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UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE PATENT TRIAL AND APPEAL BOARD

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MICROSOFT,	:	Case Nos.
	:	
Petitioner,	:	IPR2014-00610
	:	
v.	:	IPR2014-00614
	:	
VIRNETX,	:	IPR2014-00615
	:	
Patent Owner.	:	IPR2014-01418
	:	
-----	:	IPR2014-01421

Friday, December 19, 2014

Telephone Conference before Judge Michael Tierney, Judge Karl Easthom, and Judge Stephen Siu in the above-entitled matter, commencing at 11:02 a.m., the proceedings taken down by Stenotype by Catherine B. Crump, stenographic court reporter, and transcribed under her direction.

1 APPEARANCES:

2 On behalf of the Petitioner:

3 KEVIN GREENE, ESQ.

4 KARL RENNER, ESQ.

5 Fish & Richardson

6 1425 K Street, N.W., 11th Floor

7 Washington, D.C. 20005

8 (202) 626-6447

9 On behalf of the Patent Owner:

10 JOSEPH PALYS, ESQ.

11 NAVEEN MODI, ESQ.

12 Paul, Hastings, LLP

13 875 15th Street, N.W.

14 Washington, D.C. 20005

15 (202) 551-1717

16 JASON E. STACH, ESQ.

17 Finnegan, Henderson, Farabow,

18 Garrett & Dunner, LLP

19 3500 Sun Trust Plaza

20 303 Peachtree Street, N.E.

21 Atlanta, Georgia 30308

22 (404) 653-6400

1 P R O C E E D I N G S

2 JUDGE TIERNEY: Welcome to the call.

3 I now would just like to go to the parties
4 and make sure that we have a representative from each
5 of the parties on the phone. I'll start with
6 Petitioner. Is there a member of Petitioner on the
7 call?

8 Not hearing from counsel from Petitioner,
9 we'll go ahead and wait until they come on the line.

10 [Pause.]

11 MR. PALYS: Your Honor, this is Joe Palys for
12 VirnetX. Just to let you know, I sent opposing
13 counsel an E-mail just to let him know in case there
14 was some issue with the communication.

15 JUDGE TIERNEY: Thank you.

16 [Pause.]

17 MR. GREENE: Kevin Greene for the Petitioner
18 is on the line. Karl Renner should be on as well.

19 MR. RENNER: I'm on also. Thanks, Kevin.

20 JUDGE TIERNEY: Okay. We were starting off
21 with a roll call for Petitioner and noticed a
22 representative was not on the line. So if we could

1 start again.

2 Is there a representative for Petitioner on
3 the line?

4 MR. GREENE: There is. Kevin Greene and Karl
5 Renner.

6 JUDGE TIERNEY: Thank you. I now will turn
7 it over to the patent owner. Mr. Palys, you already
8 announced yourself, but could you please introduce
9 your colleagues.

10 MR. PALYS: Sure. Again, this is Joseph
11 Palys, and with me is Naveen Modi, both of us from
12 Paul, Hastings, and Jason Stach from Finnegan is also
13 on line.

14 JUDGE TIERNEY: Welcome to the call.

15 The parties had sent an E-mail to the board
16 indicating there's a potential for settlement in this
17 case and we wanted to, at the board, get a little bit
18 more information.

19 I believe there's a request to file a paper
20 announcing the settlement to the board and confirming
21 the settlement and, essentially, that the settlement
22 has to be in writing, as you're aware. Maybe if the

1 parties could give us a little bit more information,
2 and I'll start with the patent owner today.

3 MR. PALYS: Thank you, Your Honor. This is
4 Joseph Palys. Before we get into the particulars,
5 I'd just like to request that to the extent any
6 discussions during this call involves any
7 confidential information that the transcript be kept
8 confidential.

9 JUDGE TIERNEY: I would appreciate it if you
10 could file it as an exhibit and do have a motion to
11 seal to go along with it and you can file it as
12 parties and board only. There is a question which
13 parties are aware of the settlement at this time.

14 MR. PALYS: To answer that question, I
15 believe it's the parties Microsoft and VirnetX. So
16 the fact of the settlement, as I hinted in our
17 E-mail, is still confidential. It is my
18 understanding, however, that the parties will be
19 making this fact public relatively soon, but at this
20 point, it's confidential, and depending on the nature
21 of this call, if it stays at that level, it might be
22 -- by the time we have to file, if we even have to

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