

1 INTRODUCTION

2 1. Approximately four (4) months ago, Kahane showed up at the door step of The
3 Collective, claiming to be broke, with a very sick wife, begging for a financial relationship with
4 The Collective. In an effort to induce The Collective to temporarily hire him as an independent
5 contractor, Kahane made promises of bringing new clients to The Collective, re-starting Trauma
6 Records, while promising to give The Collective an ownership interest in that record company
7 and developing other opportunities for The Collective to derive income.

8 2. Trusting Kahane's sob story and believing in the representations about providing
9 additional revenue sources for The Collective, The Collective, in or about May 2006, hired
10 Kahane as an independent contractor for a four (4) month period of time to provide management
11 services on behalf of The Collective for its clients in the entertainment industry. Much to The
12 Collective's shock, Kahane's representations were merely a ruse to provide him with access to
13 The Collective's sensitive computer files pertaining to its clients and enable him to communicate
14 and gain relationships with clients of The Collective and Ray in an attempt to steal their clients.

15 3. In furtherance of Kahane's devious plan, while Michael Green ("Green") of The
16 Collective was in Venice, Italy, and Ray was otherwise unavailable, Kahane engaged in secret
17 meetings with clients of The Collective, including Drake Bell ("Bell"), while simultaneously
18 disparaging Ray and The Collective in a well-designed plan to steal Bell away from The
19 Collective and Ray, notwithstanding his full knowledge that Bell was a party to a written
20 management agreement with Ray.

21 4. Kahane met Bell in or about July 2006 and, instantly, became a bad influence on
22 him, all in an effort to build his relationship with Bell and lure him away from The Collective
23 and Ray. For example, and not by way of limitation, Kahane set Bell up to go to Las Vegas for a
24 weekend, without advising Ray, and, while in Las Vegas, Bell jeopardized his career by engaging
25 in certain illegal activities, at the encouragement of Kahane. Kahane began involving himself in
26 Bell's life much more frequently after that Las Vegas trip. When Ray later confronted Kahane
27 about Bell's behavior and lifestyle, Kahane said that he had it all under control and that Ray
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1 should not worry about it. In fact, Kahane was, at all relevant times, encouraging Bell's behavior
2 and continued involvement in certain illegal activities.

3 5. In a continued effort to disparage Ray and fortify his relationship with Bell,
4 Kahane, in or about mid-August 2006, without informing Ray, secretly took Bell to Bell's
5 entertainment lawyer's office to be Bell's sole managerial representative in executing certain
6 contracts with Universal Music Group ("Universal"). Much to Ray's shock and surprise,
7 Bell signed those contracts. When Bell asked Kahane where Ray was, Kahane said that Ray was
8 with a more important non-client of The Collective, Denise Richards ("Richards"), and was
9 trying to sign her. Kahane's statement was a complete fabrication as Ray has never met
10 Richards, let alone tried to sign her as a client. Kahane then called into The Collective and put
11 someone from The Collective on the speaker-phone in Bell's lawyer's office who led Bell to
12 believe that Kahane's statement was true. Prior to Kahane's departure from The Collective, Ray
13 asked both Kahane and Bell for a copy of the Universal contracts that Bell signed and they
14 refused to provide Ray with a copy thereof.

15 6. Kahane's continued attempts to build a relationship with Bell and Plaintiffs and
16 disparage Plaintiffs in the process, although tortious and actionable, illegal conduct, was
17 successful in that on September 12, 2006, The Collective received a letter from Bell illegally
18 terminating his written management contract with Ray, as well as his relationship with Plaintiffs,
19 indicating that all queries regarding Bell's career should be directed to Kahane. The Collective
20 received the letter after they had sent a cease and desist letter to Kahane on September 11, 2006
21 demanding that Kahane not interfere with Bell's written management contract with Ray.

22 7. This conduct of Kahane is nothing new. His unscrupulous conduct started 20
23 years ago when, after he was fired as a junior agent from International Creative Management,
24 Inc. ("ICM"), Doug Isaac ("Isaac") brought Kahane into his company ("Isaac's Company") as a
25 full partner. At that time, Isaac's Company was representing the band "The Knack." One
26 evening, in the middle of the night, Kahane and the manager of The Knack came into Isaac's
27 office and took all of the furniture and files therefrom. Kahane then tried to steal the band
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1 "Missing Persons" and the rest of Isaac's clients. Kahane also left Isaac to pay all of Isaac's
2 Company's bills for which Kahane was, in part, responsible as a partner.

3 8. Kahane's conduct has continued throughout his career. Within the past 20 years,
4 Kahane has been a defendant in numerous lawsuits based on his unscrupulous conduct. It seems
5 that this all too familiar practice by Kahane, who started this endeavor 20 years ago, has
6 continued to thrive un-checked. However, it has not gone un-noticed. Within that period of
7 time, Kahane has been sued by numerous individuals and entities. A judge in a case in Great
8 Britain took note of Kahane's unscrupulous conduct and confirmed Kahane's unethical character
9 by calling him an unreliable and untrustworthy witness. This Complaint tells the story of
10 Kahane's theft of The Collective's and Ray's client, Bell.

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12 **ALLEGATIONS COMMON TO ALL CAUSES OF ACTION**

13 9. The Collective Management Group, LLC, is, and at all times herein mentioned
14 was, a California limited liability company doing business as The Collective, and engaged in the
15 practice of providing personal management and other services to individuals in the entertainment
16 industry, with its principal place of business in Los Angeles County, California.

17 10. Ray is, and at all times mentioned herein was, an individual who resides
18 in Los Angeles County, California. At all times mentioned herein, Ray is, and has been, a
19 personal manager employed by the Collective.

20 11. Plaintiffs are informed and believe, and thereon allege, that Kahane is, and at all
21 times mentioned herein, was an individual who resides in Los Angeles County, California.

22 12. Plaintiffs are informed and believe, and thereon allege, that Bell is, and at all
23 times mentioned herein, was an individual who resides in Los Angeles County, California.

24 13. Defendants Does 1 through 100, inclusive, are sued herein under fictitious names.
25 Their true names, and the capacities in which they caused or contributed to Plaintiffs' damages,
26 are presently unknown to Plaintiffs. Pursuant to California *Code of Civil Procedure* §474,
27 Plaintiffs will seek leave to amend this Complaint to reflect their true names and capacities as
28 soon as they ascertain them. Plaintiffs are informed and believe, and thereon allege, that each of

1 the fictitiously-named defendants is responsible in some manner for the occurrences herein
2 alleged, and that Plaintiffs' damages as herein alleged were proximately caused by those
3 defendants.

4 14. Prior to July 19, 2006, Ray had an on-going professional relationship with Bell
5 and had represented him as his exclusive personal manager in connection with Bell's activities in
6 all areas of the entertainment industry.

7 15. On or about July 19, 2006, Ray entered into a personal management agreement
8 (the "Agreement") with Bell, whereby Bell agreed to engage Ray as his "exclusive personal
9 manager, representative and advisor, throughout the world, with respect to all [of his] activities
10 throughout the Music Industry. . . ." (A true and correct copy of the Agreement is attached hereto
11 as Exhibit "1" and incorporated as though fully set forth herein). The term of the Agreement was
12 deemed to have commenced on June 1, 2005 and "shall continue until the completion of the
13 Album Cycle . . . respecting the fourth long-playing phonograph record album [the "Fourth
14 Album"] comprised of Artist's newly recorded studio performances released pursuant to a
15 Recording Agreement . . . during the Term." As used in the Agreement, the phrase "Album
16 Cycle" means "the period ending on the later to occur of the end of touring in support of a
17 particular Album or the commencement of recording of the immediately succeeding Album."

18 16. As described above, and in more fully below, shortly after The Collective hired
19 Kahane, Kahane began executing a scheme (the "Scheme") to encourage, cajole and palaver Bell
20 to terminate his relationship with The Collective and Ray, breach the Agreement and sign a
21 management agreement with Kahane to become his personal representative in the music industry.
22 Plaintiffs are informed and believe, and thereon allege, that in committing these tortious acts
23 Kahane used property, trade secrets and confidential information of The Collective in an effort to
24 further the Scheme.

25 17. Kahane has been aware for a long time that Ray had an on-going professional
26 relationship with Bell and has represented him as his exclusive personal manager in connection
27 with Bell's activities in all areas of the entertainment industry. Kahane has also been aware of
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1 the Agreement since July 19, 2006 when he was present at Ago restaurant with Bell and Ray,
2 during which time Bell personally signed the Agreement in Kahane's presence. Kahane is also
3 well aware of the Agreement because Ray discussed it with Kahane several times after July 19,
4 2006. Kahane even boldly told Ray the Agreement would not hold up in court.

5 18. The term of Kahane's independent contractor relationship with The Collective
6 ended in our about early September 2006. During said relationship, The Collective paid Kahane
7 approximately \$50,000.00.

8 19. On or before September 11, 2006, Plaintiffs learned for the first time, through
9 various individuals, of Kahane's Scheme. On September 11, 2006, counsel for Plaintiffs sent a
10 cease and desist letter (the "Cease and Desist Letter") to Kahane, via e-mail, personal delivery
11 and regular mail, advising that if Bell terminates, or in any other way breaches, the Agreement,
12 Kahane will be liable for Intentional Interference with Contractual Relations and Interference
13 with Prospective Economic Advantage, based upon his knowledge of the Agreement and intent
14 to induce its breach by Bell. (A true and correct copy of the Cease and Desist Letter is attached
15 hereto as Exhibit "2" and incorporated as though fully set forth herein). In the Cease and Desist
16 Letter, Plaintiffs also reminded Kahane about the Agreement and the fact that he was present
17 when Bell signed it. Plaintiffs also attached to the Cease and Desist Letter a copy of the
18 Agreement.

19 20. In response to the Cease and Desist Letter, Kahane orchestrated a plan to have
20 Bell's lawyer fax a letter from Bell to Plaintiffs on September 11, 2006, via facsimile, back-dated
21 to September 8, 2006, pursuant to which Bell would terminate the Agreement. Plaintiffs did, in
22 fact, receive a letter from Bell (the "Termination Letter") on September 12, 2006 at or about 5:36
23 p.m., back-dated to September 8, 2006, stating that "I have elected to terminate the management
24 relationship between us." (A true and correct copy of the Termination Letter is attached hereto as
25 Exhibit "3" and incorporated as though fully set forth herein). To no one's surprise, the
26 Termination Letter further states that all queries regarding Bell's career should be directed to Rob
27 Kahane. The Termination Letter further illustrates Kahane's continued attempt to steal Bell from
28 Plaintiffs.

1 FIRST CAUSE OF ACTION

2 **(Intentional Interference with Contractual Relations by Ray against Kahane)**

3 21. Plaintiffs incorporate by reference the allegations of paragraphs 1 through 20 of
4 the Complaint as though fully set forth herein.

5 22. The Agreement is a valid, binding contract between Ray and Bell supported
6 by adequate consideration. Specifically, as stated in the Agreement, “[i]n consideration of the
7 services rendered by Manager to you hereunder, subject to the terms and conditions of this
8 Agreement, you irrevocably assign to Manager, and you shall pay to Manager, as and when
9 received by you or applied in your behalf, sums equal to” certain commissions specified in the
10 Agreement based upon compensation received by Bell after the effective date of the Agreement.

11 23. Kahane had prior knowledge of the Agreement because he was present at Ago
12 restaurant on July 19, 2006 with Bell and Ray, during which time Bell personally signed the
13 Agreement in Kahane’s presence. Kahane also discussed the Agreement with Ray several times
14 after July 19, 2006.

15 24. Kahne engaged in acts specifically designed to induce Bell to breach the
16 Agreement by virtue of carrying out the Scheme and encouraging Bell to terminate the
17 Agreement and sign a similar contract with Kahane.

18 25. Bell’s termination of his management relationship with Plaintiffs, as well as the
19 Agreement, is a breach thereof because the term of the Agreement has not yet expired in that the
20 Album Cycle for the Fourth Album has not yet completed.

21 26. The only reference in the Agreement to Bell’s ability to terminate the Agreement
22 is as follows: “[y]ou shall have the right to terminate the Term of this Agreement if Manager dies
23 or becomes permanently disabled or if Manager ceases to be personally involved in the
24 management of your career and, within a reasonable time following Manager’s receipt of your
25 notice complaining of same, fails to resume such personal involvement.” (Agreement, ¶11).
26 None of these conditions apply.

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1 The Collective to act in reliance on these representations in the manner hereafter alleged, or with
2 the expectation that Plaintiffs would so act.

3 41. The Collective, at the time these representations were made by Kahane and at the
4 time The Collective took the actions herein alleged, were ignorant of the falsity of Kahane's
5 representations and believed them to be true. In reliance on these representations, The Collective
6 was induced to hire Kahane as an independent contractor. Had The Collective known the actual
7 facts, they would not have taken such action. The Collective's reliance on Kahane's
8 representations was justified because they reasonably believed that Kahane would bring new
9 clients to The Collective, as well as additional revenue streams.

10 42. As a proximate result of the fraudulent conduct of Kahane, as herein alleged,
11 The Collective was induced to hire Kahane, by reason of which The Collective has been
12 damaged in an amount to be determined at the time of trial, but in excess of the general
13 jurisdiction of this Court.

14 43. The aforementioned conduct of Kahane was an intentional misrepresentation,
15 deceit, or concealment of material facts known to Kahane, with the intention to thereby deprive
16 The Collective of property or legal rights or otherwise cause it injury, and was despicable
17 conduct that subjected The Collective to a cruel and unjust hardship in conscious disregard of its
18 rights, so as to justify an award of exemplary and punitive damages.

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20 **FOURTH CAUSE OF ACTION**

21 **(Negligent Misrepresentation by The Collective against Kahane)**

22 44. Plaintiffs incorporate by reference the allegations of paragraphs 1 through 43 of
23 the Complaint as though fully set forth herein.

24 45. Kahane owed The Collective a duty to be truthful and to not provide false
25 statements and false and misleading accounting and other information because Kahane knew,
26 or should have known, that The Collective would be relying upon the information that was
27 provided to them in deciding to hire Kahane as an independent contractor.

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1 computers and deleted from the Computers numerous e-mails containing estimates for Bell's
2 anticipated income. These e-mails included specific dollar amounts regarding Bell and his
3 actual, expected revenues, and income, from publishing and other sources. Kahane deleted
4 said e-mails to prevent The Collective from having such information, in furtherance of the
5 Scheme.

6 53. As a proximate result of Kahane's violation of the *Computer Fraud and Abuse*
7 *Act* (18 U.S.C. §1030), The Collective has been damaged in an amount to be determined at trial
8 but in an amount exceeding the jurisdictional minimum.

9 54. The conduct of Kahane was wanton, willful, malicious, oppressive, despicable,
10 and engaged in with a conscious disregard of The Collective's rights and justifies an award of
11 exemplary and punitive damages in an amount sufficient to punish, deter, and make an example
12 of Kahane, and to be shown according to proof at the time of trial.

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14 **SIXTH CAUSE OF ACTION**

15 **(Injunctive Relief by Plaintiffs against Kahane)**

16 55. Plaintiffs incorporate by reference the allegations of paragraphs 1 through 54 of
17 the Complaint as though fully set forth herein.

18 56. At the time that Kahane convinced Bell to leave The Collective and Ray and
19 terminate the Agreement, Kahane knew that Bell was not free to enter into any similar agreement
20 with Kahane, and that Bell was under a contract with Plaintiffs. Notwithstanding Kahane's
21 knowledge of this information, Kahane circumvented the Agreement and convinced Bell to leave
22 The Collective and Ray and terminate the Agreement, all to Plaintiffs' irreparable injury and
23 damage.

24 57. Bell has become an accomplished artist in the entertainment industry through the
25 joint efforts of Plaintiffs and Bell. Bell's success in the entertainment industry has been, in part,
26 a result of the experience, instruction and guidance he has received from Plaintiffs. Plaintiffs
27 have expended a great deal of time, and large sums of money, promoting Bell and his career.
28 Bell has thereby achieved the status of a "star." These sums were expended by Plaintiffs as an

1 investment for the future success of Bell, and the return on this investment was expected to
2 be the future popularity and success to be achieved by Bell during the term of the Agreement
3 after he had achieved the reputation of a “star” performer. Plaintiffs would not have expended
4 these sums, and this amount of time, but for the expectation that Plaintiffs would be able to
5 represent Bell as his personal manager during the full term of the Agreement.

6 58. Plaintiffs are able, ready, and willing to perform and fully comply with the terms
7 of the Agreement, during the term of the Agreement.

8 59. The services that have been rendered by Plaintiffs pursuant to the Agreement, on
9 behalf of Bell, are of a special, unique, and intellectual character, which gives them peculiar
10 value. As such, the loss of Bell as a client of Plaintiffs cannot be reasonably and adequately
11 compensated in damages in an action at law. Kahane’s intentional interference with the
12 Agreement, as well as the business relationship between Plaintiffs and Bell, has caused, and will
13 continue to cause, Plaintiffs great and irreparable injury for which there is no plain, speedy, or
14 adequate remedy at law. Plaintiffs are therefore entitled to an injunction against Kahane
15 restraining him from representing Bell for the duration of the term of the Agreement, and from
16 causing or contributing to the breach of the Agreement.

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18 **SEVENTH CAUSE OF ACTION**

19 **(Breach of Contract by Ray against Bell)**

20 60. Plaintiffs incorporate by reference the allegations of paragraphs 1 through 59 of
21 the Complaint as though fully set forth herein.

22 61. The Agreement is a valid, binding contract between Ray and Bell supported
23 by adequate consideration. Specifically, as stated in the Agreement, “[i]n consideration of the
24 services rendered by Manager to you hereunder, subject to the terms and conditions of this
25 Agreement, you irrevocably assign to Manager, and you shall pay to Manager, as and when
26 received by you or applied in your behalf, sums equal to” certain commissions specified in the
27 Agreement based upon compensation received by Bell after the effective date of the Agreement.

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1 69. As a proximate result of Bell's breach of the implied covenant of good faith and
2 fair dealing, Ray has suffered, and continues to suffer, damages in an amount to be determined at
3 the time of trial, but in excess of the general jurisdiction of this Court.

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5 WHEREFORE, Plaintiffs pray for judgment against Defendants, and each of them, as
6 follows:

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8 AS TO THE FIRST CAUSE OF ACTION:

- 9 1. For an award of compensatory damages in an amount to be determined according
10 to proof;
- 11 2. For an award of all costs of suit, including reasonable attorneys' fees to the extent
12 allowable by law;
- 13 3. For such other and further, legal and equitable relief as the Court may deem just
14 and proper; and
- 15 4. For an award of punitive damages in an amount appropriate to punish Kahane
16 and deter others from engaging in similar misconduct.

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18 AS TO THE SECOND CAUSE OF ACTION:

- 19 1. For an award of compensatory damages in an amount to be determined according
20 to proof;
- 21 2. For an award of all costs of suit, including reasonable attorneys' fees to the extent
22 allowable by law;
- 23 3. For such other and further, legal and equitable relief as the Court may deem just
24 and proper; and
- 25 4. For an award of punitive damages in an amount appropriate to punish Kahane
26 and deter others from engaging in similar misconduct.

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1 AS TO THE THIRD CAUSE OF ACTION:

2 1. For an award of compensatory damages in an amount to be determined according
3 to proof;

4 2. For an award of all costs of suit, including reasonable attorneys' fees to the extent
5 allowable by law;

6 3. For such other and further, legal and equitable relief as the Court may deem just
7 and proper; and

8 4. For an award of punitive damages in an amount appropriate to punish Kahane
9 and deter others from engaging in similar misconduct.

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11 AS TO THE FOURTH CAUSE OF ACTION:

12 1. For an award of compensatory damages in an amount to be determined according
13 to proof;

14 2. For an award of all costs of suit, including reasonable attorneys' fees to the extent
15 allowable by law; and

16 3. For such other and further, legal and equitable relief as the Court may deem just
17 and proper.

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19 AS TO THE FIFTH CAUSE OF ACTION:

20 1. For an award of compensatory damages in an amount to be determined according
21 to proof;

22 2. For an award of all costs of suit, including reasonable attorneys' fees to the extent
23 allowable by law;

24 3. For such other and further, legal and equitable relief as the Court may deem just
25 and proper; and

26 4. For an award of punitive damages in an amount appropriate to punish Kahane
27 and deter others from engaging in similar misconduct.

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1 AS TO THE SIXTH CAUSE OF ACTION:

2 1. For a temporary restraining order enjoining and restraining Kahane from
3 representing Bell in any capacity in the entertainment industry and from causing or contributing
4 to the breach of the Agreement;

5 2. For a preliminary injunction enjoining and restraining Kahane, *pendente lite*,
6 from representing Bell in any capacity in the entertainment industry and from causing or
7 contributing to the breach of the Agreement;

8 3. For a permanent injunction enjoining and restraining Kahane from representing
9 Bell in any capacity in the entertainment industry and from causing or contributing to the breach
10 of the Agreement, for the duration of the term of the Agreement;

11 4. For an award of all costs of suit, including reasonable attorneys' fees to the extent
12 allowable by law; and

13 5. For such other and further, relief as the Court may deem just and proper.
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15 AS TO THE SEVENTH CAUSE OF ACTION:

16 1. For an award of compensatory damages in an amount to be determined according
17 to proof;

18 2. For an award of all costs of suit, including reasonable attorneys' fees to the extent
19 allowable by law; and

20 3. For such other and further, legal and equitable relief as the Court may deem just
21 and proper.
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23 AS TO THE EIGHTH CAUSE OF ACTION:

24 1. For an award of compensatory damages in an amount to be determined according
25 to proof;

26 2. For an award of all costs of suit, including reasonable attorneys' fees to the extent
27 allowable by law; and

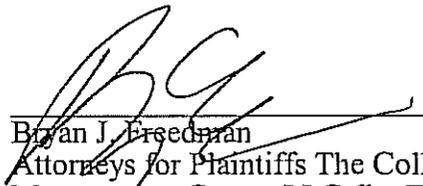
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3. For such other and further, legal and equitable relief as the Court may deem just and proper.

Dated: September 18, 2006

FREEDMAN & TAITELMAN, LLP

By: 
Bryan J. Freedman
Attorneys for Plaintiffs The Collective
Management Group, LLC dba The
Collective and Aaron Ray

Agreement ("Agreement") made executed this 17th day of July 2006, by and between Aaron Ray, 9100 Wilshire Blvd, Suite 700 West, Beverly Hills, CA 90212 (herein called "Manager") -and- Drake Bell (herein called "herein called "you" or "Artist").

WITNESSETH:

In consideration of the mutual covenants and promises hereinafter contained, the parties hereby agree as follows:

1. The term of this Agreement (the "Term") shall be deemed to have commenced as of June 1, 2005 and shall continue until the completion of the Album Cycle (defined below) ~~respecting the fourth long-playing phonograph record album comprised of Artist's newly~~ recorded studio performances released pursuant to a Recording Agreement (each, an "Album") during the Term. Notwithstanding the foregoing, if total Gross Compensation on which the Fee (defined below) is payable ("Commissionable Gross") does not equal or exceed Five Hundred Thousand Dollars (\$500,000) as of the end of the Album Cycle respecting the second Album released during the Term, then you shall have the right during the immediately ensuing ninety (90) day period to terminate the Term upon written notice to Manager. For purposes of the preceding sentence only, "Commissionable Gross" shall include compensation payable pursuant to offers declined by Artist during the Term, monies received on your behalf by agents but not yet disbursed to you, net advances to you pursuant to a Recording Agreement (i.e., gross amount less actual expended recording costs) and an amount equal to the royalties payable with respect to the exploitation of recordings or musical compositions during the Term for which you shall have yet to be accounted. As used herein, a "Recording Agreement" shall mean an agreement respecting your services as a musical recording artist with a record label with its own marketing and promotion capabilities which is distributed in the United States by one of the, currently four, so-called "major" record distributors (i.e., Sony BMG, Warner, EMI or Universal) or the successor of any of the foregoing. As used herein, an "Album Cycle" shall mean the period ending on the later to occur of the end of touring in support of a particular Album or the commencement of recording of the immediately succeeding Album.

2. You hereby engage Manager, during the Term hereof, as your exclusive personal manager, representative and advisor, throughout the world, with respect to all your activities throughout the Music Industry, and Manager hereby accepts such engagement.

3. (a) Manager shall confer with, counsel and advise you in all matters pertaining to your career in the Music Industry including, without limitation (i) the selection of literary, artistic, and musical material; (ii) all matters pertaining to publicity, public relations and advertising; (iii) general practices in the Music Industry regarding such matters as Manager has knowledge, such as compensation and privileges extended for similar artistic services; (iv) the selection of, and negotiation with, theatrical booking and similar agencies and other third parties that seek and procure employment and engagements for artists; and (v) the selection of, and negotiation with, any and all potential users of your talents.

(b) You shall use your best efforts to immediately advise Manager of all offers of employment, and of all inquiries concerning your career, so that Manager may determine and advise you whether same are compatible with your career.

(c) You hereby acknowledge that Manager is not licensed under the Labor Code of the State of California as a talent agent or as an employment agent or otherwise under the Business and Professions Code of the State of California, or as a theatrical employment agency or other employment agency under the General Business Law of the State of New York or as any of the foregoing under the laws of any State, and that Manager has not promised to procure employment or engagements for you, and that Manager shall not be obligated to procure any employment or engagements for you hereunder. You shall be solely responsible for payment of all necessary commissions to booking or similar agencies.

4. You hereby authorize and appoint Manager as your true and lawful agent and attorney-in-fact to do everything for you and in your behalf which you could legally do on your own behalf, which is permissible hereunder. This power is limited to the right, power and privilege to execute for you, in your name, and on your behalf, documents and contracts for your services solely in connection with single engagements (i.e., so-called "one-nighters") concerning which you have previously been advised and which you have approved, and to approve photographs and other publicity materials pertaining to you which incorporate likenesses of you that have been approved by you.

5. In consideration of the services rendered by Manager to you hereunder, subject to the terms and conditions of this Agreement, you hereby irrevocably assign to Manager, and you shall pay to Manager, as and when received by you or applied in your behalf, sums equal to the following (the "Fee"):

(a) With respect to your services in the Music Industry and the products thereof that are released during or within six (6) months following the Term pursuant to agreements entered into by you prior to or during the Term, fifteen percent (15%) of the Gross Compensation earned in connection therewith, in perpetuity.

(b) [Intentionally Deleted]

(c) The Fee shall be paid to Manager as and when said Gross Compensation is received by you, without any limitation of time, directly or indirectly, or by any person, firm or corporation on your behalf pursuant to (i) any and all contracts, engagements and commitments now in existence, (ii) any and all contracts, engagements and commitments entered into or negotiated during the Term hereof, (iii) any and all extensions, additions, substitutions, renewals, replacements, modifications and amendments of all such contracts, engagements and commitments referred to in (i), and (ii) above, (iv) any and all copyrights and publishing rights in musical compositions written, composed, arranged or adapted, in whole or in part, by you prior to or during the Term, and (v) any and all judgments, awards, settlements, payments, damages and proceeds relating to any suits, claims, actions, proceedings or arbitration proceedings arising out of alleged breach, non-performance or infringement by others of any of the contracts, engagements, commitments, other agreements or rights referred to in (i), (ii), (iii) and (iv) above,

all of which regardless of when entered into, when performed and when effective. Any monies due to Manager resulting from subparagraph 5(c)(v) above, shall be computed after first deducting counsel fees and disbursements. Notwithstanding anything contained in this Agreement to the contrary, to the extent any advances paid to you prior to the Term hereof constitute a pre-payment of royalties in respect to which Manager is entitled to its Fee under this Agreement, such Fee shall accrue to Manager as and when such royalties or other payments are credited against the applicable advance(s).

(d) You agree that you shall pay all your expenses which may arise in connection with your activities in the Music Industry including, but not limited to, the cost of material, equipment, facilities, transportation, lodging and living expenses, costumes, make-up, promotion, publicity, accounting and legal fees, and ~~Manager shall not have any liability whatsoever in such connection. Manager shall not be required to travel to meet with you at any particular place; however, when Manager travels on your behalf, at your request, it shall be at your sole expense. You agree to reimburse Manager for all documented expenses (sometimes hereinafter, "Expenses") which Manager advances or incurs on your behalf hereunder, including, but not limited to, the cost of couriers, transportation undertaken by Manager at your request or with your consent and all lodging and living expenses connected therewith. You shall have the right to approve each single item of expense in excess of Five Hundred (\$500) Dollars and aggregate monthly expenses in excess of One Thousand (\$1,000) Dollars. For the avoidance of doubt, Manager's office overhead shall not be included as "Expenses" hereunder. For purposes of this subparagraph (d), when traveling with Artist, the class of airfare or accommodations of Manager's employees shall not exceed that of Artist's and when traveling on behalf of Artist and other client's of Manager, Artist shall be responsible for not more than its pro rata share of Manager's expenses.~~

(e) The interest and compensation set forth hereinabove which shall be paid to Manager shall be a continuing interest, and shall not be revocable at your pleasure. It is intended by you to create an agency coupled with an interest and the appointment and engagement of Manager and Manager's right to receive the Fee as provided for herein are the inducements for Manager to enter into this Agreement.

6. (a) The parties hereby acknowledge that from time to time during the Term hereof, Manager or other persons or entities (i) that are owned and/or controlled by Manager, or (ii) that own and/or control Manager, or (iii) that are in common ownership and/or control with Manager ("Manager's Affiliates"), may package an entertainment program in which you are engaged as an artist, or may act as the entrepreneur or promoter of an entertainment program in which you are engaged as an artist, or may engage you in connection with the recording and/or production of phonograph records, or as a songwriter, composer, arranger or otherwise in connection with the creation of musical works. Any agreement or arrangement between Manager and Manager's Affiliate(s) for such activity shall not (A) constitute a breach of this Agreement or of Manager's fiduciary obligations and duties to you, or (B) in any way affect Manager's right to its Fee hereunder in all instances not covered by the exceptions hereinafter set forth.

(b) Manager shall not be entitled to its Fee from you in connection with any monies or other considerations derived by you (i) from any employment or agreement whereunder you are employed by Manager (or by Manager's Affiliates) in which Manager (or Manager's Affiliates) is acting as (A) the packager of the entertainment program in which you are so employed, or (B) your music publisher, or (C) your record company; or (ii) from the sale, license or grant of any musical rights to Manager (or to Manager's Affiliates).

(c) You understand and agree that Manager shall not render nor shall Manager be obligated to render the personal management services contemplated in this Agreement with respect to the aforesaid non-commissionable activities, and in connection therewith, you shall have the right to seek and retain independent advice.

~~7. (a) You shall engage a certified public accountant (sometimes herein called the "Accountant") acceptable to Manager, acting reasonably, which Accountant shall be engaged at your sole expense. The Accountant shall have the right to collect and receive, on your behalf, all of your Gross Compensation hereunder except as otherwise provided in subparagraph 7(e) above, and deposit such Gross Compensation in one or more separate segregated bank accounts in your name. The Accountant and any and all successors shall acknowledge and assume all of the obligations under this Agreement that relate to the Accountant's function. In this connection, you shall notify and irrevocably direct any and all third parties to pay all Gross Compensation directly to the Accountant, except as otherwise provided in subparagraph 7(e) below. Furthermore, you shall irrevocably authorize, direct and cause the Accountant to pay Manager the Fee and any reimbursement or payment of Expenses due Manager hereunder, within the first fifteen (15) days of each calendar month during the Term of this Agreement (except weekly during any personal appearance tour) and thereafter so long as Manager is entitled to receive Manager's Fee, together with a written accounting statement. Said accounting statements shall, among other things, set forth all gross monies received by the Accountant on your behalf during the preceding month, specifying the source thereof and the deductions therefrom for Manager's Fee hereunder.~~

(b) In the event that the first Accountant to render services in connection with this Agreement is to be terminated, or the services of any other Accountant are to be terminated, then you shall select a mutually acceptable (each party acting reasonably) certified public accountant to replace the Accountant. However, it is agreed by the parties hereto that in no event shall any Accountant's services actually be terminated hereunder prior to the engagement by you and Manager of the accountant who shall replace the Accountant who is to be terminated pursuant to the terms and conditions hereof.

(c) Except as expressly set forth in subparagraph 7(e) below, in the event that you or Manager or any party on your or Manager's behalf, as the case may be, shall receive any Gross Compensation hereunder, you or Manager, as the case may be, shall forthwith remit all such sums directly to the Accountant.

(d) If you shall fail to so engage an Accountant to receive your Gross Compensation or to account to Manager and make payments as provided for in subparagraph 7(a) above, you hereby authorize Manager to collect Gross Compensation from all third parties, to deduct and

retain the Fee and reimbursement for Expenses therefrom, and Manager shall account and pay to you the balance thereof promptly thereafter.

(e) Notwithstanding anything contained in this Agreement to the contrary, you shall notify and irrevocably direct any and all third parties to pay directly to Manager the Fee due to Manager hereunder with respect to all recording, publishing, merchandising and booking agency agreements in respect of your activities in the Music Industry. Should you fail to do so within thirty (30) days following Manager's request (or such shorter period of time as exigencies may require), then Manager shall have the right to sign such a direction of payment in your name, pursuant to paragraph 4 above, and deliver same to such third parties. Such Fee shall be payable to Manager immediately upon payment or credit to you or any other person on your behalf of the Gross Compensation upon which such Fee is based.

8. You agree that Manager and Manager's representatives may inspect and audit your Books and Records to ascertain the amounts due Manager, and Manager agrees that you and your representatives may inspect and audit those portions of Manager's Books and Records which concern you. The aforementioned audits and/or inspections, if any, shall be conducted upon reasonable notice to the party to be audited or inspected. "Books and Records" as used herein shall include ledgers, journals, receipt books, checks and all other records, including, without limitation, computer files, concerning financial matters. Manager's right to so inspect and audit your Books and Records with respect to any particular statement that shall have been rendered on your behalf to Manager hereunder shall be deemed binding upon Manager unless written objection thereto is provided to you within three (3) years after Manager's receipt of such statements and a lawsuit with respect thereto is commenced within four (4) years after such receipt.

9. You hereby acknowledge that Manager's position hereunder is that of an independent contractor. Manager's services are not exclusive to you and Manager shall be permitted to perform the same or similar services for other artists or persons during the Term of this Agreement. Manager shall be permitted to devote such time and efforts to other business activities as Manager may deem necessary or desirable, in Manager's sole discretion.

10. (a) You hereby warrant and represent that you have the right to make and enter into this Agreement and to grant all of the rights herein granted to Manager, and that you are not now under contract to, or have any other written agreement or oral understanding with, any other personal manager or other party which would prevent you from performing your obligations hereunder or diminish the Fee otherwise payable to Manager;

(b) Manager hereby warrants and represents that it has the right to make and enter into this Agreement.

(c) You shall at all times defend, indemnify and hold harmless Manager and Manager's Affiliate's, and all officers, agents, affiliates, licensees and distributors (collectively, the "Manager Indemnitees") from and against any and all demands, claims, damages, liabilities, costs and expenses, including legal expenses and reasonable counsel fees, arising out of any alleged breach or breach by you, of any warranty, representation or agreement made by you

herein, or pertaining to any act, error or omission allegedly committed or omitted by you or any person or entity allegedly acting on your behalf or under your direction or control, which such claim is reduced to a final judgment in a court of competent jurisdiction or is settled with the your consent, which such consent shall not be unreasonably withheld or delayed. You will reimburse Manager, Manager's Affiliates and the Manager Indemnitees, on demand, for any payment made at any time after the date hereof in respect of any liability or claim in respect of which Manager, Manager's Affiliates or the Manager Indemnitees are entitled to be indemnified hereunder. Manager shall at all times defend, indemnify and hold harmless you and your agents, successors and assigns (collectively, the "Artist Indemnitees") from and against any and all demands, claims, damages, liabilities, costs and expenses, including legal expenses and reasonable counsel fees, arising out of any alleged breach or breach by Manager of any warranty, representation or agreement made by Manager herein, or pertaining to any act, error or omission ~~allegedly committed or omitted by Manager or any person or entity allegedly acting on~~ Manager's behalf or under its direction or control, which such claim is reduced to a final judgment in a court of competent jurisdiction or is settled with the Manager's consent, which such consent shall not be unreasonably withheld or delayed. Manager will reimburse you and the Artist Indemnitees, on demand, for any payment made at any time after the date hereof in respect of any liability or claim in respect of which you or the Artist Indemnitees are entitled to be indemnified hereunder.

11. You shall have the right to terminate the Term of this Agreement if Manager dies or becomes permanently disabled or if Manager ceases to be personally involved in the management of your career and, within a reasonable time following Manager's receipt of your notice complaining of same, fails to resume such personal involvement.

12. As used in this Agreement, the following terms shall have the meanings set forth below:

(a) "Music Industry" - includes, without limitation, but subject to the terms and conditions of this Agreement, all services and activities, whether as a performer, producer, writer, publisher or otherwise, in such fields of endeavor as phonograph records (including but not limited to recording and production), transcriptions, musical performances, singing, radio, music, personal appearances, concerts, roadshows, tours, cafe and cabaret performing, hotel, restaurant and private function performing, commercial merchandising, sponsorships, endorsements and tie-ins; and the sale, lease or other disposition of musical material which you may create, compose, write or collaborate, directly or indirectly, in whole or in part and any musical act, unit or package show of which you may be the owner or part owner, directly or indirectly.

(b) (i) "Gross Compensation" - includes, without limitation, any and all forms of income, payments, consideration, compensation, sums, emoluments or any other thing of value, including salaries, advances, fees, royalties, bonuses, gifts, shares of receipts, stock and stock options (subject to Manager's payment of the same proportionate price paid by Artist, if any, in respect of such stock or stock options), paid to you or applied for your benefit directly or indirectly (i.e., any corporation, partnership, or other entity in which you have an interest) or

credited to your account, regardless of by whom procured, as a result of your activities in and throughout the Music Industry.

(ii) Notwithstanding the foregoing, there shall be excluded from Gross Compensation hereunder:

(A) Actual bona fide recording costs (excluding personal advances to you) of master recordings embodying your performances as a featured recording artist.

(B) Actual bona fide costs and expenses of so-called "music videos" embodying your recorded performances.

(C) Monies payable from a record company to you as recoupable "tour support", as that term is used in the music industry, but solely to the extent that such tour support is paid to you or on your behalf to make up a deficit incurred by you in connection with such tour (i.e., to the extent that monies generated from such tour are less than monies payable to you, or on your behalf, by unrelated third parties in connection with such tour) provided that monies payable as compensation and/or salary for your services shall not be deemed tour support.

(D) Monies paid to unrelated third parties for sound and lights and "opening acts" in connection with your concert performances.

(E) Monies paid by you to unrelated third party producers of master recordings and videos embodying your performances and to co-writers and unrelated co-publishers of musical compositions written by you.

(F) Actual bona fide costs and expenses of manufacturing commemorative Artist merchandise sold by Artist;

(G) Monies paid to unrelated third parties for independent radio promotion;

(H) Costs of collection of Gross Compensation; and

(I) Passive investment income.

13. Manager may assign this Agreement to any third party, including, without limitation, to any of Manager's Affiliates or to any person or entity owning or acquiring a substantial portion of the stock or assets of Manager. You may not assign this Agreement or any of your rights hereunder, and any such attempted assignment shall be void. This Agreement shall be binding upon you and Manager and shall inure to the benefit of your and Manager's respective successors and assigns. This Agreement shall also be binding upon any entity which, directly or indirectly, in whole or part, through one or more intermediaries, owned or controls, is owned or controlled by, or is under common ownership or control with, you (a "Controlled

Entity"). Accordingly, this Agreement is hereby accepted by you on your behalf and on behalf of each Controlled Entity.

14. Manager shall have the right during the Term hereof to obtain life insurance on your life at Manager's sole cost and expense, with Manager being the sole beneficiary thereof and in an amount to be determined by Manager in Manager's sole discretion. You shall cooperate in connection with the obtaining of same, provided that you shall not be required to submit to any physical examination. You hereby acknowledge that neither you nor your estate shall have any right to claim the benefits of any such policy obtained by Manager.

15. Except as otherwise specifically provided herein, all notices hereunder shall be in writing and shall be given by registered or certified mail or telegraph (prepaid), at the respective ~~addresses set forth in this Agreement, or such other address or addresses as may be designated by~~ either party. Such notices shall be deemed given when mailed or delivered to a telegraph office, except that notice of change of address or notice under subparagraph 17(b) below shall be effective only from the date of its receipt. A copy of all notices given to Manager shall be simultaneously sent by the same method of delivery to the address listed above. A copy of all notices given to Artist shall be simultaneously sent by the same method of delivery to Doug Mark, Esq., Barnes Morris Klein Mark Yorn Barnes & Levine, 1424 Second Street, Third Floor, Santa Monica, CA 90401.

16. (a) This Agreement contains the entire understanding of the parties hereto relating to the subject matter hereof and cannot be changed or terminated by you except by an instrument signed by you and an officer of Manager. A waiver by either party of any term or condition of this Agreement in any instance shall not be deemed or construed as a waiver of such term or condition for the future, or of any subsequent breach thereof. All remedies, rights, undertakings, obligations, and agreements contained in this Agreement shall be cumulative and none of them shall be in limitation of any other remedy, right, undertaking, obligation or agreement of either party.

(b) No breach of this Agreement on the part of either party shall be deemed material, unless the other party shall have given notice of such breach and the breaching party shall have failed to cure such breach within thirty (30) days after receipt of such notice, if such breach is reasonably capable of being fully cured within such thirty (30) day period; or if such breach is not reasonably capable of being fully cured within such thirty (30) day period, if such breaching party commences to cure such breach within such thirty (30) day period and proceeds with reasonable diligence to complete the curing of such breach.

(c) Nothing in this Agreement shall be construed to create a partnership or joint venture between Manager and you.

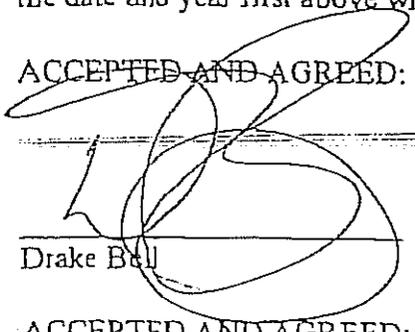
(d) This Agreement has been entered into in the State of California, and the validity, interpretation and legal effect of this Agreement shall be governed by the laws of the State of California applicable to contracts entered into and performed entirely within the State of California. The California courts, only, will have jurisdiction of any controversies regarding this Agreement; and, any action or other proceeding which involves such a controversy will be

brought in the courts located within the County of Los Angeles, and not elsewhere. Any process in any action or proceeding commenced in the courts of the State of California arising out of any such claim, dispute or disagreement, may, among other methods, be served upon you by delivering or mailing the same, via registered or certified mail, addressed to you at the address first above written or such other address as you may designate pursuant to paragraph 15 hereof. Any such delivery or mail service shall be deemed to have the same force and effect as personal service within the State of California.

(e) If any part of this Agreement shall be determined to be invalid or unenforceable by a court of competent jurisdiction or by any other legally constituted body having jurisdiction to make such determination, the remainder of this Agreement shall remain in full force and effect.

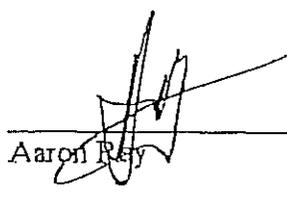
IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date and year first above written.

ACCEPTED AND AGREED:



Drake Bell

ACCEPTED AND AGREED:



Aaron Ray

7/19/06

FREEDMAN & TAITELMAN, LLP
ATTORNEYS AT LAW

1901 AVENUE OF THE STARS, SUITE 500
LOS ANGELES, CALIFORNIA 90067
TEL: (310) 201-0005
FAX: (310) 201-0045
E-MAIL: bfreedman@flllp.com

BRYAN J. FREEDMAN

OUR FILE NUMBER

September 11, 2006

VIA E-MAIL, PERSONAL DELIVERY AND U.S. MAIL

Mr. Rob Kahane
3757 Calle Joaquin
Calabasas, California 91302
rkahane@KahaneEnt.com

Re: *The Collective/Aaron Ray v. Rob Kahane*
(Concerning Drake Bell)

Dear Mr. Kahane:

This law firm represents Aaron Ray ("Ray") and The Collective (the "Collective") in connection with various matters including, but not limited to, the possibility of filing litigation against you for your intentional interference with Mr. Ray's written contractual agreement with Drake Bell ("Bell"), and for your interference with the Collective's prospective economic advantage with respect to Bell. As such, all future communications regarding this matter should be directed to this law firm only.

As you have been aware for a long time, Mr. Ray has had an on-going professional relationship with Bell and has represented him as his exclusive personal manager in connection with Bell's activities in all areas of the entertainment industry. As you are also well aware, Mr. Ray has a written, management agreement (the "Agreement") with Bell whereby Bell engaged Mr. Ray "as [his] exclusive personal manager, representative and advisor, throughout the world, with respect to all [of Bell's] activities throughout the Music Industry. . . ." You have known of the Agreement since July 19, 2006 when you were present at Ago restaurant with Bell and Mr. Ray, during which time Bell personally signed the Agreement in your presence. To the extent that you have developed voluntary, self-induced amnesia concerning that event, I enclose another copy of the Agreement for your records.

Mr. Rob Kahane
September 11, 2006
Page 2

The Collective and Mr. Ray have recently learned, through various individuals, of your scheme to encourage, cajole and palaver Bell to terminate his relationship with Mr. Ray and the Collective, breach the Agreement and sign a management agreement with you to become his personal representative in the music industry. It is also our understanding that in committing these tortious acts you used property, trade secrets and confidential information of the Collective in an effort to further your scheme.

~~You should be aware that if Bell terminates, or in any other way breaches, the Agreement, you~~ will be liable for Intentional Interference with Contractual Relations, based upon your knowledge of the Agreement and intent to induce its breach. See *Dryden v. Tri-Valley Growers* (1977) 65 Cal.App.3d 990, 995; *Springer v. Singleton* (1967) 256 Cal.App.2d 184, 187-188; see also *Abrams & Fox, Inc. v. Briney* (1974) 39 Cal.App.3d 604, 608; *Greenberg v. Hollywood Turf Club* (1970) 7 Cal.App.3d 968, 975; *Freed v. Manchester Services, Inc.* (1958) 165 Cal.App.2d 186, 189.

Moreover, you will also be liable for Interference with Prospective Economic Advantage based upon your intentional acts designed to disrupt the contractual relationship between Mr. Ray and the Collective and Bell. See *Reeves v. Hanlon* (2004) 33 Cal.4th 1140, 1148. See *Pacific Gas & Electric Co. v. Bear Stearns & Co.* (1990) 50 Cal.3d 1118, 1126. See also *Quelimane Co. v. Steward Title Guaranty Co.* (1998) 19 Cal.4th 26, 56. Mr. Kahane, I caution you to not take any further action with respect to interfering with the Collective's and Mr. Ray's rights with respect to the Agreement. I trust that, given your history of testimony that has been questionable, at best, should you even attempt to dispute your interference, the witnesses and documents we are aware of which refute your claims will, once again, allow you the continued opportunity to act as an unreliable and untrustworthy witness.

The Agreement is a valid and existing contract between Mr. Ray and Bell, of which you had knowledge as described above. You have demonstrated a clear intention to induce its breach by encouraging Bell to terminate the Agreement and sign a similar contract with you. If, in fact, Bell terminates the Agreement (thereby breaching it) and the breach was caused by your unjustified or wrongful conduct in encouraging Bell to terminate it, you are liable to Ray and the Collective for all damages suffered by them as a result of Bell's termination of the Agreement, based on both of the causes of action referenced above, in addition to other remedies under the law.

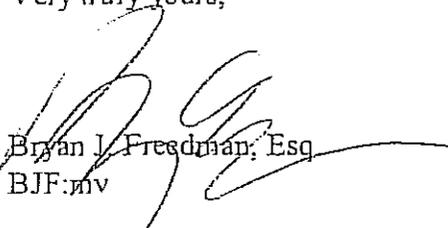
Furthermore, we have been informed by various sources that you have defamed Mr. Ray, the Collective, and Michael Green in connection with your attempts to interfere with the Agreement and with the Collective's prospective economic advantage vis-a-vis Bell. If, in fact, this is true, then you will be sued for defamation and be liable for all damages suffered by Mr. Ray, the Collective and Mr. Green in connection with said defamation.

Mr. Rob Kahane
September 11, 2006
Page 3

Be further advised that Mr. Ray and the Collective will take all necessary and appropriate legal action against you should the Agreement be terminated by Bell. You are hereby directed to cease and desist any and all actions which interfere, or attempt to interfere, with the Agreement, the rights of the parties thereto, or which interfere, or attempt to interfere, with the prospective economic advantage of Ray or the Collective with respect to the Agreement. You are hereby put on notice that Ray and the Collective will seek damages against you in the event you continue such conduct. Given your history in litigation and lack of credibility as a witness, there is no ~~doubt that you will be liable for, among other things, interfering with the Agreement, and with~~ Ray's and the Collective's prospective economic advantage vis-a-vis the Agreement, should Bell terminate the Agreement.

Mr. Kahane, based on your reputation, I am sure you have received numerous letters in the past which have made hollow threats to sue you based on your questionable conduct throughout your career. ~~You should be advised that this is not one of those letters. Should Bell terminate, or otherwise breach, the Agreement, you will be sued.~~

Very truly yours,


Bryan J. Freedman, Esq.
BJF:mv

Enclosure

Agreement ("Agreement") made executed this 17th day of July 2006, by and between Aaron Ray, 9100 Wilshire Blvd, Suite 700 West, Beverly Hills, CA 90212 (herein called "Manager") -and- Drake Bell (herein called "herein called "you" or "Artist").

WITNESSETH:

In consideration of the mutual covenants and promises hereinafter contained, the parties hereby agree as follows:

1. The term of this Agreement (the "Term") shall be deemed to have commenced as of June 1, 2005 and shall continue until the completion of the Album Cycle (defined below) ~~respecting the fourth long playing phonograph record album comprised of Artist's newly~~ recorded studio performances released pursuant to a Recording Agreement (each, an "Album") during the Term. Notwithstanding the foregoing, if total Gross Compensation on which the Fee (defined below) is payable ("Commissionable Gross") does not equal or exceed Five Hundred Thousand Dollars (\$500,000) as of the end of the Album Cycle respecting the second Album released during the Term, then you shall have the right during the immediately ensuing ninety (90) ~~day period to terminate the Term upon written notice to Manager.~~ For purposes of the preceding sentence only, "Commissionable Gross" shall include compensation payable pursuant to offers declined by Artist during the Term, monies received on your behalf by agents but not yet disbursed to you, net advances to you pursuant to a Recording Agreement (i.e., gross amount less actual expended recording costs) and an amount equal to the royalties payable with respect to the exploitation of recordings or musical compositions during the Term for which you shall have yet to be accounted. As used herein, a "Recording Agreement" shall mean an agreement respecting your services as a musical recording artist with a record label with its own marketing and promotion capabilities which is distributed in the United States by one of the, currently four, so-called "major" record distributors (i.e., Sony BMG, Warner, EMI or Universal) or the successor of any of the foregoing. As used herein, an "Album Cycle" shall mean the period ending on the later to occur of the end of touring in support of a particular Album or the commencement of recording of the immediately succeeding Album.

2. You hereby engage Manager, during the Term hereof, as your exclusive personal manager, representative and advisor, throughout the world, with respect to all your activities throughout the Music Industry, and Manager hereby accepts such engagement.

3. (a) Manager shall confer with, counsel and advise you in all matters pertaining to your career in the Music Industry including, without limitation (i) the selection of literary, artistic, and musical material; (ii) all matters pertaining to publicity, public relations and advertising; (iii) general practices in the Music Industry regarding such matters as Manager has knowledge, such as compensation and privileges extended for similar artistic services; (iv) the selection of, and negotiation with, theatrical booking and similar agencies and other third parties that seek and procure employment and engagements for artists; and (v) the selection of, and negotiation with, any and all potential users of your talents.

(b) You shall use your best efforts to immediately advise Manager of all offers of employment, and of all inquiries concerning your career, so that Manager may determine and advise you whether same are compatible with your career.

(c) You hereby acknowledge that Manager is not licensed under the Labor Code of the State of California as a talent agent or as an employment agent or otherwise under the Business and Professions Code of the State of California, or as a theatrical employment agency or other employment agency under the General Business Law of the State of New York or as any of the foregoing under the laws of any State, and that Manager has not promised to procure employment or engagements for you, and that Manager shall not be obligated to procure any employment or engagements for you hereunder. You shall be solely responsible for payment of all necessary commissions to booking or similar agencies.

4. You hereby authorize and appoint Manager as your true and lawful agent and attorney-in-fact to do everything for you and in your behalf which you could legally do on your own behalf, which is permissible hereunder. This power is limited to the right, power and privilege to execute for you, in your name, and on your behalf, documents and contracts for your services solely in connection with single engagements (i.e., so-called "one-nighters") concerning which you have previously been advised and which you have approved, and to approve photographs and other publicity materials pertaining to you which incorporate likenesses of you that have been approved by you.

5. In consideration of the services rendered by Manager to you hereunder, subject to the terms and conditions of this Agreement, you hereby irrevocably assign to Manager, and you shall pay to Manager, as and when received by you or applied in your behalf, sums equal to the following (the "Fee"):

(a) With respect to your services in the Music Industry and the products thereof that are released during or within six (6) months following the Term pursuant to agreements entered into by you prior to or during the Term, fifteen percent (15%) of the Gross Compensation earned in connection therewith, in perpetuity.

(b) [Intentionally Deleted]

(c) The Fee shall be paid to Manager as and when said Gross Compensation is received by you, without any limitation of time, directly or indirectly, or by any person, firm or corporation on your behalf pursuant to (i) any and all contracts, engagements and commitments now in existence, (ii) any and all contracts, engagements and commitments entered into or negotiated during the Term hereof, (iii) any and all extensions, additions, substitutions, renewals, replacements, modifications and amendments of all such contracts, engagements and commitments referred to in (i), and (ii) above, (iv) any and all copyrights and publishing rights in musical compositions written, composed, arranged or adapted, in whole or in part, by you prior to or during the Term, and (v) any and all judgments, awards, settlements, payments, damages and proceeds relating to any suits, claims, actions, proceedings or arbitration proceedings arising out of alleged breach, non-performance or infringement by others of any of the contracts, engagements, commitments, other agreements or rights referred to in (i), (ii), (iii) and (iv) above,

all of which regardless of when entered into, when performed and when effective. Any monies due to Manager resulting from subparagraph 5(c)(v) above, shall be computed after first deducting counsel fees and disbursements. Notwithstanding anything contained in this Agreement to the contrary, to the extent any advances paid to you prior to the Term hereof constitute a pre-payment of royalties in respect to which Manager is entitled to its Fee under this Agreement, such Fee shall accrue to Manager as and when such royalties or other payments are credited against the applicable advance(s).

(d) You agree that you shall pay all your expenses which may arise in connection with your activities in the Music Industry including, but not limited to, the cost of material, equipment, facilities, transportation, lodging and living expenses, costumes, make-up, promotion, publicity, accounting and legal fees, and ~~Manager shall not have any liability whatsoever in such connection. Manager shall not be required to travel to meet with you at any particular place; however, when Manager travels on your behalf, at your request, it shall be at your sole expense. You agree to reimburse Manager for all documented expenses (sometimes hereinafter, "Expenses") which Manager advances or incurs on your behalf hereunder, including, but not limited to, the cost of couriers, transportation undertaken by Manager at your request or with your consent and all lodging and living expenses connected therewith. You shall have the right to approve each single item of expense in excess of Five Hundred (\$500) Dollars and aggregate monthly expenses in excess of One Thousand (\$1,000) Dollars. For the avoidance of doubt, Manager's office overhead shall not be included as "Expenses" hereunder. For purposes of this subparagraph (d), when traveling with Artist, the class of airfare or accommodations of Manager's employees shall not exceed that of Artist's and when traveling on behalf of Artist and other client's of Manager, Artist shall be responsible for not more than its pro rata share of Manager's expenses.~~

(e) The interest and compensation set forth hereinabove which shall be paid to Manager shall be a continuing interest, and shall not be revocable at your pleasure. It is intended by you to create an agency coupled with an interest and the appointment and engagement of Manager and Manager's right to receive the Fee as provided for herein are the inducements for Manager to enter into this Agreement.

6. (a) The parties hereby acknowledge that from time to time during the Term hereof, Manager or other persons or entities (i) that are owned and/or controlled by Manager, or (ii) that own and/or control Manager, or (iii) that are in common ownership and/or control with Manager ("Manager's Affiliates"), may package an entertainment program in which you are engaged as an artist, or may act as the entrepreneur or promoter of an entertainment program in which you are engaged as an artist, or may engage you in connection with the recording and/or production of phonograph records, or as a songwriter, composer, arranger or otherwise in connection with the creation of musical works. Any agreement or arrangement between Manager and Manager's Affiliate(s) for such activity shall not (A) constitute a breach of this Agreement or of Manager's fiduciary obligations and duties to you, or (B) in any way affect Manager's right to its Fee hereunder in all instances not covered by the exceptions hereinafter set forth.

(b) Manager shall not be entitled to its Fee from you in connection with any monies or other considerations derived by you (i) from any employment or agreement whereunder you are employed by Manager (or by Manager's Affiliates) in which Manager (or Manager's Affiliates) is acting as (A) the packager of the entertainment program in which you are so employed, or (B) your music publisher, or (C) your record company; or (ii) from the sale, license or grant of any musical rights to Manager (or to Manager's Affiliates).

(c) You understand and agree that Manager shall not render nor shall Manager be obligated to render the personal management services contemplated in this Agreement with respect to the aforesaid non-commissionable activities, and in connection therewith, you shall have the right to seek and retain independent advice.

~~(a) You shall engage a certified public accountant (sometimes herein called the "Accountant") acceptable to Manager, acting reasonably, which Accountant shall be engaged at your sole expense. The Accountant shall have the right to collect and receive, on your behalf, all of your Gross Compensation hereunder except as otherwise provided in subparagraph 7(e) above, and deposit such Gross Compensation in one or more separate segregated bank accounts in your name. The Accountant and any and all successors shall acknowledge and assume all of the obligations under this Agreement that relate to the Accountant's function. In this connection, you shall notify and irrevocably direct any and all third parties to pay all Gross Compensation directly to the Accountant, except as otherwise provided in subparagraph 7(e) below. Furthermore, you shall irrevocably authorize, direct and cause the Accountant to pay Manager the Fee and any reimbursement or payment of Expenses due Manager hereunder, within the first fifteen (15) days of each calendar month during the Term of this Agreement (except weekly during any personal appearance tour) and thereafter so long as Manager is entitled to receive Manager's Fee, together with a written accounting statement. Said accounting statements shall, among other things, set forth all gross monies received by the Accountant on your behalf during the preceding month, specifying the source thereof and the deductions therefrom for Manager's Fee hereunder.~~

(b) In the event that the first Accountant to render services in connection with this Agreement is to be terminated, or the services of any other Accountant are to be terminated, then you shall select a mutually acceptable (each party acting reasonably) certified public accountant to replace the Accountant. However, it is agreed by the parties hereto that in no event shall any Accountant's services actually be terminated hereunder prior to the engagement by you and Manager of the accountant who shall replace the Accountant who is to be terminated pursuant to the terms and conditions hereof.

(c) Except as expressly set forth in subparagraph 7(e) below, in the event that you or Manager or any party on your or Manager's behalf, as the case may be, shall receive any Gross Compensation hereunder, you or Manager, as the case may be, shall forthwith remit all such sums directly to the Accountant.

(d) If you shall fail to so engage an Accountant to receive your Gross Compensation or to account to Manager and make payments as provided for in subparagraph 7(a) above, you hereby authorize Manager to collect Gross Compensation from all third parties, to deduct and

retain the Fee and reimbursement for Expenses therefrom, and Manager shall account and pay to you the balance thereof promptly thereafter.

(e) Notwithstanding anything contained in this Agreement to the contrary, you shall notify and irrevocably direct any and all third parties to pay directly to Manager the Fee due to Manager hereunder with respect to all recording, publishing, merchandising and booking agency agreements in respect of your activities in the Music Industry. Should you fail to do so within thirty (30) days following Manager's request (or such shorter period of time as exigencies may require), then Manager shall have the right to sign such a direction of payment in your name, pursuant to paragraph 4 above, and deliver same to such third parties. Such Fee shall be payable to Manager immediately upon payment or credit to you or any other person on your behalf of the Gross Compensation upon which such Fee is based.

8. You agree that Manager and Manager's representatives may inspect and audit your Books and Records to ascertain the amounts due Manager, and Manager agrees that you and your representatives may inspect and audit those portions of Manager's Books and Records which concern you. The aforementioned audits and/or inspections, if any, shall be conducted upon reasonable notice to the party to be audited or inspected. "Books and Records" as used herein shall include ledgers, journals, receipt books, checks and all other records, including, without limitation, computer files, concerning financial matters. Manager's right to so inspect and audit your Books and Records with respect to any particular statement that shall have been rendered on your behalf to Manager hereunder shall be deemed binding upon Manager unless written objection thereto is provided to you within three (3) years after Manager's receipt of such statements and a lawsuit with respect thereto is commenced within four (4) years after such receipt.

9. You hereby acknowledge that Manager's position hereunder is that of an independent contractor. Manager's services are not exclusive to you and Manager shall be permitted to perform the same or similar services for other artists or persons during the Term of this Agreement. Manager shall be permitted to devote such time and efforts to other business activities as Manager may deem necessary or desirable, in Manager's sole discretion.

10. (a) You hereby warrant and represent that you have the right to make and enter into this Agreement and to grant all of the rights herein granted to Manager, and that you are not now under contract to, or have any other written agreement or oral understanding with, any other personal manager or other party which would prevent you from performing your obligations hereunder or diminish the Fee otherwise payable to Manager;

(b) Manager hereby warrants and represents that it has the right to make and enter into this Agreement.

(c) You shall at all times defend, indemnify and hold harmless Manager and Manager's Affiliate's, and all officers, agents, affiliates, licensees and distributors (collectively, the "Manager Indemnitees") from and against any and all demands, claims, damages, liabilities, costs and expenses, including legal expenses and reasonable counsel fees, arising out of any alleged breach or breach by you, of any warranty, representation or agreement made by you

herein, or pertaining to any act, error or omission allegedly committed or omitted by you or any person or entity allegedly acting on your behalf or under your direction or control, which such claim is reduced to a final judgment in a court of competent jurisdiction or is settled with the your consent, which such consent shall not be unreasonably withheld or delayed. You will reimburse Manager, Manager's Affiliates and the Manager Indemnitees, on demand, for any payment made at any time after the date hereof in respect of any liability or claim in respect of which Manager, Manager's Affiliates or the Manager Indemnitees are entitled to be indemnified hereunder. Manager shall at all times defend, indemnify and hold harmless you and your agents, successors and assigns (collectively, the "Artist Indemnitees") from and against any and all demands, claims, damages, liabilities, costs and expenses, including legal expenses and reasonable counsel fees, arising out of any alleged breach or breach by Manager of any warranty, representation or agreement made by Manager herein, or pertaining to any act, error or omission ~~allegedly committed or omitted by Manager or any person or entity allegedly acting on~~ Manager's behalf or under its direction or control, which such claim is reduced to a final judgment in a court of competent jurisdiction or is settled with the Manager's consent, which such consent shall not be unreasonably withheld or delayed. Manager will reimburse you and the Artist Indemnitees, on demand, for any payment made at any time after the date hereof in respect of any liability or claim in respect of which you or the Artist Indemnitees are entitled to be indemnified hereunder.

11. You shall have the right to terminate the Term of this Agreement if Manager dies or becomes permanently disabled or if Manager ceases to be personally involved in the management of your career and, within a reasonable time following Manager's receipt of your notice complaining of same, fails to resume such personal involvement.

12. As used in this Agreement, the following terms shall have the meanings set forth below:

(a) "Music Industry" - includes, without limitation, but subject to the terms and conditions of this Agreement, all services and activities, whether as a performer, producer, writer, publisher or otherwise, in such fields of endeavor as phonograph records (including but not limited to recording and production), transcriptions, musical performances, singing, radio, music, personal appearances, concerts, roadshows, tours, cafe and cabaret performing, hotel, restaurant and private function performing, commercial merchandising, sponsorships, endorsements and tie-ins; and the sale, lease or other disposition of musical material which you may create, compose, write or collaborate, directly or indirectly, in whole or in part and any musical act, unit or package show of which you may be the owner or part owner, directly or indirectly.

(b) (i) "Gross Compensation" - includes, without limitation, any and all forms of income, payments, consideration, compensation, sums, emoluments or any other thing of value, including salaries, advances, fees, royalties, bonuses, gifts, shares of receipts, stock and stock options (subject to Manager's payment of the same proportionate price paid by Artist, if any, in respect of such stock or stock options), paid to you or applied for your benefit directly or indirectly (i.e., any corporation, partnership, or other entity in which you have an interest) or

credited to your account, regardless of by whom procured, as a result of your activities in and throughout the Music Industry.

(ii) Notwithstanding the foregoing, there shall be excluded from Gross Compensation hereunder:

(A) Actual bona fide recording costs (excluding personal advances to you) of master recordings embodying your performances as a featured recording artist.

(B) Actual bona fide costs and expenses of so-called "music videos" embodying your recorded performances.

(C) Monies payable from a record company to you as recoupable "tour support", as that term is used in the music industry, but solely to the extent that such tour support is paid to you or on your behalf to make up a deficit incurred by you in connection with such tour (i.e., to the extent that monies generated from such tour are less than ~~monies payable to you, or on your behalf, by unrelated third parties in connection with such tour~~) provided that monies payable as compensation and/or salary for your services shall not be deemed tour support.

(D) Monies paid to unrelated third parties for sound and lights and "opening acts" in connection with your concert performances.

(E) Monies paid by you to unrelated third party producers of master recordings and videos embodying your performances and to co-writers and unrelated co-publishers of musical compositions written by you.

(F) Actual bona fide costs and expenses of manufacturing commemorative Artist merchandise sold by Artist;

(G) Monies paid to unrelated third parties for independent radio promotion;

(H) Costs of collection of Gross Compensation; and

(I) Passive investment income.

13. Manager may assign this Agreement to any third party, including, without limitation, to any of Manager's Affiliates or to any person or entity owning or acquiring a substantial portion of the stock or assets of Manager. You may not assign this Agreement or any of your rights hereunder, and any such attempted assignment shall be void. This Agreement shall be binding upon you and Manager and shall inure to the benefit of your and Manager's respective successors and assigns. This Agreement shall also be binding upon any entity which, directly or indirectly, in whole or part, through one or more intermediaries, owned or controls, is owned or controlled by, or is under common ownership or control with, you (a "Controlled

Entity"). Accordingly, this Agreement is hereby accepted by you on your behalf and on behalf of each Controlled Entity.

14. Manager shall have the right during the Term hereof to obtain life insurance on your life at Manager's sole cost and expense, with Manager being the sole beneficiary thereof and in an amount to be determined by Manager in Manager's sole discretion. You shall cooperate in connection with the obtaining of same, provided that you shall not be required to submit to any physical examination. You hereby acknowledge that neither you nor your estate shall have any right to claim the benefits of any such policy obtained by Manager.

15. Except as otherwise specifically provided herein, all notices hereunder shall be in writing and shall be given by registered or certified mail or telegraph (prepaid), at the respective ~~addresses set forth in this Agreement, or such other address or addresses as may be designated by~~ either party. Such notices shall be deemed given when mailed or delivered to a telegraph office, except that notice of change of address or notice under subparagraph 17(b) below shall be effective only from the date of its receipt. A copy of all notices given to Manager shall be simultaneously sent by the same method of delivery to the address listed above. A copy of all notices given to Artist shall be simultaneously sent by the same method of delivery to Doug Mark, Esq., Barnes Morris Klein Mark Yorn Barnes & Levine, 1424 Second Street, Third Floor, Santa Monica, CA 90401.

16. (a) This Agreement contains the entire understanding of the parties hereto relating to the subject matter hereof and cannot be changed or terminated by you except by an instrument signed by you and an officer of Manager. A waiver by either party of any term or condition of this Agreement in any instance shall not be deemed or construed as a waiver of such term or condition for the future, or of any subsequent breach thereof. All remedies, rights, undertakings, obligations, and agreements contained in this Agreement shall be cumulative and none of them shall be in limitation of any other remedy, right, undertaking, obligation or agreement of either party.

(b) No breach of this Agreement on the part of either party shall be deemed material, unless the other party shall have given notice of such breach and the breaching party shall have failed to cure such breach within thirty (30) days after receipt of such notice, if such breach is reasonably capable of being fully cured within such thirty (30) day period; or if such breach is not reasonably capable of being fully cured within such thirty (30) day period, if such breaching party commences to cure such breach within such thirty (30) day period and proceeds with reasonable diligence to complete the curing of such breach.

(c) Nothing in this Agreement shall be construed to create a partnership or joint venture between Manager and you.

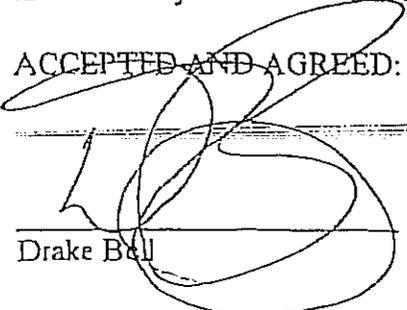
(d) This Agreement has been entered into in the State of California, and the validity, interpretation and legal effect of this Agreement shall be governed by the laws of the State of California applicable to contracts entered into and performed entirely within the State of California. The California courts, only, will have jurisdiction of any controversies regarding this Agreement; and, any action or other proceeding which involves such a controversy will be

brought in the courts located within the County of Los Angeles, and not elsewhere. Any process in any action or proceeding commenced in the courts of the State of California arising out of any such claim, dispute or disagreement, may, among other methods, be served upon you by delivering or mailing the same, via registered or certified mail, addressed to you at the address first above written or such other address as you may designate pursuant to paragraph 15 hereof. Any such delivery or mail service shall be deemed to have the same force and effect as personal service within the State of California.

(e) If any part of this Agreement shall be determined to be invalid or unenforceable by a court of competent jurisdiction or by any other legally constituted body having jurisdiction to make such determination, the remainder of this Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date and year first above written.

ACCEPTED AND AGREED:



Drake Bell

ACCEPTED AND AGREED:



Aaron Rety

7/19/06

EXHIBIT 3

Drake Bell
c/o Barnes Morris Klein Mark
Yom Barnes & Levine
1424 Second Street
Santa Monica, CA 90401

September 8, 2006

Aaron Ray
The Collective
9100 Wilshire Blvd.
Suite 700 West
Beverly Hills, CA 90212

Dear Aaron,

As you are aware, I have elected to terminate the management relationship between us.

As you should also know, I have many valid reasons for this decision, but we need not detail them here.

Please no longer hold yourself out as my representative and refer all queries regarding my career to Rob Kahane at (818) 458-1151.

Thank you for all of your efforts on my behalf.

Sincerely,



Drake Bell