

UNITED STATES DISTRICT COURT
DISTRICT OF MASSACHUSETTS

iROBOT CORPORATION,

Plaintiff,

v.

JAMEEL AHED, ROBOTIC FX, INC.,

Defendants.

Civil Action No. 1:07 CV 11611 - NG

**STIPULATED CONSENT JUDGMENT AND [PROPOSED] PERMANENT
INJUNCTION**

On August 17, 2007, iRobot Corporation (“iRobot”) filed this action against Defendants Jameel Ahed and Robotic FX, Inc. (“Robotic FX”). The Complaint alleged that Mr. Ahed and Robotic FX misappropriated trade secrets from iRobot. The Complaint also alleged that: (1) Mr. Ahed breached his employment agreement with iRobot; (2) Defendants violated 18 U.S.C. § 1030 by accessing iRobot’s secure computer network without authorization; and (3) Defendants engaged in unfair and deceptive acts or practices in violation of Massachusetts General Laws Chapter 93A. On November 2, 2007, this Court entered a Preliminary Injunction prohibiting Defendants from engaging in certain conduct including the sale of its Negotiator product in its then current form.

On December 21, 2007, iRobot and Defendants entered into a Settlement Agreement to resolve this action.

NOW, THEREFORE, iRobot, Robotic FX and Mr. Ahed having entered into the Settlement Agreement and consented to judgment as follows, IT IS HEREBY ADJUDGED, ORDERED AND DECREED that:

1. This Court has jurisdiction over iRobot, Robotic FX and Mr. Ahed and the subject matter of this action and venue is proper in this Court.

2. Robotic FX and Mr. Ahed misappropriated certain of iRobot's proprietary and confidential information – including trade secrets including without limitation information related to the design and manufacture of robot tracks.

3. Robotic FX obtained a competitive advantage over iRobot in the market for private, state, municipal agency and federal government procurement of small urban ground vehicles and man-portable tactical mobile robots, including without limitation the xBot competition, by using the misappropriated iRobot proprietary and confidential information.

4. The Invention and Confidentiality Agreements dated May 25, 1999 and July 10, 2000 are valid and enforceable contracts entered into between iRobot and Mr. Ahed (the “Invention and Confidentiality Agreements”). Mr. Ahed did not sign such Invention and Confidentiality Agreements under duress. Mr. Ahed breached the Invention and Confidentiality Agreements with iRobot by: (1) misappropriating iRobot property; and (2) using iRobot's confidential information in conjunction with Robotic FX to design, manufacture and sell the Negotiator tactical robot in the United States and abroad.

5. Mr. Ahed and Robotic FX's conduct – including the use of confidential iRobot information to design and manufacture the Negotiator robot – amounts to unfair and deceptive acts or practices in violation of Massachusetts General Law Chapter 93A.

6. On or about August 17, 2007, upon being notified that iRobot filed this lawsuit, Mr. Ahed collected iRobot property (including iRobot confidential information) in his possession. On August 18, 2007, Mr. Ahed attempted to destroy this iRobot property by discarding such property in a garbage dumpster located in the city of Chicago. Included in such

items that Mr. Ahed discarded in the dumpster were an iRobot welding fixture and an iRobot heat knife designed by iRobot to manufacture robot tracks.

7. While an iRobot employee, Mr. Ahed had computer access to and used as part of his job: (a) computer mailing lists of the engineering teams at iRobot that archived engineering designs and engineering computer files for tactical military robots, home appliance robots, and research robots; and (b) a central file server that archived electronic and mechanical computer design files. Mr. Ahed had sufficient computer access and competence to copy files found in the mailing lists or central file server.

8. Commencing on August 17, 2007, Mr. Ahed attempted to destroy, and did in fact destroy, electronic documents relevant to this litigation. Mr. Ahed destroyed these relevant documents by such methods as: (1) shredding approximately 100 compact discs; and (2) executing a software drive scrubber program on certain computer hard-drives that destroyed all data stored on such computer hard drives.

9. Mr. Ahed and Robotic FX represent that, as of December 21, 2007, all iRobot confidential information – including hardware, software or other electronic memory device containing iRobot confidential information – in its possession custody or control (including any such hardware, software, etc. that was once in the custody of contract manufacturers engaged by either Robotic FX or Mr. Ahed) has been turned over to iRobot.

10. Judgment is hereby entered in favor of iRobot on its claims of: (1) misappropriation of trade secrets; (2) breach of contract; and (3) unfair competition in violation of M.G.L. c. 93A §§ 2 and 11.

11. iRobot's claim of computer fraud and abuse in violation of 18 U.S.C. § 1030 is hereby dismissed with prejudice.

12. The terms of the Court's Preliminary Injunction as amended by stipulated agreement among the parties (a copy of such proposed Amended Preliminary Injunction is attached hereto as Exhibit A) are incorporated herein by reference and made permanent and shall continue in full force and effect indefinitely.

13. For a period of 5 years from this date, Mr. Ahed is enjoined from, directly or indirectly, as an individual proprietor, partner, stockholder (other than as a holder of securities listed on a recognized stock exchange provided that such holding shall not exceed one half of one per cent (.5%) of the class of securities of which the said holding forms a part), officer, employee, director, joint venturer, lender or in any other capacity whatsoever, engaging in the business of developing, producing, marketing or selling any robotic product of the kind or type developed, produced, marketed or sold by iRobot, and publicly disclosed (including, without limitation, robotic products for use in the military, homeland security, consumer house-hold and toy markets), as of the Effective Date of the Settlement Agreement.

14. Subject to compliance with this Order and the Settlement Agreement, iRobot releases Defendants, their directors, agents, employees, attorneys, trustees, representatives, parents, subsidiaries, affiliates, predecessors, successors, insurers, and named customers expressly set forth on Exhibit B hereto, and any and all persons in privity with them or any of them, from all actions, causes of action, claims, counterclaims, cross-claims or third-party claims, which iRobot ever had from the beginning of the world to the Effective Date of the Settlement Agreement. iRobot does not agree to release any of Defendants' customers that are not expressly disclosed on Exhibit B hereto.

15. Mr. Ahed and Robotic FX releases iRobot, and forever discharges iRobot, its directors, agents, employees, attorneys, trustees, representatives, parents, subsidiaries, affiliates,

predecessors, successors, insurers, customers and assigns, and any and all persons in privity with them or any of them, from all actions, causes of action, claims, counterclaims, cross-claims or third-party claims, which Mr. Ahed and/or Robotic FX ever had from the beginning of the world to the Effective Date of the Settlement Agreement.

16. This Court retains jurisdiction over this Consent Judgment and Permanent Injunction and any applications with regard to enforcement of this Consent Judgment and Permanent Injunction shall be directed to this Court.

17. If Mr. Ahed and/or Robotic FX violates any term of this Consent Judgment and Permanent Injunction and fails to cure such violation within thirty (30) days after receipt of notice of the violation, Mr. Ahed and/or Robotic FX shall be liable for and pay to iRobot its reasonable attorneys' fees incurred in connection with any successful application to this Court for enforcement of this Consent Judgment and Permanent Injunction

IT IS SO ORDERED.

Dated: _____

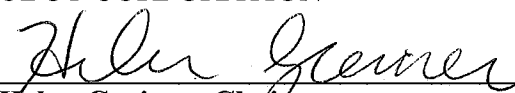
UNITED STATES DISTRICT JUDGE

CONSENT TO ENTRY

The parties and their respective counsel hereby consent to the terms and conditions of this Consent Judgment and Permanent Injunction as set forth herein and consent to the entry hereof. This Consent to Entry may be executed in one or more counterparts, each of which when so executed shall, together, constitute and be one and the same instrument.

Dated: December 21, 2007

iROBOT CORPORATION

By: 
Helen Greiner, Chairman

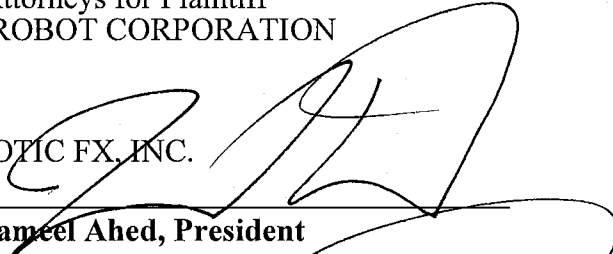
Dated: December 21, 2007

FISH & RICHARDSON P.C.

By: 
Michael H. Bunis
Attorneys for Plaintiff
iROBOT CORPORATION

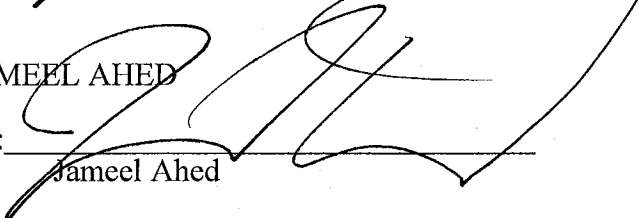
Dated: December 21, 2007

ROBOTIC FX, INC.

By: 
Jameel Ahd, President

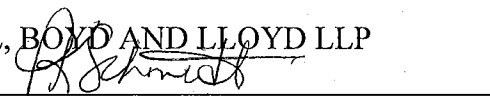
Dated: December 21, 2007

JAMEEL AHED

By: 
Jameel Ahd

Dated: December 21, 2007

BELL, BOYD AND LLOYD LLP

By: 
Patricia Kane Schmidt

Attorneys for Defendants
ROBOTIC FX, INC AND JAMEEL AHED

Exhibit A

**SEALED DOCUMENT
NOT AVAILABLE
FOR PUBLIC
VIEWING**

Exhibit B

**SEALED DOCUMENT
NOT AVAILABLE
FOR PUBLIC
VIEWING**