IN THE UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF TEXAS TYLER DIVISION

Parallel Networks, LLC,

Plaintiff,

No. 6:10-cy-00491-LED

v.

Jury Trial Demanded

Adidas America, Inc., et al.,

Defendants

AGREED STIPULATION FOR DISMISSAL OF DEFENDANT NAUTICA APPAREL, INC. WITHOUT PREJUDICE

Plaintiff Parallel Networks, LLC ("Plaintiff"), and Defendants Nautica Retail USA, Inc. and Nautica Apparel, Inc. (collectively "Nautica") respectfully submit the following:

- 1. On September 23, 2010, Plaintiff filed suit against Defendants Nautica.
- 2. Defendant Nautica Apparel, Inc. has filed an answer, but has not yet filed any counterclaims.
- 3. Defendants Nautica represent to Plaintiff that Nautica Apparel, Inc. is an intellectual property holding company that does not conduct operations and is not the proper entity to be sued for the allegations in the complaint. While denying that there is any infringement of a valid claim of the patent-in-suit, Nautica represents that the proper entity in interest should be Nautica Retail USA, Inc.
- 4. This dismissal is without prejudice to refiling.
- 5. Defendant Nautica Apparel, Inc. is dismissed from this case by way of this agreed stipulation; Defendant Nautica Retail USA, Inc. is not dismissed and shall remain as a defendant.

Therefore, pursuant to Fed. R. Civ. P. 41(a), Plaintiff Parallel Networks and Defendants Nautica hereby stipulate and request that the Court enter an order dismissing Defendant Nautica Apparel, Inc. from this case WITHOUT PREJUDICE, with each party to bear its own costs, expenses and attorneys fees.

Respectfully submitted,

Dated: December 21, 2010

/s/ C. Erik Hawes

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ATTORNEYS FOR PLAINTIFF PARALLEL NETWORKS, LLC

CERTIFICATE OF CONFERENCE

I hereby certify that counsel for Plaintiff Parallel Networks and Defendants Nautica have conferred by phone in accordance with Local Rule CV-7, and that this is an agreed stipulation.

/s/ Charles Craig Tadlock
Charles Craig Tadlock

CERTIFICATE OF SERVICE

I hereby certify that counsel of record who are deemed to have consented to electronic service are being served this 21st day of December, 2010, with a copy of this document via the Court's CM/ECF system per Local Rule CV-5(a)(3). Any other counsel of record will be served by electronic mail, facsimile transmission and/or first class mail on this same date.

/s/ Charles Craig Tadlock
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