

EXHIBIT D

EXHIBIT D

**Invalidity Claim Chart for U.S. Patent No. 9,741,050
Based on Phillips, Marshall, Webb, Manno and/or Olson**

U.S. Patent Application Publication No. 2014/0365322 (“Phillips”), titled “Gratuity Processing System Apparatus and Related Methods,” was published on December 11, 2014 from Application No. 14/281,763, filed on May 19, 2014, which claims priority to Provisional Application No. 61/61 1,123 filed on March 15, 2012. Phillips is prior art to the '050 patent under at least 35 U.S.C. § 102(e)(1).

U.S. Patent Application Publication No. 2008/0065396 to Marshall (“Marshall”) (TOAST_0552 – TOAST_0638) is titled “Systems and Methods for Managing Tips and Gratuities.” Marshall published on March 13, 2008 from Application No. 11/517,550, filed September 7, 2006. Marshall is prior art to the '050 patent under at least 35 U.S.C. § 102(a) and (b).

U.S. Patent 4,819,162 to Webb (“Webb”) (TOAST_0474 – TOAST_0535) is titled “Time Clock System Including Scheduling Payroll and Productivity Analysis Capability.” Webb issued April 4, 1989. Webb is prior art to the '050 patent under at least 35 U.S.C. § 102(a) and (b).

U.S. Patent Application Publication No. 2008/0208696 to Olson (“Olson”) (TOAST_0639 – TOAST_0646) is titled “Point of Sale Systems with Web-Based Back Office.” Olson published on August 28, 2008 from Application No. 11/710,722, filed on February 26, 2007. Olson is prior art to the '050 patent under at least 35 U.S.C. § 102(a) and (b).

U.S. Patent Application Publication No. 2004/0181454 to Manno (“Manno”) (TOAST_0536 – TOAST_0551) is titled “Web-Based Point-of-Sale System.” Manno published on September 16, 2004 from Application No. 10/386,283, filed March 12, 2003. Manno is prior art to the '050 patent under at least 35 U.S.C. § 102 (a) and (b).

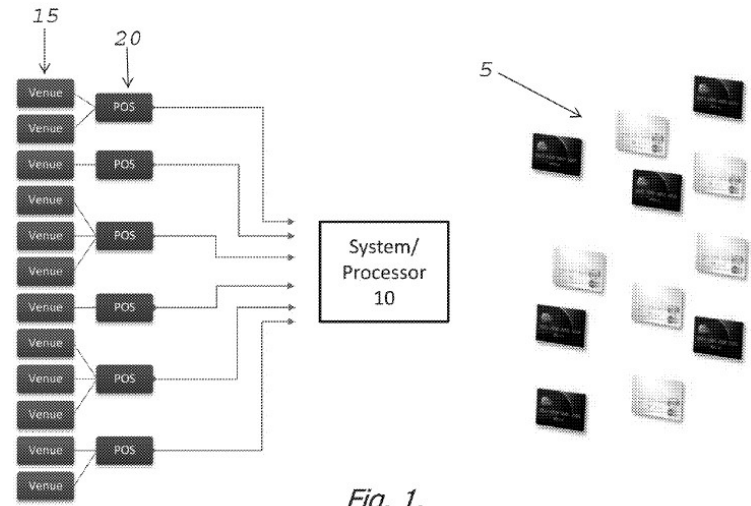
To the extent that Phillips is found not to anticipate one or more of the asserted claims of the '050 patent, those claims are obvious in view of Phillips alone or in combination with the knowledge of a POSITA and/or with other prior art references, including, without limitation, Marshall, Webb, Olson, and Manno. Toast's Invalidity Contentions provide additional details regarding the motivation to combine Phillips and the other referenced prior art.

Toast notes that while certain potential obviousness arguments and/or combinations may be cited within these charts, such recitations are not meant to be exhaustive. As such, to the extent that any asserted claims are found not to be anticipated by the reference herein, Toast reserves the right to argue that such non-anticipated claims are obvious over the reference alone, in view of the ordinary skill in

the art at the time of the alleged invention, in view of any of the arguments and/or prior art identified in the cover pleading or any exhibits thereto, and/or in combination with other charts provided herewith.

Claim construction is yet to occur, fact discovery is ongoing, and the invalidity of the asserted claims will likely be the subject of expert discovery. Thus, this chart should not suggest Toast's adoption of or acquiescence in any claim scope and/or claim construction positions taken by Gratuity in its infringement contentions or elsewhere. This chart is intended to set forth Toast's contentions, not all of the evidence that may support such contentions. Where this chart states that a reference discloses any aspect of the claimed invention, the disclosure may be either express or inherent. The cited passages are illustrative and not intended to be exhaustive. Further, citation to any figure, table, or chart is also meant to encompass the language describing the respective figure, table, or chart; and vice-versa. Toast reserves the right to rely on other documents or passages providing comparable evidence of how Phillips alone or in combination with the knowledge of a POSITA and/or other prior art references renders the asserted claims of the '050 patent invalid.

'050 Patent, Claim 1		Prior Art
1.[pre]	A system comprising,:	To the extent the preamble is found to be limiting, Phillips in view of Marshall, Olson, and/or Manno discloses and/or renders obvious a system. For example: “FIG. 1 illustrates a basic structure/system, with one or more venues 15 (restaurants/other businesses) shown on the left, each using multiple POS systems 20.” Phillips, ¶ 33.

'050 Patent, Claim 1	Prior Art
	 The diagram, labeled Fig. 1, illustrates a system architecture. On the left, a vertical column of ten rectangular boxes, each labeled 'Venue', is indicated by reference numeral 15. To the right of these is another vertical column of ten rectangular boxes, each labeled 'POS', indicated by reference numeral 20. Arrows point from each 'Venue' box to its corresponding 'POS' box. From each 'POS' box, an arrow points to a central box labeled 'System/Processor 10'. To the right of the 'System/Processor 10' box is a cluster of ten credit cards, indicated by reference numeral 5. The caption 'Fig. 1.' is located below the diagram. Phillips, Fig. 1. “Disclosed are systems and methods for recording, maintaining, and reporting tips and gratuities, optionally including details such as employee, task performed, and shift. In one aspect, inter-employee tip and gratuity transactions are tracked and verified.” Marshall, Abstract.

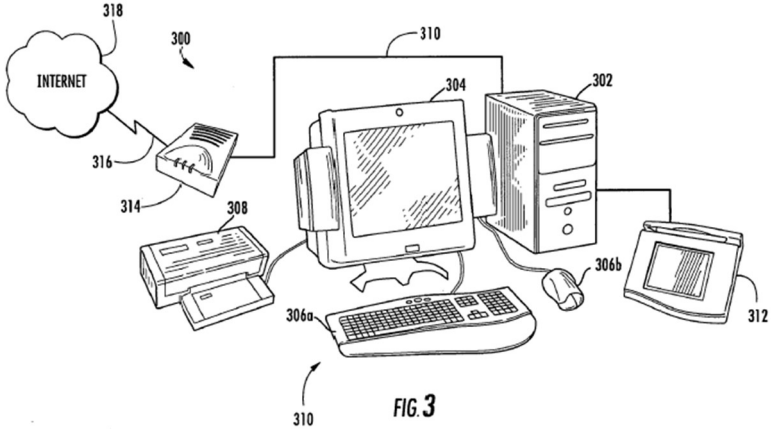
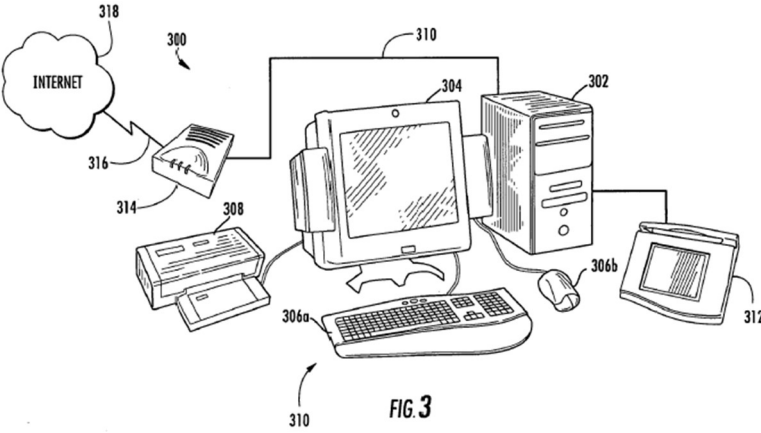
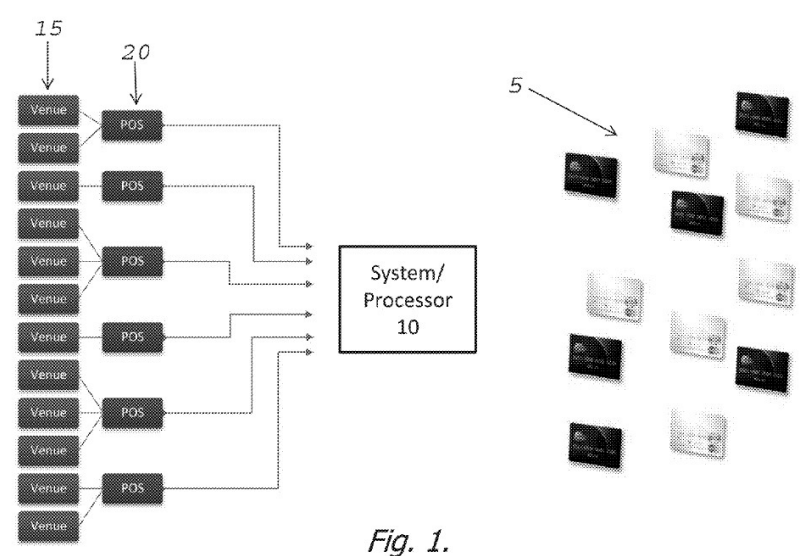
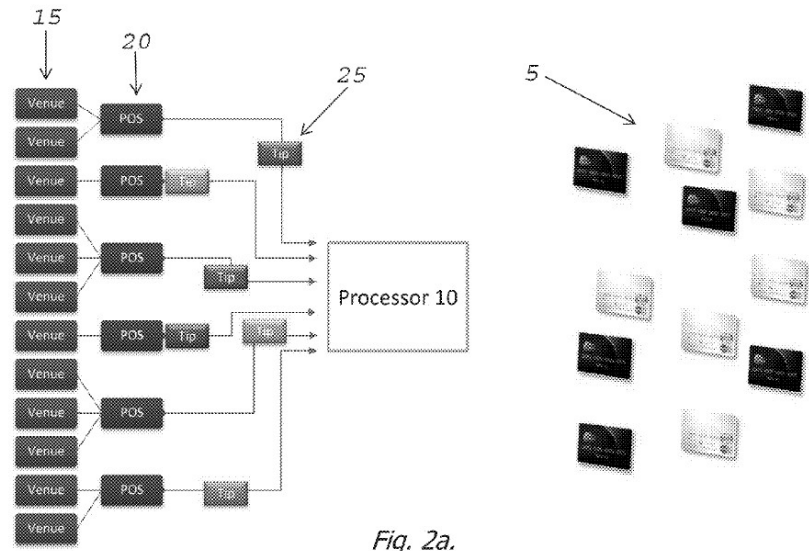
'050 Patent, Claim 1	Prior Art
	 Marshall, Fig. 3. “FIG. 3 depicts one system for managing tips and gratuities in accordance with the present invention[.]” Marshall, ¶ 38. “This invention relates to a system and an apparatus for managing a range of businesses. The business operations range from a single branch to a large chain of stores or branches.” Olson, ¶ 3. “It is an object of this invention to provide a web-based, i.e., network based, point-of-sale system in which a standard browser-enabled computer can be employed as a point-of-sale station, and the computer is given access over control of local POS peripheral devices (such as bar code scanners, receipt printers, cash drawer, credit card readers, pole displays, etc.) by means of the web browser installed in the computer.” Manno, ¶ 8.

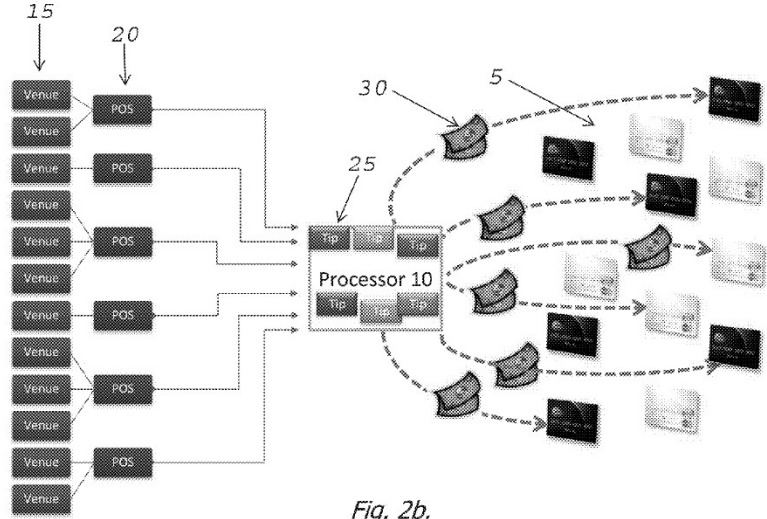
Exhibit D
Invalidity Claim Chart (Phillips) – '050 Patent

'050 Patent, Claim 1		Prior Art
		“Now with reference to the Drawing, FIG. 1 represents the overall equipment and connectivity of a web-based point of sale system (WPOS) of the present invention.” Manno, ¶ 41.
1.[a]	a gratuity management system, comprising	Phillips in view of Marshall discloses and/or renders obvious a gratuity management system. For example: Phillips is titled “Gratuity Processing System Apparatus and Related Methods.” “Apparatus and methods are disclosed to improve the administration of tip monitoring, collection, and distribution, and related reporting needs (such as for U.S. tax reporting).” Phillips, Abstract. “Disclosed are systems and methods for recording, maintaining, and reporting tips and gratuities, optionally including details such as employee, task performed, and shift. In one aspect, inter-employee tip and gratuity transactions are tracked and verified.” Marshall, Abstract.

'050 Patent, Claim 1	Prior Art
	 Marshall, Fig. 3. “FIG. 3 depicts one system for managing tips and gratuities in accordance with the present invention[.]” Marshall, ¶ 38. “Turning now to FIG. 3, an exemplary embodiment of a simplistic system for implementing the systems and methods of the present invention is depicted.” Marshall, ¶ 97.
1.[a][1][i]	a server coupled to a computer network and accessible by a plurality of clients, Phillips in view of Marshall, Olson, and/or Manno discloses and/or renders obvious a server coupled to a computer network and accessible by a plurality of clients. For example:

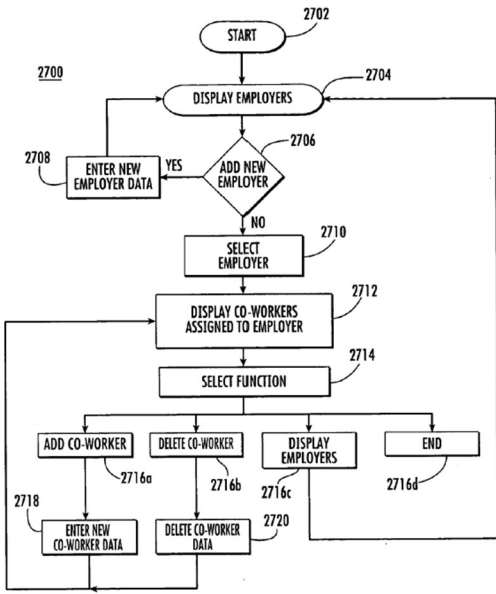
'050 Patent, Claim 1	Prior Art
	 Phillips, Fig. 1. <i>Fig. 1.</i>

'050 Patent, Claim 1	Prior Art
	 The diagram, labeled Fig. 2a, illustrates a system architecture. On the left, a vertical column of ten boxes, each labeled 'Venue', is indicated by reference numeral 15. To the right of these venues is a column of five boxes, each labeled 'POS', indicated by reference numeral 20. Further to the right is a column of five boxes, each labeled 'Tip', indicated by reference numeral 25. Arrows point from each 'Venue' box to a corresponding 'POS' box, and from each 'POS' box to a corresponding 'Tip' box. All five 'Tip' boxes have arrows pointing to a central box labeled 'Processor 10'. To the right of this architecture is a collection of approximately ten credit cards, indicated by reference numeral 5. Phillips, Fig. 2a. <i>Fig. 2a.</i>

'050 Patent, Claim 1	Prior Art
	 <i>Fig. 2b.</i> Phillips, Fig. 2b. “FIGS. 2 <i>a</i> and 2 <i>b</i> illustrate one of the many processes for which the system of FIG. 1 can be used. As illustrated in FIG. 2 <i>a</i>, at the end of the work shift (or at any other convenient or useful interval), the tip totals 25 or other information/data are uploaded from the POS system(s) 20 to a central processing system 10. As shown in FIG. 2 <i>b</i>, upon receipt of that tip data 25, the central processor/system 10 preferably uses that information to either instantly “load” the appropriate tip amounts onto each relevant employee’s prepaid debit card 5 (or other similar prepaid/fundable/re-loadable card), or confirm or adjust tip amounts if necessary before being “loaded” onto the card 5. In addition, tip-outs can also be automatically calculated and distributed to other employees at this time depending on location or corporate level business rules set within the system. As indicated above, preferably each employee has their own prepaid debit card 5 in their

'050 Patent, Claim 1	Prior Art
	possession or control at all times, so that this process results in the tip funds 30 being transferred into the employee's possession/control, at the end of the work shift (or any other desired period of time), without the use of hard cash." Phillips, ¶ 34. "Next, the system of the invention preferably calculates the tips owed to each member of each team/group, based on the rules and data that have been input. Certain embodiments can include other steps in these processes, such as providing a step where the tip payments can be adjusted (based on manager or server preference or other factors). At some point, the manager or other person processing the tip payments enters into the software the final instruction to pay out the tips, and the prepaid debit cards 5 for the relevant employees preferably are funded instantly and the balance is available for immediate use by those relevant employees." Phillips, ¶ 68. FIG. 3 Marshall, Fig. 3.

'050 Patent, Claim 1	Prior Art
	“Turning now to FIG. 3, an exemplary embodiment of a simplistic system for implementing the systems and methods of the present invention is depicted. System 300 includes processing unit 302, printing device 308, user interface 310 (i.e., monitor 304, first user interface device 306a, and second user interface device 306b), and signature device 312.” Marshall, ¶ 97. “Processing unit 302 may be a standard PC or server as is known in the art. However, any form of processing unit capable of executing an algorithm and storing data may be substituted in accordance with the present invention.” Marshall, ¶ 98. “Connection of system 300 to Internet 318 allows the systems and methods of the present invention to be implemented in a Web-based manner. For example, the systems and methods of the present invention may be executed via a Web server or similar apparatus that interacts with one or more users via an Internet connection such as Internet connection 316 between the Web server and the user’s local processing device or dumb terminal (e.g., a thin client, a thick client, etc.). Such web-based implementations may be programmed via a web programming tool such as the FUNCKy.com programming tool or the like. Such interaction may include receiving input from a user and/or providing output (e.g., reports) to a user via the Internet connection.” Marshall, ¶ 102. “In Web-based embodiments of the present invention, such enabling may include initiating a connection between a local processing unit or dumb terminal and the Web-based system via an Internet connection.” Marshall, ¶ 106.

'050 Patent, Claim 1	Prior Art
	 FIG. 27 Marshall, Fig. 27. “In addition, in some aspects of the present invention, the individualized system is equipped with the ability to record data associated with multiple employers. This allows an employee that holds multiple jobs or an employee that changes employment to record his or her data via a single integrated system.” Marshall, ¶ 385). “Referring next to FIG. 27, illustrated is a flow diagram of an exemplary embodiment of a process for defining co-worker and employer data in accordance with one embodiment of the present invention. Allowing coworker and employer

'050 Patent, Claim 1	Prior Art
	data to be defined in a single function is beneficial in a multi-employer individualized system since each of the entered co-workers should be associated with a specific one or more of the multiple employers.” Marshall, ¶ 386. <i>FIG. 1</i> Olson, Fig. 1. “At a headquarters site, which can be remote from the store locations, a main computer, i.e., mainframe 40 is connected through the Internet 18 (or other network) to the servers 12 at the store locations. This can include a mainframe processor 42 and a data base 44 containing both current and legacy data for the stores.” Manno, ¶ 43.
1.[a][1][ii]	the server being configurable to independently execute gratuity distribution rules on a client-by-client basis; and Phillips in view of Marshall, Olson, and/or Manno discloses and/or renders obvious the server being configurable to independently execute gratuity distribution rules on a client-by-client basis. For example: <i>See claim 1.[a][1][i], supra.</i>

'050 Patent, Claim 1	Prior Art
	“In yet another aspect of the present invention, a system for managing tips is provided. This system includes at least one software program, the at least one software program configured to accept at least one first declared value of at least one of the group consisting of cash tips, non-cash tips, cash gratuities, non-cash gratuities, and combinations thereof from at least one employee, the at least one software program configured to accept at least one second declared value of tipouts, and the at least one software program configured to accept at least one primary peripheral tip data selected from the group consisting of non-cash sales data, cash sales data, non-cash tips, non-cash gratuities, data regarding hours worked by at least one employee, meal period data, task data, and combinations thereof; at least one processing unit for executing the software program; and at least one user interface coupled to the at least one processing unit for entering at least one first declared value, at least one second declared value, and at least one primary peripheral tip data for manipulation by the at least one software program, wherein the processing unit generates at least one report analyzing at least one first declared value and at least one second declared value in relation to at least one primary peripheral tip data.” Marshall, ¶ 32. “Turning next to FIGS. 4 through 25, depicted are processes and exemplary reports of one embodiment of the present invention. This exemplary embodiment will be referred to herein as Gratuity Reporting and Tip Allocation Software (“GrataSoft”). In this exemplary embodiment, the processes and reports depicted in FIGS. 4 through 25 are implemented as software and software generated reports, respectively, which operate on or are created by a system such as those discussed in greater detail above with respect to FIG. 3.” Marshall, ¶ 105. “Referring to FIG. 4, depicted is process 400, which is an overview of the exemplary GrataSoft embodiment of the present invention. Process 400 begins at 402, wherein a user enables the system upon which the GrataSoft software is

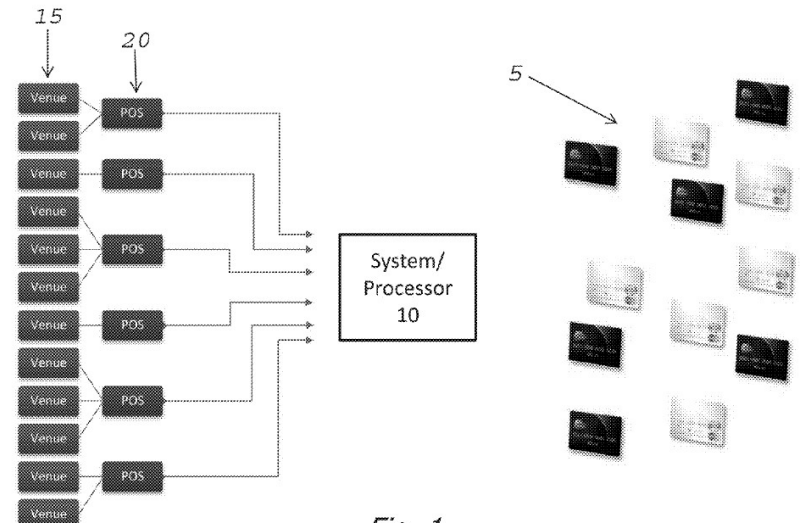
'050 Patent, Claim 1	Prior Art
	executed. For example, when GrataSoft is operated on a system such as those described in greater detail with respect to FIG. 3, such enabling may include energizing processing unit 302, monitor 304, and, optionally, printing device 306. In Web-based embodiments of the present invention, such enabling may include initiating a connection between a local processing unit or dumb terminal and the Web-based system via an Internet connection. A user may wish to enable the system once a user has received tipout information and/or tip and/or gratuity declarations from the service provider(s) to allow the user to record and/or generate reports for such information in a manner similar to that described above with respect to steps 122 and 124 of FIG. 1. Process 400 then proceeds to 404.” Marshall, ¶ 106. “System default function 430k provides user access to system defaults. Such defaults may include defaults such as establishment information defaults, system setting defaults, and IS interface defaults. More specifically, establishment information defaults may include establishment name, establishment address, establishment email address, establishment Website, establishment telephone number, establishment federal employer identification number, and the like. This establishment information may be used during printing of reports including those reports to be submitted to the IRS or other taxing authorities.” Marshall, ¶ 126. “System default settings may include . . . setting days in a pay period and enabling/disabling options such as security features, report graphics, paying tips as wages (i.e., if this option is set to “on”, the business establishment retains and/or collects the employee’s cash and/or non-cash tips from the employee and includes an amount equal thereto in the employee’s wages), paying gratuities as wages (i.e., if this option is set to “on”, the business establishment retains the employee’s cash and/or non-cash gratuities and includes an amount equal thereto in the employee’s wages), . . . ATIP (i.e., if this option is set to “on”, the system automatically

'050 Patent, Claim 1		Prior Art
		attributes tips to all employees participating in the ATIP program) and such tips attributed tips are treated as if they were reported by the employee to the employer, Allocation Enabled (i.e., if this option is set to “on”, the system will automatically increase the tips and/or gratuities declared by the employee to meet IRS Form 8027 criteria), and Autocorrect (i.e., if this option is set to “on”, the system will automatically increase the tips and/or gratuities declared by the employee to meet TRDA criteria or to achieve an acceptable difference between credit card and cash tip and/or gratuity percentages).” Marshall, ¶ 127. “In an alternative arrangement, a WPOS system with a single server 12 can be used for a number of different merchants, each with his or her own point-of-sale computer. In that case, the server can be partitioned so that each subscribing merchant will have access only to his or her own accounting and inventory information. One possible example where this can be used is a small-scale or start-up retail business, where only a single POS or cash register would be needed.” Manno, ¶ 65.
1.[a][2]	a database, accessible by the server; and	Phillips in view of Marshall, Olson, and/or Manno discloses and/or renders obvious a database accessible by the server. For example: <i>See</i> Phillips, Figs. 1, 2a, 2b. “FIGS. 2 <i>a</i> and 2 <i>b</i> illustrate one of the many processes for which the system of FIG. 1 can be used. As illustrated in FIG. 2 <i>a</i>, at the end of the work shift (or at any other convenient or useful interval), the tip totals 25 or other information/data are uploaded from the POS system(s) 20 to a central processing system 10. As shown in FIG. 2 <i>b</i>, upon receipt of that tip data 25, the central processor/system 10 preferably uses that information to either instantly “load” the appropriate tip amounts onto each relevant employee's prepaid debit card 5 (or

'050 Patent, Claim 1	Prior Art
	other similar prepaid/fundable/re-loadable card), or confirm or adjust tip amounts if necessary before being “loaded” onto the card 5. In addition, tip-outs can also be automatically calculated and distributed to other employees at this time depending on location or corporate level business rules set within the system. As indicated above, preferably each employee has their own prepaid debit card 5 in their possession or control at all times, so that this process results in the tip funds 30 being transferred into the employee's possession/control, at the end of the work shift (or any other desired period of time), without the use of hard cash.” Phillips, ¶ 34. “FIG. 11 shows how embodiments of the invention can provide extensive reporting and data extraction functionalities. In addition to allowing easy selection of criteria for data to be included in the report, embodiments can generate reports in separate windows, can export the data into multiple formats, etc., can distribute same via email or otherwise, and can have many other helpful functionalities. Saved/canned custom reports can also be scheduled to run in the future and automatically be distributed to the Message Center for the user to see when they log into the system. In preferred systems, reports can be run at the employee level and rolled up to the corporate level using a customizable hierarchy.” Phillips, ¶ 44. “Processing unit 302 may be a standard PC or server as is known in the art. However, any form of processing unit capable of executing an algorithm and storing data may be substituted in accordance with the present invention.” Marshall, ¶ 98. “Turning next to FIGS. 5A and 5B, illustrated is a flow diagram of an exemplary embodiment of a process for entering tip information and peripheral tip

'050 Patent, Claim 1		Prior Art
		information into a system such as the exemplary GrataSoft system and/or attributing tips to an employee via such system.” Marshall, ¶ 129. “At 504, the variables date, mealPeriod, and employeeID are initialized to the current date, to the first meal period (e.g., breakfast, lunch, dinner, etc.) of the initialized date, and to the first employee identification number as such numbers are stored in the GrataSoft system, respectively. In the GrataSoft system, the date variable allows entered tipouts and tips and/or gratuities (collectively, “tip information”) to be associated with the date on which the tips and/or gratuities are received by the service provider.” Marshall, ¶ 130. “Process 500 then proceeds to 564, at which the total attributed tips (as calculated at 562) is saved. This data is stored in conjunction with its respective date, mealPeriod, and employeeID variables in the form of a database or the like such as a Microsoft® Access® database using methods known in the art. However, alternate methods of saving sales data may be substituted (e.g., via registers, memory locations, etc.). “The objects of this invention are achieved by point of sale system with a web-based back-office system comprised of one or more point of sale (POS) terminals and one or more web servers. The POS terminals and web servers communicate via commonly used, standardized internet protocols. The POS terminals are implemented with personal computer hardware and software using one or more relational databases. The web server is implemented with web server hardware and software, also using one or more relational databases.” Olson, ¶ 12.
1.[b]	a plurality of client business systems in electronic communication with the server of	Phillips in view of Marshall, Olson, and/or Manno discloses and/or renders obvious a plurality of client business systems in electronic communication with

'050 Patent, Claim 1	Prior Art
the gratuity management system, each of the client business systems corresponding to one of the plurality of clients, each client business system comprising:	the server of the gratuity management system, each of the client business systems corresponding to one of the plurality of clients. For example: See Phillips, Figs. 1, 2a, 2b. See claims 1.[a][1][i] and 1.[a][1][ii]. <i>Points of Sale in Stores & Back Office Server on the Web</i> <pre> graph TD subgraph POS_Units [Points of Sale in Stores] POS1_1[POS 1 Store 1] POS2_1[POS 2 Store 1] POS1_2[POS 1 Store 2] POS2_2[POS 2 Store 2] end subgraph Backoffice [Backoffice implemented on various Web Servers] BS[Backoffice implemented on various Web Servers] end RemotePC[Remote PC with Web access] POS_Units --- BS RemotePC --- BS BS --- Internet[HTTP protocol to Web] </pre> The diagram illustrates a web-based point-of-sale system. At the top, a row of four boxes represents 'Points of Sale in Stores', labeled 'POS 1 Store 1', 'POS 2 Store 1', 'POS 1 Store 2', and 'POS 2 Store 2'. Below these is a box labeled 'Backoffice implemented on various Web Servers'. A 'Remote PC with Web access' is shown to the left, connected to the backoffice box. A line labeled 'HTTP protocol to Web' connects the backoffice box to the right. Reference numerals 21, 22, 23, 24, 25, and 26 point to various components and connections in the diagram. <i>FIG. 1</i> Olson, Fig. 1. “In accordance with an aspect of this invention, a web-based point-of-sale system, or WPOS system, is provided in which a computer at the retail store is programmed and connected with a computer network, i.e., a LAN, a WAN, and/or the Internet, to create a fully functional WPOS that allows general purpose small computers, i.e., personal computers, to connect to the store interface and to serve as point-of-sale stations, and also permits the retail business manager to oversee sales, inventory, and other retail operations over the Internet.” Manno, ¶ 15.

'050 Patent, Claim 1	Prior Art
1.[b][1] at least one point of sale server; and	Phillips in view of Marshall, Olson, and/or Manno discloses and/or renders obvious each client business system comprising at least one point of sale server. For example:  <i>Fig. 1.</i> Phillips, Fig. 1; <i>see also</i> Figs. 2a, 2b. “FIGS. 1, 2 <i>a</i>, and 2 <i>b</i> are flow charts that represent a preferred embodiment of some of the systems and methods of the present inventions. Among other things, these illustrate some of the many ways that the invention can be used to automate the tip pay-out process between Point-of-Service/Sale (POS) systems 20 (commonly used in restaurants and other businesses whose employees receive tips) and employees/staff who interact with the POS 20. As illustrated, the inventions enable payment of tips to those employees/staff, without using cash.” Phillips, ¶ 32.

'050 Patent, Claim 1	Prior Art
	“In one aspect of the present invention, processing of non-cash transactions at 106 occurs via a POS system. A POS system, as is known in the art, captures data at the time and place of the sale (e.g., at the cash registers). Many POS systems include computers or specialized terminals that are collocated with cash registers, bar code readers, optical scanners, magnetic stripe readers, and the like such that information may be automatically captured by the computer or specialized terminal from the co-located equipment. Furthermore, many POS systems are networked or otherwise linked together such that data from each collection point is transferred to one central location for analysis, reporting, and the like.” Marshall, ¶ 70. “The POS to BO connection is not required for the basic business functions of the POS. All transaction data is stored in a relational database on the hard drive in the POS. A relational database stores all of its data inside tables. All operations on data are done on the tables themselves. Some operation produce other tables as the result.” Olson, ¶¶ 17–18. “Many other POS devices are possible. The various POS devices or processors may be on-line with an in-store computer.” Manno, ¶ 2. “Here is shown a multiple-store WPOS sales and management system 10, in which there is a server 12 located in each store location. At each location, identified here as Store 1 and Store 2, there is an in-store network, i.e., LAN 14 connected with the associated server 12, and the server is also connected via an Internet connection 16 to the Internet 18, here shown graphically as a cloud.” Manno, ¶ 41. “The POS devices are operated by the computer in connection with customer sales transactions of merchandise or service. The store server includes a suitably

'050 Patent, Claim 1	Prior Art
	programmed computer including means for connecting with said network, i.e., the in-store LAN or the Internet, and software for accepting POS sales transaction data from each POS terminal. The server supplies whatever data modules and software objects that are necessary over the network to each of said terminals, so that all data entered at each said into said terminal concerning any sales transaction are controlled through the terminal computer web browser.” Manno, ¶ 16.
1.[b][2]	a gratuity sync client application installed on the respective client business system; Phillips in view of Marshall, Olson, and/or Manno discloses and/or renders obvious a gratuity sync client application installed on the respective client business system. For example: <i>See Phillips, Figs. 1, 2a, 2b.</i> “At 104, one or more service providers begin his or her shift. In one aspect of the present invention, the start of the shift includes “clocking in” via an employee time clock, an interfaced system (“IS”), or the like. Interfaced systems may include, but are not limited to, point-of-sale (“POS”) systems, electronic cash register systems, timeclock programs, time and attendance systems, payroll processing systems, and other similar systems as are known in the art. Such systems record an employee’s starting and ending work hours for the purposes of calculating total hourly wages based upon the quantity of hours worked.” Marshall, ¶ 69. “IS interface system defaults include enable interface to IS system, poll sales on startup (i.e., download and/or update sales data from an IS automatically upon startup of the GrataSoft system), update data during execution of payroll export function 4301 (i.e., download any updated sales data from IS data files that may impact sales, tips, hours worked, etc. (e.g., edits, corrections, credits, refunds, clocking in or out errors, etc.)), force non-cash tip (i.e., automatically declare non-cash tips if a service provider forgets to clock out after a shift), as well as entry

'050 Patent, Claim 1	Prior Art
	fields in which the location of files, file folders, and the like may be entered to allow the exemplary GrataSoft system to access data from, or provide data to, ISs such as an Aloha POS, a payroll processing system, a time and attendance system, etc.” Marshall, ¶ 127. “Any components capable of performing the above-mentioned tasks may be substituted for the individual components of system 300 without departing from the scope of the present invention. In addition, multiple components (e.g., a memory and a processing unit) may be substituted for any individual component of system 300 (e.g., processing unit 302) without departing from the scope of the present invention so long as such components are capable of performing the necessary tasks. Or, alternatively, a single component (e.g., a laptop, a PDA, a Web-based terminal, a Smartphone, a cell phone, etc.) may be substituted for the entire system 300, or multiple components thereof, without departing from the scope hereof.” Marshall, ¶ 100. “Alternatively, the functions and features of the POS software, as known in the art, may be incorporated directly into the systems and methods of the present invention (e.g., in embodiments of the present invention in which the system is a software package, such software package may also include all typical POS or the like functions and features as is known in the art). Or, the functions and features of the present invention may be incorporated directly into the IS including, but not limited to, the POS system.” Marshall, ¶ 112. “In our exemplary embodiment, one such IS is an Aloha POS in the form of software, which is executed by the same processing unit (e.g., processing unit 302) that executes the present invention. The Aloha POS saves data in .DBF, or dBase, file structures. This data is transactional data that is stored in a small set of tables. For example, payments may be stored in a first PAYMENT.DEF file, item sales

'050 Patent, Claim 1	Prior Art
	may be stored in a second ITEMSALES.DBF file, and staff time may be stored in a third STAFFTIME.DBF file. The Aloha POS also incorporates .DBF files for configuration files such as files containing task codes, rates, identification information, and employee information such as name, address, social security number, etc.” Marshall, ¶ 108. “When a POS or similar type of system is interfaced to a system or process of the present invention such as the exemplary GrataSoft embodiment, employee information may be loaded directly from .DBF or similar files into the present invention, which avoids the need for re-entering employee information that has already been entered in the POS system. Similarly, job codes may be loaded directly from such systems to identify data such as clock in time, clock out time, hourly wage, total hours worked, task worked, etc. Additionally, non-cash sales, cash sales, gratuities, etc. may be loaded directly from such systems to identify and calculate gross sales information. Such loading ensures that the same information is present on both systems.” Marshall, ¶ 109. “FIG. 2 is a high-level diagram of a POS terminal 10. There is a core transaction Engine 20 which is software which processes all input and output at the POS terminal and invokes the appropriate retail logic.” Olson, ¶ 21. “The invention allows remote monitoring of both the POS and back-office systems from anywhere via the web. There is minimal time required for POS installation, since POS setup is as basic as a home PC setup. Another advantage is that the back-office system can be provided as a service or deployed within a corporation. For example, Software as a Service (SAAS) is a software distribution model in which applications are hosted by a vendor or service provider and made available to customers over a network, typically the Internet.” Olson, ¶ 27.

'050 Patent, Claim 1		Prior Art
		“In any of several embodiments, a network based point-of-sale system employs at least one point-of-sale terminal based on a small computer. The computer including the usual means for entering and processing data, means for connecting to said network, one or more ports to which a POS device (i.e., point-of-sale peripheral device) may be connected, and basic software including an operating system and a web browser. The POS devices are operated by the computer in connection with customer sales transactions of merchandise or service. The store server includes a suitably programmed computer including means for connecting with said network, i.e., the in-store LAN or the Internet, and software for accepting POS sales transaction data from each POS terminal. The server supplies whatever data modules and software objects that are necessary over the network to each of said terminals, so that all data entered at each said into said terminal concerning any sales transaction are controlled through the terminal computer web browser.” Manno, ¶ 16. “The computer 22 is a standard model, and does not require installation of any special software to control any of the POS devices. The server 12 provides all the required software for controlling the peripheral POS devices, so that these are operated through the WPOS computer web browser.” Manno, ¶ 47.
1.[c]	wherein the gratuity sync client application on each client business system is configured to extract transaction information and employee information from the client business system and to initiate transfer of the extracted	Phillips in view of Marshall, Olson, and/or Manno discloses and/or renders obvious wherein the gratuity sync client application on each client business system is configured to extract transaction information and employee information from the client business system and to initiate transfer of the extracted information to the gratuity management system. For example: “FIGS. 2 <i>a</i> and 2 <i>b</i> illustrate one of the many processes for which the system of FIG. 1 can be used. As illustrated in FIG. 2 <i>a</i>, at the end of the work shift (or at

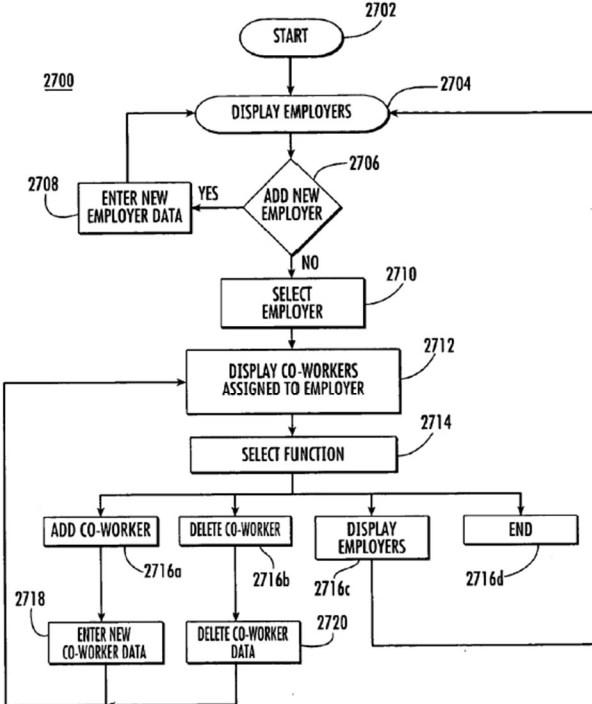
'050 Patent, Claim 1	Prior Art
information to the gratuity management system;	any other convenient or useful interval), the tip totals 25 or other information/data are uploaded from the POS system(s) 20 to a central processing system 10. As shown in FIG. 2 <i>b</i>, upon receipt of that tip data 25, the central processor/system 10 preferably uses that information to either instantly “load” the appropriate tip amounts onto each relevant employee's prepaid debit card 5 (or other similar prepaid/fundable/re-loadable card), or confirm or adjust tip amounts if necessary before being “loaded” onto the card 5. In addition, tip-outs can also be automatically calculated and distributed to other employees at this time depending on location or corporate level business rules set within the system. As indicated above, preferably each employee has their own prepaid debit card 5 in their possession or control at all times, so that this process results in the tip funds 30 being transferred into the employee's possession/control, at the end of the work shift (or any other desired period of time), without the use of hard cash.” Phillips, ¶ 34. “More generally, when adding an employee to the tip system, the apparatus and methods of the invention preferably provide options such as those listed here, to a manager or other person setting up the system: Enter the employee’s information (such as their name and employee ID, commonly the same ID that the business uses in other of its systems). If appropriate, mark the employee as a “downstream” or “tip-Out” employee (or otherwise classify them), and enter their percentage share of the relevant tips and any other relevant information. Arrange for a prepaid debit card 5 to be given to the employee, to be used for delivery to the employee of their relevant tips. Depending on a number of factors, this can be done by ordering a new personalized card to be delivered to the employee, can be done as part of the inputting process by the person entering the

'050 Patent, Claim 1	Prior Art
	information, or can be accomplished by giving the employee an existing “Instant Issue” prepaid card. An Instant Issue card can be a non-personalized card that an employer can keep on site for new employees or to use in place of lost cards.” Phillips, ¶¶ 57–60. “In our exemplary embodiment, one such IS is an Aloha POS in the form of software, which is executed by the same processing unit (e.g., processing unit 302) that executes the present invention. The Aloha POS saves data in .DBF, or dBase, file structures. This data is transactional data that is stored in a small set of tables. For example, payments may be stored in a first PAYMENT.DEF file, item sales may be stored in a second ITEMSALES.DBF file, and staff time may be stored in a third STAFFTIME.DBF file. The Aloha POS also incorporates .DBF files for configuration files such as files containing task codes, rates, identification information, and employee information such as name, address, social security number, etc.” Marshall, ¶ 108. “The Aloha file folder may be local or remote to the server, although if such file folder is remotely located, it must be configured as a mapped drive on the local server. For example, in one aspect of the present invention, the file folder is located remotely and it is configured as a mapped drive on the local server via an Internet connection such as those discussed above in greater detail with respect to FIG. 3.” Marshall, ¶ 110. “In one aspect of the present invention, the start of the shift includes “clocking in” via an employee time clock, an interfaced system (“IS”), or the like. Interfaced systems may include, but are not limited to, point-of-sale (“POS”) systems, electronic cash register systems, timeclock programs, time and attendance systems, payroll processing systems, and other similar systems as are known in the art. Such systems record an employee’s starting and ending work hours for the

'050 Patent, Claim 1	Prior Art
	purposes of calculating total hourly wages based upon the quantity of hours worked. Once the service provider has “clocked in”, the service provider’s shift begins and the service provider provides patrons with the desired services.” Marshall, ¶ 69. “When a POS or similar type of system is interfaced to a system or process of the present invention such as the exemplary GrataSoft embodiment, employee information may be loaded directly from .DBF or similar files into the present invention, which avoids the need for re-entering employee information that has already been entered in the POS system. Similarly, job codes may be loaded directly from such systems to identify data such as clock in time, clock out time, hourly wage, total hours worked, task worked, etc. Additionally, non-cash sales, cash sales, gratuities, etc. may be loaded directly from such systems to identify and calculate gross sales information. Such loading ensures that the same information is present on both systems. Although specific items of information have been identified for transfer from the Aloha POS system to the present invention, the systems and methods of the present invention may be programmed to load any information available in the IS, regardless of whether the IS is an Aloha POS system, another brand of POS system, or a non-POS system, without departing from the scope of the present invention.” Marshall, ¶ 109. “As transactions are created at a POS a log entry for the newest transaction is also created, this log entry is used to flag if the transaction has been uploaded to the web server. Part of the POS application, the BO interface is continuously running in the background. This component reads the log of transactions. If a transaction needs to be sent, it tries to send it. If the send fails (for example, if the connection to, or the Internet itself, is down), it goes to sleep and tries again later. Additionally, the BO interface requests update from the BO such as new items, price changes, employees, etc. The POS terminals communicate via HTTP

'050 Patent, Claim 1		Prior Art
		protocol (hypertext transfer protocol) 23 with Back-office BO software, which is implemented on web servers 24, which can be located anywhere in the world. In addition, the BO software and data can be viewed from any store employee at any PC who has Internet access 26 and a password.” Olson, ¶ 19.
1.[d]	wherein the gratuity management system is a cloud computing system remote from the plurality of client business systems and configured to receive the extracted transaction information and employee information from the plurality of client business systems and to store the received extracted information in the database; and	Phillips in view of Marshall, Olson, and/or Manno discloses and/or renders obvious wherein the gratuity management system is a cloud computing system remote from the plurality of client business systems and configured to receive the extracted transaction information and employee information from the plurality of client business systems and to store the received extracted information in the database. For example: <i>See supra</i> claim 1.[a][2]. <i>See</i> Phillips, Figs. 1, 2a, 2b. “FIGS. 2 <i>a</i> and 2 <i>b</i> illustrate one of the many processes for which the system of FIG. 1 can be used. As illustrated in FIG. 2 <i>a</i>, at the end of the work shift (or at any other convenient or useful interval), the tip totals 25 or other information/data are uploaded from the POS system(s) 20 to a central processing system 10. As shown in FIG. 2 <i>b</i>, upon receipt of that tip data 25, the central processor/system 10 preferably uses that information to either instantly “load” the appropriate tip amounts onto each relevant employee's prepaid debit card 5 (or other similar prepaid/fundable/re-loadable card), or confirm or adjust tip amounts if necessary before being “loaded” onto the card 5. In addition, tip-outs can also be automatically calculated and distributed to other employees at this time depending on location or corporate level business rules set within the system. As indicated above, preferably each employee has their own prepaid debit card 5 in their possession or control at all times, so that this process results in the tip

'050 Patent, Claim 1	Prior Art
	funds 30 being transferred into the employee's possession/control, at the end of the work shift (or any other desired period of time), without the use of hard cash.” Phillips, ¶ 34. “Although the present invention has been discussed herein as an independent system capable of interfacing to third-party systems such as POS systems, time and attendance systems, etc., the systems and methods of the present invention may also be implemented as an integral component of such systems, or the functions and features of such systems may be added to the systems and methods of the present invention, without departing from the scope hereof.” Marshall, ¶ 400. “The Aloha file folder may be local or remote to the server, although if such file folder is remotely located, it must be configured as a mapped drive on the local server. For example, in one aspect of the present invention, the file folder is located remotely and it is configured as a mapped drive on the local server via an Internet connection such as those discussed above in greater detail with respect to FIG. 3. Once the exemplary GrataSoft embodiment of the present invention has been pointed to the correct file location, it may simply query the database information as is known in the art. However, alternate methods of downloading or transferring data such as sales data may be substituted without departing from the scope of the present invention. For example, in one aspect of the present invention, mapping is performed via Web mapping utilizing a Universal Naming Convention (“UNC”) server and data transfer is performed via uploading and downloading via HyperText Transfer Protocol (“HTTP”), Extensible Markup Language (“XML”), and/or HTML as is known in the art.” Marshall, ¶ 110.

'050 Patent, Claim 1	Prior Art
	 FIG. 27 Marshall, Fig. 27. “In addition, in some aspects of the present invention, the individualized system is equipped with the ability to record data associated with multiple employers. This allows an employee that holds multiple jobs or an employee that changes

'050 Patent, Claim 1	Prior Art
	employment to record his or her data via a single integrated system.” Marshall, ¶ 385). “Referring next to FIG. 27, illustrated is a flow diagram of an exemplary embodiment of a process for defining co-worker and employer data in accordance with one embodiment of the present invention. Allowing coworker and employer data to be defined in a single function is beneficial in a multi-employer individualized system since each of the entered co-workers should be associated with a specific one or more of the multiple employers.” Marshall, ¶ 386. “When a POS or similar type of system is interfaced to a system or process of the present invention such as the exemplary GrataSoft embodiment, employee information may be loaded directly from .DBF or similar files into the present invention, which avoids the need for re-entering employee information that has already been entered in the POS system. Similarly, job codes may be loaded directly from such systems to identify data such as clock in time, clock out time, hourly wage, total hours worked, task worked, etc. Additionally, non-cash sales, cash sales, gratuities, etc. may be loaded directly from such systems to identify and calculate gross sales information. Such loading ensures that the same information is present on both systems. Although specific items of information have been identified for transfer from the Aloha POS system to the present invention, the systems and methods of the present invention may be programmed to load any information available in the IS, regardless of whether the IS is an Aloha POS system, another brand of POS system, or a non-POS system, without departing from the scope of the present invention.” Marshall, ¶ 109. “In some embodiments of the present invention, the data received from the IS may be independently stored as a data file of the exemplary GrataSoft system. However, depending upon the interfaced system, if any, cash tip and/or gratuity

'050 Patent, Claim 1	Prior Art
	data may still be entered manually via a process such as process 500.” Marshall, ¶ 232. “As transactions are created at a POS a log entry for the newest transaction is also created, this log entry is used to flag if the transaction has been uploaded to the web server. Part of the POS application, the BO interface is continuously running in the background. This component reads the log of transactions. If a transaction needs to be sent, it tries to send it. If the send fails (for example, if the connection to, or the Internet itself, is down), it goes to sleep and tries again later. Additionally, the BO interface requests update from the BO such as new items, price changes, employees, etc. The POS terminals communicate via HTTP protocol (hypertext transfer protocol) 23 with Back-office BO software, which is implemented on web servers 24, which can be located anywhere in the world. In addition, the BO software and data can be viewed from any store employee at any PC who has Internet access 26 and a password.” Olson, ¶ 19. “The POS such as 21 send transaction data to the BO in the form of an HTTP post or communication. The packet 23 sent from the POS to the BO consists of transactions, employee clock, customer add/update, item add/update, promotions and more.” Olson, ¶ 20.
1.[e] wherein the gratuity management system is further configured to execute, independently for each client, gratuity distribution rules for allocating gratuities among at least a portion of the employees and to determine a gratuity	Phillips in view of Marshall, Olson, and/or Manno discloses and/or renders obvious wherein the gratuity management system is further configured to execute, independently for each client, gratuity distribution rules for allocating gratuities among at least a portion of the employees and to determine a gratuity allocation based on at least the received extracted transaction information, the received extracted employee information, and the gratuity distribution rules and return the gratuity allocation to the gratuity sync client application of each respective client

'050 Patent, Claim 1	Prior Art
allocation based on at least the received extracted transaction information, the received extracted employee information, and the gratuity distribution rules and return the gratuity allocation to the gratuity sync client application of each respective client business system, without requiring the client business systems to execute the gratuity distribution rules.	business system, without requiring the client business systems to execute the gratuity distribution rules. For example: <i>See</i> claims 1.[a][1]; 1.[b][2]; 1.[d]. “If the restaurant or other business does its tip-sharing within groups within a shift (rather than among all of the employees who work a given shift), the invention preferably includes parameters to input and track sub-groups of the employees, sometimes referred to as “teams” that share tips with other members of their team. For such sub-group or team situations, downstream employees can be assigned to the server(s) with whom they will work and from whom they will receive a share of tips. Preferably, the apparatus and methods of the inventions includes the functionality of assigning a given employee to multiple teams, multiple shifts, and/or other combinations and arrangements.” Phillips, ¶ 66. “FIG. 3 is a chart representing another embodiment and/or aspect of the present inventions. Although a wide variety of other configurations and approaches can be used to practice the invention, FIG. 3 illustrates how the invention can automate at least portions of the back-office administration for funding the tips paid to the employees’ prepaid debit cards 5. In FIG. 3, funds that will be used for tips are transferred from a single bank account (labeled “General Business Account” 40) to a “Master (Tip) Funding Account (MFA)” 35. Among other benefits, this approach permits a business to segregate the funds it allocates for tips, and allows the business to keep the funds outside of its General Business Account 40 to a minimum. Depending on various factors (such as the size, structure, location(s), and/or organization of the business), the tip funds can be further segregated and disbursed to each venue 15 (or each property or other metric), as illustrated by the separate location/property Tip Accounts 45 in FIG. 3. Again, simpler approaches (with fewer accounts and transfers, for example) or more complex approaches can

'050 Patent, Claim 1	Prior Art
	be utilized, depending on many factors and the needs and desires of any particular business.” Phillips, ¶ 35. “At 539, the user is prompted to determine whether she would like to attribute tips to the current employees for the current date and meal period. If yes, process 500 proceeds to 550 as depicted in FIG. 5B. At 550, process 500 determines the gross sales for the selected date. For example, such sales may be the gross sales for a particular day. Process 500 then proceeds to 552.” Marshall, ¶ 139. “For example, in some embodiments, tips are attributed to each employee based upon the number of hours worked by each employee divided by the total number of hours worked by all employees during a particular shift, date, etc. In other embodiments, tips are attributed to each employee based upon the total sales of each employee divided by the total sales of all employees for a particular shift, date, etc. Or, in yet other embodiments, tips are attributed to a first subset of employees (e.g., servers) based upon a first method (e.g., hours worked by the employee versus hours worked by all employees) and tips are attributed to a second subset of employees (e.g., bartenders) based upon a second method (e.g., sales of each employee versus sales of all employees). That is, a combination of attribution methods may be used for different subsets of employees. Although the example provided herein includes two subsets, any number of subsets and any number of methods may be used without departing from the scope of the present invention.” Marshall, ¶ 142. “At 506, the tip information associated with the date, mealPeriod, and employeeID variables are displayed to the user via a user interface such as those described in greater detail with respect to FIG. 3 and process 500 proceeds to 508.” Marshall, ¶ 131.

'050 Patent, Claim 1	Prior Art
	“If at 508, the user has selected enter tip information function 510d, process 500 proceeds to 510d at which a process to enter tip information begins. Process 500 then proceeds to 524, at which the data associated with the TipoutReceived, CashTips&GratuityReceived, GratuityReceived, and AttributedTips variables are displayed to the user.” Marshall, ¶ 135. “Process 500 then proceeds to 526 at which the user selects a tip information entry function.” Marshall, ¶ 136. “If, at 526, the user has selected Add/Edit Tip Information Function 528a, process 500 proceeds to 528b, at which a process to add and/or edit the tip information begins.” Marshall, ¶ 138. “At 539, the user is prompted to determine whether she would like to attribute tips to the current employees for the current date and meal period. If yes, process 500 proceeds to 550 as depicted in FIG. 5B. At 550, process 500 determines the gross sales for the selected date. For example, such sales may be the gross sales for a particular day.” Marshall, ¶ 139. “At 556, the ATIP secondary percentage associated with the current meal period and the current task is multiplied by the total attributed tips (as calculated at 552) for the current date. In the exemplary GrataSoft embodiment of the present invention, the ATIP secondary percentages are defined as a part of process 1000b as discussed in greater detail below with respect to FIG. 10C. Process 500 then proceeds to 558, at which the total hours worked for the current meal period, current task, and current date are determined. Next, at 560, the total tips attributed for the current meal period and the current task (as calculated at 556) is divided by the total hours worked (as determined at 558), thereby providing the total attributed tips per hour for the current meal period, for the current task during the current date. Process 500 then proceeds to 562, at which the total attributed tips

'050 Patent, Claim 1	Prior Art
	per hour (as calculated at 560) is multiplied by the total number of hours worked by the current employee for the current meal period for the current task during the current date. Process 500 then proceeds to 564, at which the total attributed tips (as calculated at 562) is saved. This data is stored in conjunction with its respective date, mealPeriod, and employeeID variables in the form of a database or the like such as a Microsoft® Access® database using methods known in the art. However, alternate methods of saving sales data may be substituted (e.g., via registers, memory locations, etc.).” Marshall, ¶ 141. “The systems and methods of the present invention are designed to automatically generate desired reports with little or no input from a user. Numerous reports may be generated in a variety of formats including, but not limited to, activity summary reports, tip declaration problem reports, staff training history reports, and IRS reports such as TRAC statements, IRS Form 8027, and IRS Publication 1244 reports including IRS forms 4070A and 4070.” Marshall, ¶ 78). “As illustrated in FIG. 12, the activity summary report may include, but is not limited to, the following data fields: header 1202, title field 1204, date range field 1206, date and time printed field 1208, GrataSoft software version field 1210, column headers 1212, gratuity enabled/disabled field 1214, data fields 1218, employeeID fields 1220, and employee name fields 1222. However, other fields including but not limited to name and/or location of the establishment, employee hours, employee hourly rates, TRDA information, and ATIP information may be substituted without departing from the scope of the present invention.” Marshall, ¶ 224. “The detail level of this report is chosen by the user during the report printing process . . . In the depicted embodiment of the activity summary report shown in FIG. 12, the detail level has been selected to include non-cash and cash sales, non-

'050 Patent, Claim 1		Prior Art
		cash and cash tips and gratuities, gross sales, gross tips, gross gratuities, tipout amounts, and non-cash and cash tips and gratuities as a percentage of non-cash and cash sales, respectively. The information is provided for all employees who worked during the selected date range as defined in date range field 1206.” Marshall, ¶ 225. “However, in some aspects of the present invention, the detail level may also be affected by the status of system defaults such as TRDA, ATIP, Allocation Enabled, Autocorrect, Gratuity Paid as Wages, and Tips Paid as wages. For example, if Gratuities Paid as Wages is set to “off”, gratuities are included with tips (i.e., they are not broken out as a separate category). Therefore, column headers 1212 such as Grat Sls, Grat, +Grat, and -Grat are omitted from the report as well as the data associated therewith. Similarly, if the TRDA system default is set to “on”, TRDA indicators are added to the report to indicate which employees are participating in the TRDA agreement and whether any tips have been added to the employee’s declared tips to ensure that the TRDA requirements are met.” Marshall, ¶ 226. “Process 100 then proceeds to 126. At 126, some or all reports generated at 124 are distributed to one or more service providers.” Marshall, ¶ 80.

'050 Patent, Claim 2		Prior Art
2.	The system of claim 1, wherein the gratuity sync client is further configured to format the extracted transaction and employee	Phillips in view of Marshall, Olson, and/or Manno discloses and/or renders obvious the gratuity sync client is further configured to format the extracted transaction and

'050 Patent, Claim 2	Prior Art
information into an XML file before communicating the extracted information to the gratuity management server.	employee information into an XML file before communicating the extracted information to the gratuity management server. For example: See claim 1; claim 1.[c]; claim 1.[d]. “FIGS. 2 <i>a</i> and 2 <i>b</i> illustrate one of the many processes for which the system of FIG. 1 can be used. As illustrated in FIG. 2 <i>a</i>, at the end of the work shift (or at any other convenient or useful interval), the tip totals 25 or other information/data are uploaded from the POS system(s) 20 to a central processing system 10. As shown in FIG. 2 <i>b</i>, upon receipt of that tip data 25, the central processor/system 10 preferably uses that information to either instantly “load” the appropriate tip amounts onto each relevant employee's prepaid debit card 5 (or other similar prepaid/fundable/re-loadable card), or confirm or adjust tip amounts if necessary before being “loaded” onto the card 5. In addition, tip-outs can also be automatically calculated and distributed to other employees at this time depending on location or corporate level business rules set within the system. As indicated above, preferably each employee has their own prepaid debit card 5 in their possession or control at all times, so that this process results in the tip funds 30 being transferred into the employee's possession/control, at the end of the work shift (or any other desired period of time), without the use of hard cash.” Phillips, ¶ 34. “The Aloha file folder may be local or remote to the server, although if such file folder is remotely located, it must be configured as a mapped drive on the local server. For example, in one aspect of the present invention, the file folder is located remotely and it is configured as a mapped drive on the local server via an Internet connection such as those discussed above in greater detail with respect to FIG. 3. Once the exemplary GrataSoft embodiment of the present invention has been pointed to the correct file location, it may simply query the database information as

Exhibit D
Invalidity Claim Chart (Phillips) – '050 Patent

'050 Patent, Claim 2		Prior Art
		is known in the art. However, alternate methods of downloading or transferring data such as sales data may be substituted without departing from the scope of the present invention. For example, in one aspect of the present invention, mapping is performed via Web mapping utilizing a Universal Naming Convention (“UNC”) server and data transfer is performed via uploading and downloading via HyperText Transfer Protocol (“HTTP”), Extensible Markup Language (“XML”), and/or HTML as is known in the art.” Marshall, ¶ 110. “The protocols between the POS and Web browsers and BO servers is HTTPs, XMURPC. 35. XML-RPC is a remote procedure call protocol which uses XML to encode its calls and HTTP as a transport mechanism. It is a very simple protocol which defines only a handful of data types and commands.” Olson, ¶ 26. “The invention allows remote monitoring of both the POS and back-office systems from anywhere via the web. There is minimal time required for POS installation, since POS setup is as basic as a home PC setup. Another advantage is that the back-office system can be provided as a service or deployed within a corporation. For example, Software as a Service (SAAS) is a software distribution model in which applications are hosted by a vendor or service provider and made available to customers over a network, typically the Internet.” Olson, ¶ 27.

'050 Patent, Claim 3		Prior Art
3.	The system of claim 1, wherein the gratuity sync client is installed	Phillips in view of Marshall, Olson, and/or Manno discloses and/or renders obvious the gratuity sync client is installed on the point of sale server of the respective client business system. For example:

'050 Patent, Claim 3	Prior Art
on the point of sale server of the respective client business system.	<i>See supra</i> claim 1.[b][1]; claim 1.[b][2]. “FIG. 2 is a high-level diagram of a POS terminal 10. There is a core transaction Engine 20 which is software which processes all input and output at the POS terminal and invokes the appropriate retail logic.” Olson, ¶ 21. <i>Point of Sale Software (one store)</i> 20 — Core Transaction Engine 30 — 10 — Configurable Modules FIG. 2 Olson, Fig. 2. “At each retail store location there is a server computer connecting with the network, and with software for accepting POS sales transaction data from each POS terminal. The server also supplies the required data modules and program objects over the network to each of the associated point-of-sale terminals such that all data entered into each WPOS terminal concerning any sales transaction are controlled through the terminal computer web browser. Also, each of the POS devices

'050 Patent, Claim 3		Prior Art
		connected at each WPOS terminal is operated through the terminal's computer web browser. In this system, the servers at the respective store locations and the main central computer all communicate over the network for collecting sales and inventory data from each of the store locations and sharing said data between store locations. Favorably, the main computer includes manager access software giving an authorized management user access to retail sales and inventory data over the Internet.” Manno, ¶ 17.

'050 Patent, Claim 4		Prior Art
4.	The system of claim 1, wherein the respective client business system comprises additional devices which are connected to and accessible by the gratuity sync client application.	Phillips in view of Marshall, Webb, Olson, and/or Manno discloses and/or renders obvious the respective client business system comprises additional devices which are connected to and accessible by the gratuity sync client application. For example: <i>See supra</i> claim 1.[b]; claim 1.[b][2] “Optionally, much of this sales information may be acquired directly from the various cash registers 30 in the system, which as mentioned above may communicate with personal computer via an RS 232 interface. Cash registers 30 are preferably computer driven, and include record keeping functions, so that sales could be recorded by server number, and so that sales may be entered and broken down by category descriptions (i.e. food, wine, beer etc. ...).” Webb, 24:52–60. “A hardware layer abstracts the POS events and the physical and virtual devices (key presses, peripheral I/O, input/output). Hardware abstraction classes manage

'050 Patent, Claim 4		Prior Art
		receipt (or spooled) device I/O, interactive I/O (operator prompts) and peripherals that invoke business logic directly (such as cash drawer close).” Olson, ¶ 24. “Importantly, the WPOS is less costly than other systems, resulting in operating cost savings. Since the WPOS is web-based, there are lower credit card processing costs, there is no machine to purchase, and the POS terminals, being standard computers, are less costly than cash register terminals, and WPOS offers full peripheral support for any available point-of-sale peripheral equipment through the web browser of the POS terminal computer.” Manno, ¶ 31. “That is, each computer 22 can be a standard small computer, i.e., laptop or desktop, programmed with a standard software package, including a standard operating system and web browser, such as MS Explorer or Netscape Navigator. Each computer has associated with it a number of POS devices or appliances.” Manno, ¶ 41.

'050 Patent, Claim 5		Prior Art
5.	The system of claim 4, wherein at least one of the additional devices comprises a time and attendance server.	Phillips in view of Marshall, Webb, Olson, and/or Manno discloses at least one of the additional devices comprises a time and attendance server. For example: See claim 4. “In one aspect of the present invention, the start of the shift includes “clocking in” via an employee time clock, an interfaced system (“IS”), or the like. Interfaced systems may include, but are not limited to, point-of-sale (“POS”) systems, electronic cash register systems, timeclock programs, time and attendance systems,

Exhibit D
Invalidity Claim Chart (Phillips) – '050 Patent

'050 Patent, Claim 5		Prior Art
		payroll processing systems, and other similar systems as are known in the art.” Marshall, ¶ 69. “The present invention provides a personal computerized time clock system wherein employee records, sales records, time records and scheduling records are maintained in a personal computer (preferably the IBM TM PC) and wherein a remote computerized time clock interfaced with the personal computer is utilized by employees for time-in and time-out transactions.” Webb, 1:42–48.

'050 Patent, Claim 6		Prior Art
6.	The system of claim 5, wherein the employee information extracted from the respective client business system comprises employees' working hours.	Phillips in view of Marshall, Webb, Olson, and/or Manno discloses the employee information extracted from the respective client business system comprises employees' working hours. For example: <i>See supra</i> claim 1.[e]; claim 4; claim 5. “The invention preferably allows a similar approach for setting up "shifts" and/or “teams” of employees, which can be useful in tip-sharing calculations and otherwise. For example, in certain embodiments of the invention, the concept of a “shift” can reflect that a given downstream employee or group of such employees may work with several servers throughout a given work day. In certain embodiments, creating a “shift” can involve inputting the following information: Shift Name Start date/time and End date/time of the shift

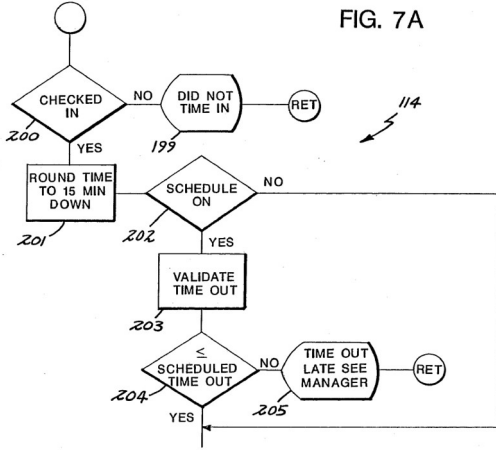
'050 Patent, Claim 6	Prior Art
	Identifying the employees that will be part of this shift (both servers and downstream employees).” Phillips, ¶¶ 62–65. “Briefly stated, in one aspect of the present invention, a method for managing tips is provided. This method includes receiving at least one first declared value of at least one of the group consisting of cash tips, non-cash tips, cash gratuities, non-cash gratuities, and combinations thereof from at least one employee, receiving at least one second declared value of tipouts from at least one employee, receiving at least one primary peripheral tip data selected from the group consisting of non-cash sales data, cash sales data, non-cash tips, credit card gratuities, data regarding hours worked by at least one employee, meal period data, task data, and combinations thereof, and generating at least one report analyzing at least one first declared value and at least one second declared value in relation to at least one primary peripheral tip data.” Marshall, ¶ 29. “In yet another aspect of the present invention, a system for managing tips is provided. This system includes at least one software program, the at least one software program configured to accept at least one first declared value of at least one of the group consisting of cash tips, non-cash tips, cash gratuities, non-cash gratuities, and combinations thereof from at least one employee, the at least one software program configured to accept at least one second declared value of tipouts, and the at least one software program configured to accept at least one primary peripheral tip data selected from the group consisting of non-cash sales data, cash sales data, non-cash tips, non-cash gratuities, data regarding hours worked by at least one employee, meal period data, task data, and combinations thereof; at least one processing unit for executing the software program; and at least one user interface coupled to the at least one processing unit for entering at least one first declared value, at least one second declared value, and at least one primary peripheral tip data for manipulation by the at least one software program, wherein

Exhibit D
Invalidity Claim Chart (Phillips) – '050 Patent

'050 Patent, Claim 6		Prior Art
		the processing unit generates at least one report analyzing at least one first declared value and at least one second declared value in relation to at least one primary peripheral tip data.” Marshall, ¶ 32. “Turning next to FIGS. 5A and 5B, illustrated is a flow diagram of an exemplary embodiment of a process for entering tip information and peripheral tip information into a system such as the exemplary GrataSoft system and/or attributing tips to an employee via such system.” Marshall, ¶ 129. “Process 500 then proceeds to 558, at which the total hours worked for the current meal period, current task, and current date are determined. Next, at 560, the total tips attributed for the current meal period and the current task (as calculated at 556) is divided by the total hours worked (as determined at 558), thereby providing the total attributed tips per hour for the current meal period, for the current task during the current date.” Marshall, ¶ 141.

'050 Patent, Claim 6	Prior Art
	FIG. 6A Webb, Fig. 6A.

'050 Patent, Claim 6	Prior Art
	FIG. 6B <pre> graph TD 2((2)) --> 165[MARK EMPLOYEE IN] 165 --> 166((TIME IN LINE 1)) 166 --> 167[ROUND TIME] 167 --> 168{SCHEDULE ON} 168 -- NO --> 171[USE SCHEDULED TIME] 168 -- YES --> 169{TIME SCHEDULED TIME} 169 -- YES --> 170[USE ROUNDED TIME] 170 --> 172((hh:mm LINE 2)) 171 --> 172 172 --> 173{MESSAGE} 173 -- YES --> 174((MESSAGE)) 173 -- NO --> 175[CREATE NEW TRF RECORD SET IN FLAG] 175 --> 176[DELETE WSF ENTRY] 176 --> 177[PRINT TRANSACTION] 177 --> RET((RET)) </pre> Webb, Fig. 6B.

'050 Patent, Claim 6	Prior Art
	FIG. 7A  <pre>graph TD Start(()) --> 200{CHECKED IN} 200 -- NO --> 199[DID NOT TIME IN] 199 --> RET1((RET)) 200 -- YES --> 201[ROUND TIME TO 15 MIN DOWN] 201 --> 202{SCHEDULE ON} 202 -- NO --> RET2((RET)) 202 -- YES --> 203[VALIDATE TIME OUT] 203 --> 204{≤ SCHEDULED TIME OUT} 204 -- YES --> RET3((RET)) 204 -- NO --> 205[TIME OUT LATE SEE MANAGER] 205 --> RET4((RET))</pre> Webb, Fig. 7A.

'050 Patent, Claim 6	Prior Art
	FIG. 7B Webb, Fig. 7B. “The POS such as 21 send transaction data to the BO in the form of an HTTP post or communication. The packet 23 sent from the POS to the BO consists of transactions, employee clock, customer add/update, item add/update, promotions and more.” Olson, ¶ 20.

'050 Patent, Claim 7	Prior Art
7. The system of claim 4, wherein at least one of the additional devices comprises a payroll system, and	Phillips in view of Marshall, Webb, Olson, and/or Manno discloses at least one of the additional devices comprises a payroll system, and the gratuity sync client

'050 Patent, Claim 7	Prior Art
the gratuity sync client application communicates the returned gratuity allocations to the payroll system.	application communicates the returned gratuity allocations to the payroll system. For example: <i>See supra</i> claim 4–6. “Turning next to FIG. 25, illustrated is a flow diagram of an exemplary embodiment of a process for exporting payroll data from a system such as the exemplary GrataSoft system. In some embodiments of the present invention in which a time and attendance system (e.g., a Datamatics TC-1 time and attendance system) is utilized to pay employees, the GrataSoft system includes a function such as payroll export function 4301 to transmit payroll data, as well as data regarding tips and/or gratuities to be paid as wages, to the time and attendance system. Such a function allows the systems and methods of the present invention to transmit tip and/or gratuities that are to be paid as wages, as discussed elsewhere herein, along with, or distinct from, transmission of each employee’s hours worked. Such transmission allows the time and attendance software to seamlessly pay each employee for the hours worked as well as the tips and gratuities received that the employee and/or employer designate to be paid as wages. Furthermore, this function facilitates an employer’s compliance with taxing authority regulations such as the IRS that require tips and/or gratuities to be paid as wages.” Marshall, ¶ 347. “TIMECARD FILE 56 and PAY PERIOD FILE 58 are files generated and maintained by computer 20 primarily from information (time records) received from time clock 10, or as input by the manager, as will be discussed in more detail below. Thus, the system may be started without these files.” Webb, 8:5–10. “The TIMECARD FILE 56 consists of a plurality of records each including the following information: 1. EMPLOYEE NUMBER 2. WORK DATE

'050 Patent, Claim 7	Prior Art
	3. TIME IN 4. TIME OUT 5. EMPLOYEE JOB CODE 6. TOTAL TIPS 7. STATUS CODE Each of the records in TIMECARD FILE 56 corresponds to one time-in and time-out transaction for an employee. The date, time-in, time-out, total hours (automatically calculated), job code, tips and status code (vacation etc.) are recorded. As will be described in more detail below, the TIMECARD FILE 56 is automatically updated and maintained via the Transmit Time Clock Files function 412b, and contains a complete record of all timeclock transactions without reference to pay periods (i.e. week to week or bi-monthly pay periods). PAY PERIOD FILE 58 consists of a plurality of records each identical with those in the TIMECARD FILE 56. However, the PAY PERIOD FILE 58 is purged of records at the end of each pay period so that it contains records of only those transactions which have occurred within the current pay period.” Webb, 8:11–38. “WPOS provides the advantages of store collaboration, using WPOS integration of the following: E-mail-pay stubs, forms, files, required reading; Web Training-learning about products, store changes, policy updates; Chat—communicating with other staff members with question-and-answer chat; Online form processing-filling out required information (tax forms, etc.)[;] Calendar-marking important dates, requesting a day off, etc.; Staff Forum/Message Board-Permitting staff to communicate and reply to topics;”

'050 Patent, Claim 7		Prior Art
		Manno, ¶¶ 67–73.

'050 Patent, Claim 8		Prior Art
8.[pre]	A system for providing payment management services to a plurality of clients; comprising:	Phillips in view of Marshall, Olson, and/or Manno discloses a system for providing management services to a plurality of clients. For example: <i>See supra</i> claim 1.[pre], 1.[a][1]. “Disclosed are systems and methods for recording, maintaining, and reporting tips and gratuities, optionally including details such as employee, task performed, and shift.” Marshall, Abstract. “In the depicted embodiment of the activity summary report shown in FIG. 12, the detail level has been selected to include non-cash and cash sales, non-cash and cash tips and gratuities, gross sales, gross tips, gross gratuities, tipout amounts, and non-cash and cash tips and gratuities as a percentage of non-cash and cash sales, respectively. The information is provided for all employees who worked during the selected date range as defined in date range field 1206.” Marshall, ¶ 225. “In addition, in some aspects of the present invention, the individualized system is equipped with the ability to record data associated with multiple employers. This allows an employee that holds multiple jobs or an employee that changes employment to record his or her data via a single integrated system.” Marshall, ¶ 385. “Referring next to FIG. 27, illustrated is a flow diagram of an exemplary embodiment of a process for defining co-worker and employer data in accordance

'050 Patent, Claim 8		Prior Art
		with one embodiment of the present invention. Allowing coworker and employer data to be defined in a single function is beneficial in a multi-employer individualized system since each of the entered co-workers should be associated with a specific one or more of the multiple employers.” Marshall, ¶ 386.
8.[a]	a payment management computer system having a server and a database and being accessible by a plurality of clients, the server being configurable by each client of the plurality of clients via a web portal to execute payment distribution rules independently on a client by client basis; and	Phillips in view of Marshall, Olson, and/or Manno discloses a payment management computer system having a server and a database and being accessible by a plurality of clients, the server being configurable by each client of the plurality of clients via a web portal to execute payment distribution rules independently on a client by client basis. For example: <i>See supra</i> claim 1.[a]; claim 1.[a][1][i]; claim 1.[a][1][ii]; claim 1.[a][2]. “The platform of the invention preferably allows employers to manage, issue, and fund tips onto an employee’s prepaid debit card 5 in real time. Embodiments of the invention preferably do one or more of the following: Calculates downstream or Tip-Out tips when other employees get a share (bus staff, bartenders, etc.). Tips can be loaded instantly onto the employees’ prepaid debit cards 5 and made available for the employees’ immediate use (there is no lag time in which those funds are available to the employees; no waiting until the next paycheck, etc. for access to their tips). No extra cash is required to be on hand for the employer to process tips at the end of a given work shift. Browser based software application/interface.” Phillips, ¶¶ 73–77.

'050 Patent, Claim 8	Prior Art
	“Connection of system 300 to Internet 318 allows the systems and methods of the present invention to be implemented in a Web-based manner. For example, the systems and methods of the present invention may be executed via a Web server or similar apparatus that interacts with one or more users via an Internet connection such as Internet connection 316 between the Web server and the user’s local processing device or dumb terminal (e.g., a thin client, a thick client, etc.). Such web-based implementations may be programmed via a web programming tool such as the FUNCKy.com programming tool or the like. Such interaction may include receiving input from a user and/or providing output (e.g., reports) to a user via the Internet connection.” Marshall, ¶ 102. “In some aspects of the present invention, the Web-based systems and methods of the present invention may be accessed via any Web browser in communication with the Internet regardless of whether such Web browser resides on a non-portable device (e.g., a desktop PC) or a portable device such as a laptop, PDA, Smartphone, cellular phone, or the like. This capability allows users with the required user rights to access the systems and methods of the present invention at the business establishment, from home, or on the go (i.e., via a portable device). This feature may allow users of an individualized system (i.e., systems intended for personal use by a single employee), as described in further detail below, to download information from an IS or a business establishment's tip and gratuity management system to his or her home computer. Also, in embodiments of the present invention in which electronic and/or digital signatures are captured, a Web-based system allows a signature to be requested via electronic mail. Furthermore, Web-based systems facilitate integration of the systems and methods of the present invention with all Web-based IS, thereby increasing the likelihood of data entry via download from an IS, which minimizes the need for manual data entry. Web-based systems further facilitate multi-site deployment, maintenance, support, upgrades, enhancements to,

'050 Patent, Claim 8		Prior Art
		centralized administration of, storage, and backup of the systems of the present invention.” Marshall, ¶ 103.
8.[b]	a plurality of client business systems in electronic communication with the payment management computer system, each of the client business systems corresponding to one of the plurality of clients, each client business system comprising:	Phillips in view of Marshall, Olson, and/or Manno discloses a plurality of client business systems in electronic communication with the payment management computer system, each of the client business systems corresponding to one of the plurality of clients. For example: <i>See supra</i> claim 1.[b].
8.[b][1]	at least one point of sale server; and	Phillips in view of Marshall, Olson, and/or Manno discloses each client business system comprising at least one point of sale server. For example: <i>See supra</i> claim 1.[b][1].
8.[b][2]	An interface component installed on the respective client business system;	Phillips in view of Marshall, Olson, and/or Manno discloses an interface component installed on the respective client business system. For example: <i>See supra</i> claim 1.[b][2].
8.[c]	wherein the interface component on each client business system is configured to extract at least one of transaction information and employee information from the	Phillips in view of Marshall, Olson, and/or Manno discloses wherein the interface component on each client business system is configured to extract transaction information and employee information from the client business system and to initiate transfer of the extracted information to the payment management computer system. For example:

'050 Patent, Claim 8		Prior Art
	client business system and to initiate transfer of the extracted information to the payment management computer system;	<i>See supra</i> claim 1.[c]; claim 1.[b][2].
8.[d]	wherein the payment management computer system is a cloud computing system remote from the plurality of client business systems and configured to receive the extracted information from the plurality of client business systems and to store the received extracted information in the database; and	Phillips in view of Marshall, Olson, and/or Manno discloses the payment management computer system is a cloud computing system remote from the plurality of client business systems and configured to receive the extracted information from the plurality of client business systems and to store the received extracted information in the database. For example: <i>See supra</i> claim 1.[d].
8.[e]	wherein the payment management system is further configured to execute, independently for each client, payment distribution rules based on at least the received extracted information and the independently configured payment distribution rules to generate payment information and return the payment information to the interface component of	Phillips in view of Marshall, Olson, and/or Manno discloses the payment management system is further configured to execute, independently for each client, payment distribution rules based on at least the received extracted information and the independently configured payment distribution rules to generate payment information and return the payment information to the interface component of respective client business systems, without requiring the respective client business systems to execute the payment distribution rules. For example: <i>See supra</i> claim 1.[e]; claim 1.[b][2].

'050 Patent, Claim 8		Prior Art
	respective client business systems, without requiring the respective client business systems to execute the payment distribution rules.	

'050 Patent, Claim 9		Prior Art
9.	The system of claim 8, wherein the respective client business system comprises a payroll system in communication with the interface component, such that the payroll system prepares payrolls without requiring the client business system to execute the payment distribution rules.	Phillips in view of Marshall, Webb, Olson, and/or Manno discloses the respective client business system comprises a payroll system in communication with the interface component, such that the payroll system prepares payrolls without requiring the client business system to execute the payment distribution rules. For example: <i>See supra</i> claim 4–7; claim 8. “Turning next to FIG. 25, illustrated is a flow diagram of an exemplary embodiment of a process for exporting payroll data from a system such as the exemplary GrataSoft system. In some embodiments of the present invention in which a time and attendance system (e.g., a Datamatics TC-1 time and attendance system) is utilized to pay employees, the GrataSoft system includes a function such as payroll export function 4301 to transmit payroll data, as well as data regarding tips and/or gratuities to be paid as wages, to the time and attendance system. Such a function allows the systems and methods of the present invention to transmit tip and/or gratuities that are to be paid as wages, as discussed elsewhere herein, along with, or distinct from, transmission of each employee’s hours worked. Such transmission allows the time and attendance software to seamlessly pay each employee for the

'050 Patent, Claim 9	Prior Art
	hours worked as well as the tips and gratuities received that the employee and/or employer designate to be paid as wages.” Marshall, ¶ 347. FIG. 6A <pre> graph TD Start(()) -- TRF --> 150{EMPLOYEE NOT IN} 150 -- NO --> 152(ALREADY TIMED IN) 152 --> RET1((RET)) 150 -- YES --> 151{SCHEDULE ON} 151 -- NO --> 153{SCHEDULED NOW} 151 -- YES --> 154(EMPLOYEE NAME) 153 -- NO --> 155{SCHEDULED LATER} 153 -- YES --> 154 155 -- NO --> 156(RET) 155 -- YES --> 157(NOT SCHEDULED UNTIL hhim) 157 --> RET2((RET)) 154 --> 160(ENTER JOB CODE) 160 --> 161[GET NUMBER I OR E AT END] 161 --> 162{CANCELED} 162 -- YES --> RET3((RET)) 162 -- NO --> 163{SCHEDULE ON} 163 -- YES --> 164{JOB SCHEDULED} 164 -- YES --> 2((2)) 164 -- NO --> 159(WRONG JOB CODE) 159 --> 160 </pre> Webb, Fig. 6A.

'050 Patent, Claim 9	Prior Art
	FIG. 6B <pre> graph TD 2[2] --> 165[MARK EMPLOYEE IN] 165 --> 166{TIME IN
(LINE 1)} 166 --> 167[ROUND TIME] 167 --> 168{SCHEDULE ON} 168 -- NO --> 171[USE SCHEDULED TIME] 168 -- YES --> 169{TIME >
SCHEDULED TIME} 169 -- YES --> 170[USE ROUNDED TIME] 169 -- NO --> 171 170 --> 172[hh:mm
(LINE 2)] 171 --> 172 172 --> 173{MESSAGE} 173 -- YES --> 174{MESSAGE} 173 -- NO --> 175[CREATE NEW TRF RECORD
SET IN FLAG] 175 --> 176[DELETE WSF ENTRY] 176 --> 177[PRINT TRANSACTION] 177 --> RET((RET)) </pre> Webb, Fig. 6B.

'050 Patent, Claim 9	Prior Art
	FIG. 7A <pre> graph TD Start(()) --> 200{CHECKED IN} 200 -- NO --> 199[DID NOT TIME IN] 199 --> RET1((RET)) 200 -- YES --> 201[ROUND TIME TO 15 MIN DOWN] 201 --> 202{SCHEDULE ON} 202 -- NO --> 205[TIME OUT LATE SEE MANAGER] 205 --> RET2((RET)) 202 -- YES --> 203[VALIDATE TIME OUT] 203 --> 204{≤ SCHEDULED TIME OUT} 204 -- NO --> 205 204 -- YES --> 202 </pre> Webb, Fig. 7A.

'050 Patent, Claim 9	Prior Art
	FIG. 7B Webb, Fig. 7B.

'050 Patent, Claim 10	Prior Art
10. The system of claim 8, wherein the payment distribution rules comprise gratuity allocation rules.	Phillips in view of Marshall discloses the payment distribution rules comprise gratuity allocation rules. For example: <i>See claim 8; claim 8.[e].</i>

'050 Patent, Claim 11		Prior Art
11.	The system of claim 8, wherein the respective client business system comprises additional devices which are connected to and accessible by the point of sale server.	Phillips in view of Marshall, Webb, Olson, and/or Manno disclose the respective client business system comprises additional devices which are connected to and accessible by the point of sale server. For example: <i>See claims 4 and 8.</i>

'050 Patent, Claim 12		Prior Art
12.	The system of claim 11, wherein at least one of the additional devices comprises a time and attendance server.	Phillips in view of Marshall, Webb, Olson, and/or Manno discloses at least one of the additional devices comprises a time and attendance server. For example: <i>See claims 5 and 11.</i>

'050 Patent, Claim 13		Prior Art
13.	The system of claim 12, wherein the employee information extracted from the respective client business system comprises employees' working hours.	Phillips in view of Marshall, Webb, Olson, and/or Manno discloses the employee information extracted from the respective client business system comprises employees' working hours. For example: <i>See claims 6 and 12.</i>