

Prenda Law^{Inc.}

Protecting Intellectual Property

04/23/2012

[REDACTED]

Re: Lightspeed Media Corporation v. John Doe
11-IL-683 Ref [REDACTED]

Dear [REDACTED]

Prenda Law Inc. was retained by Lightspeed Media Corporation ("Lightspeed") to address a problem that threatens to destroy its business: the problem of individuals using hacked accounts to illegally access its members-only website. Computer hacking is an extremely serious problem for adult content producers, such as Lightspeed, that depend on subscriber revenues to sustain its business and pay its employees. To give you a sense for the enormity of the problem, our monitoring agent estimates that for every legitimate user there are 22 unlawful users.

Our client's monitoring service provider logged illegal accesses from your IP address [REDACTED], which resulted in the illegal procurement of copyrighted works on, inter alia, the following date and time: [REDACTED]. The IP address associated with your account was observed going to www.lightspeedtv.com (or one of its subsidiary networks) and procuring a username and password for Lightspeed's site(s). This username and password combination was obtained without any compensation to Lightspeed. Then the IP address associated with your account used that illegally obtained username and password to hack into the servers hosting Lightspeed's web servers. A copy of the data log associated with the illegal activities have been preserved for discovery. We have records to confirm that you are indeed the person whose account was associated with IP address [REDACTED] on the date(s) and time(s) on which illegal activity was observed.

The illegal hacking activities are in violation of multiple federal and state laws. On the federal level, these activities would violate the Computer Fraud and Abuse Act, which provides a private right of action for, inter alia, theft of computer data, unauthorized access with the intent to defraud and unauthorized access resulting in damage to computers. See Pub L 103-322, Title XXIX, §290001(d) (codified at 18 U.S.C. §1030(g)).

Fax: 312.893.5677
Fax: 305.748.2103

161 N Clark St., Suite 3200, Chicago, IL 60601
1111 Lincoln Rd., Suite 400, Miami Beach, FL 33139

Tel: 312.880.9160
Tel: 305.748.2102

www.wefightpiracy.com

Under the Computer Fraud and Abuse Act, our client is entitled to receive damages for any impairment to the integrity or availability of data, a program, a system, or information. This definition has been interpreted to include the misappropriation of data or information due to hacking activities. *Shurgard Storage Centers, Inc. v. Safeguard Self Storage, Inc.* 119 F. Supp.2d 1121 (W.D. Wash. 2000).

While it is too late to undo any illegal hacking activities, our client has instructed us to offer you or the person who used your Internet account an opportunity to avoid litigation in this matter by working out a reasonable settlement. In exchange for a comprehensive release of all legal claims in this matter, which will enable the hacker to avoid becoming a named Defendant in our lawsuit, our firm is authorized to accept the sum of \$4,000.00 as full settlement for its claims. This offer will expire on 05/08/2012 at 4:00 p.m. CST. If our client's settlement offer is rejected, we will advise our client to pursue all applicable legal remedies.

To resolve this matter, one may pay the settlement amount by mailing a check or money order payable to "Prenda Law Inc. Trust Account" to:

**Prenda Law, Inc.
1111 Lincoln Road Suite 400
Miami Beach, FL 33139;**

Be sure to reference this matter on the method of payment. Regardless of the payment method, once we have processed the settlement, we will mail a signed Release as confirmation that the payment has been processed and that the payor has been released from the lawsuit.

Please consider this letter to constitute formal notice that until and unless we are able to settle our client's claim against you, we demand that you not delete any files from your computer or any other computers under your control or in your possession. If in the course of litigation forensic computer evidence suggests that you deleted media files, our client will amend its complaint to add a "spoliation of evidence" claim against you. Be advised that if we prevail on this additional claim, the court could impose sanctions under its inherent authority. If you are unfamiliar with the nature of this claim in this context, please consult an attorney. We look forward to resolving our client's claim in an amicable fashion. While our client hopes to resolve this matter prior to litigation, they are prepared to move forward and protect their property, and rights, in court if necessary. We strongly encourage you to consult with an attorney to review your rights in connection with this matter.

Although we have endeavored to provide you with accurate information, our interests are directly adverse to yours and you should not rely on the information provided in this letter for assessing your position in this case. Only an attorney who represents you can be relied upon for a comprehensive analysis of our client's claims against you.

Sincerely,

A handwritten signature in black ink, appearing to read "Joseph Perca". The signature is fluid and cursive, with a large initial "J" and a long, sweeping underline.

Joseph Perca
Attorney and Counselor at Law

Enclosures

PAYMENT AUTHORIZATION

I hereby authorize Prenda Law Inc. to withdraw funds from the bank account or credit card listed below for the settlement amount and legal issue referred to on my Release and herein below.

Case Name and Ref#: _____

PAYOR INFORMATION

Payor's Name: _____

Billing Address: _____

Telephone Number: _____

Signature: _____ **Date:** _____

PAYMENT INFORMATION

Payment amount: \$ _____

Name on Bank Account / Credit Card: _____

If paying via bank account:

Type of Account: Checking / Savings

Routing Number: _____ **Account Number:** _____

If paying via credit card:

Card Number: _____ **Exp. Date:** _____

Card Type: ☐ Master Card ☐ Visa ☐ AmEx ☐ Discover

CID Number: _____ (this is the last three digits on the back of your Master Card, Visa, or Discover Card, or the four digit number in the upper right corner on the front of your AmEx)

Fax or mail this authorization to:

Prenda Law Inc.
1111 Lincoln Rd., Suite 400
Miami Beach, FL 33139

Fax: (305) 748-2103

Fax: 312.893.5677

Fax: 305.748.2103

161 N Clark St., Suite 3200, Chicago, IL 60601
1111 Lincoln Rd., Suite 400, Miami Beach, FL 33139

Tel: 312.880.9160

Tel: 305.748.2102

CONDITIONAL RELEASE AND SETTLEMENT AGREEMENT

THIS SETTLEMENT AGREEMENT (the "Agreement") is entered into as of «Letter1_Expiration» ("Effective Date"), by and between «Client», ("Owner" or "Plaintiff") and the individual or entity that was assigned IP Address «IP_Address» on «Dday» (UTC), by «ISP» (the "Subscriber" or "Defendant John Doe") (Owner and Subscriber are collectively the "Parties").

NOW, THEREFORE, in consideration of the mutual promises contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. **Settlement Money.** Subscriber shall pay Owner the sum of «Settlement» (the "Settlement Money"). The Settlement Money shall be tendered in the form of a cashier's check, credit card or law firm check with no charge back or check cancellation, made payable to the order of "Prenda Law Inc." and delivered to Prenda Law Inc. 1111 Lincoln Road, Suite 400, Miami Beach, Florida 33139. Subscriber's payment, and Owner's receipt, of the Settlement Money shall be a condition precedent to Owner's obligation under this Agreement, as set forth below, to voluntarily dismiss with prejudice its claims against the Subscriber in the above referenced law suit.
2. **Confidentiality – Non Admission.** The terms of this Agreement shall be kept confidential. Notwithstanding the foregoing, in the event of any legal action or proceeding or requirement under applicable law or government regulations compelling disclosure of this Agreement or the terms hereof, the recipient shall forthwith notify the other party in writing of such request so that the other party may seek an appropriate protective order or take other protective measures. If, in the absence of a protective order, the recipient is liability. This Agreement is the result of a compromise and shall not be construed as an admission by the Parties of any liability, wrongdoing, or responsibility on their part or on the part of their predecessors, successors, parents, subsidiaries, affiliates, attorneys, officers, directors or employees. Indeed, the Parties expressly deny any such liability, wrongdoing or responsibility.
3. **Mutual Releases.**
 - a. **Owner** and their agents, principals, attorneys, heirs, executors, administrators, predecessors, successors, assigns and privies (the "Owner Releasors"), hereby remise, release, and forever discharge Subscriber, and all of their agents, principals, partners, officers, directors, employees, associates, attorneys, insurers, heirs, executors, administrators, predecessors, successors, affiliated entities, assigns, privies, spouses and all other persons, firms or corporations, which are or might be claimed to be liable (the "Subscriber Released Parties") by virtue of the Subscriber Released Parties' liability for uploading, downloading or otherwise infringing upon Owner's copyright of the "Work", which the Owner Releasors, now have or ever had against the Subscriber Released Parties for any act or omission occurring up to and including the date of this Agreement. The Owner Releasors recognize and understand that they are releasing the aforementioned liability for any act or omission occurring up to and including the date of this Agreement which relates to the Work, regardless of whether or not they knew of said act, omission or of any injury relating thereto.
 - b. **Subscriber** and their agents, principals, partners, officers, directors, employees, associates, attorneys, insurers, heirs, executors, administrators, predecessors, successors, affiliates entitles, assigns, privies, spouses and all other persons, firms or corporation, which are or might be claimed through them (the "Subscriber Releasors"), hereby remise, release, and forever discharge Owner and all of their agents, principals, partners, officers, directors, employees, associates, attorneys, insurers, heirs, family members, executors, administrators, predecessors, successors, affiliated entities, assigns, privies, spouses and all other persons, firms or corporations, which are or might be claimed to be liable (the "Owner Released Parties") by virtue of the owner Released Parties' liability, for any and all actions relating to Owner's conduct in instituting the lawsuit first referenced above in which the Subscriber Releasors, not have or ever had against the Owner Released Parties. The Subscriber Releasors recognize and understand that they are releasing the aforementioned liability for any act or omission occurring from the beginning of time up to and including the date of this Agreement, regardless of whether or not they knew of said act, omission or of any injury relating thereto.
4. **Independent Counsel.** Each party acknowledges that is has read, reviewed, and fully considered the terms of this Agreement, has had the opportunity to consult with legal counsel, has made such investigation of facts pertinent hereto as it deems necessary and appropriate, and fully understands the terms and effect of this Agreement and executes the same freely of its own accord.
5. **No Admission of Liability.** The Parties have determined that is would be in their mutual best interests not to engage in further litigation and desire to amicably resolve this matter. It is understood and agreed that this settlement is the compromise of a disputed claim, and that the payment made and other performances hereunder are not to be construed

as admissions of liability on the part of the party or parties hereby released and that the parties deny liability and intend merely to avoid litigations and buy their peace.

6. Venue. The venue for any action seeking to enforce or construe the meaning of this Agreement or the obligations of the Parties here under shall be the United States District Court for the Southern District of Florida.
7. Legal Fees and Costs. Each party shall be responsible for paying its respective legal expenses and costs incurred in connections herewith and no moneys will be exchanged except as otherwise provided for herein. Should it become necessary for either party to institute legal action to enforce the terms of this Agreement the prevailing party shall be entitled to recover from the other party the reasonable attorneys' fees and costs associated with any such actions.
8. Binding Effect. This Agreement shall inure to the benefit of and be binding upon the parties hereto and to their respective successors and legal representatives.
9. Nonwaiver. No provision of this Agreement shall be adjudged waived unless any such waiver is signed by the party against whom the waiver is asserted. The waiver by any party of a breach of any provision of this Agreement shall not operate or be construed as a waiver of any subsequent breach.
10. Severability. If any provisions or application of this Agreement shall be held invalid or unenforceable then any such provisions shall be deemed severed from this Agreement and the remaining provisions and applications of this Agreement shall not be affected, but rather shall remain valid and enforceable.
11. Entire Agreement. This Agreement constitutes the entire agreement and supersedes any and all other understandings and agreements between the parties with respect to the subject matter hereof and no representation, statement or promised not contained herein shall be binding on either party. This Agreement may be modified only by a written amendment duly signed by each party.
12. Successors and Assigns. This Agreement shall be binding on and inure to the benefit of all parent companies, affiliates, subsidiaries, related companies, defendants, franchisees, successors and assigns of each of the parties hereto.
13. Jointly Drafted. The parties to this Agreement have cooperated in the drafting and preparation of this Agreement. Therefore, this Agreement shall not be construed against either party on the basis that they independently drafted this Agreement.

Authority. Each of the undersigned signatories hereby represents and warrants that he or she has the authority to bind the individual or entity on whose behalf he or she is signing this Agreement.

IN WITNESS WHEREOF,

Joseph Perea, Esq.
Prenda Law Inc.
Counsel for Plaintiff