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July 22, 2008

VIA CERTIFIED MAIL—RETURN RECEIPT REQUESTED

Mr. James Watson
Atlantis Studios, Inc.
349 Rutledge Park Lane
Suwanee, GA 30024

Re: "State's Evidence" by Alan Brash

Dear Mr. Watson:

I represent the above-referenced client, who has given me copies of:

- Email correspondence by and between you and my client exchanged during the period December, 2007 through July, 2008; and
- An undated "Invoice/Quote", demanding the payment of a "25% Deposit" and setting forth the work your company was to perform for my client (the "Contract").

As you know, my client paid the "25% Deposit" to your company, in the amount of \$3,350, on or about December 31, 2007. However, since mid-February, 2008, you have breached your Contract with my client and have failed and refused, and continue to fail and refuse, to deliver to my client any of the work required by the Contract. After over six (6) months of waiting with "nothing to show" for his money except for numerous broken promises contained in your email messages, my client demanded the return of his deposit; despite his repeated demands, you have failed and refused, and continue to fail and refuse, to refund the money he paid to your company in good faith.

In addition to the claim for breach of contract set forth above, my client also has the following additional claims:

1. Unfair Competition/Unfair Business Practices. Violations of both state and Federal common law and statutory unfair competition law have occurred here. These laws empower claims

based on dishonest, unfair and corrupt modern business practices. For example, here in California, California Business and Professions Code §17200, which prohibits unfair competition, condemns any "unlawful, unfair or fraudulent business practice...". Further, courts which are experienced in dealing with people who try to take advantage of others define "unfair competition" as anything which offends public policy or is immoral, unethical, offensive or unscrupulous. The conduct here certainly falls within this flexible definition, and exposes the wrongdoers to compensatory and punitive damages.

2. Fraud. There can be little doubt that you fraudulently induced my client to pay your company without any intention whatsoever to perform any of the work required by the Contract. This intentional tort would also give rise to recovery of compensatory and punitive damages.

Given the wrongful conduct here, my client believes he has an extremely powerful and compelling case to present to a jury of his peers. A properly-instructed jury made up of average men and women would not likely tolerate the actions complained of herein, and would award my client substantial sums for both compensatory and punitive damages, as well as attorney's fees and costs.

My client does not desire to pursue this matter in Court if, and only if, a fair settlement can be achieved. He acknowledges that if he wishes to settle this matter without resort to expensive and time-consuming litigation, he cannot realistically expect to receive all that a jury would award to him after a full and fair trial; he recognizes that punitive damages will not play a role in pre-litigation settlement discussions. However, my client expects that you, too, will realistically analyze the potential liability which you and your company face, without assuming that everything (facts, law, evidence, testimony, etc.) will go your way. If you do so, you will, perhaps reluctantly, conclude that you and your company face exposure to considerable damages, together, of course, with the cost (both monetary and time) of litigation.

Therefore, solely for settlement purposes, my client will accept the following in full satisfaction of all of his claims:

- You and your company must immediately pay my client \$3,350; and

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- Because my client has had to pay me to deal with this matter, you and your company must pay my client \$2,500.

This settlement offer will expire (unless sooner withdrawn) on Monday, July 28, 2008 at 6:00 p.m. If the offer is not accepted by you and your company prior to that date, you will leave my client no choice but to vigorously pursue any and all available legal and equitable claims against you and your company, including, but not limited to, those claims set forth above; my client will seek all available remedies against you and your company, including, but not limited to, appropriate writs of attachment, and, of course, compensatory and punitive damages as well as attorney's fees and costs.

This letter is the only notice you will receive prior to legal action being taken against you and your company.

This letter does not purport to exhaustively set forth my client's entire position in this matter nor to comprehensively recite the pertinent facts or law. Nothing herein should be construed to be a waiver of or limitation of any of my client's rights in law, in equity, or otherwise. All rights, claims and remedies are specifically reserved.

Very truly yours,

Paul S. Levine

cc: Alan Brash