

**UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK**

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NETWORK-1 TECHNOLOGIES, INC.,	§	
	§	
Plaintiff,	§	
	§	Case No. 1:14-cv-02396-PGG
v.	§	
	§	
GOOGLE LLC and YOUTUBE LLC	§	
	§	
	§	
Defendants.	§	
-----	X	
NETWORK-1 TECHNOLOGIES, INC.,	§	
	§	
Plaintiff,	§	
	§	Case No. 1:14-cv-09558-PGG
v.	§	
	§	
GOOGLE LLC and YOUTUBE LLC	§	
	§	
	§	
Defendants.	§	
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**JOINT STIPULATION AND [PROPOSED] ORDER REGARDING LIFTING OF STAYS**

This Stipulation is entered into by and between Plaintiff Network-1 Technologies, Inc. (“Network-1”) on the one hand, and Defendants Google LLC and YouTube LLC (collectively, “Google”) on the other (together, the “Parties”).

WHEREAS, Network-1 and Google are parties to Case No. 1:14-cv-02396 (“Case I”) pending in the U.S. District Court for the Southern District of New York;

WHEREAS, Network-1 has asserted infringement of four U.S. Patents in Case I: U.S. Patent No. 8,010,988 (the “’988 patent”), U.S. Patent No. 8,205,237 (the “’237 patent”), U.S. Patent No. 8,640,179 (the “’179 patent”), and U.S. Patent No. 8,656,441 (the “’441 patent”) (collectively, the “Case I Patents”);

WHEREAS, Google initiated Inter Partes Review (“IPR”) proceedings before the U.S. Patent and Trademark Office (“USPTO”) for each of the four Case I patents and those proceedings each led to a final written decision;

WHEREAS, Network-1 and Google are also parties to Case No. 1:14-cv-09558 (“Case II”) pending in the U.S. District Court for the Southern District of New York;

WHEREAS, Network-1 has asserted infringement of U.S. Patent No. 8,904,464 (the “’464 patent”) in Case II;

WHEREAS, Google initiated a Covered Business Method (“CBM”) review proceeding before the USPTO for the ’464 patent and that proceeding led to a final written decision;

WHEREAS, Case I and Case II were stayed pending the outcome of the four IPR proceedings (with respect to Case I) and the CBM proceeding (with respect to Case II);

WHEREAS, certain claims of some of the Case I Patents were upheld during IPR proceedings and were not the subject of any appeal and all claims of the ’464 Patent were upheld

during the CBM proceeding and the decision from the CBM proceeding was affirmed by the Court of Appeals;

WHEREAS, Google appealed USPTO decisions holding certain claims of the Case I Patents not unpatentable, and the U.S. Court of Appeals for the Federal Circuit vacated those decisions and remanded to the USPTO for further proceedings;

WHEREAS, those remanded IPR proceedings currently remain pending before the USPTO; and

WHEREAS, the Parties have reached agreement regarding lifting the stay in Case I and Case II;

NOW, THEREFORE, the Parties hereby stipulate, through their respective counsel, as follows:

1. The stay of proceedings in Case I and Case II may be lifted.
2. In Case I, Network-1 may assert only the following claims: claim 17 of the '988 patent and claims 33, 34, and 35 of the '237 patent (the "Remaining Case I Claims"). Google agrees that Network-1 can substitute claims 33-35 of the '237 patent for previously asserted claims 25-27 of the '237 patent.
3. Network-1, and any successor-in-interest to any of the Case I Patents, will not assert any claims of any of the Case I Patents other than the Remaining Case I Claims against Google in Case I or Case II, or any other action. Network-1 will dismiss without prejudice Counts III and IV from Case I.
4. Network-1 covenants not to sue Google or any Affiliate of Google with respect to claims 15-16, 21-28, 31-33, 38, 51, and 52 of the '988 patent; claims 25-27, 29, and 30 of the '237 patent; claims 1-3, 6, 8-14, 18, 19, 21-27, 29-31, and 34-37 of the '179 patent; and claims

1-3, 6, 8-14, 18, 19, 21-27, 29, and 30 of the '441 patent (collectively the "Covenant Claims") for any infringement of the Covenant Claims. With respect to an Affiliate that is acquired by Google after the date of this Stipulation, where Network-1 has a filed and pending claim of patent infringement against such Affiliate in any court at the time of the acquisition by Google, that pending claim—and only that pending claim and only as to damages accrued prior to the date of the acquisition—shall be excluded from the scope of this Stipulation, and as to that pending claim the Affiliate shall have the right to assert all defenses and counterclaims available to the Affiliate immediately prior to the date of the acquisition by Google. Nothing in the foregoing sentence modifies the covenant in paragraph 5. For purposes of this Stipulation, "Affiliate" or "Affiliates," with respect to a party, shall mean (i) all entities now or in the future controlling, controlled by or under common control with that party; (ii) all entities in the past controlling, controlled by or under common control with that party, for the period of time that such control exists or existed; and (iii) predecessors, successors or successors in interest thereof, including all entities formed or acquired by that party in the future that come to be controlled by that party. As used herein, "control" means possession directly or indirectly of the power to direct or cause the direction of management or policies of a company or entity through the ownership of voting securities, contract, or otherwise, and "entities" includes all persons, companies, partnerships, corporations, associations, organizations, and other entities.

5. In addition, Network-1 covenants not to sue Google Partners (Google's agents, advisors, attorneys, representatives, suppliers, distributors, customers, advertisers, and users of Google, Google Affiliates, and/or Google Products) for infringement of the Covenant Claims, but only insofar as any liability for such Partners is alleged to be based on their activities relating to any Google Product where a Google Product is alleged to satisfy one or more elements of a

Covenant Claim. As used herein, “Google Product” or “Google Products” means all former, current and future products, including but not limited to services, components, hardware, software, websites, processes, machines, manufactures, and any combinations and components thereof, of Google and/or Google Affiliates. The covenants in this paragraph 5 apply only with respect to Google Products and are limited to the specific Covenant Claims of the specific Case I Patents.

6. For the avoidance of doubt, the Parties further agree as follows regarding the covenants granted herein: The covenants recited in paragraphs 4 and 5 extend only to the Covenant Claims. The covenants do not encompass any other claim of any other patent existing now or in the future, regardless of the scope of any such other claim, even if such other claim has a comparable or broader scope than that of any Covenant Claim. The covenants do not apply to the Remaining Case I Claims, the ’464 Patent, or to any other patent related to the ’988, ’237, ’179, or ’441 Patents (not including the ’988, ’237, ’179, and ’441 Patents themselves) and thus do not restrict Network-1’s ability to assert the Remaining Case I Claims, the ’464 Patent, or any other patent related to the ’988, ’237, ’179 or ’441 Patents (other than the ’988, ’237, ’179 and ’441 Patents themselves) against Google or any other entity. These covenants do not constitute a license, are not transferable, and may not be delegated or extended to any other entity other than as specifically enumerated in this Stipulation. These covenants do not give rise to any license, express or implied, or arising by any kind of estoppel, to Google or to any other entity. Nothing in the covenants shall operate to exhaust or give rise to any implied license to any patent claim other than the Covenant Claims, regardless of the scope of such other patent claim, even if comparable to or broader than that of any of the Covenant Claims.

7. The covenants herein will attach to the Case I Patents, and any subsequent transfer of the Case I Patents will be subject to this Stipulation.

8. The Parties may not introduce or rely on this Stipulation as evidence on any issue other than an issue relating to the enforcement or effect of its express terms in Case I, Case II, or in any subsequent proceeding involving any other patent or patents held by Network-1. Google agrees that it will not raise or maintain a defense or argument asserting an implied license, patent exhaustion, estoppel, or any other affirmative defense or counterclaim based on the existence or terms of this Stipulation with respect to any patent claim other than the Covenant Claims. The Parties agree that this Stipulation is not relevant to any damages issue in any case and reflects neither a license nor information that would inform the possible reasonable royalty applicable to infringement of any patent. The limitations set forth herein regarding the covenants, including without limitation that Google will not raise or maintain, with respect to any patent claim other than the Covenant Claims, any implied-license, patent exhaustion, estoppel, or other affirmative defense or counterclaim based on this Stipulation, is a material part of the agreement reflected in this Stipulation, and the covenants herein shall be null and void if Google raises or maintains any such defense or counterclaim based on this Stipulation.

9. Google will promptly move to terminate the pending remand proceedings for the Case I Patents currently before the Patent Trial and Appeal Board and take all reasonable steps necessary to effectuate said termination.

Dated: December 17, 2018

/s/ Charles R. Macedo

Charles R. Macedo  
AMSTER, ROTHSTEIN  
& EBENSTEIN LLP  
90 Park Avenue  
New York, New York 10016  
Telephone: (212) 336-8074  
Fax: (212) 336-8001  
cmacedo@arelaw.com

OF COUNSEL:

Marc A. Fenster (pro hac vice)  
Brian D. Ledahl (pro hac vice)  
Benjamin T. Wang (pro hac vice)  
RUSS AUGUST & KABAT  
12424 Wilshire Boulevard 12th Floor  
Los Angeles, California 90025  
Telephone: (310) 826-7474  
Fax: (310) 826-6991  
mfenster@raklaw.com  
bledahl@raklaw.com  
bwang@raklaw.com

*Attorneys for Network-1  
Technologies, Inc.*

Respectfully submitted,

/s/ Samuel Bryant Davidoff

Samuel Bryant Davidoff  
WILLIAMS & CONNOLLY LLP  
650 Fifth Avenue, Suite 1500  
New York, NY 10022  
212-688-9224  
sdavidoff@wc.com

OF COUNSEL:

Bruce R. Genderson  
Kevin Hardy  
Daniel P. Shanahan  
Christopher A. Suarez  
WILLIAMS & CONNOLLY LLP  
725 Twelfth Street, N.W.  
Washington, D.C. 20005  
Telephone: (202) 434-5000  
Fax: (202) 434-5029  
bgenderson@wc.com  
khardy@wc.com  
dshanahan@wc.com  
csuarez@wc.com

*Attorneys for Defendants Google LLC  
and YouTube LLC*

CERTIFICATION REGARDING SIGNATURES

Pursuant to Rule 8.5 of the Court's Electronic Filing Rules and Procedures, all parties whose signatures are set forth above other than the filer of this document were included with the consent of those parties.

/s/ Charles R. Macedo



[PROPOSED] ORDER

Pursuant to the foregoing stipulation of the parties, the Court hereby ORDERS that the stipulation is GRANTED. The stay of proceedings in Case No. 1:14-cv-02396-PGG, and in Case No. 1:14-cv-09558-PGG is hereby lifted. The Court sets a status conference to address further scheduling in these matters for \_\_\_\_\_.

Date: \_\_\_\_\_

SO ORDERED.

\_\_\_\_\_  
Hon. Paul G. Gardephe  
United States District Judge