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January ■ 2017

Confidential

Important Settlement Communication—Not Admissible Under Rule 408, F.R.E.

[REDACTED]

RE: Copyright Infringement of the Motion Picture "Mechanic: Resurrection"
Civil Action No. 1:16-cv-02580-WYD-MEH
ME2 Productions, Inc. v. John Does
U.S. District Court, District of Colorado

Dear [REDACTED]

I am legal counsel for ME2 Productions, Inc. ("ME2"), the Plaintiff in the above-referenced civil action. "Mechanic: Resurrection" is an action thriller sequel to the highly successful 2011 film "The Mechanic." It stars Tommy Lee Jones and other notable mainstream actors. It has a national advertising campaign and had a significant opening release on over 2,200 screens and early screenings in this jurisdiction. Therefore, my client has created and produced this film at considerable expense, and my client's copyright has significant value.

Pursuant to an Order of the Court in the above-referenced action, your Internet Service Provider ("ISP") has provided information to me, as legal counsel for ME2 that your ISP assigned you an Internet Protocol ("IP") address that was detected by my client's information technology consultants as infringing my client's copyright. The federal Court in this case has consistently noted in numerous similar copyright infringement cases that the assignee of the infringing IP address is most likely the person who infringed the subject copyright. *See, e.g., Recommendation of United States Magistrate Judge, Dallas Buyers Club, LLC v. Hudson, Case 1:15-cv-00598-WYD-MEH, ECF No. 50 (Jan. 5, 2016) at p. 6* ("As the subscriber in control of the IP address being used to distribute Plaintiff's copyrighted Motion Picture, Defendant Hudson is the most likely infringer.") **Therefore, in this case, the Court would most likely consider YOU the infringer.**

In exchange for a comprehensive release of all legal claims that would enable you to avoid being named as a Defendant in this lawsuit, my law firm is authorized to engage in confidential settlement negotiations and accept a reasonable sum as a consideration payment for the full settlement of the Plaintiff's claims from the infringer, providing the infringer agrees to the terms

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of such a settlement by no later than **ten (10) days** from the date of this letter. Thereafter, the amount that my client will accept as a settlement consideration payment will increase significantly.

You have been on notice of my client's claim since your receipt of a notice from the ISP that we subpoenaed for information about you. **This letter constitutes formal notice that, unless and until we are able to settle my client's claims with you, my client demands that you not delete any media files from your computer.** If forced to proceed against the infringer or infringers in this case, my client would likely have a computer forensic expert inspect your computer in an effort to locate the subject movie file, or determine that you have deleted media files after your receipt of the notice from the ISP. If, in the course of litigation, the forensic computer evidence suggests that you did delete media files following receipt of the notice letter from your ISP, my client will likely amend its Complaint to add a spoliation of evidence claim against you. If my client prevails on this additional claim, in addition to an award to my client of its attorneys' fees and costs under the federal Copyright Act, and statutory damages up to \$150,000 for the deliberate misconduct implied by this kind of copyright infringement, it will be entitled to additional monetary sanctions and attorneys' fees for such spoliation by you.

Whether you consult an attorney or not concerning my client's claims in this action is your choice, but I encourage you to seriously consider doing so. In any case, in order to resolve the claims brought by my client in the above-referenced civil action, I encourage you, or should you retain legal counsel, your legal counsel, to contact me promptly.

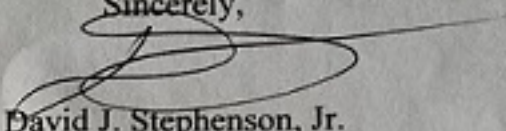
My client has an extensive, well-developed licensing program and would be willing to enter into an appropriate licensing agreement with you, should you be interested in such an agreement. My client is also willing to consider any credible evidence of extenuating or mitigating circumstances that you can provide me, such as your knowledge that someone other than you is the actual infringer, that would limit or eliminate your liability and allow my client to promptly release all claims in this case against you even if you choose not to enter into a licensing agreement. However, if I do not timely hear from you and timely receive credible confirmation of such evidence, I must presume that there are no such extenuating or mitigating circumstances, that you are not interested in obtaining a valid license, and, due to court-imposed deadlines, in order to fully protect its interests, my client must then proceed promptly with federal court litigation against you or any person who had access to your Internet connection at the relevant date and time who may be identified by my client's forensic investigators as the person or persons who used your assigned Internet connection to infringe my client's copyright.

You can avoid being named as a Defendant in the lawsuit, however, if you act now, within the next ten days, and provide me with credible evidence of extenuating or mitigating circumstances or arrange for prompt payment of the reasonable settlement monies that my client has authorized

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me to accept from the infringer.

Sincerely,


David J. Stephenson, Jr.
Attorney for ME2 Productions, Inc.