



February 28, 2007

Dear University President:

This week the Recording Industry Association of America (RIAA), on behalf of its member labels, is initiating a new process for lawsuits against computer users who engage in illegal file-trafficking of copyrighted content on peer-to-peer (P2P) systems. In the current round of such lawsuits, four hundred of these legal actions are directed at college and university students around the country.

Why have we felt compelled to escalate our deterrence and education efforts? For three years, we have gone to extraordinary lengths to address the problem of online music theft on campuses. We have met personally with many university administrators. We have provided both instructional material and educational resources, including an orientation video (campusdownloading.com) to help deter illegal downloading. We have worked collaboratively and productively through organizations like the Joint Committee of the Higher Education and Entertainment Communities. Our member companies have transformed how they do business – licensing innovative services that provide free or heavily discounted legal music to college fans. We have informed schools of effective network technologies and partnership opportunities with legitimate services. We have stepped up our notice program to alert schools and students of infringing activity. And, of course, we have as a last resort brought suit against individual file-traffickers.

All of this has yielded noteworthy progress and we are grateful for the proactive work of many institutions. Unfortunately, the piracy problem on campuses remains extensive and unacceptable, and compromises the music industry's ability to invest in new music.

We do not take this step lightly and wish it were not necessary. We will continue to do all we can to encourage our fans to enjoy music legally, both on campus and more broadly by the general public.

There is a reasonable role that campus administrators can play:

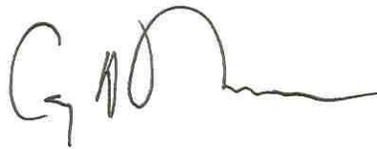
- facilitate our new deterrence program by forwarding pre-lawsuit letters so that students and others with access to the network can settle claims at a lower cost and before they turn into lawsuits of public record; and
- implement programs and technological solutions that significantly reduce piracy and therefore the likelihood that students will be sued or receive DMCA notices.

A concerted, comprehensive and complementary approach CAN make a difference and advance everyone's interests.

We are attaching a summary of the important role that universities and colleges play in our new deterrence program and a summary of the proactive steps schools can take to minimize students' exposure to lawsuits and DMCA notices. Given the number of people at your university who may be involved in this issue, we would greatly appreciate your passing this letter on to the appropriate parties, including such officials as the General Counsel, the Chief Information Officer, and the Dean of Student Affairs.

Thank you in advance for any help you can give us in addressing the problem of copyright piracy on college campuses. Your support is critical.

Sincerely,

A handwritten signature in black ink, appearing to read 'C. Sherman', with a long, horizontal flourish extending to the right.

Cary Sherman
President

New Litigation Process For Forwarding Pre-Litigation Settlement Letters to Students

Our new litigation process will allow individuals we find illegally uploading or downloading copyrighted works on a peer-to-peer (P2P) network the opportunity to settle claims before we file a “Doe” suit against them. We have heard repeatedly that individuals who have been sued want the ability to settle prior to being named in federal court. To accommodate this interest, we are instituting a new pre-lawsuit settlement option that will allow infringers to settle at a discounted rate if they do so prior to our filing of a “Doe” suit.

To assist you in extending this option to your students and other subscribers to your school’s Internet service, we will e-mail to you a letter for you to forward to the subscriber. Our e-mail will also request that you maintain the log files for the relevant individuals while we attempt to settle the matter with them. The letter to the subscriber will explain that the subscriber has been identified as illegally distributing copyrighted sound recordings and that he or she has the opportunity, in advance of a lawsuit being filed, to contact us to resolve the claims. Whether they want to contact us at that time will be entirely up to them, but, if they do not, they will not be eligible for a discounted settlement rate. The subscriber will have only twenty days from the date we send the letter to you to take advantage of the early settlement option before we initiate a “Doe” lawsuit, so please forward the letters as expeditiously as possible.

We are hopeful that, by providing early notification to subscribers that have been identified as infringers, we can greatly diminish the need for litigation. We are also hopeful that the initiatives we are taking will facilitate a clear process for your subscribers who may be targeted. Holme Roberts & Owen LLP will continue to serve as our national counsel for these cases. Your primary contact there, Katheryn Coggon, will also continue to serve in that role. Should you have any questions about the program or this letter, feel free to contact Ms. Coggon directly at 303-866-0408 or katheryn.coggon@hro.com.

To avoid any unintended relay of misinformation, the following details may be of assistance:

- The record companies’ representatives can be reached at 913-234-8181 or info@SettlementInformationLine.com.
- The RIAA has established a website with information about the copyright lawsuits that should facilitate early settlement. That website is located at www.p2plawsuits.com.

Ways to Prevent/Reduce Student Exposure to Lawsuits and DMCA Notices

Implement a network technical solution. Products like Red Lambda's cGrid are promising as effective and comprehensive solutions that maintain the integrity, security, and legal use of school computing systems without threatening student privacy. Some schools have used these products to block the use of P2P entirely, realizing that the overwhelming, if not sole, use of these applications on campus is to illegally download and distribute copyrighted works. For schools that do not wish to prohibit entirely access to P2P applications, products such as Audible Magic's CopySense can be used to filter illegal P2P traffic, again, without impinging on student privacy.

Offer a legitimate online service to give students an inexpensive alternative to stealing. In fact one such service, Ruckus, is funded through advertising and completely free to users. When schools increasingly provide their students with amenities like cable TV, there is simply no reason not to offer them cheap or free legal access to the music they crave.

Take appropriate disciplinary action when students are found to be engaging in infringing conduct online. This includes stopping and punishing such activity in dorms and on all Local Area Networks throughout a school's computing system.

Educate students about the do's and don'ts of downloading and copying music and other copyrighted works. The music industry offers a free campus educational video available for order at www.campusdownloading.com.