EXHIBIT 7

IN THE UNITED STATES DISTRICT COURT

FOR THE EASTERN DISTRICT OF VIRGINIA

Norfolk Division

I/P ENGINE, INC., Plaintiff, v. AOL INC., et al., Defendants.	)	CIVIL ACTION NO. 2:11cv512

TRANSCRIPT OF PROCEEDINGS

Norfolk, Virginia

September 18, 2012

Hearing on Motions

Before: THE HONORABLE F. BRADFORD STILLMAN
United States Magistrate Judge

THE COURT: The phrase "that you think" would tend to undermine your claim with regard to the specificity of that interrogatory.

What else have you got?

MR. SHERWOOD: Your Honor, one other thing with respect to the attempt to cure prejudice.

The deposition of Culliss and Ortega is in response to Google's disclosure of 40 individuals whom it claims all have relevant knowledge with respect to prior art, a disclosure that just occurred in the last few weeks.

THE COURT: That is not before me now, is it?

MR. SHERWOOD: Well, but the point I'm trying to make is that we are trying to understand who is going to testify, and the Culliss and Ortega depositions are occurring after the close of fact discovery, after our expert has submitted his report, and our expert is going to be deposed this week. They are going to occur after the expert has been deposed.

THE COURT: I think that to the extent you have an argument on this, you should file a motion.

MR. SHERWOOD: I'm sorry, Your Honor, an exclusionary motion?

THE COURT: Whatever. I don't know what you think the remedy would be with regard to depositions being taken after the final pretrial order established a deadline for

taking of depositions. You've heard me on this, or at least some of your colleagues have heard me on this, and I was a bit intemperate on it in a telephone conference, where you were arguing about the taking of depositions and how many hours would be allocated to the taking of depositions of experts. And I came to find out at that time -- this is last week, now -- that you were taking depositions outside the deadlines established in the Rule 16(b) order, and I explained to you what the order says quite clearly, and that is, you shall not violate the deadline unless you get an agreed order and the court is persuaded to enter it.

Now, you did submit an order to that effect, it was agreed, and I entered it, giving you the opportunity to take some depositions out of time. But now here you are talking about other depositions being taken out of time, and no one has approved them.

MR. SHERWOOD: No, they are not other depositions, Your Honor. I'm sorry if I --

THE COURT: You said that you are taking the depositions of Culliss and Ortega, didn't you?

MR. SHERWOOD: Right, but I think that is part of the agreed order that the court has seen. What I'm talking about is the sequencing of these things.

THE COURT: All right. What else have you got, because, frankly, I understand your argument. I'm afraid I

don't agree with it, and I need to rule. I appreciate the argument and the good intentions of the argument, but this prior art was disclosed 60 days before the discovery cutoff date for fact discovery, which distinguishes it in the court's mind from what the court understands the ruling is in *Woodrow Woods and Marine Systems*.

The court notes that the defendant had 60 days within -- I'm sorry -- the plaintiff had 60 days within which to respond to deal with these disclosures, which appear to be timely under Rule 26(e), which is the only standard the court has available to apply in these circumstances, and the court believes that since no action was taken within that 60 days, and we are here today, that the prejudice that is being argued is insubstantial. I have to say that if this were truly a problem, I would have expected the motion within a week of the disclosure of this prior art.

The defendant Google's position seems to be that they developed a further understanding of the plaintiff's position and felt obliged to supplement with this prior art. What they knew and what they understood were two different things, and I believe that Google here developed an understanding with respect to the necessity of disclosing the prior art, they did so in a timely manner under Rule 26(e), that the case that was cited from the Federal Circuit is distinguishable because of the significant amount of time that

was available, and that any argument as to prejudice has been undercut because discovery has been taken with respect to the prior art, and there was no immediate reaction to deal with the late disclosure.

We are well past the 60-day deadline for -- the 60-day period within which this prior art was disclosed. Accordingly, the motion for sanctions is denied.

Now, I'll be happy to hear from Google with respect to the documents issues.

MR. PERLSON: Your Honor, I'm happy to report that we have resolved at least one of the issues from the motion to compel.

THE COURT: Which one is that?

MR. PERLSON: That is the issue of the Lang documents.

THE COURT: The Lang documents?

MR. PERLSON: Yes.

THE COURT: Let me see which one of those -- okay. That's the complete set of responsive documents from Andrew K. Lang.

MR. PERLSON: Yes.

THE COURT: One of the two claimed inventors of the patents-in-suit.

MR. PERLSON: Yes.

THE COURT: And you agreed to do what?

MR. PERLSON: Well, Mr. Brothers represented that he has looked at Lang's documents himself and has determined that there are no further documents, and we take his word on that.

THE COURT: Okay. Counsel for plaintiff agree that there are no further Lang documents to be produced?

MR. BROTHERS: That's correct, Your Honor.

THE COURT: So that is out of consideration today. So we have three other categories of documents that we need to talk about.

Go ahead, sir.

MR. BROTHERS: Your Honor, one other issue. I talked with counsel yesterday --

THE COURT: What is your name?

MR. BROTHERS: Oh, I'm sorry. Ken Brothers.

THE COURT: Okay, Mr. Brothers. Go ahead.

MR. BROTHERS: And with regard to the Kosak documents, the two documents, I had made an offer to try and resolve this. I had offered to produce those in exchange for resolving the issue with regard to the Innovate/Protect stock offering documents. That offer was declined. But as I have gone back and looked at it, whatever substance was in those Kosak agreements has been testified to at deposition. I can produce those today.

THE COURT: So the Kosak documents -- and that would be the consulting agreement between Donald Kosak, one of the