

UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

T-REX PROPERTY AB,

Plaintiff,

v.

QUALITY SYSTEMS TECHNOLOGY, INC.

Defendant.

Case No.: 1:16-cv-6942

Judge Sara L. Ellis

**SUPPLEMENTAL DECLARATION OF MATS HYLIN IN SUPPORT OF
MEMORANDUM SUPPORTING MOTION FOR ENTRY OF DEFAULT AND
DEFAULT JUDGMENT AGAINST DEFENDANT QUALITY SYSTEM
TECHNOLOGY, INC.**

I, Mats Hylin, having duly sworn on oath, state as follows:

1. My name is Mats Hylin. I am a resident of Sweden and am over the age of eighteen and competent to make this Declaration. This Declaration is based on my personal knowledge and, if called upon to do so, I will testify that the facts stated herein are true and accurate.

2. As of September 28, 2016, T-Rex Property AB ("T-Rex") has entered into more than 20 licenses related to United States Patent Nos. RE39,470 (the "470 Patent"), 7,382,334 (the "334 Patent"), and 6,430,603 (the "603 Patent") or collectively, the "T-Rex Patents."

3. All of the licenses entered into by T-Rex related to the T-Rex Patents are lump sum, fully-paid, non-exclusive licenses that include both a "paid in full to date" license to compensate T-Rex for past infringement, and if applicable, a "going forward" royalty to compensate T-Rex for future use of the technology covered by the claims of the asserted patents.

4. For example, T-Rex has entered into three separate lump sum, fully-paid, non-exclusive licenses of approximately \$48,000, \$130,000, and \$190,000. T-Rex entered into such

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licenses based in part on the amount of sales of the infringing instrumentalities and the understanding that T-Rex could quickly finalize the licensing agreements.

5. Based upon information and belief, Defendant was incorporated around August 2011 and had \$150,000 sales revenue in 2015 according to a LexisNexis Experian Business Report. As such, Defendant Quality Systems Technology, Inc. is believed to have been infringing the T-Rex Patents since around August 2011, and believed to have reported annual sales revenue of \$150,000 in 2015 related to the infringement of the T-Rex Patents.

6. Based on past licenses and the length of time that Defendant Quality Systems Technology, Inc. is believed to have been infringing the T-Rex Patents, as well as T-Rex's estimate of the Defendant's sales revenue, T-Rex would seek a "paid in full to date" license of at least \$50,000.00 from Defendant if Defendant was to seek a license at this time. This \$50,000.00 would compensate T-Rex for Defendant's infringement to date.

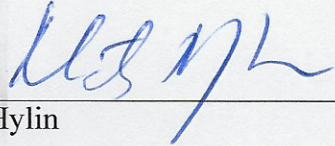
7. With respect to a license for future use of technology covered by the '603 Patent, T-Rex seeks a 5% "going forward" royalty on revenues from sales transactions falling within the scope of the claims of the '603 Patent. T-Rex is entitled to be compensated for Defendant's infringement of the '603 Patent to the extent that Defendant does not immediately cease infringement upon issuance of an injunction by this Court.

8. A 5% royalty on revenue from sales transactions falling within the scope of the claims of the '603 Patent from the date of this Court's judgment until Defendant ceases further infringement is reasonable and will adequately compensate T-Rex for Defendant's future infringement of the '603 Patent.

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I declare under the penalty of perjury under the laws of the United States that the foregoing is true and correct.

Executed on October 17, 2016


/s/ _____
Mats Hylin