

Tonya Pointer

NO. DC-17-00183

ORIGIN RELEASING, L.L.C.,	§	IN THE DISTRICT COURT
	§	
Plaintiff,	§	
	§	
vs.	§	DALLAS COUNTY, TEXAS
	§	
HANNOVER HOUSE, INC.,	§	
	§	
Defendant.	§	_____ JUDICIAL DISTRICT

PLAINTIFF'S ORIGINAL PETITION

TO THE HONORABLE JUDGE OF SAID COURT:

COMES NOW, Plaintiff ORIGIN RELEASING, L.L.C. (hereinafter referred to as "Plaintiff" or "Origin"), a Texas limited liability company, complaining of and about HANNOVER HOUSE, INC. (hereinafter referred to as "Hannover" or "Defendant") and for cause of action would show the Court the following:

Discovery Control Plan Level

1. Plaintiff contends the discovery be conducted under Discovery Level II.

Parties and Service

2. Plaintiff Origin Releasing, L.L.C. is a Texas limited liability company whose principal address is 11327 Reeder Road, Dallas, Texas 75229.

3. Defendant Hannover House, Inc. is a publicly-traded Wyoming corporation doing business in Dallas, Texas and throughout the United States. Hannover House may be served with process by serving its President and CEO, Eric Parkinson at 300 N. College Avenue, Suite 311, Fayetteville, Arkansas 72701. Service of process upon

said Defendant as described above may be effected by certified mail, return receipt requested.

Jurisdiction and Venue

4. The subject matter of the controversy is within the jurisdiction of the Court. Pursuant to T.R.C.P. 47, Plaintiff seeks an accounting, monetary relief of over Two Hundred Thousand Dollars (\$200,000.00) but not more than One Million Dollars (\$1,000,000.00), and such other and further relief to which Plaintiff may be entitled. Jurisdiction and venue are proper in Dallas County because Plaintiff is a Texas limited liability company whose primary office is in Dallas, Dallas County, Texas. This Court has personal jurisdiction over Defendant in that Defendant is engaged in business throughout the United States including in Dallas County, Texas. Defendant negotiated the Agreements made the basis of this litigation with Plaintiff being located in Dallas County, Texas. Therefore, Defendant has sufficient minimum contacts with Texas to establish both specific and general jurisdiction in Texas.

Facts

5. Origin Releasing, L.L.C. f/k/a Lionshare Pictures, L.L.C., Phoenix Group Releasing, L.L.C. and Hostage Films, L.L.C. is the owner and successor-in-interest to Boggy Creek Productions, L.L.C., Humans v. Zombies, L.L.C. and Patient Zero Productions, L.L.C. (collectively now "Origin"). On May 16, 2011, Plaintiff's predecessor-in-interest entered into a Memorandum of Agreement, with Hannover for the distribution of the motion picture film owned by Plaintiff entitled "Boggy Creek, The

Legend is True" (hereinafter "Boggy Creek") throughout North America including Dallas County, Texas. That Agreement provided that a majority of the gross receipts derived from the sale or distribution of the film was to be paid to Plaintiff, that Plaintiff had the right to audit all of Hannover's books and records and that Hannover was required to issue to Plaintiff detailed statements on a quarterly basis containing all pertinent information related to sales, collections, expenses and payments. In January, 2012, a similar Distribution Agreement was entered into for the distribution of the film owned by Plaintiff entitled "Human vs. Zombies". The film was again to be distributed throughout North America including Dallas County with the majority of the gross receipts to again be paid to Plaintiff. Finally on February 22, 2012, the parties entered into a Distribution Agreement for the film owned by Plaintiff entitled "Patient Zero". That Agreement, as with the earlier two (2) Agreements, provided for Plaintiff to receive a majority of the gross receipts, periodic statements and the right to audit the books of Defendant. The films "Boggy Creek", "Humans vs. Zombies" and "Patient Zero" are collectively hereinafter referred to as the "Titles". The three (3) Agreements are collectively hereinafter referred to as the "Agreements".

6. Plaintiff has fully performed its obligations under these Agreements and all conditions precedent to the initiation of this litigation have been performed or have occurred.

7. Beginning in January, 2013, Plaintiff made demand on Defendant concerning the failure of Hannover to timely pay monies owed regarding the three (3)

Titles specified hereinabove despite Hannover's collection of monies from third parties resulting from the distribution and sale of said Titles. Hannover had also failed to timely provide Origin with the contractually required sales and accounting information pertaining to the Titles.

8. Despite Origin's efforts to resolve its contractual disputes with Hannover, it became clear that Hannover had repeatedly, consistently and systematically breached its agreement with Plaintiff and was continuing to do so. Despite notice of same, Hannover fully failed to cure or resolve such defaults or make any efforts whatsoever to comply with its contractual obligations to Origin to remit monies and to provide an accounting of Hannover's receipt and use of funds related to the Titles. Moreover, Plaintiff became aware that Hannover's CEO, Eric Parkinson, had misrepresented facts to third parties about the ownership or distribution rights of one or more of the Titles. Accordingly, by letter dated February 25, 2013, Hannover was put on notice of Plaintiff's legal claims for material breach of contract as well as for various related torts and Hannover was given legal notice of termination of all distribution agreements by and between Plaintiff and Hannover House including the Agreements for the Titles "Boggy Creek: The Legend is True", "Humans vs. Zombies" and "Patient Zero". As a result of the termination, all legal rights and remedies regarding those films reverted to the Licensor (n/k/a Origin) under each relevant Agreement. Hannover no longer had any right to distribute the Titles and Hannover was instructed to immediately cease and desist from any further reference to, or listing of, any of the above-listed three (3) Titles

on the Hannover House website, the Hannover House IMDB profile and/or in any other manner to suggest these Titles were being distributed and/or sold by Hannover House.

9. After termination, Hannover has continued to fail to timely pay monies owed to Origin with regard to the Titles despite Hannover's receipt and collection of monies from third parties for the distribution and sale of those Titles. Moreover, not only has Hannover failed to remit monies owed to Origin, but after the termination of the Agreements in February, 2013, it has continued to distribute the Titles without authorization.

10. On December 4, 2015, Origin again made demand upon Hannover to provide a complete accounting with regard to all sales, revenues, expenses and distribution activities and all monies collected: past, present and future for each of the three (3) Titles. Origin additionally demanded that all monies owed to Origin connected with any of the three (3) Titles be paid to Origin by no later than December 11, 2015. From that time until the filing of this Petition, Hannover continuously made promises to provide the most current sales reports and/or asserted that payments due from Hannover had already been made to Origin by a third party, and/or that Hannover had not been selling the titles since June, 2013. Hannover never followed through or documented those claims.

11. Hannover House is a publicly-traded company whose stock trades on the OTC Market board. As a publicly-traded company, Hannover is required by the applicable Securities and Exchange Commission's rules and regulations to file quarterly

reports pursuant to Sections 13 or 15(d) of the Securities & Exchange Act of 1934 (generally referred to as "Form 10-Q"). Despite the termination of the Distribution Agreements with Origin in 2013 and the reversion of ownership and the right of distribution to the Titles to Origin in February, 2013, Hannover continues to report to the SEC, its shareholders and the public at-large that Origin and Phoenix are "material suppliers" to Hannover and that same constitute a material relationship between Origin and Hannover (see by way of example, but not limitation, the quarterly reports ended December 31, 2013, March 31, 2014, September 30, 2015 and/or September 30, 2016). Hannover further asserts that Walmart is one of its major customers for these Titles. The documentation obtained by Origin regarding Walmart sales reflect that the amount of sales reported to Origin in 2013 for the Titles is far lower than the actual sales at Walmart. Finally, Hannover House continues to assert on its website and in other venues that it is the distributor of the Titles. Hannover continues to sell the Titles. See, for example, the January 4, 2017 advertisements on Amazon.com for the films "*Humans vs. Zombies* [DVD and Comic Book Insert] by Hannover House" and "*Boggy Creek: The Legend is True* by Hannover" attached hereto as Exhibit 1.

Causes of Action/Breach of Contract

12. Hannover House has breached the Agreements described in paragraph 5 by failing to provide to Origin the periodic accounting statements required by the Agreement, by failing to honor Origin's demand to audit the books of Hannover House regarding the Titles and by failing to pay Origin monies received from the distribution

and sales of the Titles. Moreover, despite the termination of the Agreements, the Defendant has continued to sell and distribute the Titles while at the same time refusing to provide Origin either the records regarding such sales or the monies from such sales.

13. As a result of the Defendant's breach of the Agreements as set out hereinabove, Origin has sustained financial harm and has lost the benefits expected to be received from the Agreements if Hannover House had performed as promised. Origin will show the Court that it is entitled to its contractually mandated portion of the revenue generated by the Titles prior to the termination of the Distribution Agreements and that it is entitled to one hundred percent of the revenue derived from the unauthorized distribution or sales of the Titles following the termination of the Agreements. On December 4, 2015, Origin presented a claim for the amounts due and demanded payment from Hannover House. Because Hannover House has refused to honor the claims and pay the just amounts due as promised, Origin seeks judgment against the Defendant for its damages.

Quantum Meruit

14. As a direct result of Plaintiff's delivery of the Titles to Hannover House, a benefit was conferred upon the Defendant in that the Defendant was given the ability to sell and distribute the Titles. The Defendant has accepted the benefit of Plaintiff's actions, but has refused to pay for them. Specifically, as set forth hereinabove, Hannover House has caused and continues to the present to obtain revenues from the sale or distribution of the Titles, but has failed to pay Plaintiff's portion of those monies to Plaintiff.

Hannover House will be unjustly enriched in the amounts claimed by Plaintiff if Hannover House is allowed to retain the benefits conferred upon it without payment for the reasonable value of the sale or distribution of the Titles provided by the Plaintiff to the Defendant as described hereinabove. As a result of the Defendant's non-payment, Plaintiff has been damaged and will be damaged and is entitled to recover the reasonable value of the distribution or sales of the Titles provided by Plaintiff to the Defendant. The reasonable value can only be determined by an audit of Hannover's books and records regarding these titles and in addition to its demand for money damages, Origin seeks an order of the Court demanding that Hannover provide Origin a full and complete audit from 2011 to the present of all sales, revenues, expenses or other items related to any of the three (3) Titles at issue herein.

Accounting

15. Based upon the Agreements set forth hereinabove, Origin delivered the Titles to Hannover. Hannover, in turn, received and collected monies from third parties as a result of the distribution and sale of these Titles. Hannover failed to remit the monies due to Origin under the Agreements as set forth hereinabove which resulted in Origin's termination of all Agreements. Despite the termination of the Agreements between the parties, Hannover has continued to sell the Titles without Origin's authorization. The exact nature and extent of the sales, revenues, expenses and inventory are unknown to Plaintiff and cannot be determined without an accounting of the transactions of the parties and an investigation of the accounts between the parties from the date of the first

Agreement until the present in order to establish the amounts owed to Origin by Hannover. Origin previously demanded on December 4, 2015 that Hannover account for these transactions and pay to Origin its share of the profits realized from the distribution and sales of the Titles. Hannover has failed and refused and continues to fail and refuse to render an accounting or to pay the Plaintiff its share of the profits. Pursuant to paragraph 14 of the Agreements, Origin has the right to audit all of Hannover's books and records related to the sales, collections and expenses for each Title.

Attorney's Fees

16. As a result of the Defendant's failure to pay the claims presented in December, 2015, Origin has been required to retain legal counsel to bring this suit. Origin is entitled to recover its reasonable attorney's fees as this is a claim on a written contract within the meaning of Texas Civil Practice & Remedies Code Section 38.001. Origin perfected its rights to fees under that statute in that Origin presented a claim for payment on the Agreements to the Defendant by letter dated December 4, 2015. More than thirty (30) days have elapsed since the Defendant received the letter. Payment for the just amount owed has not been tendered by the Defendant. As a result, the Plaintiff has been required to retain the services of the undersigned counsel to prosecute this action. The sum of Fifty Thousand Dollars (\$50,000.00) is a reasonable sum for the prosecution of this action to judgment. In the event of an appeal to the Court of Appeals, a further sum of Twenty Thousand Dollars (\$20,000.00) would be a reasonable attorney's fees. In the event of a further appeal to the Texas Supreme Court, a further sum of Ten Thousand Dollars

(\$10,000.00) would be a reasonable attorney's fee.

WHEREFORE, premises considered, Plaintiff requests that the Defendant be cited to appear and answer and that upon final trial Plaintiff have judgment against the Defendant as follows:

(1) an Order that Defendant provide a complete accounting with regard to all sales, revenues, expenses and distribution activities of all monies collected, past, present and future for each Title;

(2) judgment against the Defendant for a sum to be determined in the accounting which amount is within the jurisdictional limits of this Court and estimated to be a sum in excess of Two Hundred Thousand Dollars (\$200,000.00) but less than One Million Dollars (\$1,000,000.00), each of which are within the jurisdictional limits of the Court;

(3) pre-judgment interest as provided by law;

(4) attorney's fees as set forth hereinabove;

(5) post-judgment interest as provided by law;

(6) costs of suit; and

(7) such other and further relief to which Plaintiff may show itself

entitled.

Respectfully submitted,

/s/ Roger Albright

Roger Albright

(Bar No. 00974580)

Law Offices of Roger Albright

3301 Elm Street

Dallas, Texas 75226-1637

214.939.9224 (Telephone)

214.939.9229 (Telecopier)

E-mail: ralbright@lawoffices.email

COUNSEL FOR PLAINTIFF

EXHIBIT 1

[Try Prime](#)

Movies & TV ▾

Departments ▾

Browsing History ▾ Karina's Amazon.com

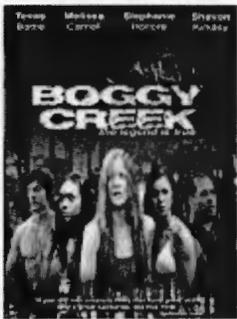
Hello, Karina
Account & Lists ▾

Orders Try Prime ▾

1
Cart

[Movies & TV](#) [New Releases](#) [Best Sellers](#) [Deals](#) [Blu-ray](#) [TV Shows](#) [Kids & Family](#) [Anime](#) [All Genres](#) [Amazon Video](#) [Prime Video](#)

[Return to product information](#) [Have one to sell?](#) Every purchase on Amazon.com is protected by an A-to-z guarantee. [Feedback on this page? Tell us what you think](#)



Boggy Creek: The Legend Is True by Hannover House

Format: DVD

Be the first to review this item [Share](#)

Refine by [Clear all](#)

Shipping

Free shipping

Condition

New

Price + Shippi...

Condition [\(Learn more\)](#)

Delivery

Seller Information

Buying Options

\$33.00

+ \$3.99 shipping +
\$0.00 estimated tax

New

- Arrives between January 12-30.
- Ships from IN, United States.
- Shipping rates and return policy.

Epapirus

100%

positive over the past 12 months.
(919 total ratings)

[Add to cart](#)

or

[Sign in](#) to turn on 1-Click ordering.

Your Recently Viewed Items and Featured Recommendations

Inspired by Your Browsing History

Page 1 of 7

[Try Prime](#)

Movies & TV ▾

Departments ▾

Browsing History ▾ Karina's Amazon.com

Hello, Karina
Account & Lists ▾

Orders Try Prime ▾

1
Cart

[Movies & TV](#) [New Releases](#) [Best Sellers](#) [Deals](#) [Blu-ray](#) [TV Shows](#) [Kids & Family](#) [Anime](#) [All Genres](#) [Amazon Video](#) [Prime Video](#)

[Return to product information](#) [Have one to sell?](#) Every purchase on Amazon.com is protected by an A-to-z guarantee. [Feedback on this page? Tell us what you think](#)



Humans Vs. Zombies [DVD & Comic Book Insert] by Hannover House

Format: DVD

Be the first to review this item [Share](#)

Refine by [Clear all](#)

Shipping

Free shipping

Condition

New

Price + Shippi...

\$33.00
+ \$3.99 shipping +
\$0.00 estimated tax

Condition [\(Learn more\)](#)

New

Delivery

- Arrives between January 12-30.
- Ships from IN, United States.
- Shipping rates and return policy.

Seller Information

Epapirus
100%
positive over the past 12 months.
(919 total ratings)

Buying Options

Add to cart

or

[Sign in](#) to turn on 1-Click ordering.

Your Recently Viewed Items and Featured Recommendations

Inspired by Your Browsing History