Third, had the Major Creditors reviewed the testimony I provided at the initial Creditors Meeting or had we been given the opportunity to respond to the matters raised in the Disclosure Statement before it was filed, any confusion regarding assets and my social media posts could have been proactively addressed and resolved.

8. Because the questions raised in the Disclosure Statement were potentially serious in nature, yet all easily answered, I instructed three of my attorneys to travel to Detroit, Michigan to meet with counsel for Sleek Audio (the drafter of the Disclosure Statement), as well as the Major Creditors' financial advisor from Alix Partners. As a result of that meeting, an agreement in principal was reached on the general terms and conditions of a consensual plan that will have all secured creditors paid in full and all unsecured creditors paid on a mutually agreeable schedule within one (1) to five (5) years, with certain percentage discounts potentially offered depending on the speed in which payments can be made within the first year of the plan. At this meeting, it was also agreed that the hearing on the Joint Disclosure Statement, scheduled for February 18, 2016 (the "February 18th Hearing") would be continued so that all parties could appear at a later date and present a consensual plan of reorganization.

9. On February 18, 2016, my attorneys and local counsel for the Sleek Audio appeared and informed the Court that a consensual plan was being negotiated and would be forthcoming, and requested a continuance. While the Court granted the continuance, on its own initiative, it raised the issue of the allegations contained in the Disclosure Statement concerning my social media posts and the reporting of income. The media response to the Court's concerns was substantial, and thereafter, the UST filed a motion to appoint an examiner [D.E. 352] (the "Examiner Motion"). At this time, there is a Status Conference and a hearing scheduled for March 9, 2016 at 2 p.m. (the "March 9th Hearing") to address the Court's concerns and the Examiner Motion. It is my intention to address all concerns in this Declaration.

THE CONTEXT OF THE SOCIAL MEDIA POSTS BY "50 CENT"

10. Hip-hop culture is widely recognized as aspirational in nature. The standard by which artists and fans engage is commonly tied to money, jewelry, products and advertising over

social media.⁴ Products and brands are now marketed through social media as an effective way to engage with consumers. As a result, for celebrities with millions of followers on sites like Facebook, Twitter and Instagram, there no longer exists a clear barrier between personal profiles and public ones. For this reason, the separation between “50 Cent” and Curtis Jackson is virtually impossible to maintain. Brands place a premium on marketing campaigns that focus upon my personal life as it relates to “50 Cent” and the projects and brands I promote. For this reason, since the explosion of social media, I have maintained a strong social media presence that is consistent with the public persona of “50 Cent.”

11. Just because I am sensitive to the needs of maintaining my brand does not mean that I am hiding assets or that I have lied on my filings in this Bankruptcy Case; neither of which is true. I take my responsibilities and obligations imposed by the Bankruptcy Code very seriously and have truthfully responded to questions from creditors. Likewise, I believe my Schedules and Monthly Operating Reports are correct to the best of my knowledge. This can be seen from the fact that: (a) I produced over 17,000 pages of documents to the Major Creditors; (b) I met personally with the UST attorney, Mr. Devlin; (c) I appeared for the Creditors Meeting and provided testimony to the UST; (d) I agreed to participate in a Bankruptcy Rule 2004 examination; and (e) I also agreed to produce my former financial advisor and accounting firm, located in California, for the very same examination in Connecticut as well. This was all done through the *Order Establishing Procedures For Examinations Under Fed. R. Bank. P. 2004* [D.E. 210] which my counsel negotiated with the attorneys for the Major Creditors.

12. It should be no surprise to the Major Creditors or the Court that celebrities use borrowed items, costume jewelry, models, sets and props to create the illusion of enhanced

⁴ See http://www.salon.com/2012/11/15/have_hip_hops_commercial_aspirations_alienated_its_consumers/.

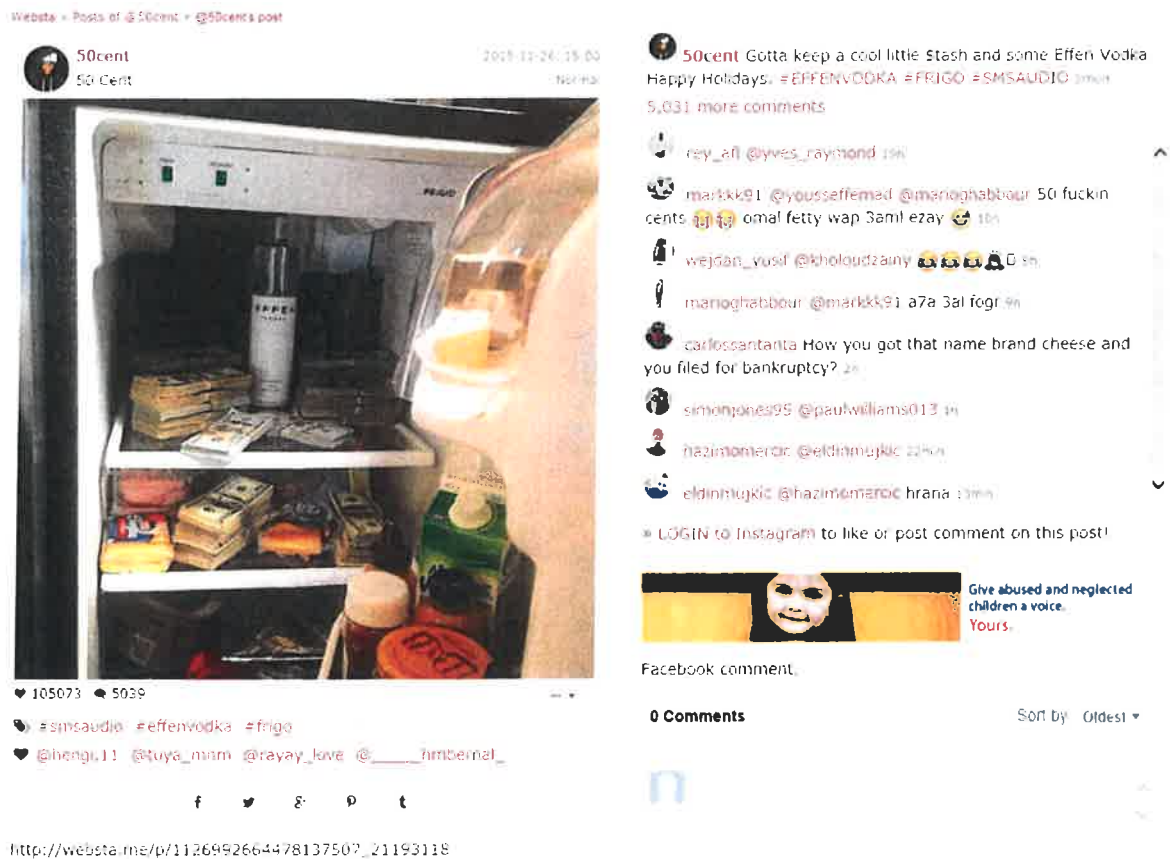
wealth and simulated reality. Over the years, I have participated in and been approached to be photographed with, promote or otherwise affiliate myself with aspirational things. Just because I am photographed in or next to a certain vehicle, wearing an article of clothing, holding a product, sitting next to what appears to be large sums of money or modeling expensive pieces of jewelry does not mean that I own everything in those photos.

**SPECIFIC SOCIAL MEDIA POSTS REFERENCED
IN THE JOINT DISCLOSURE STATEMENT**

13. During the Bankruptcy Case, I have filed all required disclosures and Monthly Operating Reports and Reports of Financial Information on Entities in which I have a Controlling or Substantial Interest (the "Business Reports") and they are true and accurate to the best of my knowledge. My attorneys have also shared numerous confidential contracts and other documents involving business deals I have been associated with over the past decade. I instructed my accountants and financial advisors to report and disclose all of my assets and income, which has been done.

14. Paragraph 3.3(b)(iv)(A) of the Joint Disclosure Statement⁵ references a post to my @50Cent Instagram account from November 26, 2015 where I posted a marketing picture of Effen® Vodka inside a refrigerator with the caption "Gotta keep a cool little \$tash and some Effen Vodka Happy Holidays #EFFENVODKA #FRIGO #SMSAUDIO". That posting is below.

⁵ ECF p. 17.



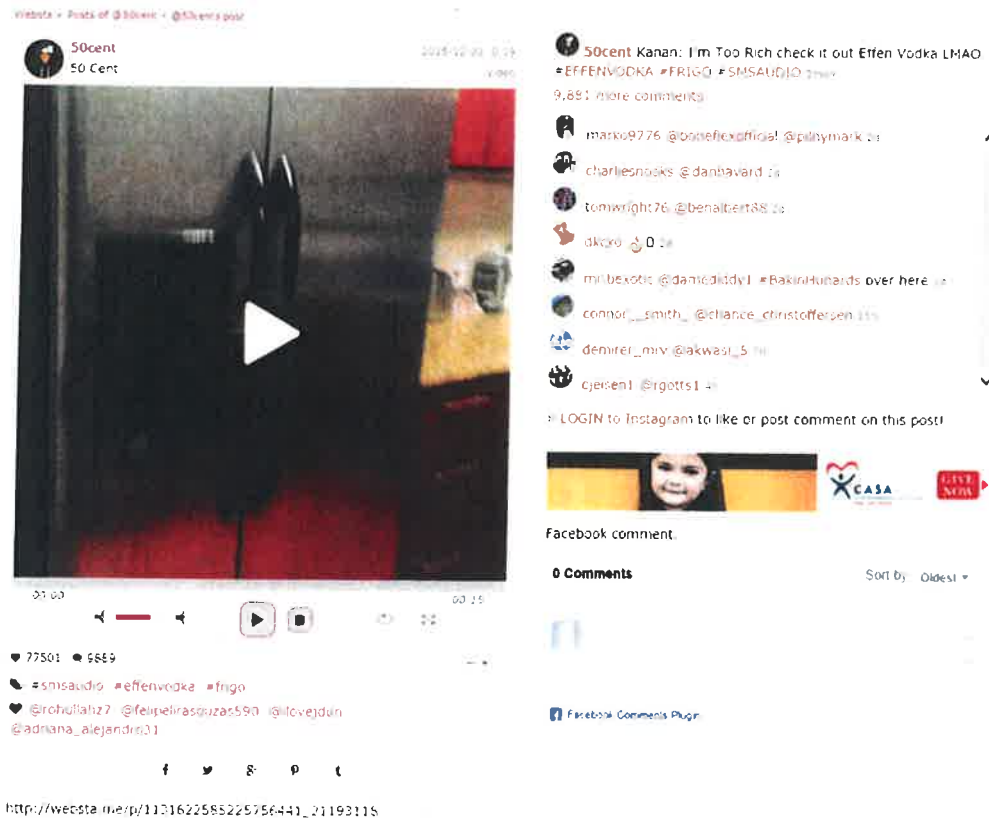
This photograph, which was staged, does not depict real \$10,000 stacks of United States Currency, but instead depicts “prop money” used for G-Unit Records videos and photo shoots.⁶

15. Paragraph 3.3(b)(iv)(B) of the Joint Disclosure Statement⁷ references a post to my @50Cent Instagram account from December 3, 2015 where I posted a short marketing video for my latest mixtape “The Kanan Tape” and Effen® Vodka, where I speak the lyrics of a song called “Too Rich” while I open the refrigerator and then pan around to show a bottle of Effen®

⁶ Prop money is fake money. The colors and paper look real under studio lights, and when being filmed. Prop money is used in place of large quantities of real money for practical purposes during motion picture films, television shows, music videos, commercials and advertisements. On occasion, real bills are placed ontop of prop money to shoot high-definition photos or for close up shots. See <http://www.rjrprops.com/prop-money.html> (Referencing use of Prop Money on 50 Cent Video Shoots).

⁷ ECF p. 17. See also http://websta.me/p/1131622585225756441_21193118.

Vodka surrounded by cash. The Instagram has the caption “Kanan: I’m Too Rich check it out. Effen Vodka LMAO #EFFENVODKA #FRIGO #SMSAUDIO”. That posting is below.

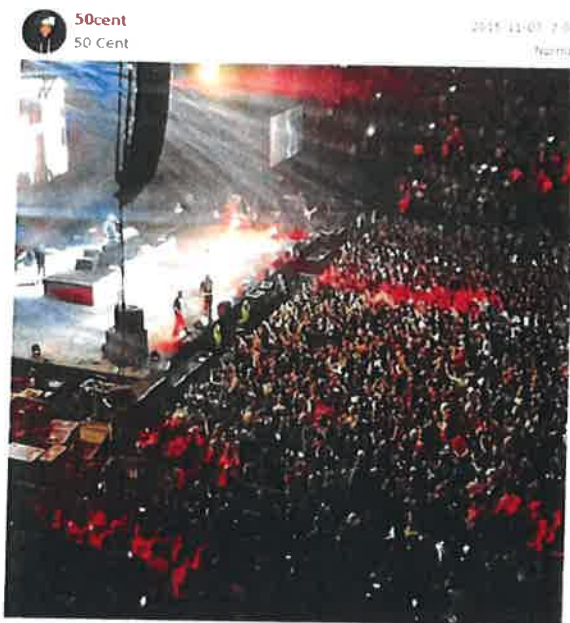


This video does not depict real United States currency, but instead uses prop money used for G-Unit Records videos and photo shoots.

16. Paragraph 3.3(b)(iv)(C) of the Joint Disclosure Statement⁸ references a post to my @50Cent Instagram account from November 7, 2015, where I posted a promotional photograph from a performance I did in Manchester, England. The Instagram has the caption “Last night in MANCHESTER on the EFFEN VODKA TAKE OVER TOUR. #EFFENVODKA #FRIGO #SMSAUDIO”. That posting is below.

⁸ ECF p. 17.

Websta - Posts of @50cent - @50cent's post



54384 773

#smsaudio #effenvodka #frigo

@that_edogirl @ing_kodchakon @giobs10 @petrosanga751

f t g+ p t

http://websta.me/p/1112985178532265450_21193116

50cent Last night in MANCHESTER on the EFFEN VODKA TAKE OVER TOUR, #EFFENVODKA #FRIGO #SMSAUDIO 765 more comments

yaboy_kis Return of the Body Snatchers 2 Fifth

tmoha94 @50cent

morgan_01211 I was at that concert and it was brilliant @50cent hope you come to the UK again soon!!!

oeyeslow I can definitely make that crowd rock hola at me @50cent

trapstar1111 Man was there my g right at da front dats what man lives for fam 50

georgehunter:1991 And saying he's poor lol SMH he's a world wide icon Fuck meek mill n Fuck Rick Ross

al_miz_85 It was real

» LOGIN to Instagram to like or post comment on this post!



Facebook comment.

0 Comments

Sort by Oldest

The Disclosure Statement alleges that no accounting was provided for revenues earned by this performance; however all revenues related to this performance were received by Touring. At the Creditor's Meeting, I specifically disclosed that all revenues derived from concert appearances are paid to Touring, which makes my appearance available through a Loan-Out Agreement. This information was also available to the U.S. Trustee and all Creditors in the Transcript of the Creditors Meeting. Under the Touring Loan-Out Agreement, I provide services to Touring in the form of, among other things, those concert appearances.⁹ My Business Reports also disclose the revenue of each of my affiliated entities. As is clear from the testimony at the Creditors Meeting,

⁹ § 341 Transcript p. 78-79.

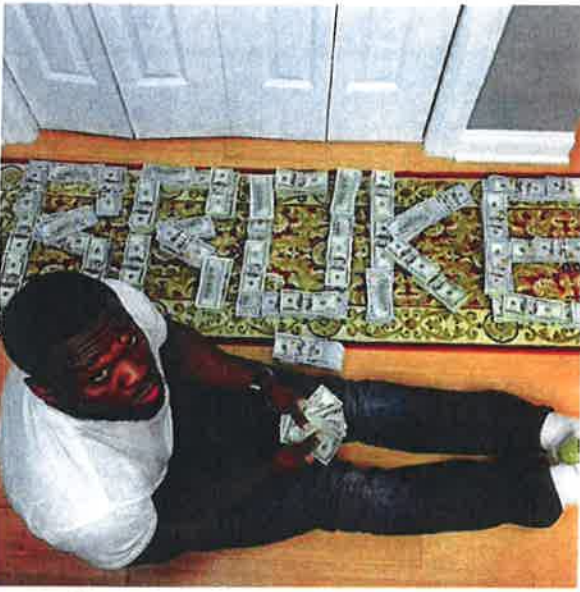
my monthly operating reports, and my Business Reports, income received by my affiliated entities is reported on my Business Reports, not my personal monthly operating reports.

17. Paragraph 3.3(b)(iv)(D) of the Joint Disclosure Statement¹⁰ references two posts to my @50Cent Instagram account from October 14, 2015 and December 23, 2015. The first picture is of me seated next to a rug with the word "BROKE" spelled out and includes the following caption: "Man this lunch money, I gotta go to work I'm still up, no Sleep at all. NEW MUSIC this week, Off The KANAN Tape. #EFFENVODKA #FRIGO #SMSAUDIO". That post is below.

Websta Posts of @50cent @50cent's post

50cent
50 Cent

2015-10-14 6:17
Twitter



180402 11239

#smsaudio #effenvodka #frigo

@kiemnn @ppatryk_krawczyk @mikeafg @j_crossover69

f t

http://websta.me/p/1095514073472925104_21193118

50cent Man this lunch money, I gotta go to work I'm still up, no Sleep at all. NEW MUSIC this week, Off The KANAN tape. #EFFENVODKA #FRIGO #SMSAUDIO 4m

11,231 more comments

carlosagular119 I need money 10%

roymunson360 @a_taste_of_candee 15%

joxer29 I'd like to be broke like you lmao, claims banko and all the money you spent of other people's money! They're the ones losing out not you... Can't even pay your bills! 10%

geniusvasdev @arpan_grover bankrupt 12%

blue13apparel One day is Blu turn. Etsy.com/shop/Blue13fashion 12%

markkk91 @yousseffemad @maroghabbour 10%

rohit_and_run @mercedesdenz12 @majic2334 @dbk1124 @acost1589 the most Johnny p picture of all time 7%

» LOGIN to Instagram to like or post comment on this post!

Facebook comment

0 Comments

Sort By Oldest

The purpose of this post was to promote the upcoming release of the first song off The Kanan Tape, which is based on the character I play on the Starz series "Power." The song which was previously recorded and which was being released at the time is called "Too Rich." At the time the photograph was taken, we were preparing for shooting scenes for the G-Unit Records music video for the song "Too Rich." See below for a screen shot of the prop money from the music video which was released on December 9, 2015.¹¹



The video for "Too Rich" included scenes that were filmed in the same location where the photographs that appeared on my Instagram account in October, November and December 2014 and they were all taken in or around the same time period.¹²

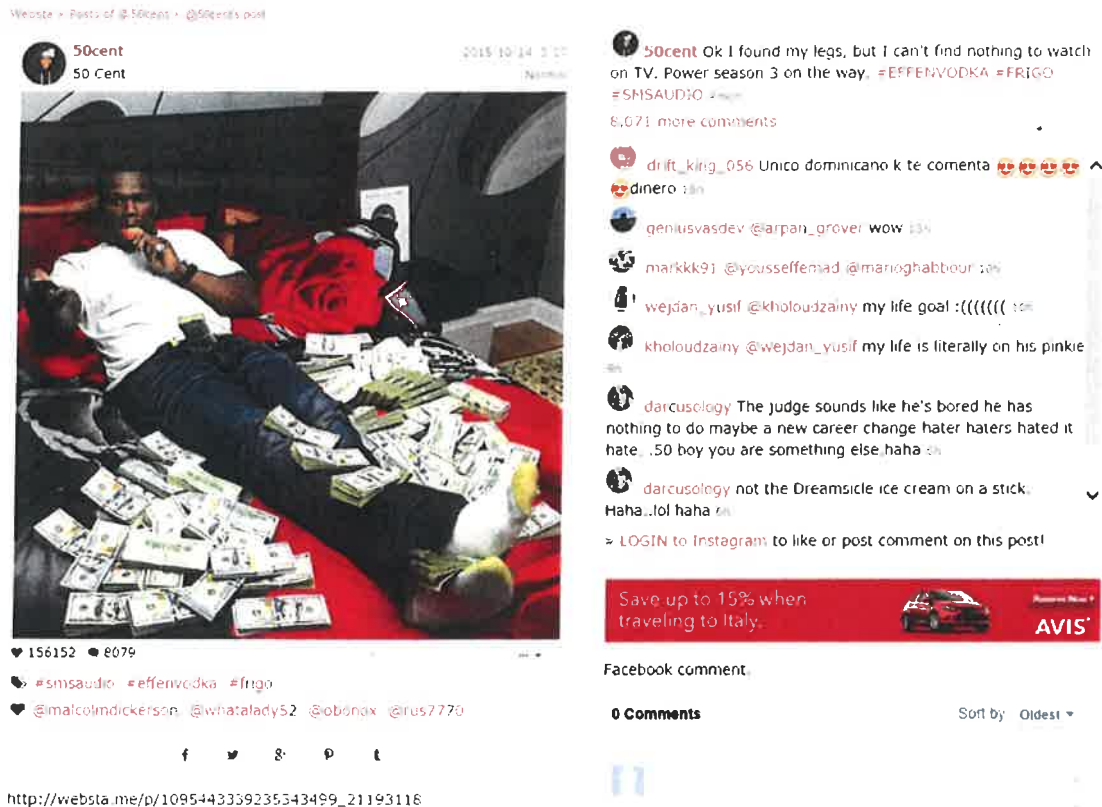
¹¹ See also https://youtu.be/_s3L7yZCzc.

¹² See also https://youtu.be/_s3L7yZCzc?t=1m6s.



18. The second photo referenced in the Joint Disclosure Statement paragraph 3.3(b)(iv)(D)¹³ was also posed on October 14, 2015, and is a companion to a video I posted on Instagram the same day. It depicts me sitting on a bed surrounded by money with the following caption: "Ok I found my legs, but I can't find nothing to watch on TV. Power season 3 on the way. #EFFENVODKA #FRIGO #SMSAUDIO." That post is below.

¹³ See ECF p. 18.



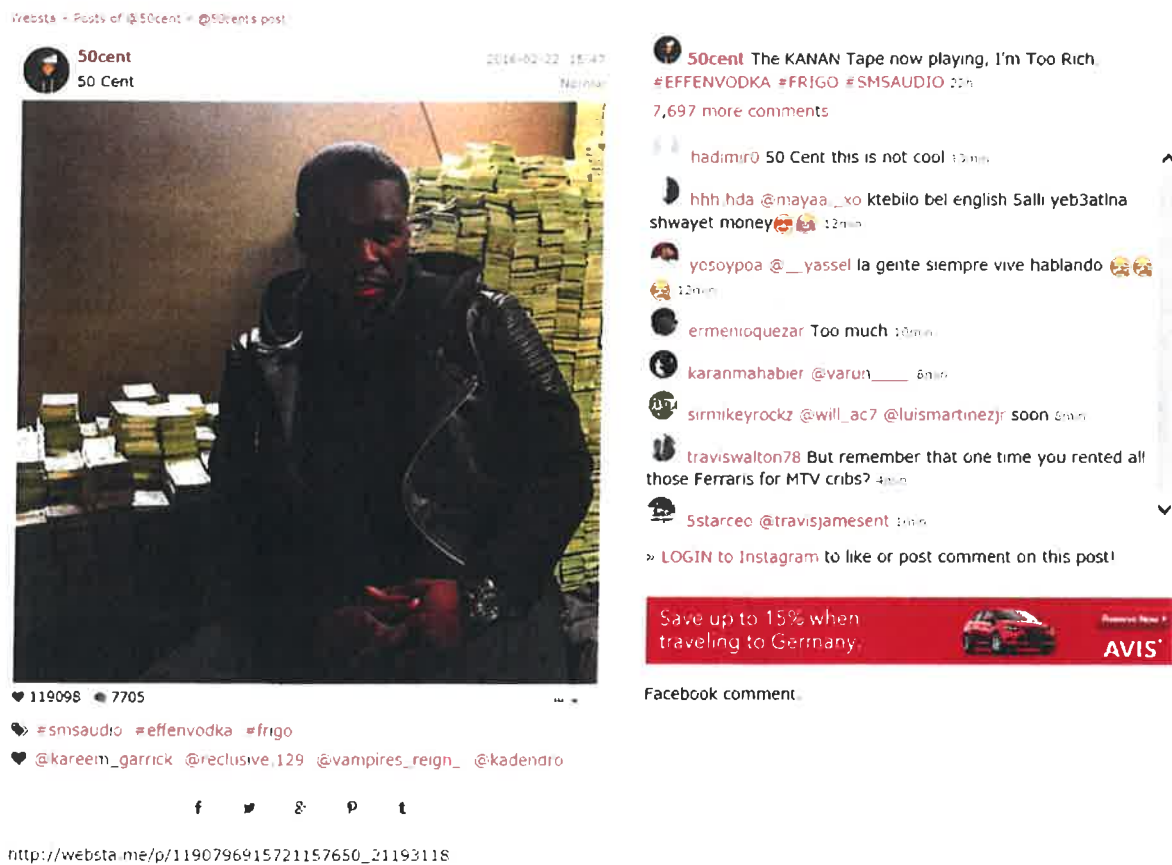
The purpose of this post was to promote the third season of Power on Starz. This was also the same time frame in which my attorneys re-negotiated my overall deal at Starz. The photo shoot uses prop money.

19. Paragraph 3.3(b)(iv)(E) of the Joint Disclosure Statement¹⁴ states that there are similar post-petition photographs and that I provided no detail regarding them. However, nowhere in the Joint Disclosure Statement does it state, or provide evidence, that my attorneys or I were ever asked to provide such details and failed to do so.

20. Because this issue also concerns the Court, I address and explain additional social media posts which are similar in nature to the ones raised in the Joint Disclosure Statement.

¹⁴ ECF p. 18.

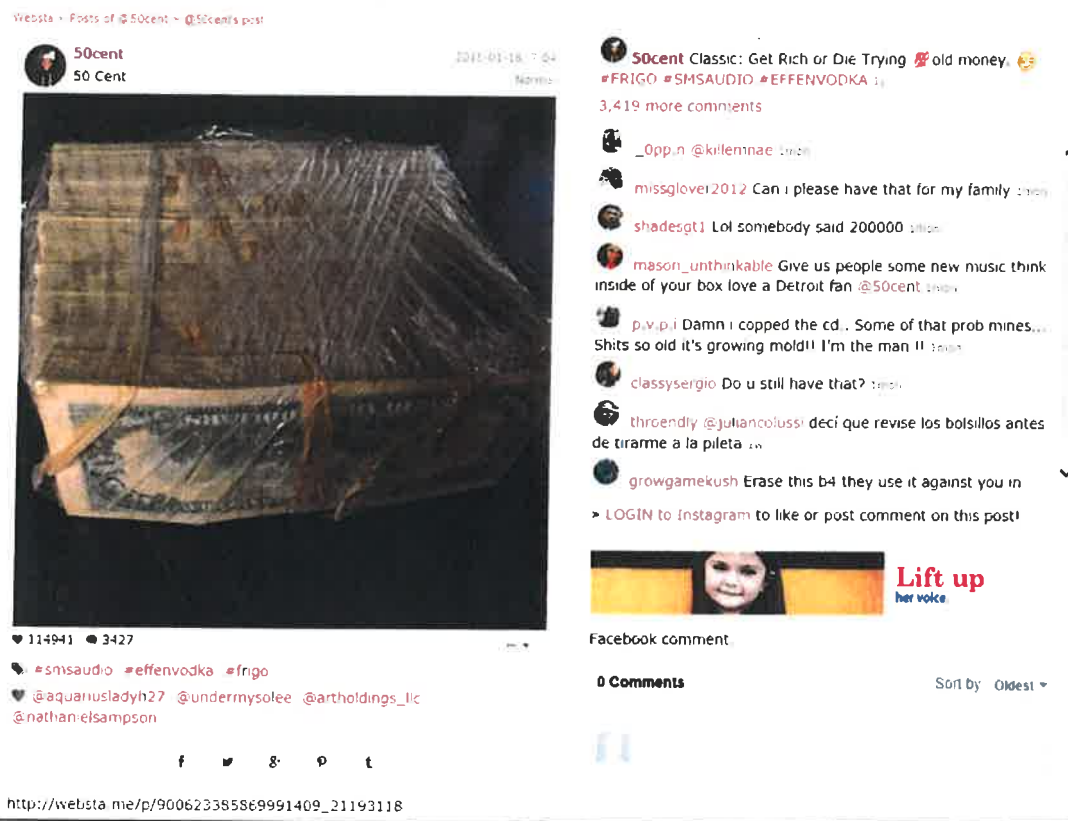
21. During the week of February 22, 2016, I finished the principal photography on Season 3 of the "Power" Series on Starz and posted a photograph to promote my single "Too Rich" which recently went on sale via iTunes. The photograph depicts me in a leather jacket sitting in a "money room" on the set of "Power" and was taken pre-petition, in or around January 2015. The money depicted in the photograph is prop money for the television series. That post is below.



This photograph is no different than many of the other photos taken on set at "Power" and later posted on my Instagram account at the same time of year in 2015 for promotional purposes.

Each of the below photographs were available on my Instagram account before my appearance at the Creditors Meeting.

22. On January 18, 2015, I posted the following photograph on my Instagram account, taken on the set of "Power," featuring prop money.




23. On January 17, 2015, I posted the following photograph on my Instagram account, taken on the set of "Power," featuring prop money.

Website - Posts of @50cent - @50cent's post

50cent
50 Cent

2015-01-16 16:34
Public



73168 1791

#imahustler #frigo
@ahzinesalt @official_r_a_u_l_007 @medy_man_chaps

f t g p t

http://websta.me/p/900195375886941457_21193118

50cent 456 Big C-low game tonight, i got the bank #FRIGO
#IMAHUSTLER baby lol

1,783 more comments

patnca_tina20 10 likes

csorenee_x3 10 likes

yucelmuhammed Normal @kargao_umiut @cum.k :@

asaltybaliz Literally I can't @evan_paulin

speak_easy92 Trap House lol

foxy_pretty_ass 5 likes

chico_longway_ I'm tryna get on ur level fr man

marcelo_fros @dum10oficial 4 likes

LOGIN to Instagram to like or post comment on this post!

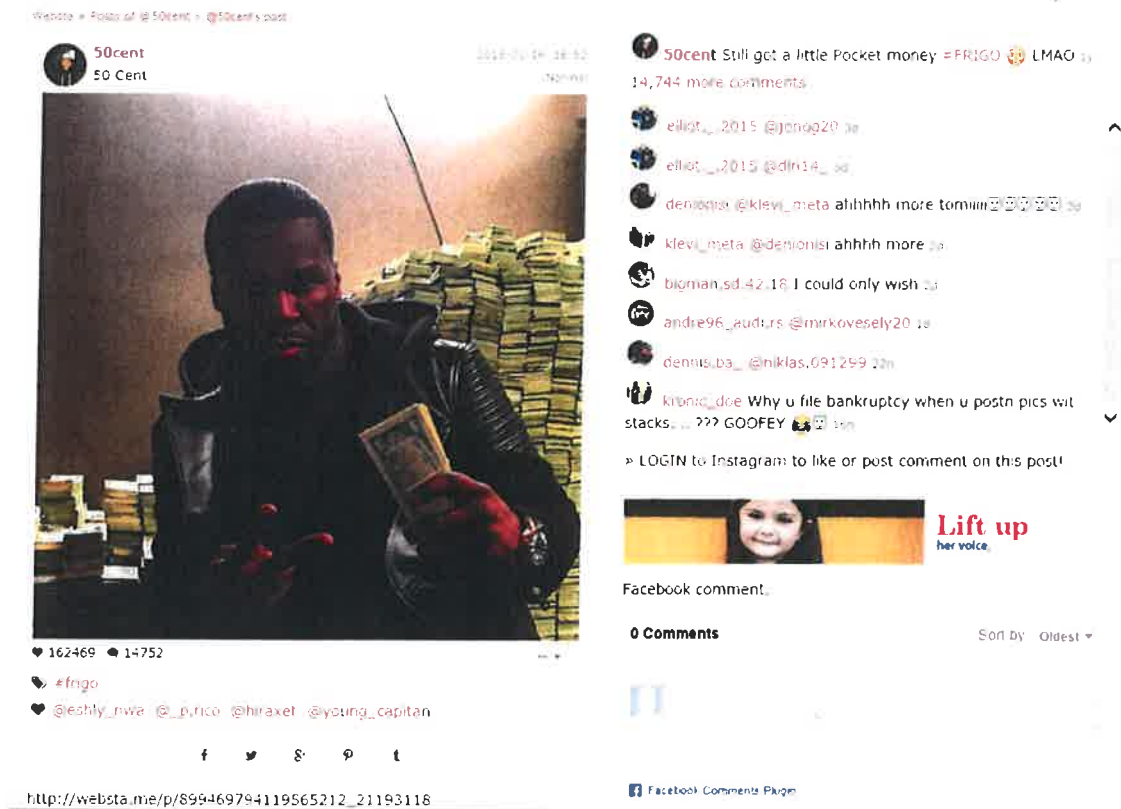
30 Celebs with Obvious Physical Flaws You Never Even Noticed
Sponsored by RadarOnline

Facebook comment

0 Comments Sort by Oldest

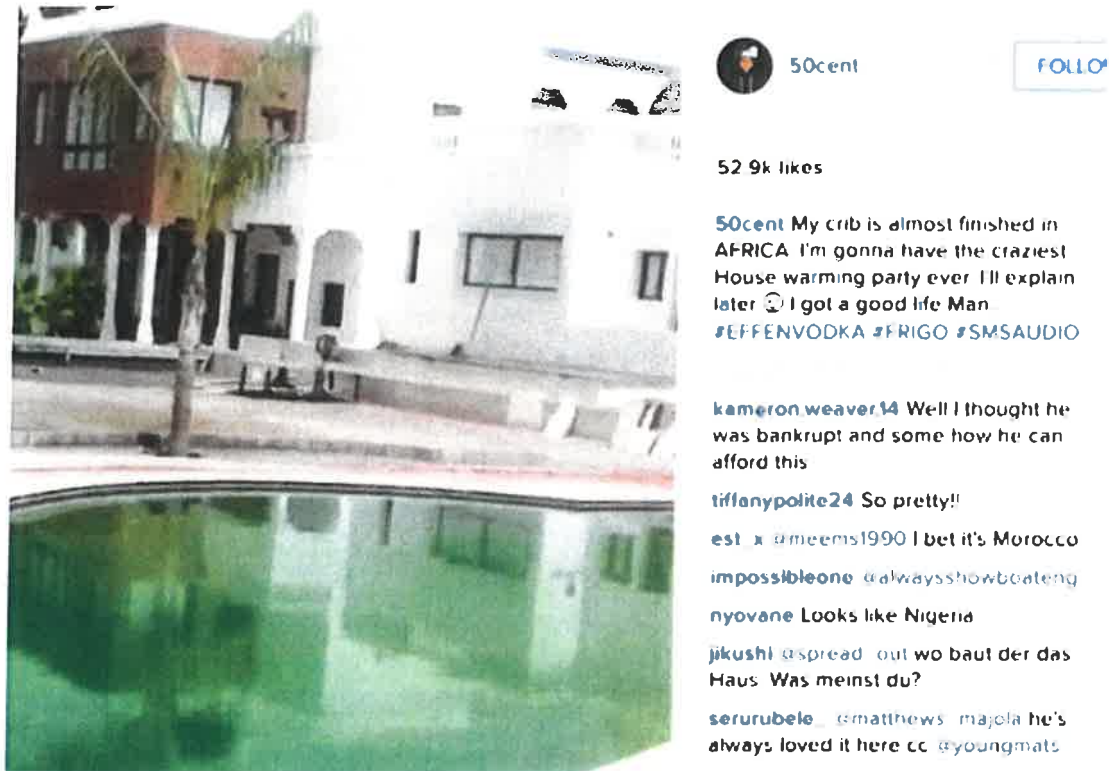
Facebook Comments Plugin

24. On January 16, 2015, I posted the following photograph on my Instagram account, taken on the set of "Power," featuring prop money.



25. Paragraph 3.3(b)(iv)(F) of the Joint Disclosure Statement¹⁵ referenced news articles commenting on a post to my @50Cent Instagram account from September 5, 2015. The post is of a video and includes the caption, "My crib is almost finished in AFRICA. I'm gonna have the craziest House warming party ever. I'll explain later 😊 I got a good life Man. #EFFENVODKA #FRIGO #SMSAUDIO." That post is below.

¹⁵ ECF pp. 18-19.

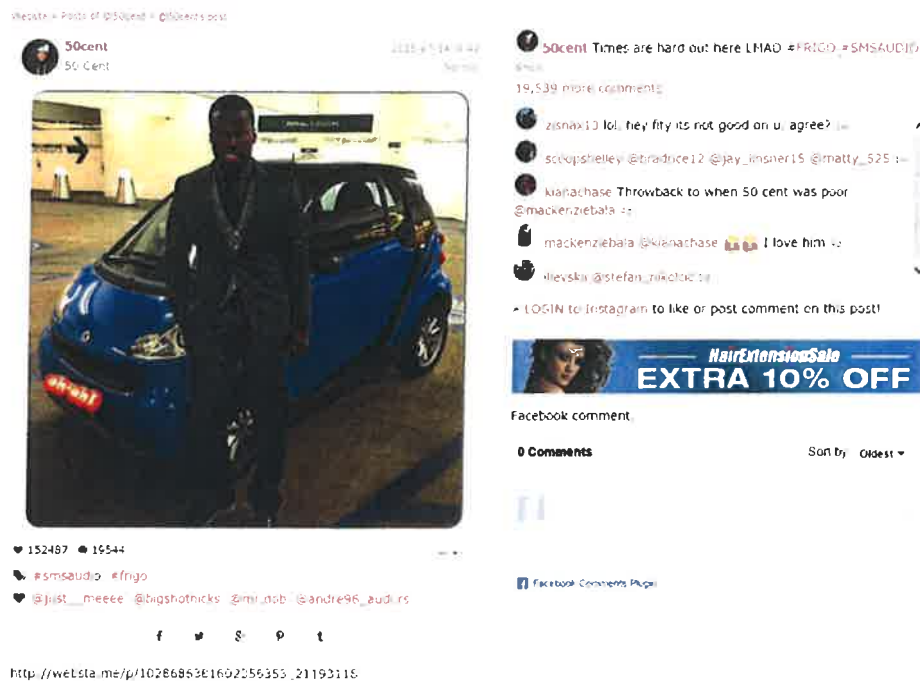


I do not own, nor have I ever owned, any real property in Africa. If I did own any property in Africa, or any other real properties, I would have disclosed them as required by the Bankruptcy Code.

**I INFORMED THE UST ABOUT HOW I USE MY SOCIAL MEDIA
POSTS DURING THE DEBTOR INTERVIEW**

26. During the Debtor Interview, I specifically talked about my social media posts with Mr. Devlin. I explained to him why it was so important to preserve my connection with all of the fans that follow my persona of 50 Cent on social media. I told Mr. Devlin that I occasionally had to post what appeared to be outrageous things in order to “move the needle,” but that it should not be interpreted as an insult or a slight on the bankruptcy process. The Debtor Interview and, for that matter, the Creditors’ Meeting, took place approximately seven (7) months before the UST filed the Examiner Motion. It should also be noted that when I met with

Mr. Devlin, we talked about the below photograph taken by actor Jake Gyllenhaal that I posted on my Instagram account on July 14, 2015.



I explained to Mr. Devlin that it was important that I be able to continue communicating with my fans through social media, and that using humor would be an important part of preserving my brand. It is also no industry secret that hip-hop artists use prop money for photo shoots and music videos.

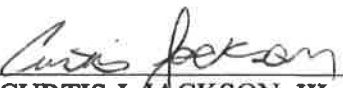
DAMAGE TO MY BRAND EQUALS DAMAGE TO MY EARNING CAPACITY

27. As a hip-hop artist and entertainer, it is imperative that I continue to project aspirational goals of success in order to preserve my brand and those I represent. My social media posts are a vehicle to perpetuate the demand for my music and entertainment services.

28. What I say and what I do on social media has a direct impact on my music sales and the viewership on my television shows. That is why a continuing and consistent presence in

social media is an integral part of my future business operations. A cold-turkey withdrawal or abstinence from social media would, in all likelihood, be commented upon negatively in the entertainment media and result in damage to my brand and earning capacity. I owe it to myself and my creditors to complete my reorganization plan as quickly as I can, and my continued presence on social media will only serve to help make that happen.

Dated: New York, New York
March 8, 2016


CURTIS J. JACKSON, III

84128v.11