

# MUDD LAW OFFICES

A PROFESSIONAL CORPORATION

STARTUPS | INTERNET | CREATIVES | DEFAMATION | SPACE

Charles Lee Mudd Jr.  
Principal  
clm@muddlaw.com

**CHICAGO (MAIN OFFICE)**  
3114 West Irving Park Road  
Suite 1W  
Chicago, Illinois 60618  
773.588.5410 Telephone  
773.588.5440 Facsimile

7 February 2018

## ATTORNEYS

**Principal**  
Charles Lee Mudd Jr.\*

**Associates**  
Michelle A. Kuipers†  
Jennifer Orrison\*\*  
Amit H. Patel†  
Tatyana L. Ruderman†

**Of Counsel**  
Anne Chestney Mudd†  
Katie Sunstrom ††

Admitted Key:  
\* IL, IN, CT, UT  
† IL  
†† TX  
\*\* UT

## BY ELECTRONIC DELIVERY ONLY

Ms. Kerri Barber  
Ms. Kae Dickinson  
Heroic Media Group LLC  
85 Fairfield Lane  
Cary, Illinois 60013  
[Kerri@heroic.rocks](mailto:Kerri@heroic.rocks)  
[kae@heroic.rocks](mailto:kae@heroic.rocks)

**HOUSTON**  
1100 NASA Parkway  
Suite 420L  
Houston, Texas 77058  
713.588.0168 Telephone  
713.583.0336 Facsimile

**PARK CITY**  
311 Main Street  
PO Box 1553  
Park City, Utah 84060  
435.640.1786 Telephone  
435.603.1035 Facsimile

**Re: Initial Letter Confirming Representation  
Defamatory Statements**

Dear Kerri and Kae:

Thank you for engaging Mudd Law Offices (the “Firm”) to provide legal services on your behalf. I enjoyed speaking with Kerri and confirming the scope of the Firm’s representation. Based on my discussion with Kerri, it is my understanding that you both would like the Firm to represent you and your interests as well as those of Heroic Media Group LLC (collectively, “you” and “your”) with respect to the matter discussed below. This letter will set forth the basic terms upon which you have engaged the Firm to represent your interests in connection with this matter, including the anticipated scope of services and the billing policies and practices that will apply to the representation.

1. Scope of Engagement. In general, you have requested that the Firm represent your interests with respect to false statements made about you, your business, and your business practices. I recommend and you have agreed to proceed in stages.

For Stage One, the representation shall involve pre-litigation efforts to resolve the dispute. This representation may include, but not be limited to, communications and consultation with you; review of documentation; research; assessing the viability of claims; drafting and sending a letter on your behalf; communications with the parties and/or their counsel; settlement discussions; and, other related matters.

Should the matter not be resolved in Stage One, should viable claims exist, and should you wish to proceed with litigation, we shall proceed to Stage Two. This representation may include, but not be limited to, the foregoing activities as well as drafting and filing an appearance and complaint on your behalf in arbitration and/or state or federal court (we have discussed preferring federal court if able to do so, or Cook County to avoid prejudice); developing litigation strategy; drafting, responding to, and completing discovery; drafting and arguing motions as well as opposition to motions; communications with third parties

and/or their counsel; trial; and, other related matters. Additionally, Stage Two shall require the retainer to be increased as specified below.

You first agreed to this representation as of the date you sign the engagement letter below.

2. Billing Policies and Procedures. We agree that the Firm shall bill for my services on this matter on an hourly basis at the rate of \$425.00 per hour (please note that billable time includes telephone conversations and email communications) that shall be billed in 1/10ths of an hour. This rate is confidential and reduced from my standard billing rate of \$475.00 per hour. The Firm shall bill for additional staff at the rates identified in Section 5 below.

You also agree to pay all costs, expenses and fees incurred on your behalf or to your benefit including, but not limited to, the fees incurred by staff (eg filing fees, travel, postage, printing, etc.). For some large expenses, invoices from certain vendors will be billed to the Firm. Regardless, you acknowledge your responsibility for all such expenses and agree to pay them whether such expenses are included on our invoice or whether we forward the vendor's invoice directly to you. In some cases, we shall require written approval from you before incurring such expenses. You further agree that some expenses shall require amounts paid prior to the expenses being incurred (eg filing fees).

The Firm shall submit to you at the end of each month or shortly thereafter a statement including all billable time and any costs, expenses or fees incurred on your behalf. You shall be responsible for paying/remitting to the Firm 100% of all costs, expenses and fees within fifteen (15) days of the invoice date. Further, absent any questions or comments about the invoice within fifteen (15) days of the invoice date, all invoices and entries therein shall be deemed accepted and agreed upon.

For Stage One, the Firm shall also require an initial retainer in the amount of \$3,000.00. The amount of the retainer should not be viewed as an estimate of the total amount of fees. This retainer shall be treated as a security deposit. This means that we do not bill against the retainer. You must pay the amount of each monthly invoice in addition to the retainer. Assuming all invoices have been paid, the retainer will be returned to you at the end of the representation.

Should we proceed to Stage Two (in your sole discretion), the Firm will need the retainer to be increased to a total of \$8,000.00. Again, the retainer shall be treated as a security deposit and should not be viewed as an estimate of the total amount of fees that will be incurred.

We do accept credit cards. Where a credit card is used to pay a retainer, there will be a processing fee as described below in Section 3. This processing fee would be placed on one of your first invoices. Should you pay the retainer through Right Signature when you sign this engagement letter, the processing fee shall be withdrawn from your retainer by Right Signature such that the amount deposited in your trust account shall be slightly less than the amount paid. The firm may include the processing fee on an invoice to return the retainer to the full amount or not, in its sole discretion.

The Firm's retainer amounts have been purposefully set low to facilitate our clients being able to move forward with protecting their interests and pursuing wrongs against them. However, you need to know that litigation can and often will be expensive. The total expenses will most likely exceed the amount of the retainer. We do not want our clients to mistakenly presume that the lower retainers indicate the total amount of expenses.

If the billing in any one month appears likely to substantially exceed the retainer, the Firm reserves the right to request that you supplement the retainer in an additional amount not to exceed the value of the retainer itself.

**As a reminder, we do not bill against the retainer.**

Should payment on any invoice not be received within fifteen (15) days of the invoice date, the Firm reserves and you grant it the right to withdraw funds from your retainer to cover the outstanding past due balance on the invoice. You would then be required to supplement the retainer to its original balance. Additionally, invoices not paid accordingly *may* incur late penalties of 1.5% per month (18% APR).

Further, unless this Firm's statements are paid within fifteen (15) days of the statement date, the Firm reserves the right to suspend all activities and efforts on your behalf upon written notice to you until either (a) payments on any unpaid invoice(s) has been made or (b) the retainer has been supplemented to its original balance. Where litigation has been filed on your behalf, the Firm also reserves the right in such circumstances to obtain leave to withdraw as counsel of record in any pending case.

You agree to pay all legal fees (including attorney and paralegal fees), costs, and expenses which we may incur as a result or consequence of your failure to timely pay our invoices and/or statements including, without limitation, attorney and paralegal fees, costs, and expenses if we represent ourselves *pro se* for the collection of the outstanding balances due to us from you.

Upon completion of the representation and/or at the time any final documents are delivered to you, the Firm shall send to you a final invoice. Any final invoice may be charged against the retainer, with any remaining funds from the retainer (if any exist) returned to you, provided no additional matters remain open. Obviously, should the final invoice exceed the retainer, you will be required to remit payment in the amount exceeding the value of the retainer immediately upon receipt of the statement.

3. Specific Expenses. With respect to certain specific expenses, you acknowledge agreement to the following:

a. *Computer Research.* The Firm does not charge clients for the use of its internal work product retrieval system. However, clients are charged for computer-assisted research at rates that we establish based on any agreement that

we have with the applicable vendor (including, but not limited to, Lexis and PACER) and our associated risks in entering into long-term usage contracts.

b. *Mail/Messengers.* Messengers are used as appropriate to assure expedited delivery. The cost of such messengers is charged directly to clients without any markup. You authorize us to incur mail and postage expense without authorization.

c. *Processing Fees.* If you choose to use a credit card to pay an initial retainer, you will be assessed a processing fee of approximately between 2-4% in addition to the retainer. If you use our automated method through Right Signature, this amount will be deducted before your retainer reaches our bank account. As such, your retainer will begin slightly less than the full amount submitted. Alternatively, if you call us to make the payment by credit card, the fee will typically appear on your first invoice. If you choose to use a credit card to pay an invoice, there will not be any processing fee. Likewise, if you choose to use a credit card to pay a flat fee, there will not be any processing fee.

d. *Telecommunications.* The Firm does not charge for local or domestic long distance phone calls, or electronic mail transmissions. Clients may be charged international long distance rates at rates based on agreements we have with the vendor and our associated risks in entering into long-term usage contracts. The Firm reserves the right to set a rate approximating the average cost per minute based on such rates.

e. *Travel.* The Firm charges for time spent in travel in addition to travel expenses. Unless other arrangements have been specified, any air travel required in connection with our representation of your interests will be at coach rates.

4. Security Interest. You hereby grant to the Firm a security interest in all retainers and/or advances paid to this firm from time to time and upon any recovery obtained in any action, arbitration, special proceeding, settlement or negotiations, which shall be in addition to any other statutory or common law lien, whether now existing or hereafter arising. This security interest shall be limited to the amount of any outstanding legal fees (attorney's fees, paralegal fees, and other fees for support personnel) and expenses that have been billed and/or incurred.

5. Other Assistance Intra-Firm. The Firm may from time to time assign work to our office assistants/paralegals as well as our associate attorneys and *of counsel* attorneys. Should any matter require assistance by office assistant/paralegal or associate/*of counsel*, we agree that you provide the Firm with the authority to obtain assistance from these individuals, subject to the same billing terms specified above, at the rate of \$425.00 per hour or lower for *of counsel*; \$250.00 per hour for associates; \$175.00 per hour for summer associates/law clerks/social media strategists; and the rate of \$125.00 per hour for office assistant/paralegal.

The Firm reserves the right to modify its rates (including my rates specified in Section 2) as necessary on an annual basis. **Typically, the rates increase as of January 1 of each year.**

6. Outside Consultants. We do not see the need for outside consultants or experts at this time. Should this change, we will discuss any need with you prior to taking any action in this regard.

7. General Responsibilities of Attorney and Client. The Firm will provide the above-described legal services for your benefit, for which you will be apprised of developments as necessary to perform the Firm's services. The Firm will consult with you as necessary to ensure the timely, effective and efficient completion of work on your behalf.

We understand that you will communicate with the Firm; will provide the Firm with such actual information and documents as it requires to perform these services; will be straightforward, honest, and truthful with the Firm; will cooperate with counsel to effectively work on your behalf; will make any business or technical decisions and determinations as are appropriate to facilitate the completion of the Firm's services on your behalf; and will make all payments on invoices in a timely manner, all in accordance with the procedures described above.

**The Firm cannot and does not make any guarantees, promises or representations as to any particular outcome. You also understand that the Firm cannot and does not make any representations as to the amount of time that will be involved in representing your interests. Any general statements about the time involved in specific items of work represent nothing more than general statements without reference to your particular circumstances. Litigation is inherently unpredictable given the number of diverse parties involved (adverse parties, court, jury, opposing counsel). Nothing in this engagement letter shall be construed as such a guarantee, promise or representation.**

8. Facsimile and Electronic Signatures. We agree that facsimile and electronic signatures shall have the same force and effect as original signatures.

9. Internet Communications. The Firm may be asked to use electronic mail and the Internet as a means for communicating about matters concerning your representation. You understand that electronic mail and Internet communications can be insecure and, although unlikely, subject to interception. Despite this, to facilitate your representation, you approve the Firm's use of electronic mail and Internet communications during its representation unless and until you instruct the Firm otherwise. Should you wish any communications sent encrypted through PGP, you need to obtain a PGP public key and provide us with either the associated email address or Key ID to find your PGP public key. We send encrypted communications upon request and as a courtesy. However, the Firm shall not be liable to you or any third party for any failure to do so.

10. Communication with Parties. You understand that I recommend that you do not speak with any adverse party about this matter. In some states, particularly in Illinois, oral settlements can be enforced in certain circumstances. I request that you inquire of me

before speaking to anyone other than your immediate family and other legal counsel about this matter. Further, you should not engage in written communications regarding this matter with any party other than your legal counsel.

11. Document Retention. All work-product created in the course of the representation remains property of the Firm. You shall have reasonable access to pertinent documents. The Firm shall retain documents relating to the representation for a period of no less than three (3) years after the completion of the representation. The Firm shall be permitted to dispose of documents relating to any representation after a period of three (3) years following the completion of the representation. It is your responsibility to request such documents from the Firm prior to that date if you wish to retain them.

12. Termination. You have the unqualified right to terminate representation at any time. Should you choose to terminate the Firm's services, the Firm asks that you do so in writing. In addition, the Firm reserves the right to withdraw from representation, if ethically permissible, for reasons of nonpayment, lack of cooperation, any misrepresentations made to the firm, breach of any terms of this engagement letter, or other matters that make it difficult to provide adequate representation and/or maintain the ethical integrity required by applicable rules, regulations and statutes. The termination of our services, by you or our firm, does not affect your obligation to pay legal fees and expenses incurred prior to the effective date of such termination.

13. Conflicts. You have not advised the Firm, nor is it aware of, any conflicts of interest between it, you and/or any adverse parties that would prevent the Firm from representing your interests. However, the Firm reserves the right to withdraw from our representation of you should any such conflict arise in the future.

14. Disclosure. You understand that Privacy Resolutions P.C. is a professional corporation licensed to practice law in the State of Illinois that also operates under the name of Mudd Law and/or Mudd Law Offices and has previously operated under the name of Law Offices of Charles Lee Mudd Jr. It is also licensed to do business in Utah.

15. Expiration of Engagement Letter. This engagement letter and the offer of representation shall terminate five (5) days from the date of this letter should the Firm not receive a signed engagement letter and retainer prior to that date.

16. Preservation of Evidence. It is essential that you preserve any documents, electronic or otherwise, that have relevance to the anticipated, active, and/or potential litigation. As for any original non-electronic documents, you must collect these and deliver them to the Firm's Chicago office. As for any electronic documents you may possess (emails, word documents, letters), please identify the relevant documents and either send or print copies of them for our review. Depending on the nature of the claims and evidence, you may be required to have created a forensic image of any relevant hard drives at issue. Should you have questions about the scope of this preservation, please let me know. Given that there exists an obligation to preserve evidence in certain circumstances, you must

perceive our instruction to preserve relevant evidence as an obligation and not a recommendation.

17. Acknowledgement. By signing below, you acknowledge that you have reviewed the terms of this agreement and agree that the terms accurately reflect the attorney-client relationship between you and the Firm.

18. Corporate Authorization. Any individual(s) signing below on behalf of a corporation expressly represents that he/she/they have authority to engage and enter into this agreement for representation on behalf of the corporate entity for which they sign.

I am, of course, honored that you have asked me and the Firm to provide you with legal representation. Should you wish to discuss any matter relating to this legal representation, please do not hesitate to call me directly.

While ordinarily I might prefer to choose a less formal method of confirming the terms of my engagement than a written statement such as this, it has been my experience that a letter such as this is useful both to me and to the client. Moreover, in certain circumstances, I am required by law to memorialize these matters in writing. In any event, I would request that you review this engagement letter carefully and, if it comports with your understanding of our respective responsibilities, that you so indicate by signing in the appropriate location below and providing me with a complete copy of the signed engagement letter (should you sign the engagement letter through Right Signature, the Firm shall electronically receive a copy immediately upon completion of all required signatures). Obviously, if you have any questions concerning these matters, please let me know promptly before signing this engagement letter.

I look forward to working with you. Thank you for selecting me and my Firm. Should you have any questions, please do not hesitate to contact me.

Very truly yours,



Charles L. Mudd Jr.

CLM/mms

*I have read the foregoing eight (8) pages and ACCEPT AND AGREE to the terms and conditions thereon.*

Kerri Barber

\_\_\_\_\_  
Kerri Barber

Dated:

Kae Dickinson

\_\_\_\_\_  
Kae Dickinson

Dated:

Herois Media Group LLC

\_\_\_\_\_  
By: Kerri Barber  
Its: Authorized Representative

Dated: