

**Lake James H. Perriguey**, OSB No. 983213

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LAW WORKS LLC

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Defendant's attorney

**UNITED STATES DISTRICT COURT**

**DISTRICT OF OREGON**

**PORTLAND DIVISION**

**ME2 PRODUCTIONS, INC,** and  
**CELL FILM HOLDINGS, LLC.**

Plaintiffs

v.

**WILLIAM SHELDON,**

Defendant.

Case No.: 3:17-cv-00158-SB

LAKE PERRIGUEY'S DECLARATION

In support of Defendant's Opposition to  
Plaintiffs' Motion to Dismiss

I, Lake Perriguey, make this declaration in support of Defendant's Opposition to Plaintiffs' Motion to Dismiss. I declare, under penalty of perjury:

1. I am Defendant's attorney.
2. On May 15, 2017, I explained to Mr. Crowell that there were no costs, fees, and damages to waive, as no right to them had been established. A copy of the email is attached as Exhibit 1.
3. Attached as Exhibit 2 is a May 22 email between Mr. Crowell and Mr. Perriguey.
4. Attached as Exhibit 3 is a May 23 email to Mr. Crowell, confirming that he characterized Defendant Sheldon as "100% guilty," and offering to dismiss the case "with conditions."

5. Attached as Exhibit 4 is a May 23 email from Carl Crowell with a sample of the conditions that he would agree to to dismiss the case against Mr. Sheldon....conditions that would give his client the right to sue Defendant in the future for content that they do not own....and seek attorney fees and costs.
6. Attached as Exhibits 5 and 6 are correspondence between Carl Crowell and Lake Perriguey.
7. Attached as Exhibit 7 is Mr. Crowell's email to Lake Perriguey indicating that he had obtained consent from Defendant to give Mr. Crowell and/or his investigator a complete copy of his hard drive and raising Mr. Sheldon's "felony convictions" and agreeing to "waive all costs, fees, and damages" which had not yet been established as something waivable.

I declare under the penalty of perjury that the foregoing is true.

DATED: June 11, 2017

LAW WORKS LLC

*s/ Lake James H. Perriguey* \_\_\_\_\_

Lake James H. Perriguey

OSB No. 983213

From: LAKE JAMES PERRIGUEY lake@law-works.com  
Subject: ME2 Productions, Inc. et al v. Sheldon Answer to Amended Complaint  
Date: May 15, 2017 at 7:42 AM  
To: Carl D Crowell carl@crowell-law.com  
Bcc: David Madden dhm@mersenne.com, Lake James Perriguy lake@law-works.com



Dear Carl ~

I have just met with Mr. Sheldon late last week.  
We realized that the answer was due prior to the time in which I had to respond to the pro bono appointment.

I will share your proposal with Mr. Sheldon.

However, the proposition that you will waive all costs, fees, and damages does not make sense.

No costs or fees or damages have been awarded to your clients or to Mr. Sheldon.

There are no costs, fees or damages to waive.

Will you agree to provide all the data referenced in the complaint on which you relied to craft the allegations forming the basis of the lawsuit naming Mr. Sheldon so that we can evaluate your proposal?

Lake James H. Perriguy  
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OTLA Guardian of Civil Justice

On May 14, 2017, at 12:39 PM, Carl D Crowell <[carl@crowell-law.com](mailto:carl@crowell-law.com)> wrote:

Lake,

Let me know how you and your client would like to proceed in this. As per my prior emails, on an agreement your client will not willfully and knowingly use the internet in violation of U.S.

Copyright law we will waive all costs, fees and damages.

-carl d. crowell

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Carl D. Crowell  
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Salem, OR 97308-0923  
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[www.rightsenforcement.com](http://www.rightsenforcement.com)

Note: If you have received this communication in error, please notify me immediately.

From: LAKE JAMES PERRIGUEY lake@law-works.com  
Subject: Sheldon  
Date: May 22, 2017 at 11:42 AM  
To: Carl D Crowell carl@crowell-law.com



Hi Carl:

A few clarifications here:

As to other issues, I reaffirm that your client, though he now denies it, previously agreed to terms that would result in a non-economic settlement costing him nothing and not requiring any admission of liability, this was reaffirmed even after your appointment, though apparently before you spoke to him.

**This is my understanding. Mr. Sheldon denies making any agreement with you.**

Similar terms have been offered to you – namely on agreement Mr. Sheldon will not willfully and intentionally use bittorrent in violation of the copyright act in the future, we will agree to a dismissal with prejudice and without costs and fees.

**Mr. Sheldon denies using bitTorrent in the past. Your previous offer was that he agree to “stop.”**

You have rejected this offer with a demand for costs and fees, even with your admission you have only had one phone call with your client on the pro bono appointment.

**Mr. Sheldon has not made a demand for costs and fees.**

**I told you that Mr. Sheldon might be amenable to a dismissal with prejudice, but that he is not going to make agreements with you about his future activity. Please note that any demand from Mr. Sheldon will be in writing. No demand or offer to resolve this case will be made orally.**

**My work on this case is not limited to the one phone call with Mr. Sheldon. I did not share with you whether I have may have met with Mr. Sheldon in person or communicated with him by other means.**

My offer is still maintained. However, should you burden my client unnecessarily and vexatiously further I cannot imagine this offer being maintained.

**Okay. Same on for Mr. Sheldon re the "burdening my client unnecessarily and vexatiously further"**

My clients have walked away from a number of cases where defense counsel have burned their own client's on a pyre in hopes that somehow they might find something to no avail. But there are limits to how much my client's should continue to sacrifice to protect infringer's from their own counsel.

**Okay.**

Lake James H. Perrigüey  
**Law Works LLC**

From: LAKE JAMES PERRIGUEY lake@law-works.com  
Subject: WilliamSheldon - Settlement  
Date: May 23, 2017 at 3:52 PM  
To: Carl D Crowell carl@crowell-law.com



Carl:

I spoke with Mr. Sheldon about the possibility of a resolution, based on your proposal that he either “agree to stop” or “agree that he will not”...we not sure what your are proposing.

To help Mr. Sheldon better evaluate what your conditions are, we would like to know whether your proposal includes a written agreement signed by all the parties?

If so, Mr. Sheldon would like to review a proposed agreement.

You explained yesterday that "Mr. Sheldon is 100% guilty" but that you are willing to dismiss the case with prejudice under certain conditions, but that you refuse to pay any fees or costs associated with representing Mr. Sheldon.

We understand that this is a hard line for you at this juncture.

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From: Carl D Crowell carl@crowell-law.com  
Subject: Re: WilliamSheldon - Settlement  
Date: May 23, 2017 at 5:12 PM  
To: LAKE JAMES PERRIGUEY lake@law-works.com



I will get you a form agreement, or you may draft one for my review. I do not know that I would be able to get to it before tomorrow afternoon, so this may be something to address on Thursday. The below language is some I have used before.

-carl d. crowell

It is HEREBY STIPULATED for all matters relevant to this case as follows:

1. This settlement agreement shall effect a full and mutual release of all claims between the parties. In consideration for the mutual promises herein, the parties and their respective heirs, officers, directors, employees, agents, and successors and predecessors in interest hereby mutually release each other from any and all claims known or unknown, including, but not limited to all claims that were asserted or could have been asserted in the litigation.
2. The parties and each of them expressly consent to Magistrate Jurisdiction in the District of Oregon over any and all proceedings in this case, including entry of orders, including stipulations or any other final judgment, satisfactions of judgment or orders arising therefrom.
3. **An express term in this settlement is that Defendant agrees that he will not willingly and knowingly use peer-to-peer file sharing software in violation of U.S. copyright law or willingly and knowingly allow any internet service he controls to be knowingly so used.**
4. On compliance with the terms of this Agreement, Plaintiff waives all claims for costs, fees and damages.
5. This agreement and its terms shall remain confidential.
6. The parties agree that absent a breach of this agreement, no information obtained in or relating to this litigation shall be used for any other purpose.
7. Plaintiff's counsel represents and warrants that they are aware of no other anticipated claims relating to activity involving Defendant or IP address \_\_\_\_\_ prior to the effective date of this agreement that are not being resolved by way of this agreement.
8. Plaintiff represents and warrants via their counsel's signature below that they own the copyrights in the respective motion picture at issue and have full authority, as

does their counsel, to enter into this agreement and provide the releases and covenants herein.

9. On execution of this Agreement by the parties the pending Lawsuit will be dismissed WITH PREJUDICE and without costs and fees to any party.
10. In any action to enforce the terms of this Agreement the prevailing party shall be awarded all costs and attorney fees.

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Note: If you have received this communication in error, please notify me immediately.

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**From:** LAKE JAMES PERRIGUEY <[lake@law-works.com](mailto:lake@law-works.com)>  
**Date:** Tuesday, May 23, 2017 at 3:52 PM  
**To:** Carl D Crowell <[carl@crowell-law.com](mailto:carl@crowell-law.com)>  
**Subject:** WilliamSheldon - Settlement

Carl:

I spoke with Mr. Sheldon about the possibility of a resolution, based on your proposal that he either "agree to stop" or "agree that he will not"...we not sure what your are proposing.

To help Mr. Sheldon better evaluate what your conditions are, we would like to know whether your proposal includes a written agreement signed by all the parties?

If so, Mr. Sheldon would like to review a proposed agreement.

You explained yesterday that "Mr. Sheldon is 100% guilty" but that you are willing to dismiss the case with prejudice under certain conditions, but that you refuse to pay any fees or costs associated with representing Mr. Sheldon.

We understand that this is a hard line for you at this juncture.

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**From:** Carl D Crowell carl@crowell-law.com  
**Subject:** Re: Activity in Case 3:17-cv-00158-SB ME2 Productions, Inc. et al v. Sheldon Rule 16 Conference  
**Date:** May 24, 2017 at 6:17 PM  
**To:** LAKE JAMES PERRIGUEY lake@law-works.com



Lake,

Before you were brought on board we worked out a non-economic settlement with your client, and have maintained and even improved that offer through you. Your client admits to using the internet to download content and to watch movies on unlicensed web pages. Prior to naming him we parsed through the residents, their time at the address and access to the internet service with his landlord, and based on the data the only party there at all relevant times that could have done this was Mr. Sheldon. It is also clear your client is destitute, appears to be a felon on release supervision, and plaintiff's pursuit of this claim will have no other effect from this point on than to unnecessarily burden his landlord and further burden and expose your client and other parties.

Plaintiffs are prepared to file a motion to dismiss this action with prejudice. But as I understand you wish to explore some of your theories and concerns about bittorrent litigation in general I am willing to agree to leave the case open and produce the documents as discussed today with Judge Beckerman and allow them to be reviewed for both your education and edification, as well as other members of the defense bar on an agreement that you will waive any claim for costs and fees. As I told the judge, I am fine with you exploring your theories, but this is not the case to do it. We will also agree to suspend all plaintiff's discovery giving you the opportunity to unilaterally explore the documents and assuage your concerns about the legitimacy of plaintiffs' claims.

Specifically – I understand you want to look under the hood and see the data, and we will show it to you. But not at the expense of you then demanding costs and fees for your personal speculative exploration as we put off the dismissal. Further, should you find fraud in plaintiffs' case I will agree that you can then petition for fees, setting aside the waiver of costs and fees, an offer I am confident in making as there is no fraud.

Please advise if you wish to review the documents at issue under these terms.

-carl d. crowell

--  
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**From:** Carl D Crowell [carl@crowell-law.com](mailto:carl@crowell-law.com)  
**Subject:** Re: Activity in Case 3:17-cv-00158-SB ME2 Productions, Inc. et al v. Sheldon Rule 16 Conference  
**Date:** May 24, 2017 at 7:04 PM  
**To:** LAKE JAMES PERRIGUEY [lake@law-works.com](mailto:lake@law-works.com)



I am prepared to file a Motion to Dismiss unilaterally or permit you the discovery you want under the terms reviewed below.

-carl

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Note: If you have received this communication in error, please notify me immediately.

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**From:** LAKE JAMES PERRIGUEY <[lake@law-works.com](mailto:lake@law-works.com)>  
**Date:** Wednesday, May 24, 2017 at 6:55 PM  
**To:** Carl D Crowell <[carl@crowell-law.com](mailto:carl@crowell-law.com)>  
**Cc:** LAKE JAMES PERRIGUEY <[lake@law-works.com](mailto:lake@law-works.com)>  
**Subject:** Re: Activity in Case 3:17-cv-00158-SB ME2 Productions, Inc. et al v. Sheldon Rule 16 Conference

Carl:

As I explained in Court, Mr. SHELDON denies that he made an agreement with you.

The last proposal that I received from you required that Mr. SHELDON create a cause of action against him should your clients think that he downloaded any copy righted content at some point in the future, and if he did, to pay all of their costs and attorney fees.

Are you now offering to stipulate to dismiss the case with prejudice? Without any side agreement like the one you had previously proposed that gives your clients a cause of action against Mr. SHELDON for infringing content that is completely unrelated to, and not owned by, them?

Also, please explain, given the posture of the case and the procedural rules, what motion you would file to dismiss the case now that Sheldon has answered.

Lake James H. Perriguy  
Law Works LLC  
1906 SW Madison Street, Suite 201  
Portland, Oregon 97205

From: LAKE JAMES PERRIGUEY lake@law-works.com  
Subject: Sheldon: Counter Offer  
Date: May 25, 2017 at 3:12 PM  
To: Carl D Crowell carl@crowell-law.com



Carl:

Mr. Sheldon and I conferred about your proposal.

To be clear, my legal strategy in this case, and the issues that I raised regarding discovery, are specific to defending Mr. Sheldon against the allegations against him in the First Amended Complaint. My efforts are not motivated by an effort to look under the hood or to educate myself and anyone else about the techniques and technology used to identify potential plaintiffs in all of your many cases.

When you and I conferred prior to our Rule 16 conference, you insisted that Mr. Sheldon was “100% guilty” of infringing your clients’ copyrights.

You indicated early on that you would not provide basic discovery until “discovery opens,” yet you had repeatedly asked Mr. Sheldon, and me, to provide you access to Mr. Sheldon’s hard drive before “discovery opens.” This forced a Rule 16 conference, and attorney time and costs.

By refusing to provide discovery early in a case before “discovery opens,” you are forcing defendants and their attorneys, often pro bono, to spend time on cases in a way that wears down defendants, some of whom are definitely not liable to your clients, sometimes forcing them into side agreements, stipulated judgments, and/or injunctions under threat of personal data exposure, protected litigation, and legal fees.

Your repeated statements to me about my Mr. Sheldon’s unrelated post-prison supervision status, including in your most recent email below, suggests a level of coerciveness that is unwelcome, Carl.

Given your confidence in the strength of the data on which you relied (“100% liable”) for the allegations in your complaint, and given the technical opacity that plagues this and many of these cases which provides you and your clients a significant advantage in achieving early settlements, I thought that this case *might* provide a good opportunity to “look under the hood” as you say. By engaging in discovery, I hoped to shed some light on how, as the complaint

alleges, Mr. Sheldon could be *observed* downloading and/or sharing 900 movie titles, and how he could be *observed* engaging in bitTorrent activity on the named films, and whether the technology you rely on is sound enough to sniff out infringers. The allegation that Maverick Eye, and perhaps other entities or individuals unidentified in the amended complaint *observed* Defendant is so eerie that it appears to lack credibility. It reminds me of the Snowden disclosures and the Prism system used by the NSA that rocked the country several years ago.

Your shifting positions on the Sheldon case are confusing and inconsistent. You have stated, in addition to the allegations in the complaint:

- \* Mr. Sheldon agreed to a settlement with you.
- \* Your clients would “waive all damages, costs, and fees” despite your clients not having yet established a right to any.
- \* If Mr. Sheldon gives up his hard drive for you to copy and review, and there is nothing there, you will dismiss.
- \* You will dismiss, if Mr. Sheldon signs a side agreement giving your two clients a right to sue him if he ever downloads *any* copyrighted information *unrelated to and not owned* by your clients, and obtain their fees and costs.
- \* Mr. Sheldon is 100% liable for infringement.
- \* Maybe Mr. Sheldon didn’t do it.
- \* You will unilaterally dismiss the case with prejudice and in favor of Mr. Sheldon.
- \* You will keep the case open, but refuse to consent to fees or costs unless I prove fraud.

These do not make sense to me.

Mr. Sheldon is very clear that he did not agree to a settlement with you, despite your statements to Judge Beckerman yesterday. You have confirmed that you did not record a phone call in which he made an alleged agreement with you. I have seen no written agreement memorializing the verbal agreement you say you forged.

If Mr. Sheldon is indisputably liable for the conduct alleged, as you have asserted, then this is a perfect opportunity for you to attempt to prove your case by a preponderance of the evidence.

If you no longer believe that Mr. Sheldon is liable for the conduct alleged, or, after the Rule 16 conference yesterday where I explained that I am ready to participate in the discovery phase and “open discovery, your clients no longer which to pursue the case, then I agree that you should unilaterally file a motion to dismiss under Fed. R. Civ. P. 41(a)(2), moving to dismiss.

Alternatively, we will stipulate to a dismissal of the case, with the payment of \$4500 in attorney fees and \$500 in costs for which I have not yet sought reimbursement from the court.

Please let me know how you would like to proceed. I will delay preparing the Interrogatories, Request for Admissions, and Discovery Request until Tuesday to limit further exposure to fees.

Sincerely,

Lake James H. Perriguet

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**From:** Carl D Crowell carl@crowell-law.com  
**Subject:** FW: Activity in Case 3:17-cv-00158-SB ME2 Productions, Inc. et al v. Sheldon Order Appointing Pro Bono Counsel  
**Date:** May 3, 2017 at 10:51 AM  
**To:** LAKE JAMES PERRIGUEY lake@law-works.com



Lake,

Give me a call on this. I have agreed to dismiss this action if his computer is clean and he has agreed to have it reviewed by Robert Young. But if he simply agrees to stop, we will waive costs, fees and damages.

FYI – It is a semi-group home, but tenancy and activity only match the defendant. There was another tenant that also used BitTorrent, but he moved in well after the activity on this title started. Similarly, to stop the activity the landlord switched ISPs, changed the password, etc. but the activity resumed as soon as Sheldon got on the new account at the new IP address with CenturyLink. The initial infringing activity was with Comcast.

Also, Sheldon appears to have several felony convictions and may be under supervision. If that is case is a concern, we do not want a violation or anything that could impact his release and will not require any public admission or anything that could impact that issue.

-carl

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**From:** <[info@ord.uscourts.gov](mailto:info@ord.uscourts.gov)>  
**Date:** Wednesday, May 3, 2017 at 10:20 AM  
**To:** <[nobody@ord.uscourts.gov](mailto:nobody@ord.uscourts.gov)>  
**Subject:** Activity in Case 3:17-cv-00158-SB ME2 Productions, Inc. et al v. Sheldon Order Appointing Pro Bono Counsel

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