UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF TEXAS
TYLER DIVISION

SAFENET, INC.	§	
	§	
	§	
v.	§	**CIVIL ACTION NO.**
	§	_____
	§	
UNILOC USA, INC. and	§	**JURY TRIAL DEMANDED**
UNILOC LUXEMBOURG S.A.	§	
	§	

SAFENET INC.'S COMPLAINT

Plaintiff SafeNet, Inc. ("SafeNet") files this Complaint, seeking a finding that Defendants

Uniloc USA, Inc. and Uniloc Luxembourg S.A. (collectively "Uniloc") made false representations

in the parties' September 2011 Settlement and License Agreement (the "Agreement") and, in doing

so, breached the express warranties included in the Agreement. Additionally, SafeNet seeks

declaratory judgments that SafeNet and the SafeNet Customers (identified in paragraph 23 of this

Complaint) are not infringing any valid claim of U.S. Patent No. 5,579,222 (the "'222 Patent")

and that each and every claim of the '222 Patent asserted against SafeNet or the SafeNet Customers

is invalid. SafeNet also seeks a declaratory judgment that the SafeNet Customers have been

released from any potential liability for alleged infringement of the '222 Patent. Finally, SafeNet

seeks declaratory judgment that Uniloc is not entitled to damages for any alleged infringement

prior to SafeNet and the SafeNet Customers receiving actual notice of alleged infringement.

THE PARTIES

1.   Plaintiff SafeNet is a Delaware corporation having a principal place of business at 4690

Millennium Drive, Belcamp, Maryland 21017. SafeNet is a leading provider of encryption, authentication, data protection and software monetization solutions.

2.   Upon information and belief, Defendant Uniloc USA, Inc. ("Uniloc USA") is a Texas corporation with its headquarters and principal place of business at Legacy Town Center I, Suite 380, 7160 Dallas Parkway, Plano, Texas 75024. Upon information and belief, Uniloc USA also maintains a place of business at 315 North Broadway, Suite 307, Tyler, Texas 75702. Uniloc USA may be served through its registered agent: Corporation Service Company D/B/A CSC-Lawyers Incorporating Service Company, 211 E 7th Street, Suite 620, Austin, TX 78701.

3.   Upon information and belief, Uniloc Luxembourg S.A. ("Uniloc Luxembourg") is a corporation organized and existing under the laws of Luxembourg with its principal place of business at 15, rue Edward Steichen, L-2540, Luxembourg (R.C.S. Luxembourg B159161). Uniloc Luxembourg may be served with process in Luxembourg pursuant to the Hague Convention on the Service Abroad of Judicial and Extra Judicial Documents in Civil and Commercial Matters. Upon information and belief, Uniloc Luxembourg does business in the State of Texas and in the Eastern District of Texas.

JURISDICTION AND VENUE

4.   This action is, in part, for declaratory relief of non-infringement and invalidity of the '222 Patent, and thus, arises under the United States patent laws (title 35 of the United States Code). The Court has jurisdiction over this action pursuant to the Declaratory Judgment Act (28 U.S.C. §§ 2201 and 2202) and 28 U.S.C. §§ 1331 and 1338.

5.   The Court also has jurisdiction over this action under 28 U.S.C. § 1332(a)(1) because this suit is between citizens of different U.S. states, a citizen of a foreign state, and the amount in controversy exceeds $75,000.00, excluding interest and costs.

6.   Venue is proper in this District because the Agreement provides that "[a]ll claims, disputes, and lawsuits arising out of or in connection with this Agreement shall be resolved in the court in which the Action is pending." The referenced "Action" was pending in this Court.

7.   Furthermore, venue is proper in this District under 28 U.S.C. §§ 1391(a), (b) and (c).

8.   This Court has personal jurisdiction over Uniloc USA and Uniloc Luxembourg because, *inter alia*, both entities conduct business in this District. Furthermore, both Uniloc USA and Uniloc Luxembourg have previously availed themselves of this District by filing suit against other litigants in this District. Both Uniloc USA and Uniloc Luxembourg have also consented to be subject to this Court's personal jurisdiction in the Agreement.

BACKGROUND FACTS

Uniloc's Prior Lawsuits Related To The '216 Patent

9.   On September 14, 2010, Uniloc USA filed suit against, among others, SafeNet for infringement of U.S. Patent No. 5,490,216 (the "'216 Patent"). *See Uniloc USA, Inc. v. Nat'l Instruments Corp. et al.*, Case No. 6:10-CV-472 (E.D. Tex. Sept. 14, 2010).

10.   On November 8, 2010, Uniloc USA filed a separate lawsuit against, among others, Freedom Scientific, Inc. and Freedom Scientific BLV Group LLC ("Freedom Scientific") alleging infringement of the '216 Patent. *See Uniloc USA et al. v. Engrasp, Inc. et al.,* Case No. 6:10-CV-00591 (E.D. Tex. Nov. 8, 2010).

11.   In its P.R. 3-1 disclosures served on Freedom Scientific on June 3, 2011, Uniloc accused the following Freedom Scientific software of infringing the '216 Patent: (1) MAGic SMA Information; (2) MAGic Pro Scripting Edition; (3) MAGic Professional; (4) MAGic Professional with Speech; (5) MAGic Standard; (6) MAGic Standard with Speech; (7) JAWS SMA Information; (8) JAWS Professional; (9) JAWS Standard; (10) FaceToFace PC Communicator for

PAC Mate 4.1; (11) FaceToFace PC Communicator for PAC Mate Omni; (12) StreetTalk VIP North American Software and Maps; and (13) StreetTalk VIP North American Bundle. At the time, each of the accused Freedom Scientific products used SafeNet's Sentinel RMS solution. As such, SafeNet agreed to defend and indemnify Freedom Scientific against Uniloc's claims of infringement.

12.   SafeNet's Sentinel RMS solution is a license enforcement and enablement solution providing software and technology vendors with control and visibility into how their applications are deployed and used. Implementation of Sentinel RMS provides a tie-in to software licensing agreements to enforce the terms and conditions by which software and technology vendors can manage their products. SafeNet's Sentinel RMS solution was first marketed under the RMS brand in 2005, but the product was publicly available even before that.

13.   On June 8, 2011, the Court entered a docket control order in the above referenced cases requiring SafeNet and Freedom Scientific to produce sales data regarding the accused products by June 24, 2011. *See Uniloc USA et al. v. Engrasp, Inc. et al.*, Case No. 6:10-CV-00591 at Dkt. No. 172 (E.D. Tex. Nov. 8, 2010). As such, Freedom Scientific and SafeNet produced sales information related to the Sentinel RMS solution that was utilized in Freedom Scientific's accused products.

14.   On or about September 30, 2011, SafeNet and Uniloc settled the dispute and entered into the Agreement.

15.   In the Agreement, Uniloc granted SafeNet an irrevocable, fully paid-up, worldwide license to the '216 Patent and other patents in the '216 Patent family.

16.   Uniloc released SafeNet from liability for "any and all claims, causes of action, demands, liability, damages, legal fees, costs and claims of compensation whatsoever, known or unknown,

. . . which Uniloc . . . may have had, might have asserted, may now have or assert, or may hereafter have or assert against [SafeNet] . . . based upon, relating to, or arising out of the alleged infringement of the Licensed Patents on or before the Effective Date (hereinafter this release is referred to as 'Release')."

17.   Uniloc also released Freedom Scientific "from any and all claims, causes of action, demands, liability, damages, legal fees, costs, and claims of compensation whatsoever, whether known or unknown, based upon claims of patent infringement of the Licensed Patents on or before" the effective date.

18.   In Section 4.3, the Release is extended in significant respects:

> The Release extends to bar any and all claims, causes of action, demands, liability, damages, legal fees, costs and claims of compensation whatsoever, known or unknown, . . . that Uniloc has, may have had, might have asserted, may now have or assert, or may hereafter have or assert against any of [SafeNet's] . . . distributors, resellers, and direct or indirect customers arising from the making using, importing, offering for sale, selling or otherwise disposing of products provided by [SafeNet] subject to the Release . . ., or of products incorporating or utilizing products provided by [SafeNet] . . . .

19.   In the Agreement, Uniloc also warranted that "apart from its contentions concerning the '216 Patent, Uniloc is not aware as of the Effective Date of this Agreement of any other intellectual property claim owned or controlled by Uniloc or its Affiliates that is being infringed by [SafeNet] . . . ."

Uniloc's Lawsuits Related To The '222 Patent

20.   Upon information and belief, Uniloc Luxembourg is the owner, by assignment, of the '222 patent, entitled "Distributed License Administration System Using Local Policy Server to Communicate with a License Server and Control Execution of Computer Programs."

21.   Upon information and belief, Uniloc Luxembourg was assigned the '222 Patent on or about June 21, 2011, over three months before Uniloc represented in the Agreement that it was not aware

of any other intellectual property claim owned by Uniloc that SafeNet was infringing.

22.   On information and belief, Uniloc USA is the exclusive licensee of the '222 Patent. Uniloc USA purports to possess "ownership of all substantial rights in the '222 patent, including the right to grant sublicenses, exclude others and to enforce, sue and recover damages for past and future infringements." *E.g.*, *Uniloc USA, Inc. v. Pharsight Corporation*, Case No. 6:13-CV-00914 at Dkt. No. 1, ¶ 10 (E.D. Tex. Nov. 25, 2013).

23.   On November 25, 2013, Uniloc filed numerous lawsuits in the Eastern District of Texas (Tyler Division) alleging infringement of the '222 Patent. After various amended complaints, these lawsuits collectively named the following entities as defendants: Pharsight Corporation, Merrick & Company, PCI Geomatics Group, Inc., PCI Geomatics (USA), Inc., IAR Systems Group AB, IAR Systems Software, Inc., ExchangeIT BV D/B/A Card Exchange Solutions, Synopsys, Inc., Micro Focus International PLC, Micro Focus (US), Inc., Borland Software Corporation, Sage Software, Inc., Sage Software North America, Sage Group PLC, Missler Software and Missler Software, Inc. (collectively, the "SafeNet Customers"). *See Uniloc USA, Inc. v. Pharsight Corporation*, Case No. 6:13-CV-00914 at Dkt. No. 1 (E.D. Tex. Nov. 25, 2013); *Uniloc USA, Inc. v. Merrick & Company*, Case No. 6:13-CV-00909 at Dkt. No. 1 (E.D. Tex. Nov. 25, 2013); *Uniloc USA, Inc. v. PCI Geomatics Group Inc.*, Case No. 6:13-CV-00912 at Dkt No. 1 (E.D. Tex. Nov. 25, 2013); *Uniloc USA, Inc. v. IAR Systems Group AB.*, Case No. 6:13-CV-00908 at Dkt. No. 1 (E.D. Tex. Nov. 25, 2013); *Uniloc USA, Inc. v. ExchangeIt B.V.*, Case No. 6:13-cv-907 at Dkt. No. 1 (E.D. Tex. Nov. 25, 2013); *Uniloc USA, Inc. v. Synopsys, Inc.*, Case No. 6:13-CV-00917 at Dkt. No. 1 (E.D. Tex. Nov. 25, 2013); *Uniloc USA, Inc. v. Micro Focus International PLC*, Case No. 6:13-CV-00910 at Dkt. No. 1 & 11 (E.D. Tex. Dec. 23, 2013); *Uniloc USA, Inc. v. Sage Group PLC*, Case No. 6:13-CV-00915 at Dkt. No. 1 (E.D. Tex. Nov. 25, 2013); *Uniloc USA,*

Inc. v. Missler Software, Case No. 6:13-CV-00911 at Dkt. No. 1 (E.D. Tex. Nov. 25, 2013) (collectively, the "Customer Lawsuits").

24.   Uniloc's allegations of infringement against the SafeNet Customers are directed to SafeNet Customer products that implement SafeNet's Sentinel RMS solution. In its P.R. 3-1 and 3-2 disclosures in the Customer Lawsuits, Uniloc disclosed that the accused instrumentalities for each of the SafeNet Customers include the SafeNet Customers' "implementation of SafeNet Sentinel in its software titles."

25.   Uniloc selected the SafeNet Customers specifically because Uniloc believed that the SafeNet Customers were using SafeNet technology.

26.   SafeNet has agreed to defend and indemnify the SafeNet Customers in connection with Uniloc's claims directed at SafeNet's Sentinel RMS solution implemented in the SafeNet Customers' products.

COUNT I
(DECLARATORY JUDGMENT OF NONINFRINGEMENT)

27.   SafeNet repeats the allegations of Paragraphs 1 through 26 of this Complaint as if set forth herein in full.

28.   Uniloc's assertion that the SafeNet Customers' implementation of SafeNet's Sentinel RMS solution in their products infringes the '222 Patent is tantamount to accusing SafeNet of infringement.

29.   As a result of Uniloc's infringement allegations against the SafeNet Customers, SafeNet has an objectively reasonable apprehension that Uniloc will claim that SafeNet's Sentinel RMS solution directly or indirectly infringes one or more claims of the '222 Patent.   Uniloc's infringement allegations against the SafeNet Customers threaten actual and imminent injury to SafeNet that can be redressed by judicial relief and that injury is of sufficient immediacy and

reality to warrant issuance of a declaratory judgment. Such injury includes, among other things, uncertainty in the marketplace as to whether the use and sale of the Sentinel RMS solution is free from infringement claims based on the '222 Patent and the injury to SafeNet's efforts to distribute and provide services related to its Sentinel RMS solution.

30.   Therefore, an actual controversy exists between SafeNet and Uniloc as to whether SafeNet's activities in making, using, and selling, or offering to sell the Sentinel RMS solution infringe the '222 Patent (either directly, contributorily, or by inducement). Absent a declaration of noninfringement and/or invalidity Uniloc will wrongly assert the '222 Patent against SafeNet's Sentinel RMS solution, and will thereby cause SafeNet irreparable injury and damage.

31.   SafeNet has not, and is not, infringing (literally or by the doctrine of equivalents) any valid claim of the '222 Patent either directly or indirectly (such as contributorily or by inducement) by virtue of its activities related to SafeNet Sentinel RMS and SafeNet is entitled to a declaration to that effect.

32.   By making, using, selling, offering to sell, marketing, licensing, or importing the Sentinel RMS solution, SafeNet has not, and is not, infringing (literally or by the doctrine of equivalents) any valid claim of the '222 Patent either directly or indirectly (such as contributorily or by inducement) and SafeNet is entitled to a declaration to that effect.

33.   By making, using, selling, offering to sell, marketing, licensing, or importing the Sentinel RMS solution, the SafeNet Customers are not infringing (literally or by the doctrine of equivalents) any valid claim of the '222 Patent either directly or indirectly (such as contributorily or by inducement) and SafeNet is entitled to a declaration to that effect.

COUNT II
(DECLARATORY JUDGMENT OF INVALIDITY)

34.   SafeNet repeats the allegations of Paragraphs 1 through 33 of this Complaint as if set forth

herein in full.

35.   Uniloc's assertion that the SafeNet Customers' implementation of SafeNet's Sentinel RMS solution in their products infringes the '222 Patent is tantamount to accusing SafeNet of infringement.

36.   As a result of Uniloc's infringement allegations against the SafeNet Customers, SafeNet has an objectively reasonable apprehension that Uniloc will claim that SafeNet's Sentinel RMS solution directly or indirectly infringes one or more claims of the '222 Patent. Uniloc's infringement allegations against the SafeNet Customers threaten actual and imminent injury to SafeNet that can be redressed by judicial relief and that injury is of sufficient immediacy and reality to warrant issuance of a declaratory judgment. Such injury includes, among other things, uncertainty in the marketplace as to whether the use and sale of the Sentinel RMS solution is free from infringement claims based on the '222 Patent and the injury to SafeNet's efforts to distribute and provide services related to its Sentinel RMS solution.

37.   Therefore, an actual controversy exists between SafeNet and Uniloc as to whether SafeNet's activities in making, using, and selling, or offering to sell the Sentinel RMS solution infringe the '222 Patent (either directly, contributorily, or by inducement). Absent a declaration of invalidity Uniloc will wrongly assert the '222 Patent against SafeNet's Sentinel RMS solution, and will thereby cause SafeNet irreparable injury and damage.

38.   Each claim of the '222 Patent asserted against SafeNet or the SafeNet Customers is invalid under the provisions of Title 35, United States Code, including, but not limited to Sections 101, 102, 103, and/or 112 and SafeNet is entitled to a declaration to that effect.

COUNT III
(DECLARATORY JUDGMENT OF FAILURE TO MARK)

39.   SafeNet repeats the allegations of Paragraphs 1 through 38 of this Complaint as if set forth

herein in full.

40.   Uniloc's assertion that the SafeNet Customers' implementation of SafeNet's Sentinel RMS solution in their products infringes the '222 Patent is tantamount to accusing SafeNet of infringement.

41.   As a result of Uniloc's infringement allegations against the SafeNet Customers, SafeNet has an objectively reasonable apprehension that Uniloc will claim that SafeNet's Sentinel RMS solution directly or indirectly infringes one or more claims of the '222 Patent.   Uniloc's infringement allegations against the SafeNet Customers threaten actual and imminent injury to SafeNet that can be redressed by judicial relief and that injury is of sufficient immediacy and reality to warrant issuance of a declaratory judgment. Such injury includes, among other things, uncertainty in the marketplace as to whether the use and sale of the Sentinel RMS solution is free from infringement claims based on the '222 Patent and the injury to SafeNet's efforts to distribute and provide services related to its Sentinel RMS solution.

42.   Therefore, an actual controversy exists between SafeNet and Uniloc as to whether SafeNet's activities in making, using, and selling, or offering to sell the Sentinel RMS solution infringe the '222 Patent (either directly, contributorily, or by inducement). Absent a declaration that damages are barred due to a failure to mark authorized products covered by the '222 Patent, Uniloc will continue to wrongly assert the '222 Patent against SafeNet's Sentinel RMS solution, and will thereby cause SafeNet irreparable injury and damage.

43.   The original assignee of the '222 Patent was Intergraph Corporation.

44.   Upon information and belief, Intergraph Corporation (or certain of its affiliates) (collectively, "Intergraph") makes, offers for sale, or sells within the United States certain products that practice (or that Uniloc alleges practice) the claims of the '222 Patent, including at least: (1)

the Intergraph SmartPlant License Manager; and (2) software products sold by Intergraph's Security, Government, and Infrastructure division that are capable of using the Flexlm or FlexNet Publisher concurrent licensing option.

45.   Upon information and belief, Intergraph did not, and does not, properly mark pursuant to 35 U.S.C. § 287 the products it offers that practice (based on Uniloc's allegations concerning the scope of the '222 Patent or otherwise) the claims of the '222 Patent.

46.   Upon information and belief, after Intergraph assigned the '222 Patent to Uniloc Luxembourg on June 21, 2011, Uniloc granted Intergraph a license and/or covenant not to sue related to use of the technology by Intergraph claimed in the '222 Patent.

47.   Upon information and belief, after Intergraph assigned the '222 Patent to Uniloc Luxemburg, Uniloc entered into a Patent License, Release, and Settlement Agreement with Flexera Software LLC ("Flexera").

48.   Upon information and belief, Flexera makes, offers for sale, or sells within the United States certain products that practice (based on Uniloc's allegations concerning the scope of the '222 Patent or otherwise) the claims of the '222 Patent, including at least Flexlm and FlexNet Licensing products.

49.   In its complaints in the Customer Lawsuits, Uniloc is careful to disclose that it is not alleging infringement of the '222 Patent based on any product, software, system, method or service provided by Flexera because Flexera is licensed to use the '222 Patent.

50.   Upon information and belief, Flexera does not properly mark pursuant to 35 U.S.C. § 287 the products it offers that practice (based on Uniloc's allegations concerning the scope of the '222 Patent or otherwise) the claims of the '222 Patent.

51.   Pursuant to 35 U.S.C. § 287, Uniloc is not entitled to damages from SafeNet for alleged

infringement of the '222 Patent prior to SafeNet receiving actual notice of infringement and SafeNet is entitled to a declaration to that effect.

52.   Similarly, pursuant to 35 U.S.C. § 287, Uniloc is not entitled to damages from the SafeNet Customers for alleged infringement of the '222 Patent prior to the date that the SafeNet Customers received actual notice of infringement and SafeNet is entitled to a declaration to that effect.

COUNT IV
(DECLARATORY JUDGMENT OF RELEASE)

53.   SafeNet repeats the allegations of Paragraphs 1 through 52 of this Complaint as if set forth herein in full.

54.   Uniloc's assertion that the SafeNet Customers' implementation of SafeNet's Sentinel RMS solution in their products infringes the '222 Patent is tantamount to accusing SafeNet of infringement.

55.   As a result of Uniloc's infringement allegations against the SafeNet Customers, SafeNet has an objectively reasonable apprehension that Uniloc will claim that SafeNet's Sentinel RMS solution directly or indirectly infringes one or more claims of the '222 Patent.   Uniloc's infringement allegations against the SafeNet Customers threaten actual and imminent injury to SafeNet that can be redressed by judicial relief and that injury is of sufficient immediacy and reality to warrant issuance of a declaratory judgment.   Such injury includes, among other things, uncertainty in the marketplace as to whether the use and sale of the Sentinel RMS solution is free from infringement claims based on the '222 Patent and the injury to SafeNet's efforts to distribute and provide services related to its Sentinel RMS solution.

56.   Therefore, an actual controversy exists between SafeNet and Uniloc as to whether SafeNet's activities in making, using, and selling, or offering to sell the Sentinel RMS solution infringe the '222 Patent (either directly, contributorily, or by inducement).   Absent a declaration

the release applies to Uniloc's allegations of infringement of the '222 Patent, Uniloc will continue to wrongly assert the '222 Patent against SafeNet's Sentinel RMS solution, and will thereby cause SafeNet irreparable injury and damage.

57.   Uniloc released SafeNet's customers from any and all "claims, causes of action, demands, liability, damages, legal fees, costs and claims of compensation whatsoever, known or unknown, . . . that Uniloc has, may have had, might have asserted, may now have or assert, or may hereafter have or assert against any of [SafeNet's] . . . distributors, resellers, and direct or indirect customers arising from the making using, importing, offering for sale, selling or otherwise disposing of products provided by [SafeNet] subject to the Release . . ., or of products incorporating or utilizing products provided by [SafeNet] . . . ."

58.   SafeNet's Sentinel RMS solution is a product provided by SafeNet that is subject to the Release. It is the SafeNet product that Freedom Scientific was using when it was accused of infringing Uniloc's '216 patent and it was an accused product upon which SafeNet's settlement with Uniloc was based. For example, in Uniloc's infringement contentions served on August 26, 2011, Uniloc specifically referenced the "Sentinel RMS API Reference Guide" as identifying "three files that are critical" to the accused functionality.

59.   As such, Uniloc's claims that the SafeNet Customers are infringing the '222 Patent by making, using, selling, offering to sell, marketing, licensing, or importing the Sentinel RMS solution are barred by the Release and SafeNet is entitled to a declaration to that effect.

COUNT V
(BREACH OF CONTRACT)

60.   SafeNet repeats the allegations of Paragraphs 1 through 59 of this Complaint as if set forth herein in full.

61.   SafeNet performed all of its contractual obligations, including payment, under the

Agreement.

62.   Uniloc, however, breached the Agreement when it represented that as of September 30, 2011 it was not aware of any other intellectual property claim owned or controlled by Uniloc or its Affiliates that SafeNet was infringing.

63.   Uniloc was aware of the '222 Patent when it made this representation; indeed, Uniloc acquired the '222 Patent over three months before the Agreement was executed.

64.   Uniloc was also aware of SafeNet's Sentinel RMS solution when it made this representation, as evidenced by at least the fact that Uniloc had accused Freedom Scientific of infringement and received financial data related to Sentinel RMS solution.

65.   Then, after Uniloc induced SafeNet to enter into the Agreement based at least in part on this representation, Uniloc sued SafeNet customers for infringement of the '222 Patent based on their use of SafeNet Sentinel RMS, and in fact selected the customers in the SafeNet Customer Lawsuits specifically because they used SafeNet technology.

66.   Thus, Uniloc breached the Agreement when it represented that as of September 30, 2011 it was not aware of any other intellectual property claim owned by Uniloc that SafeNet was infringing.

67.   As a direct and proximate result of Uniloc's breach, SafeNet has suffered damages, including but not limited to the attorneys' fees and expenses SafeNet has incurred and will incur in this lawsuit and in the Customer Lawsuits and any liability that might arise from an adverse judgment in the Customer Lawsuits.

68.   Furthermore, as explained above, Uniloc has acted in bad faith.

69.   SafeNet is entitled to recover its reasonable and necessary attorneys' fees pursuant to Chapter 38 of the Texas Civil Practice & Remedies Code.

COUNT VI
(FRAUD AND/OR FRAUDULENT INDUCEMENT)

70.   SafeNet repeats the allegations of Paragraphs 1 through 69 of this Complaint as if set forth herein in full.

71.   In the alternative, Uniloc, including at least Mr. Bradley C. Davis, committed fraud when it represented to SafeNet that "apart from its contentions concerning the '216 Patent, Uniloc is not aware as of the Effective Date of this Agreement of any other intellectual property claim owned or controlled by Uniloc or its Affiliates that is being infringed by [SafeNet] . . . ."

72.   Uniloc's representation to SafeNet was material because it at least in part induced SafeNet to enter into the Agreement under the terms that the parties negotiated.

73.   For the reasons explained above, and incorporated herein by reference, Uniloc's representation to SafeNet was a false statement of fact.

74.   For the reasons explained above, and incorporated herein by reference, Uniloc made the false representation (1) knowingly it was false; or (2) recklessly, as a positive assertion, and without knowledge of its truth.

75.   Uniloc intended that SafeNet rely on the false representation or, at the very least, had reason to expect that SafeNet would act in reliance on the false representation. This is especially true considering that the parties were negotiating a settlement and license agreement when Uniloc made the false representation.

76.   SafeNet justifiably relied on Uniloc's false representation when it entered into the Agreement.

77.   As a direct and proximate result of Uniloc's false representation, SafeNet has suffered damages, including but not limited to the attorneys' fees and expenses SafeNet has incurred and will incur in this lawsuit and in the Customer Lawsuits and any liability that might arise from an

adverse judgment in the Customer Lawsuits.

78.   SafeNet's injury resulted from Uniloc's actual fraud or malice, which entitles SafeNet to exemplary damages under section 41.003(a) of the Texas Civil Practice and Remedies Code.

COUNT VII
(NEGLIGENT MISREPRESENTATION)

79.   SafeNet repeats the allegations of Paragraphs 1 through 78 of this Complaint as if set forth herein in full.

80.   In the alternative, Uniloc, including at least Mr. Bradley C. Davis, negligently misrepresented to SafeNet that "apart from its contentions concerning the '216 Patent, Uniloc is not aware as of the Effective Date of this Agreement of any other intellectual property claim owned or controlled by Uniloc or its Affiliates that is being infringed by [SafeNet] . . . ."

81.   Uniloc made this misrepresentation in the course of Uniloc's business or in the course of a transaction in which Uniloc had an interest; that is, Uniloc made the misrepresentation while negotiating the Agreement.

82.   During the negotiation of the Agreement, Uniloc made this misrepresentation for the guidance of SafeNet.

83.   For the reasons explained above, and incorporated herein by reference, Uniloc's representation was a misstatement of material fact.

84.   For the reasons explained above, and incorporated herein by reference, Uniloc did not use reasonable care in obtaining and communicating the information.

85.   SafeNet justifiably relied on Uniloc's false representation when it entered into the Agreement.

86.   As a direct and proximate result of Uniloc's false representation SafeNet has suffered damages, including but not limited to the attorneys' fees and expenses SafeNet has incurred and

will incur in this lawsuit and in the Customer Lawsuits and any liability that might arise from an adverse judgment in the Customer Lawsuits.

87.   SafeNet's injury resulted from Uniloc's gross negligence, which entitles SafeNet to exemplary damages under section 41.003(a) of the Texas Civil Practice and Remedies Code.

PRAYER FOR RELIEF

WHEREFORE, SafeNet seeks the following relief:

a. A declaration that SafeNet Sentinel RMS does not infringe any valid claim of the '222 Patent;

b. A declaration that the SafeNet Customers implementing the Sentinel RMS solution are not infringing any valid claim on the '222 Patent;

c. A declaration that each and every claim of the '222 Patent asserted by Uniloc against SafeNet or the SafeNet Customers is invalid;

d. A declaration that Uniloc is not entitled to damages from SafeNet for alleged infringement of the '222 Patent prior to SafeNet receiving actual notice of infringement;

e. A declaration that Uniloc is not entitled to damages from the SafeNet Customers for alleged infringement of the '222 Patent prior to the SafeNet Customers receiving actual notice of infringement;

f. A declaration that the Release bars Uniloc's claims against the SafeNet Customers;

g. That Uniloc be found to have breached the Agreement;

h. That SafeNet be awarded damages to compensate SafeNet for Uniloc's breach of the Agreement, including but not limited to an award of SafeNet's attorneys' fees and costs incurred in this lawsuit and the Customer Lawsuits;

i.   That Uniloc be found to have committed fraud;

j.   That Uniloc be found to have fraudulently induced SafeNet to enter into the Agreement;

k.   The Uniloc be found to have made negligent misrepresentations;

l.   That SafeNet be awarded exemplary damages;

m. That SafeNet be awarded its costs of suit incurred herein; and

n.   That SafeNet be granted such other and additional relief as this Court deems just and proper.

JURY DEMAND

SafeNet demands a trial by jury as to all issues presented in this Complaint.

Dated: February 6, 2015   Respectfully submitted,

                                                  SAFENET, INC.

                                                    /s/ Katrina G. Eash
                                                  Katrina G. Eash
                                                  Texas Bar No. 24074636
                                                  eash@fr.com
                                                  FISH & RICHARDSON P.C.
                                                  1717 Main Street, Suite 5000
                                                  Dallas, Texas 75201
                                                  Telephone: (214) 747-5070
                                                  Facsimile: (214) 747-2091

                                                  COUNSEL FOR SAFENET, INC.