



VIRNETX WINS \$625.6 MILLION PATENT INFRINGEMENT VERDICT AGAINST APPLE IN EAST TEXAS

Caldwell Cassady & Curry scores second victory for VirnetX over Apple's infringement

TYLER, Texas – Attorneys with the Dallas law firm Caldwell Cassady & Curry won a \$625.6 million verdict today in favor of Nevada-based VirnetX Holding Corp. (NYSE MKT: VHC) in a patent infringement lawsuit against technology giant Apple Inc. (NASDAQ: AAPL), marking the second time a federal jury has found Apple liable for infringing VirnetX's patented technology.

The verdict announced Feb. 3 before Judge Robert W. Schroeder III in the U.S. District Court for the Eastern District of Texas in Tyler includes royalties awarded to VirnetX based on an earlier patent infringement finding against Apple that Caldwell Cassady & Curry also won for VirnetX. The jury found that Apple's modified VPN On Demand, iMessage and FaceTime services infringed VirnetX's patents and that Apple's infringement was willful.

In addition to determining the royalty owed by Apple for its prior infringement, today's verdict also includes an award based on the jury's finding that Apple's modified VPN On Demand, iMessage and FaceTime services have continued to infringe VirnetX's patents.

VirnetX was represented by Caldwell Cassady & Curry principals Brad Caldwell, Jason Cassady, Austin Curry and Justin Nemunaitis, and firm associates Hamad Hamad, Warren McCarty, Jason McManis, Daniel Pearson, Chris Stewart and John Summers. Representing VirnetX as local counsel were Johnny Ward and Claire Abernathy Henry of Ward, Smith & Hill, PLLC, in Longview, and Robert M. Parker, R. Christopher Bunt and Charles Ainsworth of Tyler-based Parker, Bunt & Ainsworth, PC.

"We are thankful for the jurors' hard work and attention in this case, and for reaching a just verdict," says Mr. Cassady. "The jury saw what we have been saying all along: Apple has been infringing VirnetX's patented technology for years."

The case is *VirnetX Inc., et al. v. Apple Inc.*, No. 6:12-cv-00855.

A separate jury previously awarded VirnetX \$368 million in a 2012 trial after finding that Apple's FaceTime video-conference application and its VPN On Demand service infringed four VirnetX patents. The award later was vacated by the U.S. Court of Appeals for the Federal Circuit, which sent the case back to the district court for a retrial on damages and for Apple's alleged infringement through the FaceTime service under a new claim construction, which the jury decided in today's verdict.

About VirnetX

VirnetX Holding Corporation is an Internet security software and technology company with patented technology for secure communications including 4G LTE security. The Company's software and technology solutions, including its secure domain name registry and Gabriel Connection Technology™, are designed to facilitate secure communications and to create a secure environment for real-time communication applications such as instant messaging, VoIP, smart phones, eReaders and video conferencing. The Company's patent portfolio includes over 112 U.S. and international patents and over 75 pending applications. For more information, please visit <http://virnetx.com>.

About Caldwell Cassady & Curry

Dallas-based Caldwell Cassady & Curry represents clients in intellectual property disputes and commercial litigation claims. The firm is home to trial lawyers who have tried and won some of the biggest verdicts of the past decade against some of the largest companies in the world. Visit <http://www.caldwellcc.com>.