

EXHIBIT 1

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

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 :
 T-MOBILE USA, INC., a Delaware
 Corporation, :
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 Plaintiff, :
 :
 - against - :
 :
 DK WIRELESS INC., a New York Corporation, :
 d/b/a Wireless Touch and Talk 2 Me; AJAY :
 MEHTA, individually; IA COMMUNICATION, :
 INC., a New York Corporation, XYZ :
 COMPANIES 1-50; and JOHN OR JANE DOES :
 1-50, :
 :
 Defendants. :
 -----X

08 Civ. 3048 (TCP)(WDW)

**STIPULATION FOR ENTRY OF FINAL JUDGMENT
AND PERMANENT INJUNCTION AGAINST DEFENDANTS**

Plaintiff, T-Mobile USA, Inc. and Defendants, DK Wireless Inc., d/b/a Wireless Touch and Talk 2 Me, Ajay Mehta, , and IA Communication, Inc. (the "Defendants") hereby stipulate and agree to the entry of the Final Judgment and Permanent Injunction Against Defendants DK Wireless, Inc. and IA Communication, Inc. and Permanent Injunction Against Defendant Ajay Mehta, filed with this stipulation in the form attached hereto at **Exhibit A**.

Dated: February 3, 2009

/s/ Jaspreet S. Mayall (with permission)

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Attorneys for T-Mobile USA, Inc.

EXHIBIT A to EXHIBIT 1

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

-----x
:
T-MOBILE USA, INC., a Delaware
Corporation, :

Plaintiff, :

- against - :

DK WIRELESS INC., a New York Corporation, :
d/b/a Wireless Touch and Talk 2 Me; AJAY :
MEHTA, individually; IA COMMUNICATION, :
INC., a New York Corporation, XYZ :
COMPANIES 1-50; and JOHN OR JANE DOES :
1-50, :

Defendants. :

08 Civ. 3048 (TCP)(WDW)

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FINAL JUDGMENT AND PERMANENT INJUNCTION AGAINST DEFENDANTS DK WIRELESS, INC. AND IA COMMUNICATION, INC. AND PERMANENT INJUNCTION AGAINST DEFENDANT AJAY MEHTA

Plaintiff T-Mobile USA, Inc. ("T-Mobile"), brought the above-captioned lawsuit against Defendants DK Wireless Inc., d/b/a Wireless Touch and Talk 2 Me, Ajay Mehta, and IA Communication, Inc., (collectively the "Defendants"), alleging that Defendants are engaged in an unlawful enterprise involving the acquisition, sale, and alteration of large quantities of T-Mobile prepaid wireless telephones ("T-Mobile Prepaid Handsets" or "Handsets") and SIM cards purchased from retail outlets, the solicitation and payment of others to bulk purchase Handsets and SIM cards for Defendants' benefit, computer hacking and erasing or otherwise disabling software installed in the Handsets, or selling the Handsets to others who disable the software, and ultimately selling or facilitating the sale of the altered Handsets and SIM cards as

new under the T-Mobile trademark for unauthorized use outside of the T-Mobile wireless system for profit (the "Subsidy Theft Scheme").

T-Mobile Prepaid Handsets are sold subject to terms and conditions ("Terms and Conditions") which conspicuously restrict and limit the sale and use of the T-Mobile Prepaid Handsets. These Terms and Conditions are set forth in printed inserts that are included in the packaging with every T-Mobile Phone, and are also posted on T-Mobile's website. The Terms and Conditions and language on the packaging constitute a valid binding contract.

T-Mobile asserts that Defendants have violated the Terms and Conditions by, *inter alia*, purchasing T-Mobile Handsets with the intent that such Handsets will not be activated and used on T-Mobile's service, but instead with the intent to improperly unlock, repackage, and resell the Handsets, and by otherwise using the Handsets.

As a result of Defendants' alleged involvement in the Subsidy Theft Scheme, T-Mobile asserted claims against Defendants for breach of contract; federal trademark infringement and false advertising under 15 U.S.C. § 1125(a)(1)(A) and (B); unfair competition under New York common law; contributory trademark infringement; tortious interference with business relationships and prospective advantage; harm to T-Mobile's goodwill and business reputation; civil conspiracy; and unjust enrichment.

Based on the respective positions advocated by the parties and having reviewed the Complaint and file and being otherwise duly and fully advised in the premises, it is hereby

ORDERED, ADJUDGED and DECREED that:

1. This Court has jurisdiction over all the parties and all of the claims set forth in T-Mobile's Complaint.

2. The Court finds that T-Mobile has the right to use and enforce said rights in the standard character mark T-Mobile and a stylized T-Mobile Mark (collectively, the "T-Mobile Marks"), which are used in connection with telecommunications products and services, as depicted below:

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3. The Court finds that, if proven, Defendants' alleged involvement in the Subsidy Theft Scheme constitutes breach of contract; federal trademark infringement and false advertising under 15 U.S.C. § 1125(a)(1)(A) and (B); unfair competition under New York common law; contributory trademark infringement; tortious interference with business relationships and prospective advantage; harm to T-Mobile's goodwill and business reputation; civil conspiracy; and unjust enrichment.

4. The Court finds that the Terms and Conditions and the language on the packaging constitute a valid binding contract enforceable against Defendants. The Court finds that: (a) facilitating others to use T-Mobile Prepaid Handsets in conjunction with service providers other than T-Mobile; and (b) tampering with or altering T-Mobile Prepaid Handsets, SIM cards or the Handsets' software, and/or entering unauthorized PIN numbers in the Handsets for purposes of unlocking the Handsets, or facilitating or assisting others in such acts, constitute independent breaches of contract for which T-Mobile is entitled to relief.

5. The Court further finds that Defendants' alleged participation in the Subsidy Theft Scheme, if proven, constitutes substantial and irreparable harm to T-Mobile for which there is no adequate remedy at law, and will continue to cause substantial and irreparable harm to T-Mobile unless enjoined.

6. On review and consideration of all relevant factors, T-Mobile is entitled to damages and injunctive relief on the claims as set forth in the Complaint.

7. Final judgment is hereby entered in the principal amount of FIVE MILLION DOLLARS AND ZERO CENTS (\$5,000,000.00 (U.S.)), which shall bear interest at the legal rate, for which let execution issue forthwith, jointly and severally, against Defendants DK Wireless Inc., d/b/a Wireless Touch and Talk 2 Me and IA Communication, Inc. and in favor of the Plaintiff, T-Mobile USA, Inc., on all claims set forth in T-Mobile's Complaint.

8. If, after the Judgment is entered, it is discovered that the parties to this action have violated the terms of this Permanent Injunction, the Court will order the payment of compensatory damages to T-Mobile in the amount of Five Thousand Dollars and No Cents (\$5,000.00 (U.S.)) for each T-Mobile Phone and/or item of T-Mobile-related materials or accessories purchased, sold, unlocked, reflashed, altered, advertised, solicited and/or shipped, or a single damages award of Five Hundred Thousand Dollars and No Cents (\$500,000.00 (U.S.)), whichever is greater. The Court finds that these amounts are compensatory and reasonable estimations of the minimum damages suffered by T-Mobile for such a breach and will serve to compensate T-Mobile for its losses in the event a Defendant violates the terms of this Permanent Injunction.

9. DK Wireless Inc., d/b/a Wireless Touch and Talk 2 Me, Ajay Mehta, and IA Communication, Inc., and each and all of his, her and its past and present respective officers, directors, successors, assigns, parents, subsidiaries, affiliates, related companies, predecessors-in-interest, agents, employees, heirs, personal representatives, beneficiaries, relatives, and all other persons or entities acting or purporting to act for him/her/it or on his/her/its behalf, including but not limited to any corporation, partnership, proprietorship or entity of any type that

is in any way affiliated or associated with any Defendant or any Defendant's representatives, agents, assigns, parent entities, employees, independent contractors, associates, servants, affiliated entities, and any and all persons and entities in active concert and participation with any Defendant who receive notice of this Order, shall be and hereby are PERMANENTLY ENJOINED from:

- a. purchasing, selling, unlocking, reflashing, altering, advertising, soliciting and/or shipping, directly or indirectly, any T-Mobile Prepaid Handset or T-Mobile-related materials or accessories, including activation kits, PIN numbers, user guides, and SIM cards;
- b. purchasing, selling, unlocking, reflashing, altering, advertising, soliciting and/or shipping, directly or indirectly, any T-Mobile wireless handset that Defendants know or should know bears any T-Mobile Trademark, any other trademark owned or used by T-Mobile. Unless expressly authorized by T-Mobile in writing, Defendants are enjoined from purchasing and/or selling, directly or indirectly, all models of T-Mobile Prepaid Handsets currently offered for sale by T-Mobile or that may be offered for sale in the future, as listed and updated from time to time on T-Mobile's website: <http://www.t-mobile.com>, regardless of whether such devices are in or out of their original packaging, or whether "locked," "unlocked," or otherwise modified in any way by any person;
- c. accessing, altering, erasing, tampering with, deleting or otherwise disabling the software contained in any T-Mobile Prepaid Handset;
- d. facilitating or in any way assisting other persons or entities who Defendants know or should know are engaged in unlocking T-Mobile Prepaid Handsets and/or

hacking, altering, erasing, tampering with, deleting or otherwise disabling the software installed in T-Mobile Prepaid Handsets;

- e. facilitating or in any way assisting other persons or entities who Defendants know or should know are engaged in any of the acts prohibited under this Permanent Injunction, including, without limitation, the buying and/or selling of unlocked T-Mobile Prepaid Handsets; and
- f. knowingly using the T-Mobile Marks or any mark owned or used by T-Mobile, or that is likely to cause confusion with T-Mobile's marks, without T-Mobile's prior written authorization..

10. The address of Defendant DK Wireless Inc. d/b/a Wireless Touch and Talk 2 Me is 1777 Grand Avenue, Baldwin, New York, 11510.

11. The address of Defendant Ajay Mehta is 8217 248th Street, Apartment PH, Bellerose, New York 11426.

12. The address of Defendant IA Communication, Inc. is 459 Old Country Road, Westbury, New York, 11590.

13. The address of Plaintiff, T-Mobile USA, Inc. is 12920 S.E. 38th Street, Bellevue, Washington 98006.

14. The Court retains jurisdiction over this matter and the parties to this action in order to enforce any violation of the terms of this Permanent Injunction by a finding of contempt and an order for payment of compensatory damages to T-Mobile USA, Inc. in accordance with paragraph 8 of this Judgment. The Court also retains jurisdiction over this matter and the parties to this action to enforce the terms of the parties' settlement agreement and to award damages in Plaintiffs' favor against Defendant Ajay Mehta.

15. The prevailing party in any proceeding to enforce compliance with the terms of this Permanent Injunction shall be entitled to an award of its attorneys' fees and costs.

DONE AND ORDERED in Chambers in ^{SUFFOLK}~~Kings~~ County, New York this 12 day of February 2009.

JUDGE, UNITED STATES DISTRICT COURT

Copies furnished to:
James B. Baldinger, *counsel for Plaintiff*
Jaspreet S. Mayall, *counsel for Defendants*