

apple number

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11 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
12 **FOR THE COUNTY OF SANTA CLARA**

14 **PATRIOT SCIENTIFIC**
15 **CORPORATION, a Delaware**
corporation,

16 Plaintiff,

17 vs.

18 **TECHNOLOGY PROPERTIES LIMITED**
19 **LLC, a California limited liability**
company, **ALLIACENSE LLC, a**
20 **Delaware limited liability company, and**
DOES 1 to 100, inclusive,

21 Defendants.

Case No. 1-10-CV-169836

DECLARATION OF CHARLES T.
HOGE IN OPPOSITION TO MOTION
TO SEAL RECORD

Date: August 12, 2010
Time: 9:00 a.m.
Dept: 9
Judge: Hon. Mark Pierce

22
23 I, Charles T. Hoge, declare as follows:

24 1. I am an attorney at law duly authorized to practice before all the Courts
25 of the State of California, and am a member of the firm Kirby Noonan Lance & Hoge
26 LLP, attorneys of record for Plaintiff Patriot Scientific Corporation in the above matter.
27 I am competent to and would testify to all matters set forth in this Declaration if called
28 upon to do so as a witness.

1 2. The matters discussed in this Declaration concern materials produced to
2 me by counsel for Technology Properties Limited ("TPL") pursuant to the parties'
3 Stipulated Protective Order dated June 25, 2010 governing confidential documents.

4 [REDACTED]
5 [REDACTED]
6 [REDACTED]
7 [REDACTED]
8 [REDACTED]
9 [REDACTED]

10 3. The Court issued its **Temporary Restraining Order** in this matter on
11 **April 23, 2010**. In connection with that process, the Defendants agreed to produce to
12 me their files related to the negotiations with **"Company A" resulting in the "mixed**
13 **license" agreement that was the primary basis for filing this action.** This was done so
14 we could evaluate our immediate discovery needs. As a result, I approximately 8,000
15 pages of documents related to the course of negotiation of the mixed license with
16 "Company A." Attached hereto as Exhibit "A" is document number 0000159
17 produced by TPL. **The document is part of a PowerPoint presentation to Company A**
18 **reflecting the licensing proposals to "Company A" at the point to license the MMP,**
19 **Fast Logic, Chip Scale and Core Flash technologies at \$18.49 million, \$4 million,**
20 **\$2.95 million and \$1.18 million, respectively, for a total license demanded of**
21 **"Company A" of \$26.62 million.** The total consideration allocated to the MMP by TPL
22 at this point (as discussed below) was 69.45%. The document does not contain the
23 notion of "patent peace" as being valued.

24 4. Attached hereto as Exhibit "B" is document 0000883, also produced to
25 me in connection with the "Company A" negotiation. This document reflects
26 allocation of consideration to "patent peace" but it does not reflect a change in the
27 relative mix of the consideration between the four portfolios being licensed by TPL.
28 "Patent peace" refers to the concept of TPL agreeing not to seek future licenses from

1 "Company A" with respect to future patent rights it may own or license that are
2 currently unknown.

3 5. Attached hereto as Exhibit "C" is a page from a draft License Agreement
4 to Company A generated in April 2010, document 0000971 also produced to me by
5 TPL. This page from the License Agreement reflects that late in the negotiations (the
6 License was executed by April 8, 2010) the amount of allocation among the four
7 portfolios (the "Group 1" license patents) was still blank, indicating that TPL must
8 have filled the relative allocation of consideration paid by "Company A" to the four
9 portfolios itself just before the license was executed. I have reviewed the final
10 "Company A" agreement. It includes the license of MMP, as well as those other three
11 technologies, but the allocation to MMP among the four was reduced from 69.45% to
12 less than 20%.

13 6. With respect to "Company B," [REDACTED]
14 [REDACTED]
15 [REDACTED]
16 [REDACTED]
17 [REDACTED]
18 [REDACTED]
19 [REDACTED]
20 [REDACTED]
21 [REDACTED]
22 [REDACTED]
23 [REDACTED]
24 [REDACTED]
25 [REDACTED]

26 9. [REDACTED]
27 [REDACTED]
28 [REDACTED] "Company B" [REDACTED]

1 [REDACTED]

2 [REDACTED]

3 [REDACTED]

4 [REDACTED] "Company B" [REDACTED]

5 [REDACTED]

6 [REDACTED]

7 [REDACTED]

8 [REDACTED]

9 [REDACTED]

10 [REDACTED]

11 [REDACTED]

12 11. [REDACTED]

13 [REDACTED]

14 [REDACTED]

15 [REDACTED]

16 [REDACTED]

17 [REDACTED]

18 [REDACTED]

19 [REDACTED]

20 [REDACTED]

21 [REDACTED]

22 [REDACTED]

23 [REDACTED]

24 [REDACTED]

25 [REDACTED]

26 [REDACTED]

27 [REDACTED]

28

[REDACTED]

[REDACTED]

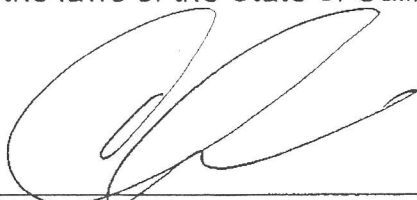
[REDACTED]

1 [REDACTED]
2 [REDACTED]
3 [REDACTED]
4 [REDACTED]
5 [REDACTED]
6 [REDACTED]
7 [REDACTED]
8 [REDACTED]

9 14. Patriot does agree that the Court file contents may be selectively
10 redacted pursuant to the parties' Stipulated Protective Order already in place in this
11 matter. The redactions that are appropriate would be licensing company names and
12 license dollar amounts. The point is to not compromise license negotiations with
13 industry segment competitors of these companies who may also be approached for
14 licenses.

15 I declare under penalty of perjury under the laws of the State of California that
16 the foregoing is true and correct.

17
18 Dated: 8/4/10



Charles T. Hoge