

UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF OHIO

HID GLOBAL CORPORATION,  
9292 Jeronimo Road  
Irvine, California 92618

Plaintiff,

v.

KEITH R. LEIGHTON,  
214 Mariner's Circle  
Apartment G  
Sheffield Lake, Ohio 44054

Defendant.

1:07cv1972  
CASE NO.

JUDGE JUDGE GAUGHAN  
MAG. JUDGE HEMANN

JURY DEMAND  
ENDORSED HEREON

**COMPLAINT**

Plaintiff HID Global Corporation ("HID"), for its Complaint against Defendant Keith R. Leighton ("Leighton"), alleges as follows:

**THE PARTIES**

1. HID is a corporation organized and existing under the laws of the State of Delaware, with a principal place of business at 9292 Jeronimo Road, Irvine, California 92618.
2. Leighton is an individual residing in this judicial district at 214 Mariner's Circle, Apartment G, Sheffield Lake, Ohio 44054.

**JURISDICTION AND VENUE**

3. This is an action for breach of contract and unjust enrichment. This Court has subject matter jurisdiction over these claims pursuant to 28 U.S.C. §§ 1332 and 1367. HID and Leighton are citizens of different states, and the amount in controversy, exclusive of interest and costs, exceeds \$75,000.

4. As a resident of the State of Ohio and of this judicial district, Leighton is subject to personal jurisdiction in this judicial district.

5. This Court is the proper venue for this action pursuant to 28 U.S.C. § 1391(a)(1) because Leighton resides in this judicial district.

### **FACTUAL ALLEGATIONS**

6. HID is a leader in the sale of contactless and contact access control cards and readers for the security industry. Its access control products include 13.56 MHz contactless and contact smart cards, 125 KHz proximity cards, Mifare cards and Weigand cards (referred to hereinafter as "RFID cards"). HID's card and reader technologies are utilized in diverse applications including security access control, network log-on security, vehicle identification, cashless vending, time and attendance, and biometric verification, among other things.

7. HID is the successor-in-interest to an entity formerly known as Indala Corporation ("Indala"), which was a Delaware corporation with its principal place of business located in San Jose, California. Indala was a subsidiary of Motorola, Inc. ("Motorola") during the relevant time period and was engaged in the RFID card business. Through a September 27, 2001 Asset Sale Agreement, HID acquired all of the assets and rights of Indala and Motorola used in connection with the business of developing, manufacturing, marketing, selling and servicing the RFID products of Indala and Motorola. Thus, as a result of this transaction, HID is the owner of and successor-in-interest to any and all assets related to Indala and/or Motorola's RFID business, including contract rights.

8. Leighton purports to be the sole inventor of several United States patents relating to processes for the manufacture of RFID cards, including U.S. Patent Nos. 5,817,207 ("the '207 Patent"), 6,036,099 ("the '099 Patent"), 6,214,155 ("the '155 Patent"), 6,441,736 ("the '736

Patent”) and 6,514,367 (“the ‘367 Patent”) (collectively, the “Leighton Patents”). The Leighton Patents are related to and claim priority from U.S. Provisional Patent Application No. 60/005,685, which was filed by and on behalf of Leighton on October 17, 1995.

9. In or about February 1995, Leighton met with certain employees of Motorola and/or Indala in San Jose, California, to discuss the possibility of Leighton working or consulting with Motorola in the production of certain RFID cards. As of that time, Leighton asserted that he had broad experience in the lamination of plastic cards generally, although he did not have any specific experience laminating electronic elements into plastic cards, which was the focus of Motorola’s project.

10. Motorola and Leighton ultimately reached an agreement in February 1995, whereby Leighton would provide consulting services to Motorola for four weeks. Leighton, in turn, would be paid \$7,500 for the four weeks of consulting, plus a bonus of \$1,500 if he successfully developed a lamination process that could produce more than 10,000 RFID cards before the end of the four-week period. Motorola also agreed to spend \$500 in connection with up-front materials and supplies requested by Leighton for the project. A copy of the Motorola Purchase Order is attached hereto and incorporated herein as Exhibit A. Leighton, in turn, agreed to provide certain “deliverables” to Motorola upon completion of the project, including a specification of the materials, processes, procedures and equipment used by Leighton in producing the requested RFID cards.

11. To memorialize their agreement, Motorola issued a purchase order to Leighton, dated March 2, 1995, which incorporated by reference a February 22, 1995 letter agreement, an “up front item list” of materials requested by Leighton, a “Confidentiality Agreement,” and the list of deliverables to be provided to Motorola by Leighton. A copy of the Confidentiality

Agreement is incorporated herein and attached hereto as Exhibit B. Leighton signed the Confidentiality Agreement, dated February 23, 1995, and the list of deliverables, dated March 22, 1995.

12. The Confidentiality Agreement includes, in part, the following provisions:

In consideration of my engagement by Motorola, Inc. ("Motorola"), as a Consultant/Contractor for programs or products as directed by Motorola, and in consideration of the compensation paid to me for my services in the course of such engagement, I understand and agree to the following provisions for the protection of the property rights of Motorola:

1. I will promptly and fully communicate in writing to an Executive Officer of Motorola or its nominees, all inventions, innovations and ideas developed or conceived by me, whether solely or jointly with others at any time during the entire period of my engagement with Motorola, and which inventions, innovations and ideas relate to the actual and anticipated business activities of Motorola, or result from, or are suggested by, work which I do for Motorola. I agree to assign and hereby assign to Motorola as its exclusive property the entire right, title and interest in all such inventions, innovations and ideas. I will, at all times during my engagement with Motorola, and after the termination of my engagement for any reason, assist Motorola in every proper way but entirely at Motorola's expense, to obtain and maintain for Motorola's benefit patents, copyrights, and other legal protection in any and all countries for the above-mentioned invention, innovations, and ideas. . . . I agree that all such inventions, innovations, and ideas are and will remain the property of Motorola whether or not patented. . . . I agree to keep, maintain and make available to Motorola, written records of all such inventions, innovations, and ideas, and to submit promptly to such written records, and supplemental oral disclosures, to designated representatives of Motorola. . . .

2. That I will maintain strictly confidential and not publish, disseminate, or disclose to others, data and information of Motorola which I may originate or of which I learn during my period of engagement with Motorola and which is of a confidential or secret nature, including but not limited to product, machine, and process developments, whether patentable or not, manufacturing "know-how", formulas, designs, photographs, plans, specifications, . . . .

13. Leighton began consulting for Motorola in late March 1995, and concluded his engagement on or about May 5, 1995.

14. Motorola paid Leighton the full \$7,500 compensation required under the Purchase Order. Motorola also purchased the \$500 worth of up-front supplies requested by Leighton for the project. Motorola did not pay Leighton the \$1,500 bonus, however, because he failed to produce 10,000 cards and to supply the required deliverables, including but not limited to documentation of the specifications and processes he developed for Motorola during the period of his consultancy.

15. On or about May 19, 1995, Leighton sent a letter and invoice to Motorola explaining why he believed he was entitled to the \$1500 bonus. Motorola responded on or about July 12, 1995, explaining that Leighton had not earned the bonus because he had not satisfied the bonus conditions set forth in the Purchase Order and/or related documents.

16. Less than one week after receiving Motorola's letter, and unbeknownst to Motorola at the time, Leighton began contacting other businesses who he thought might be interested in RFID card developments, touting his "innovations" and even providing samples of cards that he produced at Motorola to evidence his capabilities in an attempt to gain employment with these businesses. These activities by Leighton were revealed to HID over the last twelve to eighteen months as the result of the discovery process and related briefing in separate, ongoing litigation.

17. On or about October 17, 1995, and unbeknownst to Motorola at the time, Leighton filed U.S. Provisional Patent Application No. 60/005,685, which relates to a hot lamination process for manufacturing RFID cards. The provisional patent application ultimately issued as the '207 Patent, the first in the series of the interrelated Leighton Patents.

18. Between his departure from Motorola in May 1995 and the filing of the provisional patent application in October 1995, Leighton did not have access to any equipment or materials needed to develop or produce RFID cards.

19. The Leighton Patents reflect and embody "inventions, innovations and ideas developed or conceived" by Leighton during the period of his consulting engagement with Motorola. and/or resulting from, or suggested by, work that Leighton performed for Motorola.

20. Each of the Leighton Patents issued in the name of Keith R. Leighton, individually and personally. Leighton subsequently assigned certain interests in and to the Leighton Patents to several third parties.

21. In or about June 2003, Leighton and those third parties to whom he had assigned interests in the Leighton Patents purported to assign their rights and interests in the Leighton Patents to Leighton Technologies, LLC ("Leighton Technologies"), which was formed to acquire and enforce the Leighton Patents against third parties. Members of Leighton Technologies include, among others, Leighton and General Patent Corporation International, a patent enforcement company.

22. Beginning in or about August 2003, and continuing through May 2005, HID received correspondence sent on behalf of Leighton Technologies accusing HID of infringing one or more of the Leighton Patents.

23. At considerable expense, HID conducted independent analysis of the Leighton Patents, including an evaluation of the basis for Leighton Technologies' infringement allegations and whether the Leighton Patents are valid and enforceable. Based upon these evaluations, HID determined that the Leighton Patents are invalid for failure to meet the patentability requirements of 35 U.S.C. §§ 101, 102 and/or 103. In addition, as a result of its investigation of Leighton

Technologies' infringement allegations, HID discovered Leighton's former relationship to Motorola and his contractual obligations related thereto. HID, therefore, determined that it is not liable for infringement of the Leighton Patents and, in fact, is the rightful owner of the Leighton Patents by virtue of the Motorola/Leighton agreements discussed in Paragraphs 10-12. *supra*. Before receipt of the Leighton Technologies' patent infringement demand letters, neither HID nor Motorola had reason to believe that Leighton violated his contractual obligations to Motorola.

24. Leighton Technologies, however, continued to maintain that HID is liable for infringement of one or more of the Leighton Patents, demanding payment of licensing fees under threat of legal action.

25. As a result of the threat of legal action by or on behalf of Leighton Technologies, HID filed a declaratory judgment action in the United States District Court for the Central District of California, seeking declaratory, injunctive and monetary relief in an effort to defend against and defeat Leighton Technologies' baseless infringement allegations, which stem entirely from inventions that were assigned to Motorola by Leighton in 1995 and are, therefore, assets to which HID is the successor-in-interest.

26. As a result of the conduct of Leighton complained of herein, including but not limited to defending against the patent infringement threats and claims of Leighton Technologies, HID has incurred attorneys' fees, costs and expenses in excess of \$ 2,000,000 to date.

**COUNT ONE**  
**BREACH OF CONTRACT (DUTY TO NOTIFY)**

27. HID realleges and incorporates herein by reference all of the allegations set forth in Paragraphs 1 through 26 above as if such allegations were set forth fully and specifically herein.

28. Motorola and Leighton entered into a legally binding agreement regarding the terms and conditions of Leighton's consultancy, which included the Confidentiality Agreement accepted and signed by Leighton.

29. Motorola performed its duties and obligations under the terms of the agreement, including but not limited to payment of \$7,500 to Leighton for his work.

30. Leighton breached his obligations under the Confidentiality Agreement by failing to "promptly and fully communicate in writing to an Executive Officer of Motorola or its nominees, all inventions, innovations and ideas developed or conceived by [him], whether solely or jointly with others at any time during the entire period of [his] engagement with Motorola, and which inventions, innovations and ideas relate to the actual and anticipated business activities of Motorola, or result from, or are suggested by, work which [he did] for Motorola" and by failing to "keep, maintain and make available to Motorola, written records of all such inventions, innovations, and ideas, and to submit promptly to such written records, and supplemental oral disclosures, to designated representatives of Motorola."

31. Leighton's failure to comply with the foregoing provisions of the Confidentiality Agreement prevented Motorola from, among other things, evaluating the patentability of Leighton's "inventions, innovations and ideas developed or conceived by [him]," perfecting its assignment in the patents that issued from those "inventions, innovations and ideas developed or

conceived by [him],” and exploiting them, if appropriate, to Motorola’s financial and competitive advantage.

32. HID is the successor-in-interest to Motorola’s rights under Leighton’s Confidentiality Agreement.

33. As a result of Leighton’s breach of the Confidentiality Agreement. HID has been and will continue to be harmed, damaged and injured, including but not limited to the lost opportunity to patent and exploit the “inventions, innovations and ideas developed or conceived by” Leighton, damage to the value of its intellectual property rights, and the attorneys’ fees and costs incurred by HID in defending against Leighton Technologies’ charges of patent infringement based on technology that rightfully belongs to HID, as successor-in-interest to Motorola.

**COUNT TWO**  
**BREACH OF CONTRACT (DUTY TO ASSIGN)**

34. HID realleges and incorporates herein by reference all of the allegations set forth in Paragraphs 1 through 33 above as if such allegations were set forth fully and specifically herein.

35. Motorola and Leighton entered into a legally binding agreement regarding the terms and conditions of Leighton’s consultancy, which included the Confidentiality Agreement accepted and signed by Leighton.

36. Motorola performed its duties and obligations under the terms of the agreement, including but not limited to payment of \$7,500 to Leighton for his work.

37. Leighton breached his obligations under the Confidentiality Agreement by failing to recognize and respect his obligation to “assign and hereby assign to Motorola as its exclusive property the entire right, title and interest in all such inventions, innovations and ideas” and to

“assist Motorola in every proper way but entirely at Motorola’s expense, to obtain and maintain for Motorola’s benefit patents, copyrights, and other legal protection in any and all countries for the above-mentioned invention, innovations, and ideas.” Specifically, Leighton violated the foregoing provisions of the Confidentiality Agreement by at least applying for and obtaining the Leighton Patents in his own name and subsequently assigning rights and interests in those patents to third parties other than Motorola, which directly contradicts his acknowledgement and agreement that “all such inventions, innovations, and ideas are and will remain the property of Motorola whether or not patented.”

38. Leighton’s failure to comply with the foregoing provisions of the Confidentiality Agreement prevented Motorola from establishing its rights in and to the patents that issued as a result of Leighton’s “inventions, innovations and ideas developed or conceived by [him],” perfecting its assignment in the patents that issued from those “inventions, innovations and ideas developed or conceived by [him],” and exploiting them, if appropriate, to Motorola’s financial and competitive advantage.

39. HID is the successor-in-interest to Motorola’s rights under Leighton’s Confidentiality Agreement.

40. As a result of Leighton’s breach of the Confidentiality Agreement, HID has been and will continue to be harmed, damaged and injured, including but not limited to the lost opportunity to exploit the Leighton Patents and related technology itself, damage to the value of its intellectual property rights, and the attorneys’ fees and costs incurred by HID in defending against Leighton Technologies’ charges of patent infringement based on patents that Leighton previously assigned to HID, as successor-in-interest to Motorola.

**COUNT THREE**  
**BREACH OF CONTRACT (CONFIDENTIALITY)**

41. HID realleges and incorporates herein by reference all of the allegations set forth in Paragraphs 1 through 40 above as if such allegations were set forth fully and specifically herein.

42. Motorola and Leighton entered into a legally binding agreement regarding the terms and conditions of Leighton's consultancy, which included the Confidentiality Agreement accepted and signed by Leighton.

43. Motorola performed its duties and obligations under the terms of the agreement, including but not limited to payment of \$7,500 to Leighton for his work.

44. Leighton breached his obligations under Paragraph 2 of the Confidentiality Agreement by publishing, disclosing and disseminating to third parties confidential business data and information of Motorola which Leighton originated or learned during the period of his consultancy with Motorola, including but not limited to sample RFID cards produced by Leighton during his consultancy with Motorola and information regarding the structures, processes and procedures used for the production thereof.

45. HID is the successor-in-interest to Motorola's rights under Leighton's Confidentiality Agreement.

46. As a result of Leighton's breach of the Confidentiality Agreement, HID has been and will continue to be harmed, damaged and injured, including but not limited to the damage to the value of its intellectual property rights and the risk that one or more of the businesses with whom Leighton shared Motorola's information used and acted upon it to Motorola's detriment, which in turn harms HID as Motorola's successor-in-interest.

**COUNT FOUR**  
**UNJUST ENRICHMENT**

47. HID realleges and incorporates herein by reference all of the allegations set forth in Paragraphs 1 through 46 above as if such allegations were set forth fully and specifically herein.

48. In failing to abide by his duties and obligations under his 1995 agreements with Motorola, including by not limited to the Confidentiality Agreement, Leighton retained for himself assets and property rights that rightfully belong to HID as Motorola's successor-in-interest.

49. Leighton exploited the assets and property rights he improperly withheld from Motorola and personally profited therefrom in the form of investment, licensing and royalty income despite his knowledge of his obligations to Motorola.

50. Any investment, licensing or royalty income earned by Leighton through the exploitation of the Leighton Patents or any other inventions, innovations or ideas developed or conceived by him at any time during the entire period of his engagement with Motorola is revenue that belongs to HID as Motorola's successor-in-interest.

**PRAYER FOR RELIEF**

WHEREFORE, HID prays that the Court enter an Order for Judgment as follows:

A. That the Court find that Leighton breached his obligations under the 1995 agreements:

B. That HID be awarded damages it has suffered as a result of Leighton's breach of contract, including but not limited to attorneys' fees, costs and expenses incurred in defending against the patent infringement threats and claims of Leighton Technologies, in an amount to be proven at trial, but not less than \$ 2,000,000;

C. That Leighton be ordered to account for all revenues and profits realized as a result of his improper assertion of ownership rights in the inventions, innovations and/or ideas developed or conceived by Leighton during his engagement with Motorola;

D. That HID be awarded damages equal to the revenue earned by Leighton as a result of his improper assertion of ownership rights in the inventions, innovations and/or ideas developed or conceived by Leighton during his engagement with Motorola;

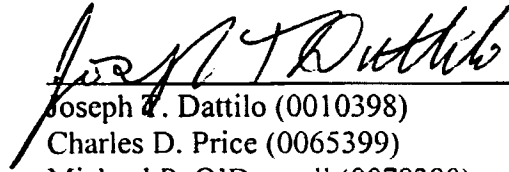
E. That HID be awarded its costs incurred in prosecuting this action; and

F. That such other and further relief be awarded to HID as the Court deems just and appropriate.

**DEMAND FOR JURY TRIAL**

HID requests a trial by jury on all issues so triable.

Respectfully submitted,



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**MOTOROLA**

Indala Corporation

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SHIP TO  
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TELEX 216-960-2335  
PHONE 216-960-1697

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408-434-7010

RESALE

ORDER DATE	VENDOR CODE	TERMS	SHIP VIA	COMPANY TO				
03/02/95	1439	NET 30	BEST METHOD	KEITH LEIGHTON				
DESTINATION	TAXABLE	PO TYPE	ORDER	REQUESTOR				
	YES	REV	W	KEN THOMPSON				
ITEM	PART NUMBER	DESCRIPTION	REV	INSP	DELIVERY DATE	QUANTITY	UOM	UNIT PRICE
CONSULTANT SERVICES TO BE PERFORMED PER TERMS OF AGREEMENT DATED 02/22/95 ATTACHED AND MADE PART OF THIS P.O.								
1.00	MISC001-8950747				04/14/95	1.00	LT	500.000
	ACCOUNT: 01-553-1090							
	UP FRONT ITEM LIST							
	QTY ORDERED:	1.00	QTY RECEIVED:	.00	QTY DUE:	1.00		
2.00	MISC002-8950747				04/14/95	4.00	EA	1875.000
	ACCOUNT: 01-553-1090							
	FOUR WEEKS OF CONSULTANT WORK							
	QTY ORDERED:	4.00	QTY RECEIVED:	.00	QTY DUE:	4.00		
3.00	MISC003-8950747				04/14/95	1.00	LT	1500.000
	ACCOUNT: 01-553-1090							
	BONUS UPON MEETING TERMS OF AGREEMENT DATED 02/22/95.							
	QTY ORDERED:	1.00	QTY RECEIVED:	.00	QTY DUE:	1.00		
<del>ORDERED CONFIDENTIALITY AGREEMENT AND P.O. NUMBER AND</del>								
<del>ATTACHED AS PART OF THIS P.O. PAYMENT AUTHORIZED BY KEN THOMPSON. PRICES SHOWN INCLUDE TIME AND MATERIALS</del>								

AGENT

*St. J. 2/3/95*

VENDOR

TOTAL ORDER



**MOTOROLA**

Indala Corporation

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VENDOR: KEITH LEIGHTON

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PAGE 2  
PURCHASE ORDER NO. 8950747  
CHANGE ORDER

**Purchase Order**

TELEX 216-9660-2335  
PHONE 216-960-1697

03/02/95 1439 1439

DESTINATION YES SEV 100

ITEM # PART NUMBER DESCRIPTION NEW INST DELIVERY DATE QUANTITY UOM UNIT PRICE EXTENSION

FREIGHT: PREPAY & BILL  
DELIVERY DATE INDICATES LATEST ANTICIPATED RECEIPT DATE.  
CONFIRMING ORDER! DO NOT DUPLICATE.  
ITEMS ARE NOT FOR RESALE.

AGENT

*Handwritten signature* 3/3/95

VENDOR

TOTAL ORDER

9500.00

THE TERMS AND CONDITIONS SET FORTH ON THIS ATTACHMENT SUPERSEDE ALL TERMS AND CONDITIONS LOCATED ON THE REVERSE SIDE OF THE PURCHASE ORDER TO WHICH THESE TERMS AND CONDITIONS ARE ATTACHED.

- 1. ACCEPTANCE-AGREEMENT. Buyer's acceptance of the goods, whether or not the goods are inspected, shall constitute acceptance of the goods and shall constitute a rejection of any terms proposed in this order. Buyer's acceptance of the goods shall constitute a rejection of any terms proposed in this order. Any such proposed terms shall not be a part of this order. Buyer's acceptance of the goods shall constitute a rejection of any terms proposed in this order. Any such proposed terms shall not be a part of this order.
- 2. PRICE. The articles specified or such performed against this order must not be delivered at a higher price than shown on the invoice. The invoice must show the net price, including all applicable taxes, and any other charges, and must be accompanied by a bill of lading or other document of title. The price shall be the price shown on the invoice, and shall be the price shown on the invoice, and shall be the price shown on the invoice.
- 3. PROPRIETARY INFORMATION-CONFIDENTIALITY. Any information or data in the form of specifications, drawings, recipes, technical information or other information furnished to the Seller under this order shall remain the property of the Seller and shall be kept confidential, and shall be promptly returned to the Seller upon the termination of this order. Any such information or data shall be kept confidential, and shall be promptly returned to the Seller upon the termination of this order.
- 4. WARRANTIES. Seller expressly warrants that all goods or services provided under this order shall be free from defects in material and workmanship, of the highest quality, and shall conform to all applicable specifications and appropriate standards. Seller further warrants that the goods or services provided under this order shall be free from defects in material and workmanship, of the highest quality, and shall conform to all applicable specifications and appropriate standards.
- 5. TERMINATION. Materials may terminate all or any part of this order at any time for any reason without notice to Seller. Materials will pay a reasonable termination charge based on a percentage of the order price reflecting the percentage of work performed by Seller prior to termination. Materials may also terminate this order at any time for cause if Seller fails to perform its obligations under this order.
- 6. PATENT INFRINGEMENT. By acceptance of this order, Seller agrees to indemnify Materials against all claims, judgments, damages, costs and attorney's fees incurred by Materials in any proceeding which may be brought against Materials or its agents, distributors, customers, or other vendors based on a claim of alleged copyright, trademark or patent infringement, as well as for all expenses of litigation resulting from such claim, including reasonable attorneys' fees and costs. Seller shall also indemnify Materials against all claims, judgments, damages, costs and attorney's fees incurred by Materials in any proceeding which may be brought against Materials or its agents, distributors, customers, or other vendors based on a claim of alleged copyright, trademark or patent infringement, as well as for all expenses of litigation resulting from such claim, including reasonable attorneys' fees and costs.
- 7. MATERIALS, TOOLS AND EQUIPMENT. All tools, equipment, dies, gauges, jigs, fixtures, drawings or other materials furnished to or by Seller for the purpose of this order shall be the property of Seller and shall be returned to Seller upon completion of this order. Seller shall be responsible for the safekeeping of all such property while it is in Seller's custody or control, and shall be liable for any loss or damage to such property while it is in Seller's custody or control.
- 8. INDEMNIFICATION. Seller shall defend, indemnify and hold Materials harmless against all damages, claims or expenses, including attorney's fees, resulting from or arising out of or resulting in any way from any patent or trademark infringement, or from any act or omission of Seller, its agents, employees or subcontractors. This indemnification shall be in addition to the warranty obligations of Seller.
- 9. CHANGES. Materials shall have the right to make changes in this order at any time for its convenience upon written notice to Seller. Such changes shall be subject to an equitable adjustment in the performance schedule of purchase price, based on reasonable and unavoidable costs incurred by the Seller prior to notice of the change. Any claim of Seller for an adjustment shall be submitted in writing to Materials within thirty (30) days of the Materials change notice.
- 10. INSPECTION. Seller's finished equipment, goods and services purchased under this order are subject to Materials' inspection and acceptance. Payment for the goods and services ordered shall not constitute acceptance. Goods shall only be deemed accepted when they have been inspected, inspected, and tested by Materials and found to be in compliance with this order. Goods received under this order shall be the property of Seller and shall be returned to Seller upon completion of this order. Seller shall be responsible for the safekeeping of all such property while it is in Seller's custody or control, and shall be liable for any loss or damage to such property while it is in Seller's custody or control.
- 11. PACKING, DELIVERY AND SHIPMENT. All goods and services shall be packed and shipped in accordance with instructions or specifications on this order. In the absence of any such instructions, Seller shall comply with best commercial practice to ensure the safe arrival of the goods at the destination. THE TERMS OF THE ORDER, INCLUDING THE WARRANTY, SHALL APPLY TO ALL GOODS AND SERVICES PROVIDED BY THE SELLER. Materials may terminate this order at any time for any reason without notice to Seller. Materials will pay a reasonable termination charge based on a percentage of the order price reflecting the percentage of work performed by Seller prior to termination. Materials may also terminate this order at any time for cause if Seller fails to perform its obligations under this order.
- 12. MATERIAL SAFETY DATA SHEETS. All chemicals purchased under the terms and conditions of this order shall be accompanied with a Material Safety Data Sheet provided by the chemical manufacturer. All chemical suppliers shall be responsible for ensuring that the chemical purchased is in compliance with the Toxic Substances Control Act, 15 U.S.C. § 2601, et seq., and shall be responsible for ensuring that the chemical purchased is in compliance with the Toxic Substances Control Act, 15 U.S.C. § 2601, et seq., and shall be responsible for ensuring that the chemical purchased is in compliance with the Toxic Substances Control Act, 15 U.S.C. § 2601, et seq.
- 13. OZONE DEPLETING SUBSTANCES. The manufacturer of any material purchased under this order is certifying its acceptance of this order that the material is not manufactured with ozone depleting substances and that the material is in compliance with the Clean Air Act Amendments of 1990 Public Law 101-549 § 611(a)(2) of any alternative labeling that the Environmental Protection Agency has determined acceptable.
- 14. INSURANCE. This order includes services or work to be performed on Materials' premises, Seller agrees to indemnify Materials from all loss or damage arising out of such work, to obtain the highest policy available to adhere to all Materials work rules and security requirements, to maintain adequate liability coverage to Materials, and to furnish evidence of such insurance to Materials upon request.
- 15. COMPLIANCE WITH LAWS. Seller warrants that all goods and services supplied pursuant to this order will have been produced in compliance with all applicable federal, state and local laws, rules, regulations and requirements. Seller shall indemnify Materials against any liability or damages on account of any non-compliance.
- 16. IMPORT/CUSTOMS. For each shipment where the Seller provides goods covered by this order outside the United States Customs Territory, Materials shall have the option of being the importer of record. In such case, the Seller shall advise Materials with a commercial invoice and the price specified on the invoice of this order shall be fully stated on the commercial invoice and shall include all elements of the actual price of the goods. The value of all items deemed "goods", as defined in 19 C.F.R. § 152.102, for the purposes of this order shall be declared on the commercial invoice for the full shipment of goods destined for the United States Customs Territory. In accordance with paragraph 15 (COMPLIANCE WITH LAWS) above, Materials hereby certifies that the Seller is responsible for compliance with all applicable Federal regulations, including but not limited to those related to Country of Origin Marking (19 C.F.R. § 134); Materials further warrants that the Seller, upon request, shall furnish Materials with all evidence of compliance and shall identify the country of origin of all goods covered hereunder.
- 17. GOVERNMENT SUBCONTRACT. If a government contract clause appears on the face of this order, Seller agrees to comply with all terms and conditions of that government contract which appear on Exhibit A attached hereto and made a part hereof and any other pertinent laws, Presidential directives and executive orders to the extent they apply to the subject matter of this order.
- 18. EQUAL EMPLOYMENT OPPORTUNITY AND AFFIRMATIVE ACTION. This order incorporates by reference (a) all provisions of 41 C.F.R. 60-1.4 and 60-2.5 as implemented by Federal Acquisition Regulation (FAR) 27.222-1(a) and (b) all provisions of 41 C.F.R. 60-250 as implemented by FAR 27.222-35 and 37 pertaining to employment reports and affirmative action for disabled veterans and veterans of the Vietnam Era; and (c) all provisions of 41 C.F.R. 60-7.1 as implemented by FAR 27.222-36 pertaining to affirmative action for handicapped/disabled workers. Seller agrees to comply with any and all applicable State and Local Government Equal Employment Opportunity and Affirmative Action laws, including any and all applicable statutes, rules, regulations, orders and other guidelines.
- 19. EEO-1 REPRESENTATION. Seller represents that it has submitted Standard Form 100 (EEO-1) compliance reports as required by 41 C.F.R. 60-1.7 as implemented by FAR 27.222-32.
- 20. CERTIFICATION OF NONSEGREGATED FACILITIES. Seller certifies that, in compliance with 41 C.F.R. 60-1.8 as implemented by FAR 27.222-21, it does not and will not maintain or provide for its employees any segregated facilities as defined in 41 C.F.R. 60-1.8 and will not permit its employees to perform their services at any location under its control where segregated facilities are maintained. Seller agrees that each of the certificates is a violation of the Equal Opportunity Clause incorporated herein. Seller further agrees that it will either (a) obtain certifications of nonsegregated facilities from prospective subcontractors for specific work projects or (b) obtain certifications of nonsegregated facilities from prospective subcontractors before the award of any subcontract subject to the Equal Opportunity Clause, and retain such certifications on file, and forward the Notice set forth in FAR 27.222-21 to prospective subcontractors.
- 21. DISPUTE RESOLUTION. Both parties agree that any claims or disputes will be submitted to non-binding mediation prior to initiation of any formal legal process. Costs of mediation will be shared equally. This provision does not apply to claims or disputes relating to intellectual property rights.
- 22. GENERAL. This purchase order and any documents attached to or referred to on this order constitute the entire agreement between the parties and can only be modified in writing signed by authorized representatives of both parties. The date of this order may be assigned or subcontracted without the prior written approval of Materials. All claims for money due or to become due from Materials shall be subject to deduction or set off by Materials for any counterclaim arising out of this or any other transaction with Seller. Materials' use of liability for damages under this order shall not exceed the price applicable to the goods or services being used by the claim. Materials' failure to enforce or strict on performance of any of the terms or conditions of this order shall not operate as a waiver of this or any other right. This order shall be governed by the laws of Illinois.

TAX. REG. NUMBERS

ILLINOIS 6239-2623 TEXAS 3-00018-6016-3 ARIZONA 87-447256-9 IOWA 2-00-110540  
 FLORIDA 78-11-015610-63 NEW MEXICO 01-760351-088 PENNSYLVANIA 28-193272 PUERTO RICO 1236-SI-1846

REVISED - SEPT. 1992



*validly formed*

**CONFIDENTIALITY AGREEMENT**

In consideration of my engagement by Motorola, Inc. ("Motorola"), as a Consultant/Contractor for programs or products as directed by Motorola, and in consideration of the compensation paid to me for my services in the course of such engagement, I understand and agree to the following provisions for the protection of the property rights of Motorola:

1. I will promptly and fully communicate in writing to an Executive Officer of Motorola or its nominees, all inventions, innovations and ideas developed or conceived by me, whether solely or jointly with others at any time during the entire period of my engagement with Motorola, and which inventions, innovations and ideas relate to the actual and anticipated business activities of Motorola, or result from, or are suggested by, work which I do for Motorola. I agree to assign and hereby assign to Motorola as its exclusive property the entire right, title and interest in all such inventions, innovations and ideas. I will, at all times during my engagement with Motorola, and after the termination of my engagement for any reason, assist Motorola in every proper way but entirely at Motorola's expense, to obtain and maintain for Motorola's benefit patents, copyrights, and other legal protection in any and all countries for the above-mentioned invention, innovations, and ideas. When requested, I will execute all papers, provide proper assistance and do all things that may reasonably be required in order to protect and maintain the rights of Motorola in such inventions, innovations, and ideas. I agree that all such inventions, innovations, and ideas are and will remain the property of Motorola whether or not patented. I agree to keep, maintain and make available to Motorola, written records of all such inventions, innovations, and ideas, and to submit promptly such written records, and supplemental oral disclosures, to designated representatives of Motorola. I agree that the obligations of this paragraph 1 will be binding upon my heirs, executors and administrators, and may be transferred by Motorola.
2. That I will maintain strictly confidential and not publish, disseminate, or disclose to others, data and information of Motorola which I may originate or of which I learn during my period of engagement with Motorola and which is of a confidential or secret nature, including but not limited to product, machine, and process developments, whether patentable or not, manufacturing "know-how", formulas, designs, photographs, plans, specifications, drawings, sketches,



Formation

- app
- acceptance
- not necessary for signed version (not needed for assignment)

properly  
validly formed

schematics, parts lists, computer software, cost and pricing practices, customer lists, records of customer requirements and usages, personnel records, company financial records, and the like. I will only use such data and information as required in and for the performance of work for Motorola. I acknowledge that my obligation not to use, publish or otherwise disclose such data and information of Motorola to others continues after termination of my engagement with Motorola. Upon termination of my period of engagement with Motorola for any reason whatsoever, I will not take with me or remove documentary material of Motorola on such data and information, or any record or copy thereof in whole or part.

3. The obligations in paragraph 2 do not apply to any such data or information which is, or becomes, publicly available otherwise than through breach of this Agreement. I agree that during my period of engagement with Motorola I may originate or learn of such data and information through visual, oral, or documentary means. I agree that the obligations in these paragraphs 2 and 3 are fair and reasonable, and are essential for the protection of the property rights of Motorola. With respect to any such data and information which is in a physical or documentary form, I agree that the obligations in these paragraphs 2 and 3 are binding upon my heirs, executors, and administrators, and may be transferred by Motorola. This Agreement replaces any existing agreement between Motorola and me regarding patents and/or confidential information and may not be modified except in writing with approval of an Executive Officer of Motorola or its nominees.

Keith R. Leighton  
 CONSULTANT SIGNATURE  
Keith R. Leighton  
 PRINTED NAME  
2-23-95  
 DATE

\_\_\_\_\_  
 MOTOROLA WITNESS SIGNATURE  
 \_\_\_\_\_  
 PRINTED NAME  
 \_\_\_\_\_  
 DATE

**CIVIL COVER SHEET**

1-07CV1972

JS 44 (Rev. 11/04)

The JS 44 civil cover sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. (SEE INSTRUCTIONS ON THE REVERSE OF THE FORM.)

**I. (a) PLAINTIFFS**  
 HID Global Corp., 9292 Jeronimo Road, Irvine, California 92618

**(b) County of Residence of First Listed Plaintiff** Orange County, CA  
 (EXCEPT IN U.S. PLAINTIFF CASES)

**(c) Attorney's (Firm Name, Address, and Telephone Number)**  
 Joseph T. Dattilo, Charles D. Price, Michael P. O'Donnell,  
 Brouse McDowell, 1001 Lakeside Ave., Suite 1600, Cleveland, OH 44114

**DEFENDANTS**  
 Keith R. Leighton, 214 Mariner's Circle, Apartment G, Sheffield Lake, OH 44054

**County of Residence of First Listed Defendant** Lorain County, OH  
 (IN U.S. PLAINTIFF CASES ONLY)

NOTE: IN LAND CONDEMNATION CASES, USE THE LOCATION OF THE LAND INVOLVED.

Attorneys (If Known)  
 Unknown

**JUDGE GAUGHAN**  
**MAG. JUDGE HEMANN**

**II. BASIS OF JURISDICTION** (Place an "X" in One Box Only)

1 U.S. Government Plaintiff

2 U.S. Government Defendant

3 Federal Question (U.S. Government Not a Party)

4 Diversity (Indicate Citizenship of Parties in Item III)

**III. CITIZENSHIP OF PRINCIPAL PARTIES** (Place an "X" in One Box for Plaintiff and One Box for Defendant)

	PTF	DEF		PTF	DEF
Citizen of This State	<input type="checkbox"/> 1	<input checked="" type="checkbox"/> 1	Incorporated or Principal Place of Business In This State	<input type="checkbox"/> 4	<input type="checkbox"/> 4
Citizen of Another State	<input type="checkbox"/> 2	<input type="checkbox"/> 2	Incorporated and Principal Place of Business In Another State	<input checked="" type="checkbox"/> 5	<input type="checkbox"/> 5
Citizen or Subject of a Foreign Country	<input type="checkbox"/> 3	<input type="checkbox"/> 3	Foreign Nation	<input type="checkbox"/> 6	<input type="checkbox"/> 6

**IV. NATURE OF SUIT** (Place an "X" in One Box Only)

CONTRACT	TORTS	FORFEITURE/PENALTY	BANKRUPTCY	OTHER STATUTES	
<input type="checkbox"/> 110 Insurance <input type="checkbox"/> 120 Marine <input type="checkbox"/> 130 Miller Act <input type="checkbox"/> 140 Negotiable Instrument <input type="checkbox"/> 150 Recovery of Overpayment & Enforcement of Judgment <input type="checkbox"/> 151 Medicare Act <input type="checkbox"/> 152 Recovery of Defaulted Student Loans (Excl. Veterans) <input type="checkbox"/> 153 Recovery of Overpayment of Veteran's Benefits <input type="checkbox"/> 160 Stockholders' Suits <input checked="" type="checkbox"/> 190 Other Contract <input type="checkbox"/> 195 Contract Product Liability <input type="checkbox"/> 196 Franchise	<b>PERSONAL INJURY</b> <input type="checkbox"/> 310 Airplane <input type="checkbox"/> 315 Airplane Product Liability <input type="checkbox"/> 320 Assault, Libel & Slander <input type="checkbox"/> 330 Federal Employers' Liability <input type="checkbox"/> 340 Marine <input type="checkbox"/> 345 Marine Product Liability <input type="checkbox"/> 350 Motor Vehicle <input type="checkbox"/> 355 Motor Vehicle Product Liability <input type="checkbox"/> 360 Other Personal Injury	<input type="checkbox"/> 362 Personal Injury - Med. Malpractice <input type="checkbox"/> 365 Personal Injury - Product Liability <input type="checkbox"/> 368 Asbestos Personal Injury Product Liability <b>PERSONAL PROPERTY</b> <input type="checkbox"/> 370 Other Fraud <input type="checkbox"/> 371 Truth in Lending <input type="checkbox"/> 380 Other Personal Property Damage <input type="checkbox"/> 385 Property Damage Product Liability	<input type="checkbox"/> 610 Agriculture <input type="checkbox"/> 620 Other Food & Drug <input type="checkbox"/> 625 Drug Related Seizure of Property 21 USC 881 <input type="checkbox"/> 630 Liquor Laws <input type="checkbox"/> 640 R.R. & Truck <input type="checkbox"/> 650 Airline Regs. <input type="checkbox"/> 660 Occupational Safety/Health <input type="checkbox"/> 690 Other	<input type="checkbox"/> 422 Appeal 28 USC 158 <input type="checkbox"/> 423 Withdrawal 28 USC 157 <b>PROPERTY RIGHTS</b> <input type="checkbox"/> 820 Copyrights <input type="checkbox"/> 830 Patent <input type="checkbox"/> 840 Trademark <b>SOCIAL SECURITY</b> <input type="checkbox"/> 861 HIA (1395ff) <input type="checkbox"/> 862 Black Lung (923) <input type="checkbox"/> 863 DIWC/DIWW (405(g)) <input type="checkbox"/> 864 SSID Title XVI <input type="checkbox"/> 865 RSI (405(g)) <b>FEDERAL TAX SUITS</b> <input type="checkbox"/> 870 Taxes (U.S. Plaintiff or Defendant) <input type="checkbox"/> 871 IRS—Third Party 26 USC 7609	<input type="checkbox"/> 400 State Reapportionment <input type="checkbox"/> 410 Antitrust <input type="checkbox"/> 430 Banks and Banking <input type="checkbox"/> 450 Commerce <input type="checkbox"/> 460 Deportation <input type="checkbox"/> 470 Racketeer Influenced and Corrupt Organizations <input type="checkbox"/> 480 Consumer Credit <input type="checkbox"/> 490 Cable/Sat TV <input type="checkbox"/> 810 Selective Service <input type="checkbox"/> 850 Securities/Commodities/Exchange <input type="checkbox"/> 875 Customer Challenge 12 USC 3410 <input type="checkbox"/> 890 Other Statutory Actions <input type="checkbox"/> 891 Agricultural Acts <input type="checkbox"/> 892 Economic Stabilization Act <input type="checkbox"/> 893 Environmental Matters <input type="checkbox"/> 894 Energy Allocation Act <input type="checkbox"/> 895 Freedom of Information Act <input type="checkbox"/> 900 Appeal of Fee Determination Under Equal Access to Justice <input type="checkbox"/> 950 Constitutionality of State Statutes
<b>REAL PROPERTY</b> <input type="checkbox"/> 210 Land Condemnation <input type="checkbox"/> 220 Foreclosure <input type="checkbox"/> 230 Rent Lease & Ejectment <input type="checkbox"/> 240 Torts to Land <input type="checkbox"/> 245 Tort Product Liability <input type="checkbox"/> 290 All Other Real Property	<b>CIVIL RIGHTS</b> <input type="checkbox"/> 441 Voting <input type="checkbox"/> 442 Employment <input type="checkbox"/> 443 Housing/Accommodations <input type="checkbox"/> 444 Welfare <input type="checkbox"/> 445 Amer. w/Disabilities - Employment <input type="checkbox"/> 446 Amer. w/Disabilities - Other <input type="checkbox"/> 440 Other Civil Rights	<b>PRISONER PETITIONS</b> <input type="checkbox"/> 510 Motions to Vacate Sentence <b>Habeas Corpus:</b> <input type="checkbox"/> 530 General <input type="checkbox"/> 535 Death Penalty <input type="checkbox"/> 540 Mandamus & Other <input type="checkbox"/> 550 Civil Rights <input type="checkbox"/> 555 Prison Condition			

**V. ORIGIN** (Place an "X" in One Box Only)

1 Original Proceeding

2 Removed from State Court

3 Remanded from Appellate Court

4 Reinstated or Reopened

5 Transferred from another district (specify)

6 Multidistrict Litigation

7 Appeal to District Judge from Magistrate Judgment

**VI. CAUSE OF ACTION**

Cite the U.S. Civil Statute under which you are filing (Do not cite jurisdictional statutes unless diversity)  
28 USC 1332 and 1367

Brief description of cause:  
Breach of Contract for violation of a confidentiality agreement.

**VII. REQUESTED IN COMPLAINT:**

CHECK IF THIS IS A CLASS ACTION UNDER F.R.C.P. 23

DEMAND \$ 2,000,000.00

CHECK YES only if demanded in complaint:  
 JURY DEMAND:  Yes  No

**VIII. RELATED CASE(S) IF ANY** (See instructions):

JUDGE \_\_\_\_\_ DOCKET NUMBER \_\_\_\_\_

DATE 07/02/2007

SIGNATURE OF ATTORNEY OF RECORD  


FOR OFFICE USE ONLY

RECEIPT # \_\_\_\_\_ AMOUNT \_\_\_\_\_ APPLYING IFP \_\_\_\_\_ JUDGE \_\_\_\_\_ MAG. JUDGE \_\_\_\_\_

14660009622

UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF OHIO

I. Civil Categories: (Please check one category only).

- 1.  General Civil
- 2.  Administrative Review/Social Security
- 3.  Habeas Corpus Death Penalty

\*If under Title 28, §2255, name the SENTENCING JUDGE:

CASE NUMBER:

II. **RELATED OR REFILED CASES.** See LR 3.1 which provides in pertinent part: "If an action is filed or removed to this Court and assigned to a District Judge after which it is discontinued, dismissed or remanded to a State court, and subsequently refiled, it shall be assigned to the same Judge who received the initial case assignment without regard for the place of holding court in which the case was refiled. Counsel or a party without counsel shall be responsible for bringing such cases to the attention of the Court by responding to the questions included on the Civil Cover Sheet."

This action is  RELATED to another PENDING civil case. This action is  REFILED pursuant to LR 3.1.

If applicable, please indicate on page 1 in section VIII, the name of the Judge and case number.

III. In accordance with Local Civil Rule 3.8, actions involving counties in the Eastern Division shall be filed at any of the divisional offices therein. Actions involving counties in the Western Division shall be filed at the Toledo office. For the purpose of determining the proper division, and for statistical reasons, the following information is requested.

ANSWER ONE PARAGRAPH ONLY. ANSWER PARAGRAPHS 1 THRU 3 IN ORDER. UPON FINDING WHICH PARAGRAPH APPLIES TO YOUR CASE, ANSWER IT AND STOP.

(1) **Resident defendant.** If the defendant resides in a county within this district, please set forth the name of such county

COUNTY: Lorain County, OH

**Corporation** For the purpose of answering the above, a corporation is deemed to be a resident of that county in which it has its principal place of business in that district.

(2) **Non-Resident defendant.** If no defendant is a resident of a county in this district, please set forth the county wherein the cause of action arose or the event complained of occurred.

COUNTY:

(3) **Other Cases.** If no defendant is a resident of this district, or if the defendant is a corporation not having a principle place of business within the district, and the cause of action arose or the event complained of occurred outside this district, please set forth the county of the plaintiff's residence.

COUNTY:

IV. The Counties in the Northern District of Ohio are divided into divisions as shown below. After the county is determined in Section III, please check the appropriate division.

EASTERN DIVISION

- AKRON (Counties: Carroll, Holmes, Portage, Stark, Summit, Tuscarawas and Wayne)
- CLEVELAND (Counties: Ashland, Ashtabula, Crawford, Cuyahoga, Geauga, Lake, Lorain, Medina and Richland)
- YOUNGSTOWN (Counties: Columbiana, Mahoning and Trumbull)

WESTERN DIVISION

- TOLEDO (Counties: Allen, Auglaize, Defiance, Erie, Fulton, Hancock, Hardin, Henry, Huron, Lucas, Marion, Mercer, Ottawa, Paulding, Putnam, Sandusky, Seneca VanWert, Williams, Wood and Wyandot)