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January 17, 2014

Christopher V. Goodpastor
WATTS GUERRA LLP
811 Barton Springs Road, Suite 725
Austin, Texas 78704

Re: *Inter Partes* Review of e-Watch Patents
U.S. Patent No. 7,365,871 and No. 7,643,168
SETTLEMENT PURPOSES ONLY

Dear Counsel:

We are attorneys for Iron Dome LLC, a subsidiary of RozMed LLC
(www.rozmed.com).

This letter addresses the invalidity of the patents asserted by e-Watch against Apple, Samsung, and other electronics manufacturers in civil actions recently filed in the U.S. District Court for the Eastern District of Texas. Attached are fully prepared, but not yet filed, petitions for *Inter Partes* Review (IPR) against each asserted patent.

Although the validity of the asserted patents is questioned, we wish to acquire retroactive and fully transferable licenses to the asserted patents. After reviewing and considering the merits of the enclosed draft IPR petitions, please contact me so that we can resolve this matter. Also enclosed is a recent ruling in W.D. Texas to stay litigation pending the outcome of an *inter partes* review. On page 4 of the ruling, the court concludes:

In sum, once the PTAB has determined a challenger is likely to succeed in invalidating all asserted claims of the patent-in-suit and has instituted *inter partes* review, staying the case to await the PTAB's final decision is the preferable route.

E-Watch, Inc
Exhibit 2008
Petitioner - Iron Dome LLC
Patent Owner - E-Watch Inc
IPR2014-00439

We are aware of the IPR petition that was recently filed against another of e-Watch's patent, U.S. Patent No. 6,970,183. With the understanding that you are fully acquainted with the new IPR proceedings, we request a rapid resolution of this dispute. Please contact us no later than two weeks of receipt of this letter. We enclose a license agreement for your review.

Sincerely yours,

A handwritten signature in black ink, appearing to read "John J. Yim", written in a cursive style.

John J. Yim

Enclosures

Patent License Agreement

This patent license agreement ('Agreement') is dated _____ ('Effective Date') and is among:

IRON DOME LLC, a Virginia limited liability company;
and
E-WATCH, INC., a Nevada corporation, and E-WATCH CORP., a Texas corporation.

e-Watch, Inc. is the owner of U.S. Patent No. 7,365,871 issued on April 29, 2008 and No. 7,643,168 issued on January 5, 2010 (collectively 'Asserted Patents'). The Asserted Patents are currently the patents-in-suit in civil actions brought by e-Watch, Inc. and e-Watch Corp. against Apple, Inc. and various other electronics manufacturers. Iron Dome LLC wishes to acquire transferable licenses to the Asserted Patents.

The Parties wish to resolve their patent dispute and avoid the attendant risks, fees, costs, and expenses that are associated with litigation and other patent-related proceedings. Therefore, the Parties agree as follows:

1. Definitions

(a) 'E-Watch' means e-Watch, Inc., e-Watch Corp., the exclusive licensee to the Asserted Patents, and all of their Affiliates.

(b) 'Iron Dome' means Iron Dome LLC and all of its Affiliates, including RozMed LLC (a Virginia limited liability company).

(c) 'Party' means E-Watch or Iron Dome. 'Parties' means both E-Watch and Iron Dome.

(d) 'Third Party' means any party that is neither E-Watch nor Iron Dome.

(e) 'Affiliate' means any present or future entity, corporation, company, association, partnership, joint venture, organization or other entity that directly or indirectly controls, is controlled by, or is under common control with a given entity. For purposes of this definition, 'control' means (i) in the case of a corporation, the direct or indirect ownership of 50% or more of the shares of stock entitled to vote for the election of directors (or of persons performing similar functions); or (ii) in the case of any other type of legal entity, the direct or indirect ownership of 50% or more of the equity interests, or status as a general partner in any partnership or joint venture, or any other arrangement whereby a party controls or has the right to control the Board of Directors or equivalent governing body of a corporation or other entity.

(f) 'Infringement Actions' means those legal actions that E-Watch has brought asserting infringement of the Asserted Patents against various defendants in any forum, including any actions brought in the U.S. International Trade Commission, and including the

following in the U.S. District Court for the Eastern District of Texas on or about December 9, 2013:

- | | | |
|------|---------------|--|
| (1) | 2:13-cv-01061 | E-Watch, Inc. v. Apple, Inc. |
| (2) | 2:13-cv-01062 | E-Watch, Inc. v. Samsung Telecommunications America, LLC |
| (3) | 2:13-cv-01063 | E-Watch, Inc. v. HTC Corporation |
| (4) | 2:13-cv-01064 | E-Watch, Inc. v. LG Electronics, Inc. |
| (5) | 2:13-cv-01071 | E-Watch, Inc. v. ZTE Corporation |
| (6) | 2:13-cv-01073 | E-Watch, Inc. v. Sony Corporation |
| (7) | 2:13-cv-01074 | E-Watch, Inc. v. Sharp Corporation |
| (8) | 2:13-cv-01075 | E-Watch, Inc. v. Nokia Corporation |
| (9) | 2:13-cv-01076 | E-Watch, Inc. v. Huawei Technologies USA, Inc. |
| (10) | 2:13-cv-01077 | E-Watch, Inc. v. Kyocera Communications, Inc. |
| (11) | 2:13-cv-01078 | E-Watch, Inc. v. BlackBerry Corporation |

2. Grant of Patent Licenses: E-Watch grants to Iron Dome eight (8) separate retroactive, royalty-free, non-exclusive licenses for the Asserted Patents (each a ‘Transferable License’), as well as for any and all United States patents now and in the future owned, controlled, assigned, or licensed to E-Watch that are necessary for making, having made, using, importing, selling, and offering for sale a mobile communication device that is covered by the claims of the Asserted Patents.

3. Transferability of Patent Licenses

(a) Transferability: Iron Dome is permitted to separately transfer each of the eight Transferable Licenses to eight separate Third Parties and its Affiliates. For avoidance of doubt, this is intended to mean that the first Transferable License is transferable to one Third Party and its Affiliates, the second Transferable License is transferable to another Third Party and its Affiliates, and the third Transferable License is transferable to yet another Third Party and its Affiliates, and so on. E-Watch understands that Iron Dome may transfer these Transferable Licenses to defendants in the Infringement Actions.

(b) Notification: Iron Dome shall notify E-Watch of any transfer of a Transferable License in writing (including the identity of the Third Party transferee) within five business days after such transfer.

(c) Release: Upon the transfer of a Transferable License to a Third Party who is a defendant in any of the Infringement Actions, E-Watch shall release such Third Party from:

(i) all past and present claims, allegations, damages, obligations, liabilities or expenses of any kind or nature relating to the subject matter of the relevant Infringement Action;

(ii) all claims that were or could have been asserted in the relevant Infringement Action, and

(iii) all claims based on or arising out of the alleged infringement of the Asserted Patents.

(d) Dismissal: After E-Watch receives written confirmation by a Third Party that they are the transferee of a Transferable License, E-Watch shall dismiss its Infringement Action against such Third Party within six (6) business days.

(e) Covenant Not-To-Sue: E-Watch will not assert any claim, or commence or join in any legal, administrative or other proceeding under the Asserted Patents against Iron Dome or any Third Party transferees, or any of its customers, suppliers, importers, manufacturers, or distributors.

(f) Non-Assertion Runs with Patents: E-Watch will impose this covenant not-to-sue on any Third Party to whom E-Watch may assign the Asserted Patents.

(e) Single Transfer Only: Each of the Transferable Licenses is transferable only once. Once Iron Dome transfers a Transferable License to a Third Party, that Third Party may not subsequently transfer the Transferable License to another Third Party. Iron Dome will inform of and impose this single-transfer limitation upon any Third Party transferee.

4. Enforcement

(a) Any Third Party who is a transferee of the Transferable License shall have standing and the right to enforce this Agreement (including the provisions for Release and Dismissal set forth in Sections 3(c) and (d) of this Agreement) against E-Watch, without requiring the joining of Iron Dome.

(b) E-Watch will not delay its duties of Release and Dismissal set forth above in Sections 3(c) and (d) of this Agreement. E-Watch will be responsible for all expenses (including attorney fees) incurred by Iron Dome and/or Third Parties relating to the enforcement of this Agreement due to any such delay.

5. Admission of Patent Validity: Iron Dome admits that the Asserted Patents are valid and enforceable, and as such, will not challenge or participate in any challenge to the validity and enforceability of the Asserted Patents in any kind of legal proceeding.

6. Confidentiality: The Parties shall treat this Agreement as confidential and shall not disclose the existence, contents, terms, or conditions of this Agreement to any Third Party without the prior written consent of the other Party, except as necessary in the following conditions:

- (a) as required by any court or other governmental body;
- (b) as otherwise required by law;

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