

**IN THE UNITED STATES DISTRICT COURT  
FOR THE WESTERN DISTRICT OF TEXAS  
WACO DIVISION**

**FINTIV, INC.,**

**Plaintiff,**

**v.**

**PAYPAL HOLDINGS, INC.**

**Defendant.**

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**Civil Action No.: 6:22-cv-00288**

**JURY TRIAL DEMANDED**

**ORIGINAL COMPLAINT FOR PATENT INFRINGEMENT**

Plaintiff Fintiv, Inc. (“Fintiv”), by and through its attorneys, for its Original Complaint for Patent Infringement against Defendant PayPal Holdings, Inc. (“PayPal”), hereby alleges the following:

**I. NATURE OF THE ACTION**

1. PayPal, a \$112 billion company, for years has been unlawfully using property owned by Fintiv — mobile wallet patents invented by Fintiv, a small technology company — and making enormous profits from its use of those extremely valuable patents. PayPal has not only been knowingly and unlawfully using Fintiv’s patents without Fintiv’s permission, but it has flatly refused to pay Fintiv for its use of those patents. Accordingly, Fintiv brings this patent infringement action to put an end to PayPal’s unauthorized and infringing use of Fintiv’s patented inventions and to recover the damages Fintiv has suffered as a result of PayPal’s egregious misconduct.

2. Fintiv is the owner of all rights, titles, and interests in and to United States Patent Nos. 8,538,845 (“the ’845 Patent”), 9,892,386 (the “’386 Patent”), and 11,120,413 (“the ’413 Patent”), 9,208,488 (the “’488 Patent”), and the 10,438,196 (the “’196 Patent”) (collectively the

“Patents-in-Suit”). The ’845 Patent, ’386 Patent, and ’413 Patent are titled “Monetary Transaction System.” The ’488 Patent and ’196 Patent are titled “Using a Mobile Warrant Infrastructure to Support Multiple Mobile Wallet Providers.” True and correct copies of the Patents-in-Suit are attached hereto as Exhibits.

3. PayPal makes, provides, sells, offers for sale, uses, and/or distributes products and services which directly infringe the Patents-in-Suit. Further, PayPal indirectly infringes the Patents-in-Suit by inducing and/or contributing to infringement by others, including PayPal users.

4. Fintiv seeks monetary damages, injunctive relief, and pre- and post-judgment interest for PayPal’s past and continuing infringement of the Patents-in-Suit.

## **II. PARTIES**

5. Plaintiff Fintiv, Inc. is a Delaware corporation having a principal place of business at 801 Barton Springs, Austin, Texas 78704.

6. Fintiv is a financial technology company that provides mobile commerce, payment solutions, and digital currency globally.

7. Fintiv’s cloud-based technology delivers payments, mobile loyalty solutions, and digital currency to companies in retail, financial services, consumer packaged goods, and telecom that serve both banked and unbanked consumers worldwide via the mobile phone. Fintiv also offers mobile wallet solutions that are capable of a variety of transactions, including mobile payments, digital currency, money transfer, remittance, bill payment, point-of-sale integration, loyalty rewards, and cloud payments.

8. Fintiv, through its wholly-owned operating subsidiary, Cloud Payments LLC (“Cloud Payments”), processes merchant and consumer payments and loyalty. Cloud Payments uses sophisticated and proprietary technologies and techniques to optimize online, point of sale,

and mobile payments. Cloud Payments' optimized payment processing service delivers a lower cost and higher value, offers a suite of digital engagement tools enabling marketing automation using payment data, and employs data monetization to generate net-new revenue for customers. It is available through app store through the app titled "Fundz."

9. Defendant PayPal Holdings, Inc. is a corporation organized and existing under the laws of Delaware and has a regular and established place of business at 7700 W Palmer Lane, Building D, Austin, Texas 78729 (the "Austin Office"). Upon information and belief, Defendant has over 150 employees at this location, including engineers, developers, and business analysts. PayPal consistently advertises jobs for its Austin Office, and hosts meetings at the Austin Office. For example, PayPal currently is advertising numerous technical and business roles involving the technology disclosed in the asserted Patents, including specifically positions related to mobile wallets, mobile payments including engineering, software development, marketing, sales, and related positions.

- <https://jobsearch.paypal-corp.com/en-US/job/branded-experiences-quality-engineer/J3Q3006WVSS8T769XVH>
- <https://jobsearch.paypal-corp.com/en-US/job/branded-experiences-backend-engineer/J3M69M66890YLKYGX5>
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- <https://jobsearch.paypal-corp.com/en-US/job/director-payment-optimization-bd/J3V6DN5WBDG4TZG898Z>

- <https://jobsearch.paypal-corp.com/en-US/job/str-product-insights-market-research/J3R8F366SP695212H44>
- <https://jobsearch.paypal-corp.com/en-US/job/mobile-software-engineer-android/J3W2M8757N3NRY06Z67>
- <https://jobsearch.paypal-corp.com/en-US/job/sr-sales-engineer/J3P8635X03KDV1WFH32>

10. PayPal is a financial technology company that operates an online payments system, serves as an electronic alternative to traditional paper methods such as checks and money orders, and processes payments.

### **III. JURISDICTION AND VENUE**

11. This is an action for patent infringement, which arises under the Patent Laws of the United States, in particular, 35 U.S.C. §§ 271, 281, 282, 284, and 285. The Court has jurisdiction over the subject matter of this action under 28 U.S.C. §§ 1331 and 1338(a).

12. This Court has personal jurisdiction over Defendant because it has committed acts giving rise to this action within Texas and within this judicial district. Defendant also regularly does business or solicits business in this District and in Texas, engages in other persistent courses of conduct and derives substantial revenue from products and/or services provided in this District and in Texas, and has purposefully established substantial, systematic, and continuous contacts within this District and should reasonably expect to be sued in a court in this District. For example, Defendant has offices and employees in this District, including the Austin Office, and has a Texas registered agent for service. Given these contacts, the Court's exercise of jurisdiction over Defendant will not offend traditional notions of fair play and substantial justice.

13. Venue in the Western District of Texas is proper pursuant to 28 U.S.C. §§ 1391(b), (c) and 1400(b) because Defendant has an established place of business in this District at 7700 W Palmer Lane, Building D, Austin, Texas 78729, has committed acts within this judicial district giving rise to this action, and continues to conduct business in this judicial district, including one or more acts of making, selling, using, importing and/or offering for sale infringing products and services to Defendant's customers in this District.

#### IV. THE PATENTS-IN-SUIT

##### The '845 Patent

14. The '845 Patent is titled "Monetary Transaction System." The provisional applications of the '845 Patent were filed on June 3, 2011 and August 10, 2011. The non-provisional application of the '845 Patent was filed on May 30, 2012. The '845 Patent issued on September 17, 2013. A true and correct copy of the '845 Patent is attached hereto as **Exhibit A** and incorporated herein by reference.

15. The '845 Patent is fully described and explained in the attached Exemplary '845 Patent Infringement Chart. A true and correct copy of the Exemplary '845 Patent Infringement Chart is attached hereto as **Exhibit B**.

16. Fintiv owns all substantial and material rights to and interests in the '845 Patent, including the right to recover damages for all past and future infringement thereof.

17. The '845 Patent is valid and enforceable.

##### The '386 Patent

18. The '386 Patent is titled "Monetary Transaction System." The non-provisional application of the '386 Patent was filed on July 1, 2016, which is a continuation of provisional applications filed on June 3, 2011 and August 10, 2011, and claims priority to the same. The '386

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