

January 30, 2020,

Re: Claim Number: 549117 FRE 408 Settlement Communication

Dear Sir or Madam,

The Law Firm of Higbee & Associates represents CartoonStock Ltd.. After making several unsuccessful efforts to resolve a copyright matter (PicRights Claim Number 677438584169) with Windy City Parrot, Inc., CartoonStock Ltd. has now hired our law firm to pursue this claim. We hope that we will resolve this matter without going to court. You may wish to hire an attorney and forward this matter to them.

Please see the attached exhibits that show the use of the copyrighted works and the alleged infringing use. If Windy City Parrot, Inc. has a license to use the image, please let us know so that we can close this case and apologize for the inconvenience. You can email me at claims@higbeeassociates.com.

Also, if you are a non-commercial entity or if you do not conduct business in the US, please let us know as you are probably receiving this letter in error. In general, we define commercial entities as any individual or entity that derives or attempts to derive revenue through selling advertising, promoting or selling goods or services, or soliciting donations.

If Windy City Parrot, Inc. does not have a license, we believe the use of the work is a violation of The Copyright Act, Title 17 of the United States Code. If forced to go to court to resolve the matter, our client will ask for the maximum justifiable damages. Our client may also ask the court to order Windy City Parrot, Inc. to pay their attorneys fees and court costs. Copyright lawsuits can result in judgments and liens on property. In some instances, the business owner can be held individually liable. We have enclosed relevant sections with this letter so that you can see the potential damages.

Our client is now asking that Windy City Parrot, Inc. pay \$1320 to settle this matter. This amount takes into account the normal licensing fee, the costs incurred in detecting and pursuing the unauthorized use, and the nature of the use. If you believe there are factors that should make this amount lower, or justify withdrawal of this claim, please let us know by calling us or sending us an email. We welcome the opportunity to have a discussion about the matter.

If you wish to quickly and efficiently resolve this matter without any discussion, return the attached release agreement along with your payment of \$1320 made payable to "Higbee & Associates Client Trust Account". This can be returned to us via US Mail. You can also pay with a check or credit card over the phone or online at <http://copyright.higbeeassociates.com/resolution>. Your login is 549117. Your password is kdouacwi. If you choose to make your payment online, you can return the enclosed release agreement via email. Please include the case number (549117) in the subject line.

If we do not hear from you within 14 days from the date of this letter, we will consider that to mean Windy City Parrot, Inc. does not have a license and does not want to settle this matter out of court.

Claim number: 549117

Please call or email us to discuss this matter, 800-716-1245 or send an email to claims@higbeeassociates.com.

Sincerely,

Mathew K. Higbee
Attorney at Law

A handwritten signature in blue ink that reads "Mathew K. Higbee". The signature is written in a cursive style with a large, stylized initial 'M'.

EXHIBIT A



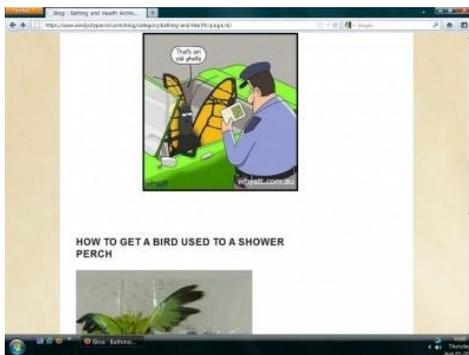
Infringing Webpages:

- <https://www.windycityparrot.com/blog/category/bathing-and-health/page/8/>

Infringing File Locations:

- <https://i0.wp.com/www.windycityparrot.com/images/assets/images/blog/moth-cartoon.jpg?w=840>

Infringing images and screenshots are shown below. You can receive copies of these images via email by sending a request to infringements@higbeeassociates.com. The email must include the case number (549117) in the subject line.



If you are a non-commercial entity (meaning you do not derive income from the website) or if you do not do business in the US, please let us know as you are probably receiving this letter in error.

DAMAGES UNDER COPYRIGHT LAW - 17 US CODE §504 (In Part)

(a) Except as otherwise provided by this title, an infringer of copyright is liable for either—

(1) the copyright owner's actual damages and any additional profits of the infringer, as provided by subsection (b); or **(2)** statutory damages, as provided by subsection (c).

(b) Actual Damages and Profits.—

The copyright owner is entitled to recover the actual damages suffered by him or her as a result of the infringement, and any profits of the infringer that are attributable to the infringement and are not taken into account in computing the actual damages. In establishing the infringer's profits, the copyright owner is required to present proof only of the infringer's gross revenue, and the infringer is required to prove his or her deductible expenses and the elements of profit attributable to factors other than the copyrighted work.

(c) Statutory Damages. — **(1)** Except as provided by clause (2) of this subsection, the copyright owner may elect, at any time before final judgment is rendered, to recover, instead of actual damages and profits, an award of statutory damages for all infringements involved in the action, with respect to any one work, for which any one infringer is liable individually, or for which any two or more infringers are liable jointly and severally, in a sum of not less than \$750 or more than \$30,000 as the court considers just. For the purposes of this subsection, all the parts of a compilation or derivative work constitute one work.

COSTS & ATTORNEYS FEES UNDER 17 US CODE §505 (In Part)

In any civil action under this title, the court in its discretion may allow the recovery of full costs by or against any party other than the United States or an officer thereof. Except as otherwise provided by this title, the court may also award a reasonable attorney's fee to the prevailing party as part of the costs.

#

For more information about copyright law consult an attorney or see:

<https://www.copyright.gov/title17/>

<https://www.copyright.gov/title17/92chap5.html>

This law is being provided as a courtesy. Higbee & Associates is not your attorney.

SOME CLAIMS MAY ALSO INCLUDE ADDITIONAL LIABILITY FOR REMOVING OR ALTERING COPYRIGHT MANAGEMENT INFORMATION

17 US CODE SECTION 1202 (IN PART)

(b) Removal or Alteration of Copyright Management Information.—No person shall, without the authority of the copyright owner or the law—

(1) intentionally remove or alter any copyright management information...

Definition. — As used in this section, the term “copyright management information” means any of the following information....

(1) The title and other information identifying the work, including the information set forth on a notice of copyright. **(2)** The name of, and other identifying information about, the author of a work. **(3)** The name of, and other identifying information about, the copyright owner of the work, including the information set forth in a notice of copyright.

US CODE SECTION 1203 (IN PART)

(c) Award of Damages. —

(1) In general.—Except as otherwise provided in this title, a person committing a violation of section 1201 or 1202 is liable for either —

(A) the actual damages and any additional profits of the violator, as provided in paragraph (2), or
(B) statutory damages, as provided in paragraph (3).

...

(3) (B) At any time before final judgment is entered, a complaining party may elect to recover an award of statutory damages **for each violation of section 1202 in the sum of not less than \$2,500 or more than \$25,000.**

For more information about copyright law consult an attorney or see:

<https://www.copyright.gov/title17/92chap12.html#1202>

This law is being provided as a courtesy. Higbee & Associates is not your attorney.

Mathew Higbee: CA # 241380, MI # P73980, MN # 0388759, NV # 11158, OR # 106514, UT # 11133, WA # 42755, TX # 24076924, IL # 6319929, OH #0094107
Ray Ngo: UT # 11936, NY # 4780706
Melissa Higbee: CA # 247998, AZ # 024644, UT # 11271, FL # 62465, PA # 322114, NJ # 030812012, TN # 034677
Virginia Kostmayer: CO # 45648
Naomi Sarega: CA # 306967, IN # 34182-49

LETTER OF REPRESENTATION
POWER OF ATTORNEY

RE: CartoonStock Ltd (on behalf of artists represented by CartoonStock Ltd)

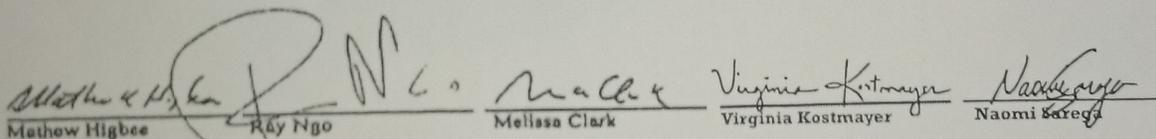
To Whom It May Concern:

Please be advised that the Law Firm of Higbee & Associates has been retained by PicRights Ltd., PicRights Europe GmbH, and CartoonStock Ltd (on behalf of artists represented by CartoonStock Ltd) regarding a copyright infringement matter. As such, we have been appointed as attorney in fact with full power and authority in determining the validity of the above matter and assist in any negotiation, settlement, and payment. We are further authorized to pursue any legal remedies available to our client as a result of this matter. Any attorney, staff member or agent of Higbee & Associates is hereby authorized to discuss any effort to settle and resolve the above matter.

Effective immediately, all communication (mail, phone, electronic or otherwise) regarding the above matter must be forwarded to Higbee & Associates at:

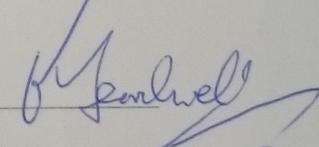
Higbee & Associates
1504 Brookhollow Drive, Suite 112
Santa Ana, CA 92705
(714) 617-8911 Telephone

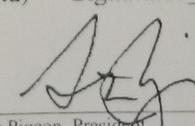
Sincerely,

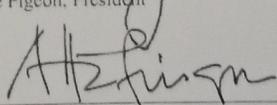

Mathew Higbee Ray Ngo Melissa Clark Virginia Kostmayer Naomi Sarega

The undersigned have retained Higbee & Associates and grant full power and authority as described above.

Date: January 16, 2018

Client: CartoonStock Ltd (on behalf of artists represented by CartoonStock Ltd) Signature: 

Client: PicRights Ltd. Signature: 
Steve Pigeon, President

Client: PicRights Europe GmbH Signature: 
Alfred Höfinger, Managing Director

RELEASE AND SETTLEMENT AGREEMENT

This RELEASE AND SETTLEMENT AGREEMENT ("Agreement") is entered into on January 30, 2020 ("Effective Date") by and between CartoonStock Ltd. ("RELEASOR") and Windy City Parrot, Inc. ("RELEASEE") (the "Parties" or individually the "Party").

The Parties agree as follows:

1. The Parties acknowledge and agree that this Agreement is made in resolution to the RELEASEE's alleged unlicensed use of image(s) referenced in the Exhibit(s) below ("Images").
2. RELEASOR hereby represents and warrants that it has the exclusive rights in the settlement and resolution of the claims related to the alleged unlicensed use of the copyrighted Images.
3. In consideration of the release and other consideration granted herein, RELEASEE will pay to RELEASOR the sum of \$1,320.00 by January 30, 2020. Upon Payment in full, RELEASOR will release RELEASEE from all copyright claims arising out of the use of the Images through the Effective Date.
4. Payment shall be made payable to "Higbee & Associates Client Trust Account" and delivered to 1504 Brookhollow Dr., Suite 112, Santa Ana, CA 92705. Payment may also be made online at <http://copyright.higbeeassociates.com/resolution>

ADDITIONAL TERMS AND CONDITIONS

5. Except for the agreements, obligations, and covenants arising under this Agreement, the Parties will release the other party from any and all claims arising from the use of the Images.
6. The Parties acknowledge that all terms of this Agreement are supported by legally sufficient consideration so as to make this Agreement binding and valid.
7. The terms of this Agreement are confidential; provided however, that each Party may disclose the terms of this Agreement, as necessary to enforce its terms, in response to valid legal process or as otherwise required by law, and/or to its financial advisors and/or legal advisors.
8. The Parties warrant that they have read and understand the provisions of this Agreement and have full authority to execute and consummate the transactions contemplated by this Agreement.
9. This Agreement may not be modified or amended except by written agreement, signed by all Parties.
10. This Agreement, along with its terms and conditions will be binding upon and inure to the benefit of each of the Parties and to their heirs, executors, administrators, successors in interest and assigns.
11. The Parties acknowledge that if any provision or application of this Agreement is held invalid or unenforceable then any such provision will be deemed severed from this Agreement and the remaining provisions and applications of this Agreement will not be affected, but will remain valid and enforceable.
12. This Agreement will be governed by and construed in accordance with the laws of the State of California, without regard to conflict of law principles, notwithstanding the fact that one or more counterparts hereof may be executed outside of such state, or one or more of the obligations of the Parties hereunder are to be performed outside of such state. Any suit, action or proceeding to determine, construe or enforce any provision of this Agreement, or the rights of any party hereunder, will be brought in the State of California, and the Parties agree that jurisdiction will lie therein.
13. If a suit, action, arbitration or other proceeding of any nature whatsoever is instituted in connection with any controversy arising out of this Agreement, or to interpret or enforce any

rights under this Agreement, the prevailing party is entitled to recover reasonable costs and attorney's fees from the other party.

14. Payments that are received more than 5 calendar days late will be accessed a \$40 late fee. Additionally, an interest rate based on a 15% annual will be charged on overdue balances after 30 days.

15. This Agreement constitutes and contains the entire agreement between the Parties with respect to the alleged unlicensed use referred to in this Agreement and there are no other agreements, understandings or representations with respect to this subject matter, which are not expressly set forth herein.

16. This Agreement can be signed in counterparts.

Sir or Madam
On Behalf of
RELEASEE(s)Windy City
Parrot, Inc.

Date



Mathew K. Higbee, Esq.
on Behalf of Licensor(s)
CartoonStock Ltd.

January 30, 2020

Date

CREDIT CARD PAYMENT AUTHORIZATION FORM

The Law Firm of Higbee & Associates offers interest-free payment plans through our automated billing system. Sign and complete this form to authorize the Law Firm of Higbee & Associates to make the agreed upon credit or debit card or ACH payments. RELEASEE agrees to pay the settlement amount of \$1,320.00 in 1 automatic payment.

By signing this form you give us permission to bill your credit/debit card or bank account for the amount indicated on the dates above plus any additional fees, penalties, or interest charges which have accrued in accordance with the Release and Settlement Agreement ("Settlement Agreement"). This is permission for all transactions related to the Settlement Agreement, and does not provide authorization for any additional unrelated charges.

Please complete the information below:

PAYMENT METHOD (Please Choose One & Provide Requested Information):

CREDIT CARD

Name as it Appears on Card: _____
Credit Card #: _____
Expiration Date: _____ CCV (Security Code): _____
Billing Address: _____

ACH / DIRECT DEPOSIT

Name on the Account: _____
Account Type: Savings Checking
Account #: _____
Routing #: _____
Bank Name: _____

I hereby authorize The Law Firm of Higbee and Associates to automatically bill my account on the dates indicated in the payment plan above.

PRINT NAME: _____
TITLE: _____
COMPANY: _____

Signature: _____ Date: _____

I authorize the above named business to charge the credit card indicated in this authorization form according to the terms outlined above. This payment authorization is for the goods/services described above, for the amount indicated above only, and is valid for the specified use only. I certify that I am an authorized user of this credit card and that I will not dispute the payment with my credit card company; so long as the transaction corresponds to the terms indicated in this form.