Notification of Copyright Infringement Claims

We are counsel to a group of companies that intend to file a lawsuit against you shortly for copyright infringement. Our clients include the following record companies and their labels and subsidiaries: BMG Music; EMI Music North America; Sony Music Entertainment Inc.; Warner Music Group Inc.; UMG Recordings, Inc.; and Univision Music Group ("record companies"). We have gathered substantial evidence that you have been using a peer-to-peer network such as Kazaa or Gnutella to download and upload music owned by our clients. We are writing in advance of filing suit against you in the event that you have an interest in resolving these claims through settlement.

The record companies take copyright infringement very seriously, and for good reason. Copyright theft is not a victimless crime. People spend countless hours working hard to create music – not just recording artists and songwriters, but also session players, backup singers, sound engineers and other technicians. In addition, the music industry employs thousands of other people, such as CD-plant workers, warehouse personnel, record store clerks, and developers of legitimate online music services. They all depend on the sale of recordings to earn a living. So do record companies, which routinely invest millions of dollars to discover and sign promising artists, and then to produce and market their recordings. In addition, piracy eats away at the investment dollars available to fund new music and, in effect, erodes the future of music. That means that a creatively gifted, but commercially risky, artist may not get signed. A talented songwriter may be forced to make songwriting a hobby instead of a career. In the end, the music suffers, along with everyone who cares about it – from the people who make it to the consumers who enjoy it.

Although we want you to appreciate the harm that piracy causes, the purpose of this notice is to provide you with the opportunity to resolve this matter and avoid being sued. In deciding whether you wish to discuss settlement, here are some things we believe you should consider:

- Making copyrighted recordings available for others to download by putting those
 recordings into your so-called "shared" folder is copyright infringement under the
 Copyright Act, as is the unauthorized downloading of copyrighted recordings.
 Ignorance of the law is not a defense. What that means is that it does not matter
 whether you knew it was illegal. Whether or not you intended to infringe does not
 matter. If you violate the record companies' copyrights you will be held liable for
 damages as a result.
- The Copyright Act imposes a range of statutory damages for copyright infringement. The minimum damages under the law is \$750 for *each* copyrighted recording that has been infringed ("shared"). If a court determines you acted "willfully," the maximum damage award can be even more. In addition to damages, you may also be responsible for paying the legal fees we incur in order to pursue their claims, and are subject to having an injunction entered against you prohibiting you from further infringing activity.

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• If you choose not to settle the case, you must file a response to the complaint within 20 days of being served. Failure to respond to the complaint can result in a default judgment being entered against you. That default will include the entry of a monetary judgment and an injunction.

• Now that you are aware that a lawsuit may be filed against you, there is an obligation for you to preserve evidence that relates to the claims against you. In this case, that means, at a minimum, the entire library of recordings that you have made available for distribution as well as any recordings you have downloaded need to be maintained as evidence. The evidence necessary for the record companies to prevail in this action has already been secured. Nevertheless, any destruction of evidence would be a serious matter.

If you have an interest in pursuing settlement discussions to avoid litigation or have other concerns you would like to discuss, you or your attorney may contact us at [PHONE NUMBER]. If you are under 18, your attorney (or your parent or other guardian) must be present during any discussions. We will assume you are not interested in settlement and proceed to litigation if we do not hear from you within ten (10) calendar days from the date of this letter.

We encourage you to consult with an attorney immediately to advise you on your rights and responsibilities, since we are obviously not your lawyers.