

Exhibit 1

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2 Exhibits 1 - 20

3 UNITED STATES DISTRICT COURT

4 EASTERN DISTRICT OF VIRGINIA

5 NORFOLK DIVISION

6 *****

7 I/P ENGINE, INC., *

8 Plaintiff, * Civil Action No.

9 Vs. * 2:11-cv-512

10 AOL, INC., et al., *

11 Defendants. *

12 *****

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14 AUDIO/VISUAL DEPOSITION of LYCOS, INC.,

15 by and through its designee MARK BLAIS

16 Tuesday, July 31, 2012 at 9:00 a.m.

17 Goulston & Storrs

18 50 Rowes Wharf, 7th Floor

19 Boston, Massachusetts

20

21 ----- Jacqueline P. Shields, RPR, CSR -----

22

23

24 Job No. CS409539

1 Staykov?

2 A. I told him it was too low.

3 Q. Did you provide a counter offer?

4 A. It took a while for me to get any response
5 from Israel, which is where our parent company's
6 kind of business is operated. It's not where our
7 parent company is operated. Our parent company is
8 located in Indiana, but the business operations of
9 Ybrant is in Israel. It took me a while to get a
10 response back.

11 In the meantime I spoke with our CEO, who
12 told me to see if I could get other parties
13 involved, and that's when I reached out to Altitude
14 again and said, hey, you know, the previous LOI's
15 have no effect anymore, but I wanted to give you a
16 courtesy call, give you a heads-up that we're in
17 discussion to sell this one patent family, not our
18 portfolio anymore, and that we have an offer on the
19 table. And if you want to throw in your hat, let me
20 know. So they were a little perturbed by that whole
21 thing, but it's business. And then Dickstein also
22 put me in contact with another company, which was
23 Hudson Bay Capital, and Alex Burger.

24 Q. Is Dickstein representing Lycos at the

1 time?

2 A. No. Dickstein made the introductions, but
3 they were not involved in the discussions.

4 Q. After you reached out to Altitude Capital
5 did they respond?

6 A. In the meantime I met with Alex Burger's
7 company, then was Hudson Bay Capital, he came up and
8 met with me with one of his colleagues to discuss
9 this family of patents. He then went back and did
10 some very quick due diligence over a span of days,
11 and then made an offer, and I had not heard back
12 from Altitude yet, I conveyed the highest offer we
13 had to Altitude, and eventually Altitude came back
14 and made an offer. I conveyed all this to Staykov.
15 Staykov made more of an offer, and the three parties
16 basically negotiated off themselves until we finally
17 agreed at 3.2 million with Hudson Bay.

18 I believe, I believe Altitude had gone up
19 to 3 million, and I believe Staykov had gone up to
20 2.5 million before he dropped out. And Hudson's
21 last offer was more of take it or leave it at 3.2,
22 and I wanted to get it done. And we ended up
23 accepting that, although we threw a couple of
24 additional patents into the mix for the extra