

Exhibit 44



Business / Technology

Originally published February 18, 2014 at 5:45 PM | Page modified February 19, 2014 at 6:20 AM

Blucora disputes claims of illicit search traffic

An investment company issued a report alleging that Blucora's search traffic is derived from malware of illicit traffic, such as child pornography, which the Bellevue company denies.

Seattle Times business staff

Bellevue-based Blucora strongly denied allegations appearing in a scathing report issued Tuesday by an investment company called Gotham City Research.

Blucora, which used to be called InfoSpace, operates online search business InfoSpace, as well as tax-preparation software company TaxACT.

Its properties include search sites Dogpile, MetaCrawler and WebCrawler.

Gotham's report alleges that at least 50 percent of Blucora's search traffic is derived from malware, click fraud and illicit traffic such as child pornography.

Gotham believes that 60 percent of Blucora's revenue will evaporate in coming quarters "as Google realizes it is better off without Blucora."

Gotham also said it thinks a Blucora share is worth no more than \$5 and less than \$1 if the company compensates affected parties.

Gotham is short Blucora, meaning it stands to make money if Blucora's share price goes down.

Blucora's stock plunged about 10 percent after the report came out Tuesday but rebounded slightly after the company repudiated the claims. It closed at \$21.70, down 8 percent.

In a strongly worded statement sent Tuesday, Blucora said that "the Gotham City Research report contains gross inaccuracies and factual misrepresentations regarding Blucora's InfoSpace search businesses.

"While we will not address every inaccurate statement in the report at this time, we do want to specifically respond to the reprehensible allegation regarding keyword search terms," the statement goes on to say.

"As a member of the search industry, we are continually challenged to monitor illicit and inappropriate search terms, as the vernacular and euphemisms that create those terms is constantly evolving," the company said. "We strictly prohibit acquiring search terms related to child pornography, and we work with partners and have internal procedures to enforce this policy.

"While some illicit search terms evade our detection, we do have active filters to remove these terms, and contrary to the Gotham City allegations, these terms drive a de minimis portion of our search business."

Blucora said it was "a strong company with a track record of value creation and a commitment to ensuring that it remains in compliance with industry policies and regulations."

Blucora declined to comment beyond the statement.

Gotham could not be reached for comment.

Gotham's report on Blucora is being offered free on its website, unlike research reports from many other investment firms.