

Press Release

Source: VocalTec Communications Ltd.



VocalTec Signs Agreement to Sell 4 of Its 11 Patents for \$7 Million

Patent Sale Has No Bearing on Existing and Future Product Development

Wednesday December 17, 2008, 9:04 am EST

HERZLIA, Israel--(BUSINESS WIRE)--VocalTec Communications Ltd. (NasdaqCM: VOCL), a global provider of carrier-class multimedia and voice-over-IP solutions for communication service providers, announced today that it has signed an agreement for the sale of certain patents to **Masinolli Fund Limited Liability Company**.

Pursuant to the agreement, VocalTec will sell four patents and certain patent-related rights, out of the Company's current portfolio of 11 patents, for the aggregate price of approximately \$7 million. The patents to be sold consist of three US patents and one Israeli patent. Consummation of the transaction is subject to certain conditions, including approval of the Office of the Chief Scientist of the Israeli Ministry of Industry, Trade and Labor (OCS). The transaction related expenses will include mainly brokerage fees and other amounts to be determined. Upon consummation of the transaction, VocalTec will be granted a worldwide unlimited non-exclusive license to use the sold patents and patent-related rights in connection with the development and marketing of its products. IPInvestments Group is acting as VocalTec's broker in this transaction.

Ido Gur, VocalTec's Chief Executive Officer, commented, "We are happy to have entered into an agreement with **Masinolli Fund Limited Liability Company** that demonstrates the value attributed to VocalTec's technology and solutions. Upon consummation of the transaction, the sale consideration will allow us to further increase our product development as well as expand our sales and marketing efforts in line with our strategic objectives." Mr. Gur added, "The sale of these patents, similarly to the sale of other patents earlier this year, has no effect on our current and future product development. This transaction enables us to maximize the value of the sold patents for our shareholders and will result in a stronger balance sheet, which we believe will assist us in realizing the great potential of our VoIP solutions in the market."

Upon completion of the sale of the four patents, VocalTec will retain a patent portfolio comprising seven additional patents as well as several trademarks, including the "Internet Phone" trademark and Internet domain name.

About VocalTec

VocalTec Communications (NasdaqCM: VOCL) is a global provider of carrier-class multimedia and voice-over-IP solutions for communication service providers. A pioneer in VoIP technology since 1994, VocalTec provides proven trunking, peering and residential/enterprise VoIP application solutions that enable flexible deployment of next-generation networks (NGNs). Partnering with prominent system integrators and equipment manufacturers, VocalTec serves an installed base of dozens of leading carriers including Deutsche Telekom and Telecom Italia San Marino. VocalTec is led by a management team comprised of respected industry veterans.

http://cts.businesswire.com/ct/CT?id=smartlink&url=http%3A%2F%2Fwww.vocaltec.com&esheet=5856151&lan=en_US&anchor=www.vocaltec.com&index=1

Forward Looking Statements

This press release contains historical information and forward-looking statements within the meaning of The Private Securities Litigation Reform Act of 1995 with respect to the business, financial condition and results of operations of VocalTec. The words "believe," "expect," "intend," "plan," "should" and similar expressions are intended to identify forward-looking statements. Such statements reflect the current views, assumptions and expectations of the Company with respect to future events and are subject to risks and uncertainties. Many factors could cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements, including, among others, changes in the telecommunications and VoIP markets and in general economic and business conditions, loss of key customers and unpredictable sales cycles, competitive pressures, market acceptance of new products, inability to meet efficiency and cost reduction objectives, changes in business strategy and various other factors, both referenced and not referenced in this press release. Various risks and uncertainties may affect the Company and its results of operations, as described in reports filed by the Company with the Securities and Exchange Commission from time to time. Should one or more of these or other risks or uncertainties materialize, or should any underlying assumptions prove incorrect, actual results may vary materially from those described herein as anticipated, believed, estimated, expected, intended, planned or projected. The Company does not intend or assume any obligation to update these forward-looking statements.

Contact:

VocalTec
Gali Rosenthal, +972-9-9703805
gali@vocaltec.com
or
KCSA
Marybeth Csaby, 212-896-1236
mcsaby@kcsa.com

Copyright © 2008 [Business Wire](#). All rights reserved. All the news releases provided by Business Wire are copyrighted. Any forms of copying other than an individual user's personal reference without express written permission is prohibited. Further distribution of these materials by posting, archiving in a public web site or database, or redistribution in a computer network is strictly forbidden.

Copyright © 2008 Yahoo! Inc. All rights reserved. [Privacy Policy](#) - [Terms of Service](#) - [Copyright Policy](#) - [Send Feedback](#)

Quotes and other information supplied by independent providers identified on the Yahoo! Finance partner page. Quotes are updated automatically, but will be turned off after 25 minutes of inactivity. Quote data delayed 15 minutes for Nasdaq, NYSE and Amex. Real-Time continuous streaming quotes are available through our premium service. You may turn streaming quotes on or off. All information provided "as is" for informational purposes only, not intended for trading purposes or advice. Yahoo! is not an investment adviser and does not provide, endorse or review any information or data contained herein.