

June 24, 2017

Fellow Amtgardians:

As of May 30, 2017, the U.S. Patent and Trademark Office granted my company AUGHTS LLC the trademark of Amtgard officially. Rest assured that it is now in the hands of fellow Amtgardians. It is now the intellectual property of AUGHTS LLC. It is filed under “role playing board game” as was recommended by the U.S. Patent and Trademark Office to be the closest definition of our LARP by current standards. The copyright was also secured earlier as well with the U.S. Copyright Office at the Library of Congress across from my home of Alexandria.

It is my pleasure as president of AUGHTS LLC to inform you that the use of the mark Amtgard is hereby granted to your organization so long as you remain in legal good standing within your individual states/provinces and the federal/central government (U.S., Canada, or whatever respective nation you call home). I further extend the protection of the open source game for the future for new kingdoms, principalities, freeholds and chapters not yet started. This license is freely offered to those lawful nonprofit corporations sponsoring regional chapters of the game Amtgard that are recognized by the government and that were organized after 2013. For those legitimate and lawful nonprofits sponsoring Amtgard chapters prior to 2013, AUGHTS LLC has no intention to contest their use of the intellectual property.

The purpose of this letter is not only to inform you of this development, but to also provide background on how this all has come about in the current state. Unfortunately, it is due to a combination of syndicated lies, censorship, and being blocked on Facebook by page administrators that I must now address each organization in this manner in order to clarify. The need for prudence during the intellectual property acquisition process has resulted in silence (which was necessary as it is the common practice when going through the process.). The reasons for and story behind this process were long distorted by rumors and accusations and are based in fantasy, paranoia, and hyperbole. It is my intention with this letter to shed light into darkness, set the record straight, and defend myself and my friends against the false claims made against me, my character and others.

I am an attorney. I am a member in good standing of the Virginia State Bar. I am well versed in nonprofit law and many nonprofit organizations are headquartered in the Washington, D.C. metro area. I have additionally worked as a director in the federal government. Through this whole process, I have approached my bar for guidance and suggestions in order to assure that I maintain this good standing and principle without bias.

In 2014, I was approached by the board of directors of the nonprofit sponsoring the Kingdom of Crystal Groves (known formerly as Amtgard of Maryland) to help their failing nonprofit organization as it was deeply mired in scandal. In so far as to refute and defend myself from allegations made on social media, there is no longer a duty of confidentiality to this former organization. I have been permitted by the current nonprofit organization to now discuss details to that end and defend my reputation. I agreed to

represent Amtgard of Maryland as their attorney and all of my services have been given pro-bono. The issues I was asked to address on behalf of Amtgard of Maryland as my client involved theft of goods and money, accusations of sexual harassment and problems involving instances of potential pedophilia and child pornography within the leadership of the organization. It was a sad situation and I felt it my duty to put my skills to good use for such a good cause with Amtgard being such a great organization and so important to many. Many in Amtgard relied on this organization for support and for friendship, some meeting people they care about as much as family. I was no different and was ready to assist as much as possible to protect my friends and fellow participants.

Several claims of the above stated issues were made publicly on an internet website called Rip-Off Report. The public availability of this information was harming not only the organization's reputation but their ability to conduct business along the Mid-Atlantic coast. An example of this was when a group attempted to hold their first event in another region of Virginia and was at first accepted, then later turned away after the site owner discovered the webpage. This was not a fair situation and parks wanting to give back to the game and volunteer to hold events should not have to face that potentially embarrassing and limiting situation. Thus came the need to move the organization into Virginia, so I could provide a full range of legal services pro bono and at no costs in service to my fellow players and LARP community.

After taking a look at the status of Amtgard of Maryland as an organization, it was immediately obvious that they were not being managed as any reasonable nonprofit would be expected. Elements of the fantasy game had drifted into governance matters (the board of directors) that are clearly areas regulated by the state, some directly contradicted not only best business practices but matters of law itself. In short, it was a mess and I have no reason to doubt that other organizations sponsoring Amtgard chapters are in a similar situation.

The first matter that I was able to settle for Amtgard of Maryland was to take the former board director and treasurer accused of theft of the organization's money to court. I was able to recover the stolen money in full, pro bono and at my own personal expense of travel and time off from work. We initiated financial reform within the organization to prevent fraud, waste and abuse and establish policies and procedures to move the organization toward a legitimate status. In an effort to begin to address the damage left in the wake of the pedophile scandal, I domesticated Amtgard of Maryland in Virginia and changed the name of the corporation to Mid-Atlantic Games. Thankfully, as part of our domestication process, we had foresight to have emergency bylaws in place to comply with Virginia law which became active once domestication had occurred and extinguished the old, interim bylaws drafted temporarily which were written under Maryland law.

In the early summer of 2015, I became aware of the plans of Amtgard, Inc. to transfer the intellectual property of Amtgard to the individual organizations sponsoring the game across the country. An unfair contract was circulated that would act as the mechanism for that process. As part of my due diligence as the attorney for Mid-Atlantic

Games, I looked into the details and potential issues (e.g. no value actually offered) of what was being proposed in order to protect my organization as was my duty.

Initially, I was alarmed at the one-sided nature of the contract, the essence of it being that our organization would be required to provide indemnity (legal coverage) to the new organization of Amtgard, Inc., now known as Amtgard International. This would mean an unfair shift of legal liability for Mid-Atlantic Games and other kingdoms the responsibility for not only the legal defense itself, but also this new version of Amtgard, Inc. which held unknown tax and legal liabilities. We would accept risks while giving us no value or consideration in return. It was an unfair bargain being forced on us all.

I became more alarmed as I dug deeper into the background of Amtgard, Inc. I discovered that Amtgard, Inc. had been in default and nonexistent since June of 2010. Its nonprofit status had been revoked by the IRS and the State of Texas. They had operated illegally and misrepresented themselves as a nonprofit and solicited donations for over five (5) years. Taxes and penalties are owed to both the IRS and the State of Texas where they were incorporated. The risk was too high. It became clear that the “benevolent gift” of intellectual property to the individual organizations of Amtgard was hollow. In all reality it was a mechanism to transfer this claimed property away from the defunct organization and then reclaim it after starting up a new shell organization with the same leadership.

These members were attempting to avoid the tax burden by simply creating a new shell organization. As I delved deeper, this same questionable strategy was employed when Burning Lands had established Amtgard, Inc. The tax burden and penalties were inherited from Burning Lands to Amtgard, Inc, and from Amtgard Inc. to Amtgard International, Inc. There is no nice way to describe this as it is indicative of possible charity fraud and tax evasion, discoverable and subject to audit. Of particular concern was Amtgard Food Fight which claimed millions in gifts yet was not within the charters of the nonprofits nor had it obtained the proper solicitation permits within the respective regions.

In June 2015, I contacted Mr. Will Jordan (known in Amtgard as Sir Michael, Hammer of God) as the point of contact for the Amtgard, Inc. Executive Committee to explain what I had found and the nature of the dilemma. I suggested a solution that should be borne out of the six Kingdoms and one Principality that I could identify as having legitimate national standing and status as nonprofit organizations. Those Kingdoms and Principalities without a nonprofit could either achieve this same status by local state/provincial filing or affiliate with an existing nonprofit. There still was the matter of intellectual property to address as the organization claiming to own it was long since dead. Overall, the point was to limit the liability of those remaining Amtgard organizations, protect the players and participants while obeying local, state, and federal charity/solicitation/tax and contract laws.

In July 2015, I went so far as to travel to the 33<sup>rd</sup> Gathering of the Clans in New Mexico to bring my concerns to the in-game recognized leadership to take back to their individual nonprofits. The information I brought forward was mocked and I was

effectively shutdown. That event concluded with my understanding being, that the process for reforming a new nonprofit capable of dealing with the issues involved would be closely looked at, and that our nonprofits would be involved in the process going forward.

Instead, I found out in February of 2016 that Amtgard, Inc.'s core leadership had reformed a new organization in Colorado calling it Amtgard International, Inc. None of the issues involved were being addressed. It was at this point that I suspected that the strategy being employed was beyond simple negligence and was instead potentially intentional.

I began to look at ways to protect my client (Mid-Atlantic Games) as I am obligated to do. I discovered that the intellectual property question was actually more complicated than I had realized. Neither Amtgard Inc., nor Burning Lands, Inc. had ever registered a federal trademark or copyright for Amtgard. In order to protect my client as well as my own interests at this point, I filed for the trademark registration. I had been using my private company AUGHTS LLC to conduct a good deal of business on behalf of Amtgard in my local area for many years. I used it to purchase insurance, secure licenses and permits both around the region as well as inside of our nation's capital for Amtgard activities. This meant that the risks were not only on Mid-Atlantic Games, but also my own company.

In nonprofit terms, obtaining the trademark would place our organization in as strong of a position as possible for a nonprofit. With its approval, the organization's attorney would own the intellectual property. My duties as a director of the nonprofit board as their resident agent and attorney included such duties of loyalty, care and obedience. These obligated me to protect Mid-Atlantic Games from negligence and hostile takeover attempts as exhibited in 2016 from other directors who would put us in a weakened contractual position upon signing what was presented and continuing down the road with the knowledge that was discovered.

At this same time, Amtgard International realized that I had filed for the registration. Mr. Noah Smith (game name of Meggido) contacted me saying that he was the technical representative for Amtgard International. He wanted me to assist him in taking control of the name Amtgard being used with a Twitter account. I agreed to do this in good faith, but this was to be the end of any amicable interaction with the Amtgard, Inc/Amtgard International, Inc. leadership. I put forth an open letter to all of Amtgard to warn of legal challenges ahead.

In June 2016, the board of directors of Mid-Atlantic Games was dealing with the problems involved with the interference of Amtgard International, Inc. I received a hostile, juvenile and unprofessional letter featuring watermarks in the likeness of male genitalia that included insults and threats towards myself regarding the intellectual property of Amtgard. It included a fake service of process of delivery where no legal action is actually in place by any court. The letter was sent by Mr. Brenden Alexander Meiners (game name of Brennon or Gordon Freeman) as the representative of Amtgard

International, Inc., on Warlord Sports letterhead. Things continued to escalate when Mr. J.P. Prentiss, a Colorado divorce attorney, in real time, virtually met with and pressured my Virginia nonprofit directors with potential bullying tactics and alleged unlawful ex parte communications on behalf of Amtgard International, Inc. as their general counsel. A lawyer is not supposed to meet with another party that is not represented by counsel as it is seen as unfair and can lead to intimidation, confusion, coercion, and in some cases deception.

Communications with my client by another attorney without the presence of their attorney is both illegal and unethical under Virginia law. This occurred and is documented in a Facebook group, real-time chat. I luckily found out about this as it was happening and was able to put a stop to this forced meeting which violated our bylaws and Virginia nonprofit legal requirements. Unlawful communication continued despite my warnings and those directors who allegedly continued this illegal act were subject to automatic removal per our emergency bylaws to prevent a hostile takeover under duress.

Mr. Meiners brought the matter of the intellectual property with a self-serving narrative to the general public's attention via social media, Facebook, and YouTube. He outright pressured the members of the board of directors of Mid-Atlantic Games to disavow me as the attorney for the organization despite having served five presidents of the organization with a successful track record of representation in court for free. Mr. Prentiss, who is not a licensed member of the Virginia bar, allegedly gave unsolicited legal advice to my clients per statements made afterwards. The then president Mr. Michael Falchek (game name: Potato) abruptly resigned as did the vice-president Mr. Richard Sorkis within a matter of weeks. This triggered a crisis in our bylaws placing Ms. Lacey Arvin, the secretary of the organization as the president of Mid-Atlantic Games at that time. Amtgard International then attempted to usurp the sovereignty and independence of our Virginia nonprofit by threats, bullying, intimidation and harassment at an unprecedented level in private messages and social media (this was seen with their constant public posting trying to force statements and actions despite a statement of non involvement in the trademark issue given by Mr. Falchek). This resulted in high pressure of a majority of Mid-Atlantic Games' board to have a secret meeting without advice of their lawyer to cover up the interference and unauthorized practice of Virginia law potentially committed by Mr. Prentiss, and save 'social face' instead of doing what was legally right for the organization. This meeting was unlawful and any actions set forth from it are null and void due to the duress of the situation.

Various members of our nonprofit are publicly on record reporting to Amtgard International clearly identifying themselves as agents of this Colorado nonprofit. Because of the interference of Amtgard International with the lawful operation of our nonprofit organization, Mid-Atlantic Games, as well as myself as individual we have been damaged to a point that is almost beyond repair. But, there is still hope, as many of the volunteers we have protected are good and intelligent people. I volunteered to temporarily suspend service during which time the trademark was being settled to relieve pressures to the players of the game in the Crystal Groves chapter.

During this time, an unannounced and secret meeting was held, under duress from Amtgard International, and Mr. James Edward White (game name Mono) was unlawfully appointed as the president of the board. Any board member who participated and condoned this meeting and coercion with Amtgard International had their right to be directors revoked by failing in their duty of loyalty, care and obedience to our nonprofit organization. It was personal and professional betrayal which I still struggle to understand.

At this same time and as a result of the upheaval with the board, it came to light that there were several serious financial irregularities with our bank account statements. Several cash withdrawals without authorization nor receipts were found in excess of over \$200, which is the threshold for felony embezzlement and larceny in Virginia. The bylaws required a mandatory CPA financial audit, but before this could be executed, the remaining board members pressured and harassed the secretary (now our new president as well) as part of a larger, alleged cover-up in personal usage of nonprofit monies across the individual parks within the chapter.

By opening several more accounts (at least eight or more) across five states, it was made easier for people to withdraw the nonprofit's money and hide personal usage at the expense of the players and populace. The total assets of the organization exceeded \$20,000. The board created at least eight DBA (Doing Business As) accounts using the same EIN (Employee Identification Number) without filing the mandatory legal certifications with our Circuit Courts in operating fictitious names. One unauthorized member of Crystal Groves used such an account to purchase tires for his personal vehicle at a cost of over \$600. The board unwisely decided to not pursue this theft as the person involved claimed he had mistaken the corporate credit card for his own card. The organization did not want to harm his reputation or threaten his employment (going so far as the park involved not telling the board of directors right away). This shook my confidence in the board as non-profits are regulated so harshly and thoroughly, that such a stance would put liability back on our own organization for not properly reporting to authorities. It took an extensive amount of time to get the funds back, which were only returned with escalation and threat that authorities would be called and the individual taken to court.

After these repeated abuses in January 2017 without course correction, the emergency bylaws were enacted purging the entirety of the board of directors except for Ms. Arvin who had been acting as whistleblower by reporting the instance to local law enforcement. I was brought back to active status as general counsel. A discreet investigation was initiated into the activities described above while evidence could be collected and reported to the appropriate authorities. At the conclusion of the investigation, on April 15, 2017, the new board directors gave notice of the dismissed directors and disclosed the internal investigation as well as the involvement of law enforcement. The dismissal had an effective date at the time of the enacting of the emergency bylaws in January 2017, but those involved were not aware due to the ongoing investigation and to protect evidence from tampering or destruction.

Mid-Atlantic Games notified our bank immediately following and we are currently working with the bank and law enforcement to get bank statements and receipts from all accounts abusing our nonprofit tax ID (EIN) from January to present. All bank accounts are frozen during this investigation of the terminated directors and other non-board members who withdrew money. A full comprehensive audit is being done to find if any use of non-profit bank accounts had been allocated for personal use. There is a continuing investigation with financial crimes police into all activities in conjunction with the bank investigation. At this time we will not further comment about ongoing investigation by law enforcement and the bank. We are in the process of restructuring Mid-Atlantic Games and our program of Crystal Groves. Sadly, the removed parties have refused to yield and continue to make defamatory statements online, the harm of which will be assessed at a later date.

I was awarded the trademark on May 30, 2017. Now that the matter of intellectual property has been resolved and the rebuilding of our board has begun, we now turn our attention to Amtgard International. This organization is artificial, has no intelligence to offer on how to move Amtgard forward together, and does not have any intellectual property protections but only offers liabilities. Whatever the case, they do not own any intellectual property. They further solicited thousands of dollars using nonprofit organizations in several states and provinces without permits, and have made extremely defamatory statements. These statements are made in such a broad social forum that it may give rise to a substantial lawsuit to the individuals who will be made jointly and severally liable in federal court. We are seriously considering these actions of these individuals alone as they continue to damage our business and reputation. We are also acting as whistleblowers and cooperating fully in regard to all concerns presented earlier in this letter with various state and federal law enforcement and revenue collection agencies.

As for game bans, like Amtgard International, it is useless and impotent. A ban is a legal, not game matter, which if done unwisely, exposes an organization to defamation lawsuits. I have been unjustly villainized, along with those close to me, for simply trying to do the right thing while being interfered with, silenced and mocked amid the extreme amounts of harassment, pressuring, bullying and even at times threats. This has not prevented us from moving forward as we maintain the path of following the law and protecting our organization and now, the organization of Amtgard as a whole. It has taken more effort, more toil, and more money to do this act for everyone, and if it wasn't absolutely certain I was doing what was right to protect not only the business, but my friends and those who participate, I would have lost my resolve long ago. This hasn't been just for me, it is for all those people who need this game, love this game, and even those who have yet to know it.

Fellow Amtgardians, keep playing the game of Amtgard and have fun as you always have in the past. Know that it will continue in the future without fear. You are free to conduct your business as appropriate. Know that the trademark is now fully protected and rest assured that as long as you are lawful, respectful, and play fair, it is our name and our game together.

I look forward to one day share the dream of Amtgard with countless others. I hope Amtgard will continue to grow and give others a safe place to be more than they ever dreamed possible.

Long live the dream!

Jesus

AUGHTS LLC, owner and protector of Amtgard ®. See attached trademark certification.