DECLARATION OF THOMAS HECHT IN SUPPORT OF PETITIONER'S PETITION FOR INTER PARTES REVIEW OF U.S. PAT. NO. 10,445,833 ("the '833 Patent")

1. I am a highly experienced financial professional with over 15 years in the financial services industry. I hold a Bachelor of Business Administration in Accounting from the University of Massachusetts Amherst and have expertise in financial management, accounting, business operations, and report analysis. I have successfully passed the CPA exam and met all requirements for certification. I am a Senior Certified Professional (SHRM-SCP), underscoring my extensive knowledge in both finance and human resources.

2. Currently, I oversee the financial operations of a $100M revenue public company subsidiary with around 350 employees. My responsibilities include aligning financial objectives, establishing global financial policies, generating and analyzing financial statements, formulating budgets, and preparing audit schedules. I ensure compliance with regulatory requirements and maintains a controlled operating environment under international standards. I am particularly adept at creating tax-efficient benefits for employees, optimizing financial strategies, and enhancing overall company performance.

3. In my role at Alchemi Capital, I was instrumental in scaling the firm to a $200M valuation. I co-founded the firm with the valedictorian and the CEO of Thomson Reuters Asia Legal and Regulatory. I led efforts to reorganize the firm, capitalize on evolving economic conditions, and leverage tax benefits through extensive legislative research and analysis.

4. At Brown & Brown, I managed P&L exceeding $50M, developed sustainable systems, and supervised routine accounting transactions. My work involved conveying industry knowledge of employee benefits and customized solutions, integral to Brown & Brown's business line.

5. During my tenure at Navient / Sallie Mae, I managed the loan loss reserve model and identified a pivotal opportunity for student loan refinancing in 2009. Recognizing that government rates were arbitrary and capricious, I saw the potential for refinancing prime loans, contributing to the creation of the student loan refinance industry. Managing a student loan portfolio exceeding $100B, I developed innovative financial solutions, ensured the integrity of the general ledger, and produced comprehensive financial reports, maintaining regulatory compliance and providing strategic financial insights.

6. I began my career at Ernst & Young in the Financial Services Office (FSO) group, where I gained foundational experience in auditing and financial analysis, conducting thorough audits for diverse clients and ensuring compliance with financial regulations and standards.

7. I hold multiple pending patent applications, including innovations related to employee stock purchase plans (ESPPs), 401(k) plans, spousal healthcare, and tax-efficient benefits. My patent for a method and system of supplying loaned funds to employees for increased participation in employee stock option plans directly addresses key financial and operational challenges, aligning closely with the subject matter of the '833 Patent maximizing share purchases under ESPPs with limited employee capital contributions.

8. I am intimately familiar with the operation of employee stock purchase plans, and as such, am qualified to offer a declaration regarding the prior art and the ‘833 patent.

9. Using a volatility calculation module to define a leverage value, which is disclosed for example by Exhibit C: Gustav’s Blog, June 2, 2013, was known in the art at the time I filed my patent and well before the priority date of the ‘833 patent and could easily have been applied by persons skilled in the art to the selected monetary contribution amount and selected rebalancing price of each of the plurality of employees in relation to historical and implied volatility of a stock price of employer stock. See e.g., paragraph 0028 of my 2016 Patent Application Publication US20160225081A1 (“Based on the change of the stock price, accumulated loan origination, quantity of loan origination, and balance period outstanding the employee pays a contingent fee/interest commission to gain the “free” matched money and have the financial institution take care of all the electronic transactions and interest payment on the loan to them. (Note: the contingent calculation could be changed determined at whatever the market can bear, for example 50/50 of any gains. Additionally, if the stock goes below the floor the loaning entity can pay accumulated interest or fees to the employee for their participation)”).

10. The share disbursement module claimed in the ‘833 patent is simply a recitation of the typical process of clearing a securities transaction, disclosed in for example, Exhibit J: Securities Transactions Settlement, SEC Issue Date March 11, 2004, Federal Register Publish Date March 18, 2004, Document Citation 69 FR 12921. For example, DTC's

registration as a clearing agency operating as a depository in order to immobilize securities in a registered clearing agency and settle transactions by book-entry movements discloses the subject matter claimed in the '833 patent of "selling, via the transaction module, by the third party via an open market sale on the financial exchange market, at least a portion of the acquired shares of employer stock, the sale of at least a portion of the shares of employer stock comprising a sale transaction and allowing for a return of sale proceeds to the financial or ledger account of the employee, deducting the principal of the supplemental monetary contribution from the sale proceeds to reimburse the third party." The other steps are similarly well known securities transaction processing and funds settlement steps. Any novelty over what the SEC and others describe as core securities settlement steps is in my idea disclosed in my 2016 patent application of deducting the principal of the supplemental monetary contribution from the sale proceeds to reimburse the third party, and returning, by the third party to the financial or ledger account of each of the plurality of employees, any remaining sale proceeds or remaining shares from the sale transaction.

11. None of the independent claims or dependent claims add anything to my initial disclosure in of my 2016 Patent Application Publication US20160225081A1 that was not disclosed in printed publications – too numerous publications to count in fact. Thus, my opinion is that the '833 is invalid as obvious under 35 USC 103.

Dated: July 5, 2024

Thomas Hecht

Respectfully Submitted,

Thomas Hecht