

IN THE UNITED STATES DISTRICT COURT  
FOR THE WESTERN DISTRICT OF TEXAS  
AUSTIN DIVISION

STERLING COMPUTERS CORPORATION,

Plaintiff,

v.

MICROSOFT CORPORATION,

Defendant.

CASE NO. 1:24-cv-00406-RP

JURY TRIAL DEMANDED

**FIRST AMENDED COMPLAINT**

Plaintiff Sterling Computers Corporation (“Sterling”), for its First Amended Complaint against Defendant Microsoft Corporation (“Microsoft”), states and alleges as follows:

**I. THE PARTIES**

1. Plaintiff Sterling is a corporation organized under the laws of the State of California, with its principal place of business in North Sioux City, South Dakota.

2. Upon information and belief, Microsoft is a corporation organized under the laws of the State of Washington with its headquarters in Redmond, Washington. Microsoft may be served with process through its registered agent Corporation Service Company d/b/a CSC – Lawyers Incorporating Service Company, 211 E. 7<sup>th</sup> Street, Suite 620, Austin, Texas 78701.

**II. JURISDICTION AND VENUE**

3. This Court has jurisdiction over the subject matter of this action pursuant to 28 U.S.C. §§ 1331 and 1338(a), as this is an action for patent infringement arising under the patent laws of the United States, 35 U.S.C. § 1 *et seq.*

4. This Court has personal jurisdiction over Microsoft because it has regular and established places of business in this District, including offices in Austin, Texas and San Antonio,

Texas, and Microsoft is essentially “at home” in this District. Further, Microsoft has caused tortious injury to Sterling through its acts of patent infringement in this District, and, on information and belief, regularly does or solicits business, or engages in a persistent course of conduct in this District or derives substantial revenue from things used or consumed in this District.

5. Venue is proper in this District under 28 U.S.C. §§ 1391(b)(1) and 1400(b), because Microsoft has committed acts of infringement in this District and has regular and established places of business in this District.

### **III. FACTUAL ALLEGATIONS**

6. Sterling owns U.S. Patent No. 8,073,911 (“the ’911 patent”), entitled “Enforcing Compliance Policies in a Messaging System,” which issued on December 6, 2011. A copy of the ’911 Patent is attached as Exhibit A.

7. The ’911 Patent claims priority to provisional application no. 60/570,848, filed on May 12, 2004, and provisional application no. 60/570,861, filed on May 12, 2004.

8. The inventors of the ’911 Patent are Justin Marston and Andrew Stuart Hatch.

9. The claims of the ’911 Patent are directed to solving technological problems specifically in the realm of computers and more particularly in the area of electronic messaging. Electronic messaging – unlike traditional (hard copy) mail – is unique both in its features and in the problems created.

10. The problems unique to electronic messaging that Marston and Hatch were trying to solve include that, in the early 2000s, e-mail threads were stored essentially as one continuous text string. As a result, if a message of one area of the business was forwarded to another area of the business, all of the messages in the thread would be joined together in a continuous text string. Replies and forwards of the initial sent message were not independent messages; instead, the initial

sent message and all the forwards of and replies to the sent message were part of the same continuous text string.

11. These unique characteristics of e-mail messaging at the time of the invention created unique problems that did not exist with traditional mail. For example, a problematic aspect of the continuous text strings in electronic messaging was that every time someone replied to or forwarded a message, each previous message (e.g., the initial message) within the continuous text string is replicated, requiring the storing of voluminous and unnecessary copies of each message.

12. Another problem was that, because the sent message was part of the same, continuous text string as the replies and forwards, different compliance policies could not be applied separately to the sent message, replies, and forwards. Instead, the same compliance policies and rules had to be applied to all parts of the message (i.e., sent message, replies, and forwards).

13. Representing and storing the sent message, replies, and forwards as continuous text strings in electronic messaging made it difficult for employers' electronic messaging systems to enforce rules, for example, if they wanted to prevent certain types of electronic messages from being sent to certain people (e.g., a different segment of the business, or external recipients). For example, for banks, representing and storing electronic messages as continuous text strings meant that there was no way to maintain a wall separating electronic messages relating to the investment side from the analyst side. Even if a bank wanted to prevent one user (e.g., Sam on the investment side) from sending electronic messages to another user (e.g., George on the analyst side), because of the way the electronic messages functioned as continuous text strings, through a series of replies and/or forwards, George could indirectly receive e-mails from Sam, and employers' electronic messaging systems had no method for preventing that communication.

14. These issues relating to the continuous text strings created problems for employers in attempting to enforce compliance policies to electronic messages, such as governmental regulations that require certain entities to keep certain messages for specific periods of time. In order to comply with regulations, because of the continuous text strings, entities would have to retain every single message within the continuous text string (including the initial message and all replies and forwards) for the longest period of time, even if only one of the messages in the continuous text string was subject to that regulation. This problem wasted storage, because messages were being maintained longer than required, and numerous copies of the same messages were being retained.

15. The claims of the '911 Patent are directed to specific technological solutions to these unique technological problems. The claims of the '911 Patent disclose a technological improvement involving a unique relational architecture that improves the functioning of electronic messaging systems, allowing the application of a rule-based governance engine and system-wide access rights policy.

16. The claims of the '911 Patent recite innovative solutions using particularized relational architecture. Marston and Hatch came up with the idea for a platform in which each message would be kept as a separate, individual element, and then an object database would keep each message separate. The solution includes: “a messaging module adapted to control a message database storing messages sent among users of the messaging system, at least one of the sent messages stored in the message database”; submessages – “at least one of the sent submessages being one of a reply to and a forward of other sent submessages of the sent message”; and “a message container containing relational references pointing to a plurality of sent submessages stored externally to the message container in the message database.” Prior to the inventions in the

'911 Patent, the innovative solution of the claims including relational architecture had never been applied to a messaging system before.

17. This object-based messaging invention allowed each submessage to be stored only once. By placing every piece of information in a database, it enabled users to apply more sophisticated policies. By using submessages, and by using a message container containing relational references pointing to a plurality of sent submessages, the claims of the '911 Patent solve the unique problems created by e-mail as continuous text strings. For example, the solutions in the claims of the '911 Patent allow “different rules of the compliance policy [to be applied] to different ones of the plurality of sent submessages.” '911 Patent, at Claim 1; *see also id.* (“a governance module adapted to control a governance policy database storing a compliance policy describing rules applicable to the sent submessages, the governance module further adapted to determine rules described by the compliance policy that are applicable to ones of the plurality of sent submessages”).

18. This object-based messaging invention allowed enforcement of lifetime compliance policies, such as retention policies and access rights policies.

19. Conventional (non-electronic) mail systems did not face these problems and, therefore, also do not offer solutions to these problems. For example, the inventive limitation of “a message container containing relational references pointing to a plurality of sent submessages stored externally to the message container in the message database” is nonconventional.

20. The inventions in the '911 Patent were improvements that offered multiple benefits.

21. One benefit of the improvements offered by the inventions set forth in the claims of the '911 Patent is improved security. For a company's most sensitive information, the improvements allow companies to make sure that only individuals that should have access to that

information receive access to that information, a result that was impossible prior to the inventions set forth in the '911 Patent, especially because a sensitive submessage within a continuous text string containing other submessages could not be treated individually.

22. Another benefit of the improvements offered by the inventions set forth in the claims of the '911 Patent is optimized storage because messages did not need to be stored longer than necessary, and because the invention eliminated the need for storing numerous copies of the same submessage. For example, the initial sent message can be stored only once as a submessage, whereas, prior to the inventions set forth in the '911 Patent, numerous copies of that initial sent message would be stored along with replies to and forwards of that initial message because the entire continuous text string would be lumped together.

23. Another benefit of the improvements offered by the inventions set forth in the claims of the '911 Patent is the ability to apply better defined access rights (*i.e.*, who has access to which messages) in an electronic messaging system. By disclosing a message container that contains relational references between a message and submessages (e.g., forwards and replies), claims of the '911 Patent recite solutions that enable, for example, a company to enforce a system-wide access rights policy.

24. The '911 patent is directed to a unique relational architecture for representing and storing messages in an electronic messaging system.

25. Microsoft makes, uses, offers, and sells electronic messaging systems, including the Microsoft Exchange Online electronic messaging system (sometimes referred to as "Exchange"). Exchange is a cloud-based messaging platform that delivers, for example, email, calendar, contacts, and tasks.

26. Microsoft has infringed the '911 patent through its conduct including, but not limited to, making, using, offering for sale, and selling Exchange.

27. Exchange is an electronic messaging system.

28. Exchange includes a computerized messaging server.

29. Exchange includes a computer program having a non-transitory computer-readable medium.

30. Exchange includes program code for an electronic messaging system.

31. Exchange includes a messaging module that controls a message database.

32. Exchange includes a message database that stores messages sent between users of the messaging system.

33. Exchange uses relational references pointing to messages stored in the message database.

34. In Exchange, sent messages stored in the message database include a message container containing relational references pointing to a plurality of sent submessages stored externally to the message container in the message database.

35. In Exchange, the messages in the message database include replies to messages and forwarded messages.

36. Exchange includes a governance module that controls a governance policy database storing a compliance policy describing rules applicable to the sent submessages.

37. Exchange includes a database of rules applicable to the sent messages.

38. Exchange includes a governance module to apply those rules.

39. In Exchange, the same rule can apply to more than one message.

40. In Exchange, multiple rules can apply to the same message.

41. In Exchange, rules are ordered by rank, so that any conflicts between applicable rules can be resolved.

42. The governance module in Exchange determines which rules apply to a message.

43. In Exchange, the application of rules can depend on who sent the message, who received the message, or the rank order of one rule as opposed to other rules.

**IV. PATENT INFRINGEMENT**  
**COUNT I – INFRINGEMENT OF U.S. PATENT NO. 8,073,911**

44. Sterling incorporates by reference the above paragraphs as if stated herein.

45. The '911 patent is valid, enforceable, subsisting, and in full force and effect.

46. Microsoft has directly infringed and continues to infringe the '911 patent, including but not limited to at least claims 1 and 10 of the '911 patent, by making, using, offering for sale, and selling Exchange, all to the harm and detriment of Sterling, and to the benefit and profit of Microsoft.

47. Microsoft has infringed and continues to infringe at least claim 1 of the '911 patent by making, using, offering, and selling Exchange, including as set forth in the claim chart below, which is intended as exemplary and not exhaustive:



<p><b>'911 Patent Claim Limitation</b></p>	<p><b>Microsoft Exchange Online</b></p>
<p>1. A computerized messaging server in an electronic messaging system, comprising:</p>	<p>Microsoft Exchange Online is an electronic messaging system comprising a computerized messaging server.</p> <p>Microsoft Exchange Online is a cloud-based platform that provides messages to users through email and calendar clients such as Outlook.</p> <p>“Microsoft Exchange Online is a cloud based messaging platform that delivers email, calendar, contacts, and tasks. Users with an Exchange Online license connect to Exchange Online through email and calendar clients like, Outlook desktop, Outlook on the web and Outlook mobile app to access email and collaboration functionality, including shared mailboxes, shared calendars and global address lists.”</p> <p>- <a href="https://learn.microsoft.com/en-us/exchange/exchange-online">https://learn.microsoft.com/en-us/exchange/exchange-online</a></p>
<p>a messaging module adapted to control a message database storing messages sent among users of the messaging system,</p>	<p>Microsoft Exchange Online has a module that controls a message database storing messages sent among users of the messaging system.</p> <p>In particular, a messaging module applies “mail flow rules” to control messages sent among users.</p> <p>“Mail flow rules are similar to the Inbox rules that are available in Outlook and Outlook on the web (formerly known as Outlook Web App). The main difference is mail flow rules take action on messages while they're in transit, not after the message is delivered to the mailbox. Mail flow rules contain a richer set of conditions, exceptions, and actions, which provides you with the flexibility to implement many types of messaging policies.”</p> <p>- <a href="https://learn.microsoft.com/en-us/exchange/security-and-compliance/mail-flow-rules/mail-flow-rules">https://learn.microsoft.com/en-us/exchange/security-and-compliance/mail-flow-rules/mail-flow-rules</a></p>

<b>'911 Patent Claim Limitation</b>	<b>Microsoft Exchange Online</b>
<p>at least one of the sent messages stored in the message database comprising a message container containing relational references pointing to a plurality of sent submessages stored externally to the message container in the message database,</p>	<p>In Microsoft Exchange Online, at least one of the sent messages stored in the message database comprises a message container containing relational references pointing to a plurality of sent submessages stored externally to the message container in the message database.</p> <p>The plurality of submessages refers to the inventive object-based messaging system discussed above. Each submessage is a unique object.</p> <p>“In the context of Exchange, conversations are a way to group and manage a related set of email messages. They can also provide a way to view related messages. Exchange defines conversations based on the Message-ID value of the first email message in a thread. All replies and related messages reference the original message's Message-ID header in their References and In-Reply-To headers.</p> <p>Additionally, inside the SOAP envelope, for each message received in a mailbox, Exchange sets specific properties and elements.”</p> <p>- <a href="https://learn.microsoft.com/en-us/exchange/client-developer/exchange-web-services/how-to-work-with-conversations-by-using-ews-in-exchange">https://learn.microsoft.com/en-us/exchange/client-developer/exchange-web-services/how-to-work-with-conversations-by-using-ews-in-exchange</a></p>
<p>at least one of the sent submessages being one of a reply to and a forward of other sent submessages of the sent message;</p>	<p>In Microsoft Exchange Online, at least one of the sent submessages include a reply to and a forward of other sent submessages of the sent message.</p> <p>Sent and forwarded submessages are routine.</p>

<p>and a governance module adapted to control a governance policy database storing a compliance policy describing rules applicable to the sent submessages,</p>	<p>Microsoft Exchange Online includes a module adapted to control a governance policy database storing a compliance policy describing rules applicable to submessages.</p> <p>The mail flow rules are rules applicable to sent submessages. The compliance policy describes those rules. The compliance policy is stored in a governance policy database.</p> <p><u>“Mail flow rule components</u>  A mail flow rule is made of conditions, exceptions, actions, and properties:</p> <ul style="list-style-type: none"> <li>• Conditions: Identify the messages that you want to apply the actions to. Some conditions examine message header fields (for example, the To, From, or Cc fields). Other conditions examine message properties (for example, the message subject, body, attachments, message size, or message classification). Most conditions require you to specify a comparison operator (for example, equals, doesn't equal, or contains) and a value to match.</li> </ul> <p style="text-align: center;">* * *</p> <ul style="list-style-type: none"> <li>• Exceptions: Optionally identify the messages that the actions shouldn't apply to. The same message identifiers that are available in conditions are also available in exceptions. Exceptions override conditions and prevent the rule actions from being applied to a message, even if the message matches all of the configured conditions.</li> </ul> <p style="text-align: center;">* * *</p> <ul style="list-style-type: none"> <li>• Actions: Specify what to do to messages that match the conditions in the rule, and don't match any of the exceptions. There are many actions available, such as rejecting, deleting, or redirecting messages, adding additional recipients, adding prefixes in the message subject, or inserting disclaimers in the message body.</li> </ul> <p style="text-align: center;">* * *</p> <ul style="list-style-type: none"> <li>• Properties: Specify other rules settings that aren't conditions, exceptions or actions. For example, when the rule should be applied, whether to enforce or test the rule, and the time period when the rule is active.”</li> </ul>
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<p><b>'911 Patent Claim Limitation</b></p>	<p><b>Microsoft Exchange Online</b></p>
	<p>-- <a href="https://learn.microsoft.com/en-us/exchange/security-and-compliance/mail-flow-rules/mail-flow-rules">https://learn.microsoft.com/en-us/exchange/security-and-compliance/mail-flow-rules/mail-flow-rules</a></p>
<p>the governance module further adapted to determine rules described by the compliance policy that are applicable to ones of the plurality of sent submessages, wherein different rules of the compliance policy are applicable to different ones of the plurality of sent submessages;</p>	<p>The governance module in Microsoft Exchange Online is adapted to determine rules described by the compliance policy that are applicable to ones of the plurality of sent submessages, wherein different rules of the compliance policy are applicable to different ones of the plurality of sent submessages.</p> <p>Different mail flow rules can apply to different sent submessages.</p> <p>“Conditions” identify the messages to which certain actions apply. <u>Id.</u> (“Conditions: Identify the messages that you want to apply the actions to.”).</p> <p>Conditions can require examination of message header fields, such as the “to,” “from,” or “cc” fields. So, for example, different rules may apply to different sent submessages based on the identity of the sender, the identity of the recipient, etc. <u>Id.</u> (“Some conditions examine message header fields (for example, the To, From, or Cc fields).”)</p>
<p>wherein the messaging system is utilized by a set of entities in a population structure and wherein a rule of the compliance policy includes one or more rule elements describing whether the rule is applicable to a sent submessage, at least one of the rule elements selected from the group consisting of:</p> <p>a source element describing a population structure entity that is a source of the sent submessage;</p>	<p>In Microsoft Exchange Online, the messaging system is utilized by a set of entities in a population structure and wherein a rule of the compliance policy includes one or more rule elements describing whether the rule is applicable to a sent submessage, and at least one of the rule elements selected from the group consisting of: a source element describing a population structure entity that is a source of the sent submessage; a target element describing a population structure entity that is a recipient of the sent submessage; and a rank describing a ranking of the rule relative to other rules in the compliance policy.</p> <p>As noted above, whether a rule is applicable to a sent submessage may be determined by who sent it, i.e. the source of the sent submessage. <u>Id.</u></p>

<b>'911 Patent Claim Limitation</b>	<b>Microsoft Exchange Online</b>
<p>a target element describing a population structure entity that is a recipient of the sent submessage;</p>	<p>In Microsoft Exchange Online, the messaging system is utilized by a set of entities in a population structure and wherein a rule of the compliance policy includes one or more rule elements describing whether the rule is applicable to a sent submessage, and at least one of the rule elements selected from the group consisting of: a source element describing a population structure entity that is a source of the sent submessage; a target element describing a population structure entity that is a recipient of the sent submessage; and a rank describing a ranking of the rule relative to other rules in the compliance policy.</p> <p>As noted above, whether a rule is applicable to a sent submessage may be determined by who received it, i.e., the recipient of the sent submessage. <u>Id.</u></p>

<b>'911 Patent Claim Limitation</b>	<b>Microsoft Exchange Online</b>
<p>and a rank describing a ranking of the rule relative to other rules in the compliance policy.</p>	<p>In Microsoft Exchange Online, the messaging system is utilized by a set of entities in a population structure and wherein a rule of the compliance policy includes one or more rule elements describing whether the rule is applicable to a sent submessage, and at least one of the rule elements selected from the group consisting of: a source element describing a population structure entity that is a source of the sent submessage; a target element describing a population structure entity that is a recipient of the sent submessage; and a rank describing a ranking of the rule relative to other rules in the compliance policy.</p> <p>The “priority” property of the mail flow rule describes the ranking of one rule relative to other rules in the compliance policy.</p> <p>“Priority[:] Indicates the order that the rules are applied to messages. The default priority is based on when the rule is created (older rules have a higher priority than newer rules, and higher priority rules are processed before lower priority rules). You change the rule priority in the EAC by moving the rule up or down in the list of rules. In the PowerShell, you set the priority number (0 is the highest priority).</p> <p>For example, if you have one rule to reject messages that include a credit card number, and another one requiring approval, you'll want the reject rule to happen first, and stop applying other rules.”</p> <p>-- <a href="https://learn.microsoft.com/en-us/exchange/security-and-compliance/mail-flow-rules/mail-flow-rules">https://learn.microsoft.com/en-us/exchange/security-and-compliance/mail-flow-rules/mail-flow-rules</a></p>

48. Microsoft has infringed and continues to infringe at least claim 10 of the '911 patent by making, using, offering, and selling Exchange, as set forth in the claim chart below:

<b>'911 Patent Claim Limitation</b>	<b>Microsoft Exchange Online</b>
<p>10. A computer program product having a non-transitory computer-readable medium having embodied thereon program code for use in an electronic messaging system, the program code comprising:</p>	<p>Microsoft Exchange Online is a computer program product having a non-transitory computer-readable medium having program coded embodied on it.</p> <p>The program code is for use in an electronic messaging system.</p> <p>Microsoft Exchange Online is a cloud-based platform that provides messages to users through email and calendar clients such as Outlook.</p> <p>“Microsoft Exchange Online is a cloud based messaging platform that delivers email, calendar, contacts, and tasks. Users with an Exchange Online license connect to Exchange Online through email and calendar clients like, Outlook desktop, Outlook on the web and Outlook mobile app to access email and collaboration functionality, including shared mailboxes, shared calendars and global address lists.”</p> <p>-- <a href="https://learn.microsoft.com/en-us/exchange/exchange-online">https://learn.microsoft.com/en-us/exchange/exchange-online</a></p>
<p>a messaging module adapted to control a message database storing messages sent among users of the messaging system to at least one other end user of the messaging system,</p>	<p>Microsoft Exchange Online has a module that controls a message database storing messages sent among users of the messaging system to at least one other end user of the messaging system.</p> <p>In particular, a messaging module applies “mail flow rules” to control messages sent among users.</p> <p>“Mail flow rules are similar to the Inbox rules that are available in Outlook and Outlook on the web (formerly known as Outlook Web App). The main difference is mail flow rules take action on messages while they're in transit, not after the message is delivered to the mailbox. Mail flow rules contain a richer set of conditions, exceptions, and actions, which provides you with the flexibility to implement many types of messaging policies.”</p> <p>-- <a href="https://learn.microsoft.com/en-us/exchange/security-and-compliance/mail-flow-rules/mail-flow-rules">https://learn.microsoft.com/en-us/exchange/security-and-compliance/mail-flow-rules/mail-flow-rules</a></p>

<b>'911 Patent Claim Limitation</b>	<b>Microsoft Exchange Online</b>
<p>at least one of the sent messages comprising a message container containing relational references pointing to a plurality of sent submessages stored in the message database externally to the message container in the message database,</p>	<p>In Microsoft Exchange Online, at least one of the sent messages includes a message container containing relational references pointing to a plurality of sent submessages stored in the message database externally to the message container in the message database.</p> <p>The plurality of submessages refers to the inventive object-based messaging system discussed above. Each submessage is a unique object.</p> <p>“In the context of Exchange, conversations are a way to group and manage a related set of email messages. They can also provide a way to view related messages. Exchange defines conversations based on the Message-ID value of the first email message in a thread. All replies and related messages reference the original message's Message-ID header in their References and In-Reply-To headers.</p> <p>Additionally, inside the SOAP envelope, for each message received in a mailbox, Exchange sets specific properties and elements.”</p> <p>- <a href="https://learn.microsoft.com/en-us/exchange/client-developer/exchange-web-services/how-to-work-with-conversations-by-using-ews-in-exchange">https://learn.microsoft.com/en-us/exchange/client-developer/exchange-web-services/how-to-work-with-conversations-by-using-ews-in-exchange</a></p>
<p>at least one of the sent submessages being one of a reply to and a forward of other sent submessages of the sent message;</p>	<p>In Microsoft Exchange Online, at least one of the sent submessages is a reply to and a forward of other sent submessages of the sent message.</p> <p>Sent and forwarded submessages are routine.</p>



<p>and a governance module adapted to control a governance policy database storing a compliance policy describing rules applicable to the sent submessages,</p>	<p>Microsoft Exchange Online includes a module adapted to control a governance policy database storing a compliance policy describing rules applicable to submessages.</p> <p>The mail flow rules are rules applicable to sent submessages. The compliance policy describes those rules. The compliance policy is stored in a governance policy database.</p> <p><u>“Mail flow rule components</u></p> <p>A mail flow rule is made of conditions, exceptions, actions, and properties:</p> <ul style="list-style-type: none"> <li>• Conditions: Identify the messages that you want to apply the actions to. Some conditions examine message header fields (for example, the To, From, or Cc fields). Other conditions examine message properties (for example, the message subject, body, attachments, message size, or message classification). Most conditions require you to specify a comparison operator (for example, equals, doesn't equal, or contains) and a value to match.</li> </ul> <p style="text-align: center;">* * *</p> <ul style="list-style-type: none"> <li>• Exceptions: Optionally identify the messages that the actions shouldn't apply to. The same message identifiers that are available in conditions are also available in exceptions. Exceptions override conditions and prevent the rule actions from being applied to a message, even if the message matches all of the configured conditions.</li> </ul> <p style="text-align: center;">* * *</p> <ul style="list-style-type: none"> <li>• Actions: Specify what to do to messages that match the conditions in the rule, and don't match any of the exceptions. There are many actions available, such as rejecting, deleting, or redirecting messages, adding additional recipients, adding prefixes in the message subject, or inserting disclaimers in the message body.</li> </ul> <p style="text-align: center;">* * *</p> <ul style="list-style-type: none"> <li>• Properties: Specify other rules settings that aren't conditions, exceptions or actions. For example, when</li> </ul>
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<p><b>'911 Patent Claim Limitation</b></p>	<p><b>Microsoft Exchange Online</b></p>
	<p>the rule should be applied, whether to enforce or test the rule, and the time period when the rule is active.”</p> <p>-- <a href="https://learn.microsoft.com/en-us/exchange/security-and-compliance/mail-flow-rules/mail-flow-rules">https://learn.microsoft.com/en-us/exchange/security-and-compliance/mail-flow-rules/mail-flow-rules</a></p>
<p>the governance module further adapted to determine rules described by the compliance policy that are applicable to ones of the plurality of sent submessages, wherein different rules of the compliance policy are applicable to different ones of the plurality of sent submessages;</p>	<p>The governance module in Microsoft Exchange Online is adapted to determine rules described by the compliance policy that are applicable to ones of the plurality of sent submessages, and different rules of the compliance policy are applicable to different ones of the plurality of sent submessages.</p> <p>Different mail flow rules can apply to different sent submessages.</p> <p>“Conditions” identify the messages to which certain actions apply. <u>Id.</u> (“Conditions: Identify the messages that you want to apply the actions to.”).</p> <p>Conditions can require examination of message header fields, such as the “to,” “from,” or “cc” fields. So, for example, different rules may apply to different sent submessages based on the identity of the sender, the identity of the recipient, etc. <u>Id.</u> (“Some conditions examine message header fields (for example, the To, From, or Cc fields).”)</p>
<p>wherein the messaging system is utilized by a set of entities in a population structure and wherein a rule of the compliance policy includes one or more rule elements describing whether the rule is applicable to a sent submessage, at least one of the rule elements selected from the group consisting of:</p> <p>a source element describing a population structure entity that is a source of the sent submessage;</p>	<p>The messaging system of Microsoft Exchange Online is utilized by a set of entities in a population structure, and a rule of the compliance policy includes one or more rule elements describing whether the rule is applicable to a sent submessage, at least one of the rule elements selected from the group consisting of: a source element describing a population structure entity that is a source of the sent submessage, a target element describing a population structure entity that is a recipient of the sent submessage, and a rank describing a ranking of the rule relative to other rules in the compliance policy.</p> <p>As noted above, whether a rule is applicable to a sent submessage may be determined by who sent it, i.e. the source of the sent submessage. <u>Id.</u></p>

<b>'911 Patent Claim Limitation</b>	<b>Microsoft Exchange Online</b>
<p>a target element describing a population structure entity that is a recipient of the sent submessage;</p>	<p>The messaging system of Microsoft Exchange Online is utilized by a set of entities in a population structure, and a rule of the compliance policy includes one or more rule elements describing whether the rule is applicable to a sent submessage, at least one of the rule elements selected from the group consisting of: a source element describing a population structure entity that is a source of the sent submessage, a target element describing a population structure entity that is a recipient of the sent submessage, and a rank describing a ranking of the rule relative to other rules in the compliance policy.</p> <p>As noted above, whether a rule is applicable to a sent submessage may be determined by who received it, i.e., the recipient of the sent submessage. <u>Id.</u></p>

<b>'911 Patent Claim Limitation</b>	<b>Microsoft Exchange Online</b>
<p>and a rank describing a ranking of the rule relative to other rules in the compliance policy.</p>	<p>The messaging system of Microsoft Exchange Online is utilized by a set of entities in a population structure, and a rule of the compliance policy includes one or more rule elements describing whether the rule is applicable to a sent submessage, at least one of the rule elements selected from the group consisting of: a source element describing a population structure entity that is a source of the sent submessage, a target element describing a population structure entity that is a recipient of the sent submessage, and a rank describing a ranking of the rule relative to other rules in the compliance policy.</p> <p>The “priority” property of the mail flow rule describes the ranking of one rule relative to other rules in the compliance policy.</p> <p>“Priority[:] Indicates the order that the rules are applied to messages. The default priority is based on when the rule is created (older rules have a higher priority than newer rules, and higher priority rules are processed before lower priority rules). You change the rule priority in the EAC by moving the rule up or down in the list of rules. In the PowerShell, you set the priority number (0 is the highest priority).</p> <p>For example, if you have one rule to reject messages that include a credit card number, and another one requiring approval, you'll want the reject rule to happen first, and stop applying other rules.”</p> <p>-- <a href="https://learn.microsoft.com/en-us/exchange/security-and-compliance/mail-flow-rules/mail-flow-rules">https://learn.microsoft.com/en-us/exchange/security-and-compliance/mail-flow-rules/mail-flow-rules</a></p>

49. Microsoft’s acts of direct infringement include, but are not limited to, making, using, offering for sale, and selling Exchange in the United States.

50. Microsoft’s infringement is irreparably harming Sterling.

51. Sterling is entitled to money damages in an amount to be determined at trial, and no less than a reasonable royalty, and to preliminary and permanent injunctive relief.

52. Microsoft has known of Sterling's '911 Patent since at least April 23, 2024, when Plaintiff served its initial Complaint on Microsoft. Dkt. 17.

53. Microsoft has known of Sterling's allegations concerning Microsoft's infringement of at least claims 1 and 10 of the '911 Patent since at least April 23, 2024, when Plaintiff served its initial Complaint on Microsoft asserting infringement. Dkt. 17.

54. Despite Microsoft's knowledge of Sterling's '911 Patent and the allegations of infringement, Microsoft has continued to make, use, offer for sale, and sell Exchange in the United States. *See, e.g.*, "Compare Exchange Online Plans," available at <https://www.microsoft.com/en-us/microsoft-365/exchange/compare-microsoft-exchange-online-plans> (last visited June 18, 2024) (offering for purchase Exchange Online).

55. For these reasons, Microsoft's post-filing infringement has been willful.

#### **V. JURY DEMAND**

56. Pursuant to Fed. R. Civ. P. 38, Sterling hereby demands a jury trial as to all issues so triable.

#### **PRAYER FOR RELIEF**

WHEREFORE, Sterling prays for relief as follows:

1. A judgment that Microsoft has infringed the '911 patent;
2. A judgment that Microsoft's infringement has been willful;
3. A judgment awarding Sterling damages in an amount to be determined at trial, but not less than a reasonable royalty, including all pre-judgment and post-judgment interest at the maximum rate allowed by law;
4. An order enjoining Microsoft preliminarily, and permanently thereafter, from infringing the '911 Patent;

5. A judgment awarding Sterling its costs incurred herein, including attorneys' fees for an exceptional case pursuant to 35 U.S.C. § 285;

6. A judgment awarding Sterling treble damages for willful infringement pursuant to 35 U.S.C. § 284; and

7. A judgment awarding Sterling such other and further relief as the Court may deem just and equitable.

Dated: June 27, 2024

Respectfully submitted,

By: /s/ Devan V. Padmanabhan by Christopher V. Goodpastor with permission

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**CERTIFICATE OF SERVICE**

The undersigned certifies that on June 27, 2024, the foregoing was filed electronically with the Clerk of Court using the CM/ECF system, which will send electronic notification of such filing to all counsel of record.

/s/ Christopher V. Goodpastor  
Christopher V. Goodpastor