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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.

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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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