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UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

THE MANGROVE PARTNERS MASTER FUND, LTD., APPLE INC., AND
BLACK SWAMP, LLC,
Petitioner

v.

VIRNETX INC.,
Patent Owner

Case IPR2015-01047¹
Patent No. 7,490,151

Patent Owner's Request for Rehearing and Suggestion for Expanded Panel

¹ Apple Inc. and Black Swamp, LLC, who filed petitions in IPR2016-00063 and IPR2016-00167, respectively, have been joined as Petitioners in the instant proceeding.

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I. INTRODUCTION AND PRECISE RELIEF REQUESTED

Patent Owner VirnetX Inc. requests rehearing of the Patent Trial and Appeal Board's Final Written Decision entered September 9, 2016 (Paper No. 80, "Decision"). This request presents two issues:

- (1) Whether a company that provides funding for an IPR petition, and whose executives dictate the contents of that petition and corresponding expert declaration, is a real party-in-interest ("RPI")?
- (2) Whether an expert declaration accompanying an IPR petition should be given any weight by the Board if, after being signed by the declarant, the declaration was altered by an executive of a company involved in preparing the petition?

The Decision misapprehended or overlooked arguments and evidence in the Patent Owner's Response as to each of these issues.²

With respect to the first issue, the Decision misapprehended or overlooked evidence regarding representations by The Mangrove Partners Master Fund, Ltd. ("Petitioner Mangrove") to the United States Securities and Exchange Commission ("SEC"), and evidence uncovered during additional discovery, showing that RPIs

² In presenting this Request for Rehearing, Patent Owner reserves all rights to appeal these and other aspects of the Decision.

were improperly omitted. Paper No. 48 (“Patent Owner’s Response” or “Response”) at 51–52, 54–56. The Board should vacate its Decision and terminate this proceeding for this failure to disclose RPIs, as other panels have done before.

With respect to the second issue, the Decision misapprehended or overlooked arguments and evidence that the content of the declaration of Dr. Roch Guerin (Petitioner’s expert), Exhibit 1003, was improperly changed, after being signed by Dr. Guerin, by (at a minimum) the Chief Operating Officer of an entity involved in preparing the Petition in this proceeding. *Id.* at 37–39. The Board should find that Exhibit 1003 is entitled to no weight and reverse its findings of unpatentability, which rely on Exhibit 1003.

VirnetX suggests rehearing by an expanded panel that includes the Chief Judge in deciding at least the RPI issues raised in this request. Standard Operating Procedure 1, Rev. 14 (May 8, 2015), Section III.D (“When a judge, a merits panel, or an interlocutory panel . . . receives a suggestion for an expanded panel, the judge, merits panel, or interlocutory panel shall notify the Chief Judge, Deputy Chief Judge, and the Vice Chief Judges of the suggestion, in writing.”). The RPI issues need to be considered “by an expanded panel . . . to secure and maintain uniformity of the Board’s decisions,” given that the Decision here conflicts with what other panels have done under similar circumstances. *See* Standard Operating Procedure 1, Rev. 14, Section III.A.

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