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**CONFIDENTIAL FED. R. EVID. 408 COMMUNICATION
For Settlement Purposes Only**

May 20, 2014

VIA E-MAIL

Shellie McGaughey, Esq.
McGaughey Bridges Dunlap PLLC
325-118th Avenue, Southeast
Suite 209
Bellevue, Washington 98005

**Re: *Atigeo LLC et al. v. Dennis Montgomery et al.*
Case No. 2:12-cv-01694**

Dear Shellie:

I write to follow up on our settlement discussion last Wednesday. As you know, our clients' complaint against Messrs. Montgomery and Burgyan, and their business entities, asserts claims for Cybersquatting and Libel. The crux of the complaint concerns your clients' alleged use of the domain name <atigeo.co>, and certain offending statements published about our clients on the websites www.atigeo.co, www.yellowtoneclub.net, www.theuntoldstory.net, www.gratonresortcasinos.net and www.yellowstoneclub.com (the "Web Sites"). Since the filing of our clients' complaint, your clients have taken down the Web Sites.

Each side is preparing to take several depositions, including the depositions of the principals and third parties, and we are each reviewing a large amount of written discovery and documents. Undoubtedly, such discovery will be followed by motion practice, including motions for injunctive relief and for summary judgment. Ultimately, we will have a trial on the merits and a jury will determine, with the benefit of experts, if our clients are entitled to monetary relief. Suffice it to say that, based on Mr. Montgomery's declaration filed in this case, his responses to Atigeo's written interrogatories, and the testimony of third parties, including Edra Blixseth, we think liability here is a foregone conclusion.

Shellie McGaughey



McGaughey Bridges Dunlap PLLC

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Because we find ourselves at a critical juncture, in terms of the expenditure of attorneys' fees and costs, I write to propose a formal resolution of the above-referenced matter. Our clients appreciate your clients' decision to take down the Web Sites and are prepared to forego any monetary relief (in the form of damages, trebled damages, interest, attorneys' fees and costs) if the status quo is maintained. To that end, our clients are prepared to enter into a settlement agreement providing for a dismissal with prejudice of the above-referenced action and a mutual release on the following conditions: (a) Defendants agree to permanently refrain from using the <atigeo.co> domain name, (b) Defendants agree to permanently refrain from using any domain names that are identical or confusingly similar to the Atigeo mark or other Atigeo marks (like xPatterns) and (c) Defendants agree to permanently refrain from making the offending statements which are the subject of our clients' complaint on the Web Sites or elsewhere.

Your clients and their insurers should give serious consideration to this offer. There is no legitimate basis to justify your clients' use of the <atigeo.co> domain name or for making the offending statements on the Web Sites. Regardless of Mr. Montgomery's motivations in making the statements, they are indisputably false.

This settlement offer shall remain open until May 23, 2014, at which point it is withdrawn in its entirety. If the above-terms are acceptable to your clients, please let me know and we can prepare a settlement agreement which contains the foregoing terms, as well as other customary terms, for your review.

Sincerely,

Roland Tellis

cc: Brian Park, Esq.