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Attorneys for Plaintiffs,
CLAUDIO PALMIERI aka ETHAN KATH and;
CRYSTAL CASTLES

UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

CLAUDIO PALMIERI aka ETHAN
KATH, an individual, and;
CRYSTAL CASTLES, an Ontario
General Partnership;

Plaintiffs,

v.

MARGARET OSBORN aka ALICE
GLASS, an individual, JUPITER
KEYES, an individual, and DOES 1
through 50, Inclusive,

Defendants.

CASE NO.: BC 6 8 1 8 8 9

VERIFIED COMPLAINT FOR
DAMAGES:

1. DEFAMATION PER SE;
2. FALSE LIGHT;
3. BREACH OF CONTRACT;
4. TORTIOUS INTERFERENCE WITH CONTRACTUAL RELATIONS;
5. TORTIOUS INTERFERENCE WITH PROSPECTIVE ECONOMIC BENEFIT;
6. CONSPIRACY.

DEMAND FOR JURY TRIAL

COMES NOW, Plaintiff CLAUDIO PALMIERI aka ETHAN KATH, an individual, and CRYSTAL CASTLES, an Ontario General Partnership, for a cause of action against Defendants, and each of them, hereby alleges as follows:


(Preliminary Statement)

In or about 2012, Plaintiff CLAUDIO PALMIERI aka ETHAN KATH ended his relationship with former girlfriend and bandmate MARGARET OSBORN aka ALICE GLASS. OSBORN. After unsuccessfully trying to end CRYSTAL CASTLES,

VERIFIED COMPLAINT FOR DAMAGES

FILED
Superior Court of California
County of Los Angeles

NOV 03 2017

Sherri R. Carter, Executive Officer/Clerk
By  Deputy
Shalmya Bolden

ORIGINAL

CIT/CASE: BC681889
LEA/DEF#:

31

RECEIPT #: CCH465980047
DATE PAID: 11/03/17 11:50 AM
PAYMENT: \$435.00 310
RECEIVED:

CHECK: \$435.00
CASH: \$0.00
CHANGE: \$0.00
CARD: \$0.00

11/03/2017

EX-100
Suzanne M. Gagnier, Director
Department of Corrections
MADE
NOV 03 2017
Suzanne M. Gagnier
Director
Department of Corrections
MADE

1 OSBORN formed the unfounded and untruthful assertion that PALMIERI was
2 stealing from her share of CRYSTAL CASTLE profits. After demanding and
3 completing FIVE AUDITS, no hint of wrongdoing by PALMIERI was ever found.

4 Despite the auditors findings, OSBORN, continued to untruthfully assert that
5 PALMIERI had stolen from her, so she hatched a plan to ruin his good name and
6 reputation in the industry, destroy CRYSTAL CASTLES (a well known and successful
7 musical act), and in turn boost her own career. In order to effectuate this dastardly plan,
8 OSBORN and her boyfriend, JUPITER KEYES, conspired and did reach out to persons
9 in order to spread false and malicious lies that PALMIERI was physically and sexually
10 abusive, and that the Plaintiff had taken advantage of OSBORN by drugging her.

11 A then fan of CRYSTAL CASTLES was asked by the Defendants to post on
12 social media these horrific and humiliating untruths against PALMIERI. However, said
13 fan learned of the Defendants false and malicious scheme and informed PALMIERI.
14 What followed was a 2014 cease and desist letter dated December 2014 by an attorney
15 acting on behalf of PALMIERI. Shortly after receiving the cease and desist, the fan
16 received a phone call from KEYES yelling and screaming that the she (the fan) had
17 ruined their ill begotten plan. Thereafter OSBORN stopped disseminating these
18 disparaging and malicious lies until the events leading to this instant action.

19 However, in October 24, 2017, (now FIVE years after PALMIERI AND
20 OSBORN ended their personal relationship) OSBORN released false and malicious
21 lies to the online world. As a result, CRYSTAL CASTLES has suffered irreparable
22 damage, very least of which was the cancellation of Plaintiff's North America tour.

23 (Parties and Agency)

24 1. At all times relevant herein, Plaintiff CLAUDIO PALMIERI aka ETHAN
25 KATH (hereinafter to be referred to as "Plaintiff" or "PALMIERI") an individual
26 residing in Los Angeles. Plaintiff has always maintained a positive reputation both in his
27 personal and professional life, and is well respected in the musical community.

28 2. CRYSTAL CASTLES, a Canadian Company (hereinafter to be referred to

1 as "CRYSTAL CASTLES" or "CC"), an Ontario General Partnership, founded and
2 operated by PALMIERI.

3 3. Collectively, PALMIERI and CRYSTAL CASTLES shall be referred to
4 as "Plaintiffs."

5 4. Defendant MARGARET OSBORN aka ALICE GLASS (hereinafter to be
6 referred to as "Defendant") is an individual residing in the County of Los Angeles,
7 California. At all times mentioned herein, Defendant was an individual over the age of
8 consent.

9 5. On information and belief, Defendant JUPITER KEYES (hereinafter
10 referred to as "KEYES") is an individual residing in the County of Los Angeles,
11 California.

12 6. Whenever in this Complaint reference is made to "Defendants," such
13 allegations shall collectively be deemed to refer to Defendants OSBORN, KEYES and
14 DOES 1 through 50, inclusive, and shall mean the acts of Defendants acting individually,
15 jointly, and/or severally.

16 7. The true names and capacities, whether individual, corporate, associate, or
17 otherwise, of Defendants sued herein as DOES 1 through 50, inclusive, are currently
18 unknown to Plaintiff, who therefore sue said Defendants by their fictitious names.
19 Plaintiff is informed and believe. And based thereon allege, that each of the Defendants
20 designated therein as DOE is legally responsible in some manner for the events and
21 happenings referred to herein and caused injury and damages proximately thereby to
22 Plaintiff as hereinafter alleged. Plaintiff will seek leave of court to amend this Complaint
23 to reflect the true names and capacities of the Defendants designated hereinafter as DOES
24 when the same have been finally ascertained.

25 8. Plaintiff is informed, believes and thereon alleges, that at all times
26 mentioned herein, each of the Defendants was the agent, servant, employee, co-venturer
27 and co-conspirator of each of the remaining Defendants, and was at all times herein
28 mentioned, acting within the course, scope, purpose, consent, knowledge, ratification, and

1 authorization of such agency, employment, joint venture, and conspiracy, and that each
2 and every Defendant, as aforesaid, when acting as a principal, was negligent in the
3 selection and hiring of each and every other Defendant as an agent, employee and/or joint
4 venturer.

5 (Venue)

6 9. Venue is properly located in Los Angeles County because Defendants'
7 wrongful acts occurred in Los Angeles County, and, on information and belief, all
8 Defendants reside in Los Angeles County.

9 (Facts Common to All Counts)

10 10. Plaintiff PALMIERI first met Defendant MARGARET OSBORN aka
11 ALICE GLASS in or about 2003 when PALMIERI was performing with a former band,
12 *Kill Cheerleader*.

13 11. In or about 2005, PALMIERI had started a project named CRYSTAL
14 CASTLES and asked Defendant OSBORN to sing vocals on some of the musical tracks.
15 Ultimately this collaboration led to OSBORN becoming a member of the group.

16 12. From 2006 (when CRYSTAL CASTLES released their first single) to
17 2013, the band enjoyed commercial success. However, in October 2014, OSBORN
18 decided to leave the band and start a solo career.

19 13. Thereafter, PALMIERI replaced OSBORN with a new singer named
20 MARGO HAMMAN aka EDITH FRANCES and the band's popularity continued,
21 headlining major concerts and festivals.

22 14. Sometime in or about 2014, OSBORN, under the unfounded belief that
23 PALMIERI had embezzled or misrepresented their earnings, requested multiple audits
24 pursuant to their Recording Agreement. (See Exhibit A for a true and correct copy of the
25 Recording Agreement). Despite multiple audits by OSBORN, no evidence was ever
26 discovered to substantiate her erratic and unfounded belief. To this date and in perpetuity,
27 OSBORN and PALMIERI are contractually bound by way of the Recording Agreement
28 and will both receive royalties in perpetuity for the first three (3) CRYSTAL CASTLES'

1 albums.

2 15. On information and belief, OSBORN began to date DEFENDANT KEYES
3 in or around October of 2012. After Defendants began their relationship, OSBORN's
4 illicit drug abuse became substantial and her behavior erratic.

5 17. In or about 2014, Arianne Deyurre was operating a popular CRYSTAL
6 CASTLES fan site, "magicspells.tumblr." Ms. Deyurre became acquainted with
7 Defendant OSBORN after attending a show in which she was DJ'ing. At some point
8 during the evening, KEYES approached Ms. Deyurre and apologized that OSBORN
9 could not meet her, but that he did want Ms. Deyurre and OSBORN to take a photo
10 together, which they did so later that night.

11 18. Thereafter, OSBORN contacted Ms. Deyurre somewhat regularly through
12 social media, telephonically and occasionally in person. Ms. Deyurre, a fan of CRYSTAL
13 CASTLES, was elated to have a relationship with a musician that she looked up to.

14 19. They began to develop a relationship and from the beginning OSBORN and
15 KEYES made false allegations that PALMIERI had sexually assaulted her by use of force
16 and illicit substances. In addition, Defendants also told Ms. Deyurre another lie, that
17 PALMIERI had stolen royalty money owed to her.

18 20. Defendants OSBORN and KEYES told Ms. Deyurre outright that they
19 intended "to take down Palmieri" based on their unfounded belief PALMIERI was
20 stealing from OSBORN.

21 21. In order to accomplish their goals, Defendants tried to persuade Ms.
22 Deyurre to post on her blog the allegations against PALMIERI that were fed to her by
23 both OSBORN and KEYES, namely the false accusations of sexual abuse by PALMIERI.

24 22. Despite initially agreeing to post the requested libel, Ms. Deyurre
25 eventually determined that she was being manipulated and taken advantage of by
26 Defendants.

27 23. In or around December 2014, Ms. Deyurre contacted PALMIERI and had
28 informed him of Defendants plans to disparage, discredit, and tarnish the good will and

1 reputation he had worked to build.

2 24. After learning of their plan, PALMIERI sought legal counsel and a cease
3 and desist letter was issued on or about December 26, 2014. As noted in the cease and
4 desist letter, it was obvious that OSBORN was making these claims – more than two
5 years after ending their relationship (at that time in 2014) – for the purpose of
6 shamelessly attracting attention to further her own musical career. (See **Exhibit B** for a
7 true and correct copy of cease and desist letter dated December 26, 2014).

8 25. Sometime after the New Year, Ms. Deyurre received a phone call from
9 KEYES stating to her that “by informing Mr. Palmieri of their plan I had betrayed them
10 and ruined their lives.” (See **Exhibit C** for a true and correct copy of Declaration of
11 Arianne Deyurre).

12 26. Thereafter, to PALMIERI’s knowledge, OSBORN did cease and desist
13 from making further false accusations until October 24, 2017 when OSBORN posted on
14 her website <http://www.alice-glass.com/cc/> that she was the victim of sexual and physical
15 abuse by PALMIERI.

16 27. Specifically, OSBORN stated:

17 **He [PALMIERI] gave me drugs and alcohol and had sex with me in**
18 **an abandoned room at an apartment he managed. It wasn’t always**
19 **consensual and he remained sober whenever we were together; and**
20 **He became physically abusive. He held me over a staircase and**
21 **threatened to throw me down it. He picked me up over his shoulders**
22 **and threw me onto concrete.** (See **Exhibit D** for a true and correct
23 copy of Statement of OSBORN posted on website
24 <http://www.alice-glass.com/cc/>).

25 28. Despite their relationship ending over four (4) years ago at the time of this
26 publication, and the fact that OSBORN had tried to falsely accuse PALMIERI in 2014,
27 publication of these false allegations is all the more egregious.

28 29. Since the release of OSBORN’s statement, CRYSTAL CASTLES

1 management company, C3 Management, contacted PALMIERI and informed him that the
2 CRYSTAL CASTLES tour had been cancelled due to the nature of OSBORN's statements
3 against PALMIERI. Since receiving this call from C3 Management, PALMIERI has tried
4 numerous times to reach out to the management company without success.

5 30. On information and belief, the gross profit from this tour (excluding
6 merchandise) would be estimated at \$300,000.00.

7 31. Aside from the lost revenue due to the tour being cancelled, both
8 PALMIERI and CRYSTAL CASTLES have suffered irreparable harm to their reputation
9 and good will.

10 **FIRST CAUSE OF ACTION**

11 **DEFAMATION AND DEFAMATION PER SE**

12 **(Against Defendant OSBORN and DOES 1-50)**

13 32. Plaintiff re-alleges and incorporates by reference all paragraphs above as
14 though fully set forth in detail herein.

15 33. On or about October 24, 2017, OSBORN aka ALICE GLASS publicized to
16 the online community, statements that Plaintiff had sexually and physically abused her
17 and that on some occasions sexual acts were perpetrated by PALMIERI against OSBORN
18 by use of illicit substances.

19 34. OSBORN, knowing said statements were false and despite having attempted
20 to defame PALMIERI in the past (and being foiled in the attempt), knowingly made false
21 statements about PALMIERI.

22 35. The online community has reasonably understood the statements to mean
23 that PALMIERI used violence against OSBORN, sexually assaulted her, and on at least
24 some occasions drugged OSBORN in order to engage in forced sexual activity.

25 36. The statements were and are false.

26 37. As a result of publicizing these falsities, Plaintiffs have suffered harm to
27 their intellectual property, business, trade, and reputation.

28 38. Each of the statements in paragraph 27 (highlighted) are defamatory on their

1 face constituting defamation per se.

2 39. Defendant OSBORN knew that each of the statements and depictions set
3 forth above were false, reasonably should have known they were false, and acted
4 maliciously or with oppression with the intent, or with despicable conduct, to harm
5 Plaintiffs.

6 40. As a direct and proximate cause of the above-described statements, Plaintiffs
7 have suffered and will suffer emotional distress and have been, and continue to be,
8 embarrassed and humiliated by the false statements and implications and reasonably fear
9 that they will be shunned, avoided and subject to ridicule.

10 41. Defendants, and each of them, have acted with knowledge that their
11 depictions of Plaintiffs were false and with a reckless disregard of truth or falsity.
12 Defendants' conduct was intended by them to cause injury to Plaintiffs, and was
13 despicable conduct carried on with a willful and conscious disregard of the rights,
14 reputation, and safety of Plaintiffs. As such, Plaintiffs are entitled to recover punitive and
15 exemplary damages in an amount sufficient to punish Defendants and deter them from
16 conduct in the future.

17 **SECOND CAUSE OF ACTION**

18 **FALSE LIGHT**

19 **(Against Defendant OSBORN and DOES 1-50)**

20 42. Plaintiff re-alleges and incorporates by reference all paragraphs above as
21 though fully set forth in detail herein.

22 43. Defendants, and each of them, publicized online to the world at large
23 information or material showing Plaintiff in a false light. Specifically:

24 **The first time he took advantage of me was when I was around 15. He**
25 **was 10 years older than me. I came to in the back of his car extremely**
26 **intoxicated (from drinks he had given me that night).**

27 44. There is ample, clear and convincing evidence that OSBORN knew that the
28 publication would create a false impression about PALMIERI.

1 45. Moreover, the false light created was that Plaintiff engaged in sexual activity
2 with OSBORN while under the age of 18. However, both PALMIERI and OSBORN were
3 residents of Canada and at the time the sex acts were alleged to have occurred, OSBORN
4 was of the age of consent.

5 46. Defendants knew of the falsity of the publicized matter and the false light
6 in which Plaintiffs would be placed.

7 47. Defendant OSBORN knew that each of the statements and depictions set
8 forth above were false, reasonably should have known they were false, and acted
9 maliciously or with oppression with the intent, or with despicable conduct, to harm
10 Plaintiffs.

11 48. As a direct and proximate cause of the above-described statements, Plaintiffs
12 have suffered and will suffer emotional distress and have been, and continue to be,
13 embarrassed and humiliated by the false statements and implications and reasonably fear
14 that they will be shunned, avoided and subject to ridicule.

15 49. Defendants, and each of them, have acted with knowledge that their
16 depictions of Plaintiffs were false and with a reckless disregard of truth or falsity.
17 Defendants' conduct was intended by them to cause injury to Plaintiffs, and was
18 despicable conduct carried on with a willful and conscious disregard of the rights,
19 reputation, and safety of Plaintiffs. As such, Plaintiffs are entitled to recover punitive and
20 exemplary damages in an amount sufficient to punish Defendants and deter them from
21 conduct in the future.

22 **THIRD CAUSE OF ACTION**

23 **BREACH OF CONTRACT**

24 **(Against Defendant OSBORN and DOES 1-50)**

25 50. Plaintiff re-alleges and incorporates by reference all paragraphs above as
26 though fully set forth in detail herein.

27 51. PALMIERI and OSBORN entered into a contract, attached herein as
28 **Exhibit A.**

1 52. From the date of entering into said agreement to the present, Plaintiffs have
2 performed all or substantially all of the significant things that the contract required him
3 to do.

4 53. However, by publicizing to the online community the aforementioned
5 disparaging comments, which Defendant knows to be false, OSBORN has thusly breached
6 the covenant of good faith and fair dealing.

7 54. As a result of this interference, PALMIERI, on information and belief, has
8 suffered a substantial loss in royalties from songs generated while OSBORN and
9 PALMIERI still worked together.

10 **FOURTH CAUSE OF ACTION**

11 **INTENTIONAL INTERFERENCE WITH**
12 **CONTRACTUAL RELATIONS**

13 **(Against Defendant OSBORN and DOES 1-50)**

14 55. Plaintiff re-alleges and incorporates by reference all paragraphs above as
15 though fully set forth in detail herein.

16 56. PLAINTIFFS were in a business relation with C3 Management and
17 Paradigm Booking Agency that was resulting in economic benefit to Plaintiff with a now
18 cancelled North American tour (with 3 of approximately 30 shows in Canada) and losses
19 in excess of \$300,000.00.

20 57. On information and belief, Defendants knew that there existed an agreement
21 with a management company, namely C3 Management and Paradigm Booking Agency.

22 58. Defendants engaged in making defamatory and false accusations against
23 PALMIERI, with the intent to disrupt their relationship or that Defendants knew that such
24 disruption of the relationship was certain or substantially certain to occur.

25 59. As a result of said defamatory comments, said relationships with
26 Management Company C3 and Paradigm Booking Agency were terminated.

27 60. PLAINTIFFS were harmed and OSBORN's conduct was a substantial factor
28 in causing Plaintiffs PALMIERI and CRYSTAL CASTLES harm.

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FIFTH CAUSE OF ACTION

**INTENTIONAL INTERFERENCE WITH
PROSPECTIVE ECONOMIC RELATIONS**

(Against Defendant OSBORN and DOES 1-50)

60. Plaintiff re-alleges and incorporates by reference all paragraphs above as though fully set forth in detail herein.

61. On information and belief, Defendants knew that their existed an agreement with a management company, namely C3 Management and Paradigm Booking Agency.

62. Defendants knew that their existed an agreement with a management company, namely C3 Management and Paradigm Booking Agency.

63. Defendants engaged in making defamatory and false accusations against PALMIERI, with the intent to disrupt their relationship or that Defendants knew that such disruption of the relationship was certain or substantially certain to occur.

SIXTH CAUSE OF ACTION

CONSPIRACY

(Against All Defendants)

64. Plaintiff re-alleges the information set forth in Paragraphs 1 through 62 above, and incorporates these paragraphs into this cause of action as if they were fully alleged herein.

65. Defendant KEYES was aware that OSBORN planned to wrongfully defame and harm the reputation of Plaintiffs PALMIERI and CRYSTAL CASTLES.

66. KEYES agreed with OSBORNE agreed and on at least one occasion attempted to involve Arriane Duyerre in order to have said defamatory comments made public.

67. As a direct and proximate result of defendants' fraudulent conduct, Plaintiff has suffered damage in an amount in excess of the jurisdictional limit of this Court according to proof at time of trial.

WHEREFORE Plaintiffs pray for judgment against Defendants jointly and

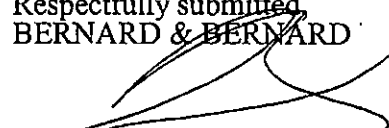
1 severally as follows:

- 2 1. For general and special damages in the amount to be proven at trial;
- 3 2. For exemplary and punitive damages;
- 4 3. For attorney's fees as allowed by law;
- 5 4. For interest, including prejudgment interest, at the legal rate;
- 6 5. For costs of suit herein incurred.
- 7 6. For restitution of all monies and profits to be disgorged from Defendants'
- 8 unfair business practices in an amount according to proof at time of trial
- 9 7. For such other and further relief as the court may deem appropriate.

10 Respectfully submitted,
11 BERNARD & BERNARD

12 Dated: 11/11, 2017

By:


 13 STEPHEN BERNARD, ESQ.
 14 SHANE BERNARD, ESQ.
 15 Attorney for Plaintiff,
 16 CLAUDIO PALMIERI
 17 aka ETHAN KATH and;
 18 CRYSTAL CASTLES

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