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UNITED STATES INTERNATIONAL TRADE COMMISSION
WASHINGTON, D.C.

Before the Honorable Thomas B. Pender
Administrative Law Judge

In the Matter of

CERTAIN AUDIO PROCESSING
HARDWARE AND SOFTWARE AND
PRODUCTS CONTAINING SAME

Investigation No. 337-TA-949

**ORDER NO. 30: INITIAL DETERMINATION GRANTING JOINT MOTION TO
TERMINATE INVESTIGATION WITH RESPECT TO HEWLETT
PACKARD CO.**

(January 12, 2016)

I. INTRODUCTION

On December 31, 2015, Complainant Andrea Electronics, Inc. (“Andrea”) and Respondent Hewlett Packard Co. (“HP”) filed a joint motion to terminate Acer from the investigation based on a settlement agreement, as well as, a patent license agreement. (Motion Docket No. 949-052) Andrea and HP requested that the unredacted versions of the agreements be disclosed only to Andrea and HP, the Commission, the Administrative Law Judge, and the Staff. Andrea and HP argue that such confidential treatment is appropriate and consistent with Commission precedent, which supports withholding settlement terms of one Respondent from other Respondents, and is further consistent with the public interest which favors settlement.

On January 8, 2016, the Commission Investigative Staff filed a response supporting the motion to terminate. No party opposes the present motion to terminate.

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II. STANDARDS OF LAW

Under Commission Rule 210.21(a)(2),

[a]ny party may move at any time for an order to terminate an investigation in whole or in part as to any or all respondents on the basis of a settlement, a licensing or other agreement

19 C.F.R. § 210.21(a)(2).

Commission Rule 210.21(b)(1) further specifies that the motion to terminate must include: (1) copies of the licensing or other settlement agreement; (2) any supplemental agreements; and (3) a statement that there are no other agreements, written or oral, express or implied, between the parties concerning the subject matter of the investigation. 19 C.F.R. § 210.21(b)(1). In addition, the Commission Rule requires that the motion must include a public version of any licensing or other settlement agreement containing confidential business information. *Id.*

Under Commission Rule 210.50(b)(2), I must also consider and make appropriate findings regarding the effect of the proposed termination on the public interest. 19 C.F.R. § 210.50(b)(2).

III. DISCUSSION

A. Compliance with Commission Rules

Andrea and HP filed a confidential version of the motion to terminate that includes a confidential version of the Settlement Agreement and Patent License Agreement (Exhibit A1, hereto) and the Stipulation to Dismiss with Prejudice (Exhibit A2, hereto). Additionally, Andrea and HP filed a public version of the motion to terminate that includes redacted versions (*i.e.*, public versions) of the Settlement Agreement and Patent License Agreement (Exhibit B1, hereto) and the Stipulation to Dismiss with Prejudice (Exhibit B2, hereto). Andrea and HP state that “there are no other agreements, written or oral, express or implied, between Andrea and HP

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concerning the subject matter of this Investigation.” (See *Motion* at 3.) Accordingly, I find that the requirements of Commission Rule 210.21(b)(1) have been met.

B. Public Interest

With respect to the public interest, Andrea and HP argue that the termination of the investigation as to HP will not adversely affect the public interest and “will not affect public health and welfare, competitive conditions of the U.S. economy, the production of like or directly competitive articles in the United States, or U.S. consumers.” (*Motion* at 4.) The Staff also argues that there are no public interest concerns weighing against termination of the investigation with respect to HP. (Staff Response at 3-4.)

I have reviewed the pleadings filed in connection with the present motion to terminate and do not find any information indicating that termination of this investigation on the basis of the Settlement Agreement is contrary to the public health and welfare, competitive conditions in the U.S. economy, the production of like or directly competitive articles in the United States, or U.S. consumers. To the contrary, I find that termination of HP is in the public interest and will conserve public and private resources. See, e.g., *Certain Consumer Elecs., Including Mobile Phones and Tablets*, Inv. No. 337-TA-839, Order No. 35, 2013 WL 453756, *2 (Feb. 4, 2013) (“[T]ermination of litigation under these circumstances as an alternative method of dispute resolution is generally in the public interest and will conserve public and private resources.”).

C. Request for Restricted Distribution of the Unredacted Versions of the Settlement Agreement and Patent Technology and License Agreement

Andrea and HP request that the unredacted confidential versions of the Settlement Agreement and Patent License Agreement be disclosed only to Andrea and HP, the Commission, the Administrative Law Judge, and the Staff. I find Andrea and HP’s request is appropriate under the circumstances and is consistent with Commission precedent. See *Certain*

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Machine Vision Software, Machine Vision Systems, and Products Containing the Same, Inv. No. 337-TA-680, Order No. 17 (Initial Determination), 2009 WL 3535542 (Oct. 26, 2009) (holding that counsel for non-settling respondents were not entitled to receive unreacted financial terms of settlement); *Certain Semiconductor Chips and Products Containing the Same*, Inv. No 337-TA-753, Order No. 26, 2011 ITC LEXIS 1004, (June 20, 2011); *Certain Dynamic Random Access Memory Semiconductors and Products Containing Same, Including Memory Modules*, Inv. 337-TA-707, Order No. 10, 2010 ITC LEXIS 1125, (June 29, 2010); *Certain Automotive Multimedia Display and Navigation Systems*, Inv. No. 337- TA-657, Order No. 27, 2009 ITC LEXIS 1044, (June 23, 2009).

D. Request for Stay

On December 16, 2016, Andrea and HP filed a joint unopposed motion requesting a stay of the Procedural Schedule “with respect to all deadlines respecting and between the Moving Parties, including a stay of the service of all expert reports with respect to HP and HP products currently due on December 18, 2015 and service of all rebuttal expert reports with respect to HP currently due on January 5 and 8, 2015,” based on a binding Memorandum of Understanding that Andrea and HP had entered into. (Motion Docket No. 949-049.) On December 18, 2016, my attorney-advisor informed the parties via email that unopposed Motion Docket No. 949-049 was granted. I hereby confirm by this writing that Motion Docket No. 949-049 is GRANTED.

IV. CONCLUSION

Accordingly, for the reasons above, it is my Initial Determination to GRANT the joint motion to terminate (Motion Docket No. 949-052). Accordingly, HP is hereby terminated from this investigation.

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Further, Andrea and HP's request for restricted distribution of the unredacted confidential versions of the Settlement Agreement and Patent License Agreement is GRANTED.

This Initial Determination, along with any supporting documentation, is hereby certified to the Commission. Pursuant to 19 C.F.R. § 210.42(h), this Initial Determination shall become the determination of the Commission unless a party files a petition for review of the Initial Determination pursuant to 19 C.F.R. § 210.43(a), or the Commission, pursuant to 19 C.F.R. § 210.44, orders, on its own motion, a review of the Initial Determination or certain issues herein.

SO ORDERED.

A handwritten signature in black ink, appearing to read "Thomas B. Pender", with a long horizontal flourish extending to the right.

Thomas B. Pender
Administrative Law Judge

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EXHIBIT A1

**(Confidential Settlement Agreement and
Patent Licensing Agreement - Redacted)**

EXHIBIT A2

(Redacted)

EXHIBIT B1

SETTLEMENT AGREEMENT

This Settlement Agreement ("Agreement") is effective as of the latest date set out on the signature page hereof (the "Effective Date"), among **Andrea Electronics Corporation**, a New York corporation having a place of business at 620 Johnson Ave., Suite 1B, Bohemia, New York 11716 ("Andrea"); and **HP Inc.**, a Delaware corporation having a place of business at 1501 Page Mill Road, Palo Alto, California 94304 ("HP") (Andrea and HP may each be referred to as a "Party" or collectively be referred to as the "Parties").

RECITALS

WHEREAS, the Parties wish to resolve the litigations titled *Andrea Electronics Corporation v. Hewlett-Packard Co.*, Civ. Action No. 2:15-cv-208 pending in the Eastern District of New York (the "New York Case"), as well as International Trade Commission Investigation No. 337-TA-949 titled *Certain Audio Processing Hardware and Software and Products Containing the Same*, Inv. No. 337-TA-949 (the "ITC Investigation") (collectively, the "Litigations");

WHEREAS On November 1, 2015 Hewlett-Packard Company split into Hewlett Packard INC and Hewlett Packard Enterprise; and

WHEREAS, Andrea has granted HP and its Subsidiaries a license to the Asserted Patents, the License Agreement being attached hereto as Confidential Exhibit A.

In consideration of the mutual promises and covenants herein contained, Andrea and HP agree as follows:

AGREEMENT

SECTION 1: DEFINITIONS

As used in this Agreement, the following terms shall have the following meanings which shall include both singular and plural forms in context. Additional terms may be defined elsewhere in this Agreement.

1.1. "Asserted Patents" means all patents asserted by Andrea in the Litigations, namely, the following U.S. Patents: 5,825,898; 6,049,607; 6,363,345; 6,483,923; and 6,377,637.

1.2. "Control" (including its correlative meanings, "Controlled" and "Controlling") means the power to direct or cause the direction of the management and policies of an Entity whether through ownership of voting securities, by contract or otherwise; it being understood and agreed that with respect to a corporation, limited liability company, partnership, and similar structures, "Control" shall also require (a) ownership of more than fifty percent (50%) of the voting stock, limited liability interest, partnership interest,

or other voting interest (or equivalent interest), in any such corporation, limited liability company, or partnership, or (b) in any country where it is not permitted by law to own more than fifty percent (50%) of the voting stock, limited liability interest, partnership interest, or other voting interest (or equivalent interest) in a local corporation, limited liability company, or partnership, ownership of the maximum legally allowed ownership interest of the voting stock, limited liability interest, partnership interest, or other voting interest (or equivalent interest) of the local corporation, limited liability company, or partnership.

1.3. "Entity" means a natural person, corporation, association, joint venture, partnership, company, limited liability company or other legal entity recognized in any jurisdiction in the world.

1.4. "License Agreement" shall mean the License Agreement between Andrea and HP, attached as Exhibit A.

1.5. "Subsidiary" shall mean any Entity directly or indirectly Controlled by a Party, as of the Effective Date.

SECTION 2: DISMISSALS

2.1. Dismissals. Subject to the terms and conditions herein the Parties shall file the following:

- a. Andrea and HP shall jointly file a motion to terminate the ITC Investigation substantially in the form set forth in Exhibit B within five (5) days of the Effective Date.
- b. Within five (5) court days of the receipt of payment by Andrea as set forth in Section 3.1 of the License Agreement, the Parties shall file stipulations of dismissal with prejudice regarding all claims and counterclaims asserted against each other in the New York Case substantially in the form set forth in Exhibit C.

2.2. Releases. Upon receipt of payment by Andrea as set forth in Section 3.1 of the License Agreement, Andrea and its Subsidiaries and HP and its Subsidiaries shall release all claims, counterclaims and/or defenses relating to the Asserted Patents that were brought or could have been brought in the New York Case as of the Effective Date.

2.3. No Costs. The Parties agree that this Agreement is intended solely as a compromise between the Parties and without any acknowledgment of liability, fault, or damages. The Parties acknowledge and agree that each Party shall bear its own attorneys' fees, court costs, expenses, and any other related costs and expenses that they have incurred in connection with any and all claims previously filed against each other. The Parties also agree that they shall bear their own costs and attorneys' fees relating to or arising from the negotiation and performance of this Agreement.

**SECTION 3
MISCELLANEOUS**

- 3.1. Term. The rights granted under this Agreement, if any, shall commence upon the Effective Date.
- 3.2. No Other Obligations. Neither Party shall have any other responsibilities or obligations in connection with actions to enforce or defend the Asserted Patents.
- 3.3. Binding on Successors. This Agreement shall be binding upon and inure to the benefit of the Parties, successors and assignees. Notwithstanding the preceding, it is understood that no assignment will release either Party or their Subsidiaries from any of their obligations hereunder.

**SECTION 4
NOTICE**

- 4.1. Written Notices. Any notices under this Agreement shall be in writing and shall be delivered by facsimile transmission, electronic mail, overnight express mail or express courier service to such Party at the address given below, or such other address as provided by a Party by written notice in accordance with this Section, and shall be effective on receipt. Notwithstanding the foregoing, notices and other communications sent by facsimile transmission or electronic mail shall be effective upon the sender's receipt of an acknowledgement from the intended recipient. This paragraph in no way constitutes waiver of service of process in any litigation between the parties.

For Andrea: Andrea Electronics Corporation
620 Johnson Ave., Suite 1B
Bohemia, New York 11716

For HP: General Counsel
 Office of the General Counsel
 Hewlett Packard INC
 1501 Page Mill Road
 Palo Alto, CA 94304
 GeneralCounsel@hp.com

**SECTION 5
GOVERNING LAW AND JURISDICTION**

5.1. Governing Law. The Parties agree that this Agreement shall be considered to have been made in, and construed and interpreted in accordance with the substantive laws of the State of New York, without regard to its conflict of laws principles.

5.2. Jurisdiction. The Parties hereby submit to, and waive any venue objections against, the sole and exclusive jurisdiction of the state and federal courts located in the State of New York.

**SECTION 6
WARRANTIES; COVENANTS; LIMITATION OF LIABILITY**

6.1. Limited Warranty. Each Party represents and warrants that it has the full authority to enter into and fully perform this Agreement; and that this Agreement is valid and binding and enforceable in accordance with its terms.

**SECTION 7
CONFIDENTIALITY**

7.1. Duty to Maintain Confidentiality. Either Party may publicly disclose this Agreement, except that the License Agreement, Exhibit A, may only be disclosed in accordance with the Confidentiality obligations contained therein.

**SECTION 8
MISCELLANEOUS**

8.1. Counterparts. This Agreement may be executed in counterparts in the English language and each executed document shall be deemed an original thereof.

8.2. Entire Agreement; Construction. This Agreement constitutes the entire agreement between the Parties concerning the subject matter hereof and supersedes all written and oral prior agreements and understandings with respect thereto.

8.3. Modification. No variation or modification of the terms of this Agreement or any waiver of any of the terms or provisions hereof shall be valid unless in writing and signed by an authorized representative of each of the Parties.

8.4. Severability; Interpretation. This Agreement is subject to the restrictions, limitations, terms and conditions of all applicable governmental regulations, approvals and clearances. If any term or provision of this Agreement is held invalid, illegal or unenforceable in any respect for any reason, that invalidity, illegality or unenforceability shall not affect any other term or provision hereof, and this Agreement shall be interpreted and construed as if such term or provision, to the extent the same shall have been held to be invalid, illegal or unenforceable, had never been contained herein, and instead had been included in such manner as to lawfully effectuate the intent of such term or provision. The Parties acknowledge that each Party was represented by legal counsel in connection with this Agreement and that each of them and its counsel have reviewed this Agreement, and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement or any applicable amendments or any exhibits.

8.5. Waiver. Failure by either Party to enforce any rights under this Agreement for any length of time shall not be construed as a waiver of such rights nor shall a waiver by either Party in one or more instances be construed as constituting a continuing waiver or as a waiver in other instances.

8.6. Remedies. In the event of a breach of this Agreement, in addition to the right to enforce its rights under this Agreement, each Party shall retain any and all rights and/or remedies, at law or in equity.

8.7. No Admission. The Parties agree that this Agreement or anything contained herein shall not constitute an admission by HP of infringement, validity or enforceability of any of the Asserted Patents.

* * * * *

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by duly authorized officers effective on the Effective Date.

Andrea Electronics Corporation

By: 

Name: Douglas ANDRIEA

Title: CEO

Date: 12/22/15

HP Inc.

By: _____

Name: _____

Title: _____

Date: _____

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by duly authorized officers effective on the Effective Date..

Andrea Electronics Corporation

By: _____

Name: _____

Title: _____

Date: _____

HP Inc.



By: _____

Name: DAVID DETTMAN

Title: CEO & ASSISTANT SECRETARY

Date: 12/22/15

EXHIBIT A

PATENT LICENSE AGREEMENT

This Patent License Agreement ("Agreement") is effective as of the latest date set out on the signature page hereof (the "Effective Date"), among **Andrea Electronics Corporation**, a New York corporation having a place of business at 620 Johnson Ave., Suite 1B, Bohemia, New York 11716 ("Licensor"); and **HP Inc.**, a Delaware corporation having a place of business at 1501 Page Mill Road, Palo Alto, California 94304 ("HP" or "Licensee") (Licensor and Licensee may each be referred to as a "Party" and collectively the "Parties").

RECITALS

WHEREAS, Licensor desires to grant and Licensee desires to acquire: a nonexclusive, non-transferable license under the Andrea Patents as well as certain other rights and covenants; and

WHEREAS On November 1, 2015 Hewlett-Packard Company split into Hewlett Packard INC and Hewlett Packard Enterprise.

In consideration of the mutual promises and covenants herein contained, Licensor and Licensee agree as follows:

AGREEMENT

SECTION 1: DEFINITIONS

As used in this Agreement, the following terms shall have the following meanings which shall include both singular and plural forms in context. Additional terms may be defined elsewhere in this Agreement.

1.1. "Andrea Patents" means (a) all United States and foreign patents assigned to Licensor on or before the Effective Date, including the Asserted Patents; (b) all pending United States and foreign patent applications assigned to Licensor on or before the Effective Date, and any United States or foreign patents issuing therefrom; and (c) all reexaminations, *inter partes* reviews, reissues, continuations (including continued prosecution applications), continuations-in-part, divisionals, renewals and extensions that have issued or may issue from any of the patents or patent applications identified in (a) and/or (b) above that are assigned to Licensor, without regard to the filing date thereof. The United States patents and patent applications listed in **APPENDIX A** attached hereto are assigned to Licensor as of the Effective Date and are included in the definition of Andrea Patents.

1.2. "Asserted Patents" means all patents asserted in the Litigations, namely, the following US Patents: 5,825,898; 6,049,607; 6,363,345; 6,483,923; and 6,377,637.

1.3. "Change of Control" will be deemed to have occurred as to a Party upon the earliest to occur of any of the following events, each of which will be determined independently of the others: (a) through a single transaction or series of related transactions, where such Party is subject to a merger, acquisition, consolidation, or other form of business combination through which another Entity obtains Control of the Party; or (b) as to Licensee, a sale of all or substantially all of the assets or stock or business of Licensee related to the Licensed Products to a third-party Entity.

1.4. "Control" (including its correlative meanings, "Controlled" and "Controlling") means the power to direct or cause the direction of the management and policies of an Entity whether through ownership of voting securities, by contract or otherwise; it being understood and agreed that with respect to a corporation, limited liability company, partnership, and similar structures, "Control" shall also require (a) ownership of more than fifty percent (50%) of the voting stock, limited liability interest, partnership interest, or other voting interest (or equivalent interest), in any such corporation, limited liability company, or partnership, or (b) in any country where it is not permitted by law to own more than fifty percent (50%) of the voting stock, limited liability interest, partnership interest, or other voting interest (or equivalent interest) in a local corporation, limited liability company, or partnership, ownership of the maximum legally allowed ownership interest of the voting stock, limited liability interest, partnership interest, or other voting interest (or equivalent interest) of the local corporation, limited liability company, or partnership.

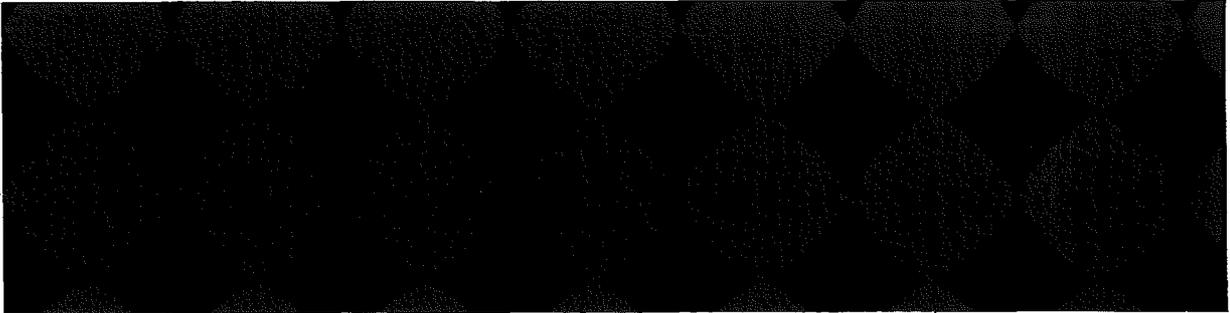
1.5. "Entity" means a natural person, corporation, association, joint venture, partnership, company, limited liability company or other legal entity recognized in any jurisdiction in the world.

1.6. "HP Products" means all products, systems, or devices assembled by or for Licensee and/or its Subsidiaries, including all products that are sold under and have affixed to them any trademark, service mark or any other identifying mark associated with Licensee and/or its Subsidiaries in a manner that is visible to the purchaser of such products, systems, and devices and is reasonably intended to identify Licensee or its Subsidiary as the origin of such product, system, or device. Notwithstanding the foregoing, the License herein will not permit HP to use the Andrea Patents to manufacture products for or on behalf of any Entity listed in **APPENDIX B** (i.e. to act as a foundry or a contract manufacturer for an Entity listed in Appendix B, wherein the products are sold exclusively under an Entity brand), thus those products are excluded from the definition of "HP Products." HP, may however, co-brand HP Products with other Entities so long as the co-branding is of substantially equal nature for consumer visibility.

1.7. "Subsidiary" shall mean any Entity directly or indirectly Controlled by a Party as of the Effective Date.

SECTION 2: GRANT OF LICENSES, RELEASES, AND COVENANTS

2.1. Grant of License. Subject to and contingent upon Licensee's performance of its obligations, and satisfaction of the conditions set forth in this Agreement, Licensor and its Subsidiaries grants to Licensee and its Subsidiaries:



2.2. Releases. Subject to and contingent upon performance of the obligations set forth herein, including Licensee's obligation to pay Licensor the Payment on or before the Payment Due Date pursuant to Section 3.1, and satisfaction of the conditions set forth in this Agreement, both Parties and their Subsidiaries hereby irrevocably release any and all claims related to the Andrea Patents that have been brought or could have been brought by the Parties or their Subsidiaries with respect to HP Products sold, offered for sale, made, had made, used, imported or otherwise transferred by or for Licensee before the Effective Date (the "Release"). The Release shall extend to third parties (including, without limitation, any customers, end-users, suppliers, manufacturers, distributors, and resellers of Licensor and its Subsidiaries), but only to the extent that any claim for infringement of the Andrea Patents is based on the manufacture, use, sale, offer for sale, importation or other disposition of HP Products prior to the Effective Date. The Parties agree that this Agreement is intended solely as a compromise between the Parties and without any acknowledgment of liability, fault or damages. The Parties acknowledge and agree that each Party shall bear its own attorneys' fees, court costs, expenses, and any other related costs and expenses that they have incurred in connection with any and all claims previously filed against each other. The Parties also agree that they shall bear their own costs and attorneys' fees relating to or arising from the negotiation and performance of this Agreement.

2.3. Covenants Not to Sue or Assert. Subject to and contingent upon satisfaction of the conditions set forth in this Agreement, during the Term, Licensor and its Subsidiaries hereby covenant not to sue or assert any claims against Licensee, its Subsidiaries, including their respective officers, directors, representatives, agents, administrators, assigns, predecessors and successors-in-interest or its customers, end-users, suppliers, manufacturers, distributors and resellers for infringement or alleged infringement of any Andrea Patents, but only to the extent that any claim for infringement or alleged infringement of the Andrea Patents is based on the manufacture, use, sale, offer for sale, importation or other disposition of HP Products.

2.4. Covenant Not to Challenge Andrea Patents. Licensee and its Subsidiaries covenant that they will not challenge, or knowingly assist others in challenging, the validity and/or enforceability of any of the Andrea Patents, in whole or in part, including, but not limited to, through the filing of declaratory judgment actions or reexaminations, post-grant, or inter partes review proceedings. The term "assist" means with respect to a party that challenges the validity and/or enforceability of any of the Andrea Patents: (a) funding such party to challenge the validity and/or enforceability of one or more of the Andrea Patents, or any part thereof; (b) providing such party with any analysis of any of the Andrea Patents, or any portion thereof; or (c) providing any prior art or any analysis of any prior art to any of the Andrea Patents to such party. The foregoing shall not apply to actions taken by HP to preserve its rights prior to a final determination by the International Trade Commission of the Motion to Terminate the ITC Investigation (Exhibit B) and by the U.S. District Court for the Eastern District of New York of the Stipulation to Dismiss with Prejudice the New York case (Exhibit C).

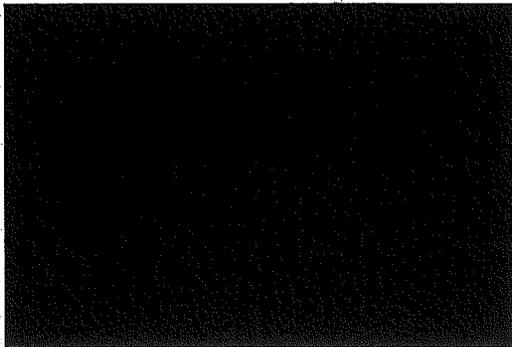
2.5. No Implied Rights. Except as expressly set forth in this Section 2, no other rights, licenses, covenants or releases under the Andrea Patents are granted by implication, estoppel or otherwise under this Agreement.

SECTION 3 PAYMENT

3.1. Payment. In consideration for the rights, releases, covenants and licenses granted to Licensee and its Subsidiaries under this Agreement, Licensee agrees to pay to Licensor

 The Payment shall be due and payable within thirty (30) calendar business days after the Effective Date and shall be made by wire transfer of immediately available funds pursuant to the written instructions provided below (the "Payment"). Upon full and timely payment of the Payment, the rights, releases, covenants and licenses granted to Licensee under this Agreement, shall be deemed "fully paid-up." For clarity, in the event that the Payment is not paid by Licensee on or before the Payment Due Date, such failure shall constitute a material breach of this Agreement.

Wiring Instructions:





3.2. Taxes. To the extent that the Payment is subject to any taxes, government fees, duties, or the like imposed under the laws of any country of Licensee, Licensee shall be responsible for payment of such tax, meaning that such taxes, government fees, duties, or the like shall not be deducted from the Payment. For purposes of clarity, Licensee acknowledges and agrees that the amount of the wire transfer of the Payment to Licensor shall be no less than the full aggregate amount set forth in Section 3.1. Licensor agrees to provide any assistance and documentation that is necessary or helpful to Licensee to comply with any requests or requirements of the applicable taxing authorities including, without limitation, obtaining and delivering to Licensee a residency certificate issued by the Internal Revenue Service or other documentation certifying that Licensor is a U.S. entity and a resident of the United States of America for purposes of U.S. taxation, tax treaty forms, and any other document reasonably requested to eliminate any withholding tax requirement that might otherwise be imposed on or in connection with payment of the Payment by Licensee.

SECTION 4 TERM, TERMINATION AND REVOCATION

4.1. Term. Subject to timely payment of the Payment by Licensee, and unless earlier terminated under Sections 4.2, 4.3 or 4.5, the rights granted under this Agreement shall commence upon the Effective Date and shall expire upon the expiration of the last-to-expire of the Andrea Patents (the "Term").

4.2. Termination by Licensee. This Agreement is terminable by Licensee upon thirty (30) days written notice to Licensor. Any such termination shall be irrevocable and Licensee shall not have any right to a refund of all or any portion of the Payment.

4.3. Termination by Licensor. In addition to any other remedy set forth herein, at law or in equity, Licensor shall have the right to terminate this Agreement immediately upon written notice if Licensee files a petition requesting liquidation or dissolution of the Licensee in any form, under the laws of the United States or any other bankruptcy or insolvency law; or the making by Licensee of any assignment for the benefit of its creditors.

4.4. Effect of Termination. Upon the termination of this Agreement for any reason, all rights, licenses and covenants granted by Licensor shall terminate. Sections 1 (and such other defined terms set forth in this Agreement), 3, 4, 8, 9, 10 and 11 shall survive termination of this Agreement indefinitely. No termination of this Agreement, for any reason, whether for or without cause, shall entitle Licensee to a refund or return of any portion of the Payment unless the termination is under section 9.1.

4.5. Termination of Agreement Due to Challenge of Licensor Patent. Should Licensee or a Subsidiary breach section 2.4 by challenging or assisting or causing any third party to challenge the validity or enforceability of one or more of the Andrea

Patents, Licensee shall have thirty (30) days after receiving notice from Andrea to cure such breach. If Licensee fails to cure the breach, Licensor, at its sole and absolute discretion, may terminate any or all of rights conferred by this agreement. Notwithstanding the foregoing, this Section 4.5 shall have no effect if Licensee or its Subsidiaries are alleged to infringe any claims of the Andrea Patents. Termination under this Section 4.5 shall not entitle Licensee to a refund or return of any portion of the Payment. The Parties agree that any actions taken by HP to preserve its rights prior to a Final Determination of the Motion to Terminate by the International Trade Commission and a ruling on the Stipulation to Dismiss with Prejudice by the U.S. District Court for the Eastern District of New York as set forth in section 2.4 shall not constitute a breach of this Agreement.

SECTION 5 ENFORCEMENT or DEFENSE

5.1. No Other Obligations. Neither Licensee nor Licensor shall have any other responsibilities or obligations in connection with actions to enforce or defend the Andrea Patents.

SECTION 6 ASSIGNABILITY

6.1. No Assignment by Licensee. This Agreement and the rights, licenses and obligations hereunder may not be assigned, by operation of law or otherwise, by Licensee without the express prior written consent of Licensor, in its sole and absolute discretion. For the purposes of this Agreement, a Change of Control of Licensee (whether in connection with a merger, consolidation, combination, restructuring, or other transaction) shall constitute an assignment, such assignment requiring the express prior written consent of Licensor to have any effect. The sale or other disposition of all or substantially all of Licensee's assets or the HP Products product line shall not constitute an assignment requiring Andrea's express prior written consent unless it is to an Entity listed in APPENDIX B or any of their subsidiaries. The Parties agree that no assignment shall release Licensee from any of its obligations hereunder. Any purported assignment for which the express written consent of Licensor is required under this Section 6.1 and not obtained shall be void *ab initio*.

6.2. Newly Acquired Entities of Licensee. The rights, releases, covenants and licenses granted to Licensee herein will extend to any Entity that comes under the Control of Licensee after the Effective Date, but not if such Entity is (i) listed in APPENDIX B, or (ii) in litigation with Licensor at the time such Entity comes under the Control of Licensee. To the extent permitted under this Section 6.2, such extension to a newly acquired Entity is not considered an assignment.

6.3. Assignment by Licensor. Licensor may freely assign this Agreement and its rights hereunder, either expressly or through operation of law, without the prior consent of Licensee; provided that the licenses, releases and covenants encumber and run with the Andrea Patents. Licensor shall impose all of the obligations owed by Licensor

under this Agreement on any successor or assignee of Licensor in ownership or control of any of the Andrea Patents.

6.4. Binding on Successors. This Agreement shall be binding upon and inure to the benefit of the Parties, permitted successors and assigns, and successors and assigns of the Andrea Patents. Notwithstanding the preceding, it is understood that no assignment will release either Party or their Subsidiaries from any of their obligations hereunder.

SECTION 7 NOTICE

7.1. Any notices under this Agreement shall be in writing and delivered by facsimile transmission, electronic mail, overnight express mail or express courier service to such Party at the address given below, or such other address as provided by a Party by written notice in accordance with this Section, and shall be effective on receipt. Notwithstanding the foregoing, notices and other communications sent by facsimile transmission or electronic mail shall be effective upon the sender's receipt of an acknowledgement from the intended recipient.

For Licensor: Andrea Electronics Corporation
620 Johnson Ave., Suite 1B
Bohemia, New York 11716

For Licensee: General Counsel
Office of the General Counsel
Hewlett Packard INC
1501 Page Mill Road
Palo Alto, CA 94304
GeneralCounsel@hp.com

SECTION 8 GOVERNING LAW AND JURISDICTION

8.1. Governing Law. The Parties agree that this Agreement shall be considered to have been made in, and construed and interpreted in accordance with the substantive laws of the State of New York, without regard to its conflict of laws principles.

8.2. Jurisdiction. The Parties hereby submit to, and waive any venue objections against, the sole and exclusive jurisdiction of the federal courts located in the State of New York.

SECTION 9
WARRANTIES; COVENANTS; LIMITATION OF LIABILITY

9.1. Limited Warranty. Licensor represents and warrants that it is a corporation in good standing under the laws of the State of New York; that it has the authority to enter into this Agreement; and that this Agreement is valid and binding and enforceable in accordance with its terms. Licensor further represents and warrants that it owns the Andrea Patents and has the right to grant the licenses and covenants herein. Notwithstanding anything in this Agreement to the contrary, upon timely Notice of a breach of this Section 9.1, and thirty (30) days to cure such breach, Licensee may rescind this Agreement in its entirety and receive refund of the Payment. Upon refund of the Payment under this Section 9.1, the Agreement is null and void in its entirety, including all prior rights, licenses, covenants and releases herein.

9.2. NO OTHER WARRANTY. EXCEPT FOR THE LIMITED WARRANTY SET FORTH IN SECTION 9.1, THE ANDREA PATENTS ARE PROVIDED AS-IS. EXCEPT FOR THE LIMITED WARRANTY SET FORTH IN SECTION 9.1, NOTHING IN THIS AGREEMENT SHALL BE CONSTRUED AS A WARRANTY, EXPRESS OR IMPLIED, OR REPRESENTATION BY LICENSOR AS TO THE VALIDITY OR SCOPE OF ANY ANDREA PATENT; A WARRANTY OR REPRESENTATION THAT ANYTHING MADE, USED, SOLD, OR OTHERWISE DISPOSED OF UNDER ANY LICENSE GRANTED IN THIS AGREEMENT, INCLUDING WITHOUT LIMITATION, THE HP PRODUCTS, IS OR WILL BE FREE FROM INFRINGEMENT OF PATENTS OF THIRD PERSONS; A WARRANTY OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE; A REQUIREMENT THAT EITHER PARTY SHALL FILE ANY PATENT APPLICATION, SECURE ANY PATENT OR MAINTAIN ANY PATENT IN FORCE; AN OBLIGATION TO BRING OR PROSECUTE ACTIONS OR SUITS AGAINST THIRD PARTIES FOR INFRINGEMENT OF ANY PATENT; AN OBLIGATION TO FURNISH ANY MANUFACTURING OR TECHNICAL INFORMATION, OR ANY INFORMATION CONCERNING PENDING PATENT APPLICATIONS; CONFERRING A RIGHT TO USE IN ADVERTISING, PUBLICITY, OR OTHERWISE ANY TRADEMARK OR TRADE NAME OF THE PARTY FROM WHICH A LICENSE IS RECEIVED UNDER THIS AGREEMENT; OR GRANTING BY IMPLICATION, ESTOPPEL, OR OTHERWISE ANY LICENSES OR RIGHTS UNDER PATENTS OTHER THAN THE ANDREA PATENTS. EXCEPT FOR THE LIMITED WARRANTY SET FORTH IN SECTION 9.1, LICENSOR EXPRESSLY DISCLAIMS AND LICENSEE ACCEPTS SUCH DISCLAIMER OF ANY WARRANTY DESCRIBED IN THE IMMEDIATELY PRECEDING SENTENCE OF THIS AGREEMENT OR BY OPERATION OF LAW.

9.3. CONSEQUENTIAL DAMAGES. IN NO EVENT SHALL EITHER PARTY BE LIABLE FOR ANY SPECIAL, INCIDENTAL, INDIRECT OR CONSEQUENTIAL DAMAGES OF ANY KIND, INCLUDING BUT NOT LIMITED TO, LOSS OF PROFITS OR DAMAGES TO A PARTY'S BUSINESS REPUTATION HOWEVER CAUSED AND ON ANY THEORY OF LIABILITY, WHETHER IN AN ACTION FOR CONTRACT, INFRINGEMENT, STRICT LIABILITY OR TORT (INCLUDING NEGLIGENCE) OR

OTHERWISE, WHETHER OR NOT THE OTHER PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGE AND NOTWITHSTANDING THE FAILURE OF ESSENTIAL PURPOSE OF ANY REMEDY.

SECTION 10 CONFIDENTIALITY

10.1. Duty to Maintain Confidentiality. Either Party may publicly disclose the existence of this Agreement, provided, however, that the terms and conditions of this Agreement shall be confidential and shall not be disclosed to any person or entity not a Party to this Agreement, except Subsidiaries, attorneys, accountants and investors who are bound by confidentiality provisions, unless prior written consent is obtained from the other Party, or unless any competent court, regulatory authority or governmental agency orders and/or requires such disclosure, provided however, that in the event that such disclosure is required, the applicable Party who needs to disclose will use good faith efforts to maintain the confidentiality of any terms and/or conditions of this Agreement which are not so required to be disclosed. Licensee may disclose the relevant portions of this Agreement to its customers, suppliers, and/or distributors to the extent necessary to demonstrate the scope of this Agreement that extends to such customers, suppliers, and/or distributors. Furthermore, either Party may, subject to a non-disclosure agreement, disclose this Agreement to third parties in connection with business discussions or in connection with any merger or acquisition proposed or discussions that may lead to such proposal, in each case, for which such Party reasonably deems such disclosure to be necessary. However, in no instance, may Licensee or its Subsidiaries disclose the Payment amount set forth in Section 3.1 without Licensor's prior written consent.

10.2. Disclosure Related to Legal Process. Notwithstanding Section 10.1, a Party may produce this Agreement in response to a subpoena, discovery request or court order, provided such Party produces this Agreement under a "Highly Confidential-Outside Counsel's Eyes Only" designation or similar designation or otherwise makes provisions to protect the confidentiality of this Agreement. The disclosing Party shall notify the other Party as soon as practicable after a disclosure request. Notwithstanding the foregoing, the Parties agree that the Payment amount set forth in Section 3.1 shall not be disclosed to any Respondent or Intervenor in the ITC Investigation, so long as the ITC Investigation is pending, without the other Party's prior written consent.

SECTION 11 MISCELLANEOUS

11.1. Counterparts. This Agreement may be executed in counterparts in the English language and each executed document shall be deemed an original thereof.

11.2. Entire Agreement; Construction. This Agreement constitutes the entire agreement between the Parties concerning the subject matter hereof and supersedes all written and oral prior agreements and understandings with respect thereto.

11.3. Modification. No variation or modification of the terms of this Agreement or any waiver of any of the terms or provisions hereof shall be valid unless in writing and signed by an authorized representative of each of the Parties.

11.4. Severability; Interpretation. This Agreement is subject to the restrictions, limitations, terms and conditions of all applicable governmental regulations, approvals and clearances. If any term or provision of this Agreement is held invalid, illegal or unenforceable in any respect for any reason, that invalidity, illegality or unenforceability shall not affect any other term or provision hereof, and this Agreement shall be interpreted and construed as if such term or provision, to the extent the same shall have been held to be invalid, illegal or unenforceable, had never been contained herein, and instead had been included in such manner as to lawfully effectuate the intent of such term or provision. The Parties acknowledge that each Party was represented by legal counsel in connection with this Agreement and that each of them and its counsel have reviewed this Agreement, and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement or any applicable amendments or any exhibits.

11.5. Remedies. In the event of a breach of this Agreement, in addition to the right to enforce its rights under this Agreement, each Party shall retain any and all rights and/or remedies, at law or in equity.

11.6. Waiver. Failure by either Party to enforce any rights under this Agreement for any length of time shall not be construed as a waiver of such rights nor shall a waiver by either Party in one or more instances be construed as constituting a continuing waiver or as a waiver in other instances.

11.7. Third Party Beneficiaries. With the exception as set out below, the Parties do not intend to create any rights in third persons and the Parties agree that there are no third party beneficiaries to this Agreement. Only the Parties to this Agreement may enforce this Agreement, claim any right to benefit from this Agreement, or rely upon the existence of this Agreement for its benefit. The Parties agree that Hewlett Packard Enterprise is a third party beneficiary of this Agreement, and that Licensor is a third party beneficiary to any sublicense Licensee grants to Hewlett Packard Enterprise under section 2.1.1 of this agreement.

11.8. Agency. Nothing in this Agreement shall be construed to constitute the Parties as partners or participating in a joint venture or constitute either Party as agent of the other.

11.9. Bankruptcy. Licensor and Licensee hereto acknowledge and agree that this Agreement is a contract under which Licensor is a licensor to Licensee of rights with respect to intellectual property (including, without limitation, "intellectual property" within the meaning of Section 101 of the Bankruptcy Code of the United States). Licensee shall have all the rights contemplated by Section 365(n) of such Bankruptcy Code with respect to the licenses and other rights described in this Agreement.

11.10. No Admission. The Parties agree that this Agreement or anything contained herein shall not constitute an admission by Licensee of infringement, validity or enforceability of any of the Andrea Patents.

* * * * *

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by duly authorized officers effective on the Effective Date.

Andrea Electronics Corporation

By: 
Name: DOUGLAS ANDREA
Title: CEO
Date: 12/22/15

HP Inc.

By: _____
Name: _____
Title: _____
Date: _____

11.10. No Admission. The Parties agree that this Agreement or anything contained herein shall not constitute an admission by Licensee of infringement, validity or enforceability of any of the Andrea Patents.

* * * * *

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by duly authorized officers effective on the Effective Date.

Andrea Electronics Corporation

By: _____

Name: _____

Title: _____

Date: _____

HP Inc.

By:  _____

Name: DAVID DEITCHMAN

Title: DGC + ASSISTANT SECRETARY

Date: 12/22/15

APPENDIX A

Pat. No.	App. No.	Title	Filing Date	Issue Date
5,825,898	08/672,899	System and method for adaptive interference cancelling	27-Jun-1996	20-Oct-1998
6,049,607	09/157,035	Interference canceling method and apparatus	18-Sep-1998	11-Apr-2000
6,108,415	08/953,021	Noise cancelling improvement to a communications device	17-Oct-1997	22-Aug-2000
6,178,248	08/840,159	Dual-processing interference cancelling system and method	14-Apr-1997	23-Jan-2001
6,198,693	09/059,503	System and method for finding the direction of a wave source using an array of sensors	13-Apr-1998	06-Mar-2001
6,332,028	09/055,709	Dual-processing interference cancelling system and method	07-Apr-1998	18-Dec-2001
6,363,345	09/252,874	System, method and apparatus for cancelling noise	18-Feb-1999	26-Mar-2002
6,377,637	09/614,875	Sub-band exponential smoothing noise canceling system	12-Jul-2000	23-Apr-2002
6,483,923	09/130,923	System and method for adaptive interference cancelling	06-Aug-1998	19-Nov-2002
6,594,367	09/427,410	Super directional beamforming design and implementation	25-Oct-1999	15-Jul-2003

Pat. No.	App. No.	Title	Filing Date	Issue Date
7,319,762	11/482,351	Headset with flashing light emitting diodes	05-Jul-2006	15-Jan-2008
8,150,054	12/332,959	Adaptive filter in a sensor array system	11-Dec-2008	03-Apr-2012
8,542,843	12/429,623	Headset with integrated stereo array microphone	24-Apr-2009	24-Sep-2013
8,767,973	13/291,565	Adaptive filter in a sensory array system	8-Nov-2011	1-Jul-2014
8,818,000	12/916,470	System, device, and method utilizing an integrated stereo array microphone	29-Oct-2010	26-Aug-2014
	14/319,707	Steerable sensor array system with video input	30-Jun-2014	
	14/463,018	System, device, and method utilizing an integrated stereo array microphone	19-Aug-2014	

APPENDIX B

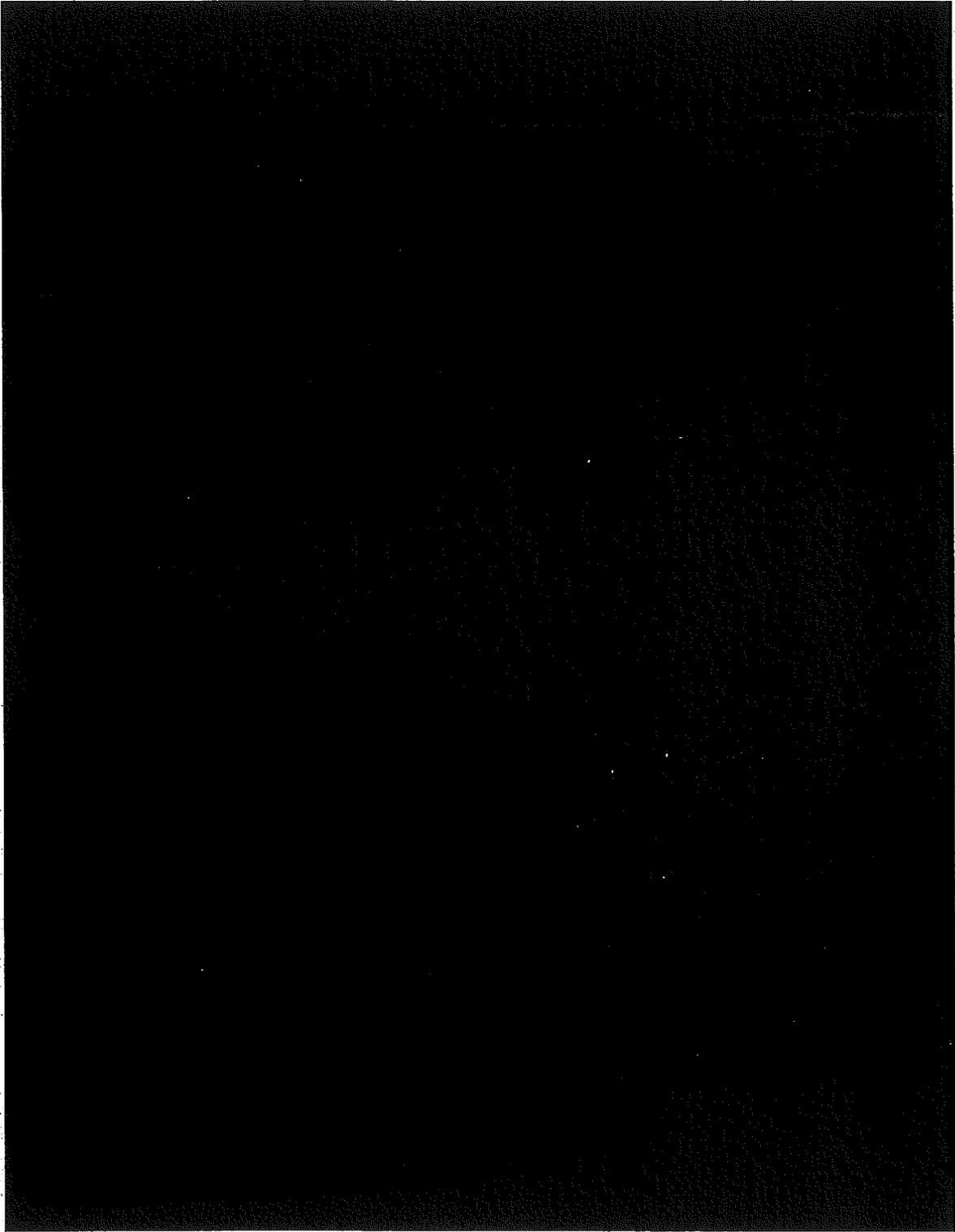


EXHIBIT B2

EXHIBIT C

IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF NEW YORK

ANDREA ELECTRONICS CORPORATION,

Plaintiff,

v.

HEWLETT-PACKARD COMPANY,

Defendant.

CIVIL ACTION

NOS. 2:15-cv-208

STIPULATION TO DISMISS WITH PREJUDICE

Pursuant to Rule 41(a)(1)(A)(ii) of the Federal Rules of Civil Procedure, Plaintiff Andrea Electronics Corp. ("Andrea") and Defendant HP Inc. and HP Enterprise (f/k/a Hewlett-Packard Company) (together, "HP"), by and through their counsel of record and pursuant to the terms of a confidential agreement by and between them, hereby stipulate and agree that:

(1) - All claims and counterclaims between Andrea and HP shall be dismissed with prejudice; and

(2) All costs and expenses relating to the claims between Andrea and HP in this litigation (including attorney and expert fees and expenses) shall be borne solely by the party incurring same.

A proposed Order accompanies this motion.

PUBLIC VERSION

Date: Thursday, December 31, 2015

/s/

Goutam Patnaik

Tuhin Ganguly

David J. Shaw

Kelly E. Rose

Sean Gloth

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*Counsel for Complainant Andrea Electronics
Corporation*

Respectfully submitted,

/s/

Eric S. Namrow

Nicholas J. Kim

Ric Macchiaroli

Morgan, Lewis & Bockius LLP

1111 Pennsylvania Ave, N.W.

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*Counsel for Respondent Hewlett-Packard
Company*

IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF NEW YORK

ANDREA ELECTRONICS CORPORATION,

Plaintiff,

v.

HEWLETT-PACKARD COMPANY,

Defendant.

CIVIL ACTION

NOS. 2:15-cv-208

[PROPOSED] ORDER DISMISSING ALL CLAIMS WITH PREJUDICE

Before the Court is Plaintiff Andrea Electronics Corp.'s ("Andrea's") and Defendant Hewlett-Packard Company (n/k/a HP Inc. and Hewlett-Packard Enterprise) (together "HP") Stipulation to Dismiss With Prejudice. The Court finds that dismissal with prejudice should be GRANTED, and orders as follows:

All claims and counterclaims between Andrea and HP in this litigation shall be dismissed with prejudice.

All costs and expenses relating to the claims between Andrea and HP in this litigation (including attorney and expert fees and expenses) shall be borne solely by the party incurring same.

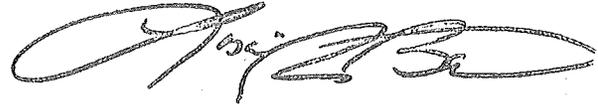
IT IS SO ORDERED.

**IN THE MATTER OF CERTAIN AUDIO PROCESSING
HARDWARE AND SOFTWARE PRODUCTS CONTAINING
SAME**

337-TA-949

CERTIFICATE OF SERVICE

I, Lisa R. Barton, hereby certify that the attached **PUBLIC ORDER NO. 30** has been served upon the **Commission Investigative Attorney, Lisa Murray, Esq.**, and the following parties as indicated on JAN 12 2016.



Lisa R. Barton, Secretary
U.S. International Trade Commission
500 E Street, SW, Room 112A
Washington, DC 20436

FOR COMPLAINANTS ANDREA ELECTRONICS CORP.:

Goutam Patnaik, Esq.
PEPPER HAMILTON LLP
600 Fourteenth Street, NW
Washington, DC 20005

() Via Hand Delivery
 Via Express Delivery
() Via First Class Mail
() Other: _____

FOR RESPONDENT ACER INC. & ACER AMERICA CORPORATION:

Craig Kaufman, Esq.
TECHKNOWLEDGE LAW GROUP LLP
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Redwood Shores, CA 94065

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FOR RESPONDENT DELL INC.:

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Washington, DC 20004

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() Via First Class Mail
() Other: _____

FOR RESPONDENT HEWLETT PACKARD CO.

Eric S. Namrow, Esq.
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() Other: _____

