

The Corrections Innovation Leader

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Federal Circuit Affirms Validity of GTL Biometric Security Patent, All Claims of Key Inmate Communications Patent Deemed Valid

GTL to request restart of patent infringement litigation against Securus Technologies in Texas federal court and will seek trial for injunction and \$100M in damages

FOR IMMEDIATE RELEASE

Reston, Virginia – July 20, 2017 – GTL, an innovation leader in correctional technology, education solutions that assist in rehabilitating inmates, and payment services solutions for government, today announced that the United States Court of Appeals for the Federal Circuit affirmed the decision of the Patent Trial and Appeal Board (PTAB) validating all claims of GTL patent 7,853,243, which protects GTL's technology for biometric and voice validation of inmate calls – widely used features of inmate calling systems and a requirement in many U.S. county jails and state prisons. The Federal Circuit decision clears the way for GTL to request a Texas Federal judge to restart GTL's pending \$100M infringement lawsuit against Securus Technologies involving '243 and two other GTL patents, where GTL seeks past damages and an injunction to prevent Securus from using the technology.

The unanimous Federal Circuit ruling affirmed an April 2016, PTAB final written decision that validated *all challenged* claims of the '243 patent that the PTAB agreed to review, some of which GTL has asserted against Securus as part of a lawsuit in the U.S. District Court for the Northern District of Texas. The suit alleges infringement by Securus' "Secure Call Platform," which handles nearly all of Securus' telecommunications traffic.

GTL filed the patent suit against Securus in October of 2013, alleging infringement of the '243 patent and GTL patents 7,783,021 and 7,551,732, which relate to call management and monitoring, use of Voice over IP communications for centralized call platforms, and operation and use of voice verification in inmate calling. The case was stayed in 2015, pending the outcome of IPRs filed by Securus against all of the patents in suit. Unlike many patents that are challenged before the PTAB, all of the asserted patents had all or some of their claims withstand their respective challenges.

GTL has never licensed to any competitor the technologies at issue in its lawsuit against Securus and is therefore seeking an injunction that, if granted, would require Securus to cease using GTL's patented technologies on its platforms at all facilities where infringement is occurring.

Securus initiated the patent litigation between the companies in 2013, filing an infringement suit against GTL, followed by two more infringement suits, while seeking \$115M from GTL to license Securus' patents. After spending four years and admitting to spending at least \$15M in legal fees, Securus has not collected a single dollar in damages, and GTL believes that Securus does not have any viable patent claims against GTL. In fact, every claim of the patents asserted by Securus from the first two lawsuits that GTL challenged has already been deemed invalid by the PTAB. Securus has publicly and repeatedly implored GTL to mutually walk away from all patent cases at no cost to either party and urged GTL to grant Securus a license to GTL's patented technology forever. These proposals reflect Securus' acknowledgement of the limited value of their patents and the strength of the growing GTL patent

portfolio. GTL will continue to focus on developing and expanding its industry-leading technology and patent portfolio.

GTL is asserting the following patents in its Texas suit against Securus:

- United States Patent No. 7,853,243, "Telecommunications Call Management and Monitoring System" (filed Dec. 17, 2007; issued Dec. 14, 2010)
- United States Patent No. 7,783,021, "Digital Telecommunications Call Management and Monitoring System" (filed Jan. 28, 2005; issued Aug. 24, 2010)
- United States Patent No. 7,551,732, "Centralized Voice over IP Recording and Retrieval Method and Apparatus" (filed Dec. 7, 2004; issued Jun. 23, 2009)

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About GTL

GTL leads the fields of correctional technology, education, and government payment services with visionary solutions and customized products that integrate seamlessly to deliver security, financial value, and ease of operation for its customers and aid in rehabilitation and the reduction of recidivism rates for inmates. As a trusted industry leader, GTL provides services to 32 state departments of corrections, the District of Columbia, Puerto Rico, the Federal Bureau of Prisons, and 79 of the 100 largest city/county facilities, including 40 of the top 50, which comprise 1.8 million inmates nationwide. To learn more about GTL, please visit www.gtl.net or social media sites on Facebook, Twitter, LinkedIn, and YouTube.