



IVIEWIT HOLDINGS, INC.

P. Stephen Lamont
Chief Executive Officer
Direct Dial: 914-217-0038

By Electronic Mail and Facsimile

August 13, 2003

Schiffirin & Barroway, LLP
Three Bala Plaza East, Suite 400
Bala Cynwyd, Penn. 19004
C/o Krishna B. Narine; Andrew L. Barroway

Re: Letter of Understanding Dated July 15, 2003 (“Agreement”) by and Between Iviewit Holdings, Inc. (“Company”) and Schiffirin & Barroway, LLP (“SB”): Demand for Payment

Dear Sirs:

As a result of your letters of August 1, 2003 and August 5, 2003 wherein you claim unilateral withdrawal from the above referenced executed, binding, and bi-lateral Agreement, such letters constitute material breach of the Agreement, thereby excusing the Company from any further performance under said Agreement and thereby entitling the Company to action by breach of contract if the following demand for payment is not met within five (5) business days:

- | | |
|---|-------------------------------|
| 1. By virtue of Section 1, Purchase Price of the Crossbow/DiStream interests | \$100,000.00 |
| 2. By virtue of Section 3.a., Minimum Cost of Future Patent Prosecution | 250,000.00 |
| 3. By virtue of Section 3.a., Present Value, Patent Life Loss of PCT patent applications PO10EP, PO11EP | 3,400,000,000.00 ¹ |
| 4. By virtue of Section 3.b., Prosecuting to Judgment Or Settlement of Claims Estimated at | 5,000,000.00 |

¹ From the projections sent to SB in an April 23, 2003 due diligence package estimated at twenty percent (20%) international revenues on a cumulative total of approximately Seventeen Billion Dollars (17,000,000,000).



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5. By virtue of Section 3.c., Prosecuting for Unauthorized Use of Proprietary Technology Estimated at	10,000,000.00
6. By virtue of Section 3.c, Prosecuting for Patent Infringement	10,000,000.00
7. By virtue of Section 3.d., Payment of Operating Budget	1,553,903.00
8. By virtue of Section 3.e., Prosecute Actions to Recover Company Stock Estimated at	<u>100,000.00</u>

Total \$3,427,003,903.00

Offsets:

Payment for Recovery of Files	\$6,805.83
Payment to Steven M. Selz, Esq.	16,998.11
Transfer to Eliot I. Bernstein	1,000.00
Estimated Disbursements	<u>500.00</u>

Total Offsets \$25,303.94

Total Demand for Payment \$3,426,978,559.06

Very truly yours,

IVIEWIT HOLDINGS, INC.

By:  **P. Stephen Lamont**
Signature Valid
Chief Executive Officer

Digitally signed by P. Stephen Lamont
DN: cn=P. Stephen Lamont, o=Iviewit
Holdings, Inc., ou=Corporate, c=US
Date: 2003.08.13 20:39:47 -0400

Cc: Eliot I. Bernstein,
Caroline P. Rogers
Mark W. Gaffney, Esq., Law Offices of Mark W. Gaffney
Jeffrey A. Klafter, Esq., Partner, Klafter & Olsen LLP
Kurt Olsen, Esq., Partner, Klafter & Olsen LLP
Kenneth Anderson, Special Counsel, Howrey Simon Arnold & White, LLP