

James C. Otteson jim@agilityiplaw.com

September 17, 2013

Lisa R. Barton Acting Secretary United States International Trade Commission 500 E Street, S.W. Washington, DC 20436

Re: Certain Wireless Consumer Electronics Devices and Components Thereof,

Inv. No. 337-TA-853

Dear Secretary Barton:

Enclosed please find the **Joint Motion to Terminate the Investigation With Respect to Respondents Acer, Inc. and Acer America Corporation (Public Version)** e-filed today in the above-referenced investigation.

Respectfully submitted,

James C. Otteson

Enclosures

UNITED STATES INTERNATIONAL TRADE COMMISSION WASHINGTON, D.C.

Before the Honorable E. James Gildea Administrative Law Judge

In the Matter of

Certain WIRELESS CONSUMER ELECTRONICS DEVICES AND COMPONENTS THEREOF **Investigation No. 337-TA-853**

JOINT MOTION TO TERMINATE THE INVESTIGATION WITH RESPECT TO RESPONDENTS ACER, INC. AND ACER AMERICA CORPORATION

Pursuant to Commission Rule 19 C.F.R. § 210.21(b), Complainants Technology

Properties Limited LLC, Phoenix Digital Solutions LLC and Patriot Scientific Corporation

(collectively, "Complainants") and Respondents Acer, Inc. and Acer America Corporation

("ACER") hereby move to terminate this investigation with respect to ACER on the basis of the attached MMP Portfolio License Agreement.

For the reasons set forth in the Memorandum of Points and Authorities submitted herewith, the moving parties respectfully request that the motion be granted and that the investigation be terminated as to ACER only.

Pursuant to Ground Rule 2.2, counsel for Complainants have notified all other parties regarding the substance of this motion prior to its filing. Staff has indicated that it will take a position on the motion after it is filed. Respondents have indicated that they do not oppose the motion.

UNITED STATES INTERNATIONAL TRADE COMMISSION WASHINGTON, D.C.

Before the Honorable E. James Gildea Administrative Law Judge

In the Matter of

Certain WIRELESS CONSUMER ELECTRONICS DEVICES AND COMPONENTS THEREOF **Investigation No. 337-TA-853**

MEMORANDUM OF POINTS AND AUTHORITIES IN SUPPORT OF JOINT MOTION TO TERMINATE THE INVESTIGATION WITH RESPECT TO RESPONDENTS ACER, INC. AND ACER AMERICA CORPORATION

Pursuant to Commission Rule 19 C.F.R. § 210.21 (b), Complainants Technology Properties Limited LLC, Phoenix Digital Solutions LLC and Patriot Scientific Corporation (collectively, "Complainants") and Respondents Acer, Inc. and Acer America Corporation (collectively, "ACER") have moved to terminate this investigation with respect to ACER, on the basis of the attached proposed MMP Portfolio License Agreement. The parties request that this Joint Motion be granted.

The attached MMP Portfolio License Agreement has been executed by the parties. There are no other agreements, written or oral, express or implied between the parties concerning the subject matter of this investigation.

Settlement agreements are generally within the public interest. See, e.g., Certain Synchronous Dynamic Random Access Memory Devices, Microprocessors, and Products Containing Same, Inv. No. 337-TA-431, Order No. 11 at 2 (July 12, 2000). Termination based on a settlement agreement is routinely granted. See, e.g., Certain Safety Eyewear and Components Thereof, Inv. No. 337-TA-433, Order No. 37 at 2 (Nov. 3, 2000). The parties

respectfully submit that the attached Settlement Agreement will not have any adverse effect on the public health and welfare or competitive conditions in the United States.

For the reasons set forth above, the parties respectfully request that the joint motion to terminate with respect to ACER be granted pursuant to 19 C.F.R. 210.21(b).

Dated: September 17, 2013

Respectfully submitted,

By: /s/ James C. Otteson

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Counsel for Complainant Patriot Scientific Corporation

/s/ Eric Rusnak

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Counsel for Respondents Acer, Inc. and Acer America Corporation

MMP PORTFOLIO LICENSE AND RELEASE AGREEMENT

between

TECHNOLOGY PROPERTIES LIMITED LLC, PATRIOT SCIENTIFIC CORPORATION, PHOENIX DIGITAL SOLUTIONS LLC

and

ACER INC.

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LICENSE AND RELEASE AGREEMENT

This MMP PORTFOLIO LICENSE AND RELEASE AGREEMENT ("Agreement") is entered into by and between TECHNOLOGY PROPERTIES LIMITED LLC, a Delaware limited liability company ("TPL"), having a place of business at 20883 Stevens Creek Boulevard, Suite 100, Cupertino, CA 95014, USA, PATRIOT SCIENTIFIC CORPORATION, a Delaware corporation ("PTSC"), having a place of business at 701 Palomar Airport Road, Suite 170, Carlsbad CA 92011, USA, and PHOENIX DIGITAL SOLUTIONS LLC ("PDS"), a Delaware limited liability company having its principal place of business at 701 Palomar Airport Road, Suite 170, Carlsbad, CA 92011-1045 (hereinafter sometimes referred collectively as "Licensor") and ACER INC., a Taiwanese corporation with its principal place of business at 8F, 88, Sec.1, Hsin Tai Wu Rd., Hsichih Taipei Hsien 221, Taiwan, R.O.C. (hereinafter sometimes referred as "Licensee").

RECITALS

PDS has the exclusive right to license and otherwise commercialize a portfolio of patents known as the Moore microprocessor patents ("MMP Portfolio"),

Neither Alliacense Limited nor Charles Moore has any right to license or otherwise commercialize the MMP Portfolio; these rights are held exclusively by PDS;

Licensee is engaged in the design, development, manufacture, marketing, and/or sale of various products which rely on microprocessor technology;

TPL, PTSC and Acer Inc., Acer America Corporation, and Gateway Inc. are parties to a lawsuit captioned Acer Inc., Acer America Corporation, and Gateway Inc. vs. Technologies Properties Limited LLC ("TPL"), Patriot Scientific Corporation ("PTSC"), and Alliacense Limited, 5:08-cv-0877 (N.D. Cal.) and an International Trade Commission Investigation on Certain Computers and Computer Peripheral Devices and Components Thereof and Products Containing the Same, 337-TA-853 ("ITC Investigation") (collectively, "the Litigations") and,

The parties hereto desire to fully and finally settle, resolve, and release each other from certain claims and disputes and to enter into an agreement authorizing Licensee to practice the inventions covered by the MMP Portfolio for certain applications and fields of use on the terms and conditions set forth below.

NOW THEREFORE, for and in consideration of the following covenants, the parties agree as follows:

1. DEFINITIONS

1.1 "Licensee" means Acer Inc., Acer America Corporation, and Gateway Inc. as well as any entity (i) over which Acer Inc. has Control, and (ii) which is either scheduled at Addendum A hereof titled "Schedule of Affiliates," or is an After-Acquired Entity, or is a newly created entity resulting from reorganization(s) of assets of entities scheduled at Addendum A and/or After-Acquired entities (iii) so long as such Control is continuously maintained.

"Control" means (i) ownership or control of greater than fifty percent (50%) of the equity securities representing the right to vote for the election of directors or other managing authority of such entity, or (ii) in the event the entity does not have outstanding securities, the ability of an entity to direct the policies and management that guide the ongoing activities of another entity so as to increase its benefits and limit its losses from that other entity's activities; including specifically, the ability of a party hereto to direct the management of an entity to comply with the terms of this Agreement, where such entity claims to benefit from this Agreement by virtue of its relationship to such party.

"After-Acquired Entity" means, an entity (a) that would otherwise have qualified as a "Licensee" entity on the effective date of this Agreement if it had been scheduled at Addendum A hereof, and (b) either (i) the Annual Sales of which is less than one percent of the Annual Sales of Acer Inc., or (ii) for which a "Supplement" has been paid by Acer Inc. and received by Licensor.

"Supplement" means an additional, lump sum payment, calculated according to fair, reasonable, and non-discriminatory terms.

Within sixty (60) days following the acquisition by Licensee of any entity for which the payment of a Supplement would be required, the parties shall pursue for such entity a license under the Licensed Patents via the conduct of a good faith negotiation.

- 1.2 "Licensed Patents" means the MMP Portfolio patents scheduled at Addendum B entitled "Schedule of Licensed Patents," together with the subject matter of any other patent or application issued or pending which (i) is a continuation, divisional, continuation in part, foreign counterpart, reissue, or reexamination of any of the scheduled patents or applications, and (ii) shares a priority date with any of the scheduled patents.
- 1.3 "Make" or Made" means (in the past, present or future) the assembly, manufacture, or creation of copies by Licensee or by Licensee's contractors under Licensee's authorization or permission, where Licensee furnishes the design, specifications, working drawings, and the like.
- 1.4 "Sell" or "Sold" means (in the past, present, or future) to sell, supply, offer for sale, import, rent, lease or otherwise distribute a product, either directly or without modification of such product through distributors, in exchange for money or other form of compensation or consideration.
- 1.5 "Implementation" means a microprocessor-based integrated circuit, printed circuit board, processing module, or other such subassembly containing a microprocessor.
- 1.6 "Licensed Product" means a single System or Subsystem, bearing a Licensee Brand.
 - 1.6.1 "System" means a complete, ready-to-use, final, End User Market product that contains an Implementation.
 - 1.6.2 "Subsystem" means an Implementation Sold to an End User Market.
 - 1.6.3 "Licensee Brand" means a brand (indicating primary origin and primary point of service, and not merely a source of manufacture or licensed technology) currently owned and controlled, or subsequently originated and owned or controlled, by Licensee.
- 1.7 "End User Market" means a market for the ultimate end use and consumption of a product, and is not an Intermediate Market.

- 1.8 "Intermediate Market" means a commercial market for the temporary use of a product, for the purpose of integrating such product into other products or systems prior to resale (for example, by a value added reseller or systems integrator).
- 1.9 "Qualified Recipient" means a third party who (a) has been or will be timely identified by Licensee on an Implementation Report, and (b) has received an Implementation Notice, both in accordance with Addendum D entitled "Implementation Program Requirements."
- 1.10 "Spare Part" means a piece of hardware used solely for the repair of a Licensed Product on which all royalties and fees under this Agreement have been paid.
- 1.11 "Licensed Trademark" means the marks and symbols scheduled at Addendum C.
- 1.12 "Other Products' means products other than Licensed Products, and are scheduled at Addendum F, entitled, "Schedule of Other Products."
- 1.13 "Releasees" means, collectively, (a) Licensee, (b) all directors, officers, managers and employees of each Licensee (each, to the extent acting in such capacity); (c) all representatives, agents, attorneys and insurers of such Licensee (each, to the extent acting in such capacity); (d) all persons or entities engaged in the design, manufacture or supply of parts or components for Licensed Products or Spare Parts on behalf of a Licensee (each to the extent acting in such capacity), (e) all direct or indirect purchasers, dealers, distributors and other purchasers of Licensed Products or Spare Parts from a Licensee (each to the extent acting in such capacity); and (f) all predecessors-in-interest of any of the foregoing (each to the extent acting in such capacity).
- 1.14 "Releasors" means, collectively, PDS, TPL and PTSC.

2. GRANT OF LICENSE

2.1 Subject to the terms of this Agreement, and receipt by Licensor of the entirety of the Purchase Price which becomes due and payable, Licensor hereby grants to

Licensee indivisible, worldwide, non-exclusive licenses under the Licensed Patents which enable Licensee to:

- 2.1.1 Make, use and Sell Licensed Products and pay Royalties thereon; and
- 2.1.2 Make, use and Sell and Spare Parts; and
- 2.1.3 Make and Sell Implementations in an Intermediate Market for the Field of Use.

"Field of Use" means to enable such Qualified Recipients to Make and Sell Systems and pay Royalties thereon.

The grant above with respect to Implementations is non-exhaustive, and shall for no purpose be deemed to enable, authorize, or allow any purchaser of an Implementation to make, sell, use or otherwise distribute the Implementation in any manner or for any purpose without purchasing an MMP Portfolio License from Licensor.

- 2.2 Subject to the terms of this Agreement, and receipt by Licensor of the entirety of the Purchase Price which becomes due and payable, Licensor hereby grants to Licensee an indivisible, non-exclusive, worldwide license to use the Licensed Trademarks, to mark Implementations, Spare Parts and Licensed Products (and collateral associated therewith) in order to promote their commercialization by identifying their origin. Licensee shall not use any mark, name, or symbol resembling or suggesting an identity related to Licensor other than the Licensed Trademarks.
- 2.3 No right is granted to transfer (other than as provided for in Section 10.4), sub-license, or grant any rights under this Agreement to any third party. Any offer to sub-license or purported transfer or grant of sub-license by Licensee shall be an event of default hereunder.
- 2.4 Subject to the terms of this Agreement, and receipt by Licensor of the entirety of the Purchase Price which becomes due and payable, the Releasors acknowledge, separately and collectively, complete satisfaction, and hereby release, absolve and forever discharge the Releasees, separately and collectively, of and from any and all manner of Claims, whether at law or in equity,

whether or not the facts giving rise to such Claims are now known or unknown, discoverable or undiscoverable, which the Releasors ever had, now have, or hereafter can, shall or may claim to have through the Effective Date (but not thereafter), in each case only to the extent relating to (a) infringement of the Licensed Patents with respect to Licensed Products or Spare Parts, and (b) the claims and counterclaims asserted (or which could have been asserted) in, and the conduct of, the Litigations (the "Released Claims"). Notwithstanding anything in this Agreement, whether appearing to the contrary or otherwise, the Released Claims shall for no purpose whatsoever be deemed to extend beyond (a) the infringement of the Licensed Patents by Licensed Products or Spare Parts, and (b) the claims and counterclaims asserted, or which could have been asserted, pertaining to the infringement of Licensed Patents by Licensed Products or Spare Parts, in the Litigations.

2.5 Notwithstanding (i) the governing law of this Agreement, and that (ii) no general release is granted under this Agreement, the parties to this Agreement hereby acknowledge that they have been advised by legal counsel and are familiar with Section 1542 of the California Civil Code and similar laws in other applicable jurisdictions, and expressly waive any and all rights which they may have under Section 1542 of the California Civil Code (or any state or federal statute or common law principle to the contrary), which provides as follows:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.

The Releasors, and each of them, acknowledge that (a) they may have sustained damage, loss, cost or expense that are presently unknown and unsuspected, and that such damage, loss, cost or expense as may have been sustained may give rise to additional damage, loss, cost or expense in the future; (b) this Agreement has been negotiated and agreed upon in light of this situation, and the Released Claims are intended to include a release of presently unknown and unsuspected claims; and (c) they expressly waive any and all rights which they

- may have under Section 1542 of the California Civil Code or any state or federal statute or common law principle to the contrary, in each case solely to the extent of the Released Claims.
- Each Releasor acknowledges that there is a risk that subsequent to the execution of this Agreement they may discover additional wrongful acts of the other related to the matters referred to herein, or may discover, incur, suffer or sustain injury, loss, damage, costs, attorneys' fees, expenses, or any of these, which are in some way caused by or connected with the matters referred to herein, or which are unknown and unanticipated as of the Effective Date, or which are not presently capable of being ascertained; and, further, that there is a risk that such injury, loss, and damages as are known may become more serious than such party now expects or anticipates, in each case solely to the extent of the Released Claims. Nevertheless, each Releasor acknowledges that this Agreement has been negotiated and agreed upon in light of that realization, and intends its release to include unknown and unsuspected claims within the scope of the subject matter of the release, in each case solely to the extent of the Released Claims.
- Each party acknowledges and agrees it has been fully advised by counsel as to the full contents, meaning and significance of this Agreement, and fully understands its terms and their effect and that this is a full and final compromise, release and settlement of all Released Claims. This Agreement may be pleaded as a full and complete defense to any Released Claim and may be used as the basis for an injunction against any such Released Claim which may be prosecuted, initiated or attempted in violation of the terms hereof. The parties acknowledge that this Agreement and the releases contained herein are entered into as a settlement of doubtful and disputed Claims, and to avoid the expense of protracted litigation. Notwithstanding anything to the contrary in this Agreement, nothing herein may or should be construed as an admission of liability or wrongdoing by any party.

3. COMMERCIALIZATION

- 3.1 Licensed Product and Implementation commercialization and end-user support is Licensee's sole responsibility.
- 3.2 Inquiries regarding the acquisition of or need for rights in the Licensed Patents will be promptly referred to Licensor.
- 3.3 Licensed Products and Implementations bearing Licensed
 Trademarks will meet or exceed reasonable industry standards
 and expectations of quality and workmanship, and all such
 usage will be in accordance with established US practices for
 the protection of trademark and service mark rights

4. PAYMENTS

- 4.1 The Purchase Price for this MMP Portfolio License Agreement shall be Payments by Licensee to Licensor shall based on the timing and conditions set forth below:
 - 4.1.1 A first payment of ("First Payment"), shall be due and payable on September 12, 2013; and
 - 4.1.2 Only in the event any Licensee product is found to be in violation of 19 U.S.C. § 1337 in the Initial Determination by the Administrative Law Judge in United States International Trade Commission Investigation No. 337-TA-853 (a "Violation Finding"), a second payment of

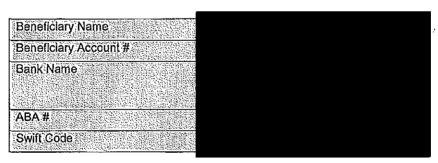
("Second Conditional Payment") shall be due and payable not later than 14 calendar days following the First Payment. Should there be no Violation Finding, only the First Payment shall be due (as discussed in Section 4.1.1), and all payments for the license grant and release specified in the Agreement shall be deemed fully paid.

4.2 The amount of all payments due Licensor hereunder shall be paid in US dollars on or before the due date in "same day" funds to the accounts from time to time designated by Licensor.

Licensee shall be responsible for compliance with all non-US rules and regulations applicable to this transaction, and if required by law, Licensee shall deduct from all payments due to Licensor hereunder and pay on behalf of Licensor all taxes, charges, and duties thereon (except US State and Federal

income taxes levied on Licensor) as well as any amounts required to be withheld or deposited with non-US governmental agencies. For any deductions from payments for taxes, charges and duties which are the responsibility of Licensor, Licensee will promptly provide to Licensor the appropriate documentation evidencing payment of such taxes, charges and duties so that Licensor can credit such withholding tax against its United States federal income tax liability. Licensee will take all reasonable actions necessary to ensure that any taxes, charges and duties withheld are minimized to the extent possible under applicable law. All payments hereunder are non refundable. Licensor shall use its best efforts to provide assistance to Licensee in providing any additional required tax documentation that Licensee needs to submit to the Republic of China Tax Agency. Notwithstanding anything to the contrary contained herein, the maximum amount Licensee may deduct from any payment due to Licensor shall be 20%.

4.3 Excess payments (as applicable) may be applied to the next payment due. Interest is due on all late payments (greater than 90 days) and will be calculated at the lower of (a) 1.5% per month, or (b) the maximum legal rate, until paid. Payments hereunder shall be made by wire transfer to:



1.4 The "flat" royalty rate and time period provided for in this Agreement above represents a weighted average of relative values and expiration dates, and was selected by the parties to avoid the difficulty and expense of implementing a matrix of multiple rates, expiration dates, and products. Licensee shall have the right to arrange and implement at any time a matrix of rates, expiration dates, and products that individually and accurately reflect all factors that are relevant to the calculation of reasonable royalties.

5. DISMISSAL

- 5.1 Within two (2) court days following the receipt by Licensor of the First Payment of the Purchase Price, the Parties shall cause their respective counsel to execute and file a joint motion to terminate the ITC investigation (and accompanying memorandum of points and authorities in support thereof) in the forms substantially as set forth in Addendum E2. The parties shall inform the Court of an agreement in principle within one (1) day after this Agreement is executed.
- 5.2 Within two (2) court days following either (i) the receipt by Licensor of the Second Conditional Payment of the Purchase Price, or (ii) there is no Infringement Finding, then Licensor shall cause its counsel to execute and file the motion substantially in the form set forth in Addendum El dismissing with prejudice all claims between the Parties in the Northern District of California Action.
- 5.3 If the ITC or the District Court objects to this Agreement and fails to terminate the ITC Investigation as to the Acer Respondents, and to dismiss the District Court Action, as applicable, on the terms and conditions of this Agreement, then the parties shall promptly meet and negotiate in good faith to try to resolve such objections.
- Until the later of (i) the termination of the ITC Investigation as to Acer Respondents, and there having been entered no exclusion order as a result of the ITC Investigation that applies to any of products of the Acer Respondents, and (ii) the dismissal of the District Court Action with prejudice, (A) the Court will retain jurisdiction for the purpose of facilitating and enforcing the terms and conditions of the Agreement; (B) the parties hereby consent to the exclusive jurisdiction and venue of the Court for such purpose; and (C) in the event of the breach of, or a dispute relating to, the Agreement, the Court will retain the exclusive jurisdiction to facilitate and enforce the terms and conditions of the Agreement, and to provide any other legal or equitable relief it deems necessary or appropriate. In the event that this Section 4.6 is deemed to be invalid or unenforceable by the Court, then Section 12 shall apply.

6. REPRESENTATIONS AND WARRANTIES

- 6.1 Licensor represents and warrants that: (i) Licensor, together with the other Releasors are the sole and exclusive owners of all rights, title, and interest in and to the Licensed Patents and/or the Patents themselves; (ii) Licensor has the right to grant this license and release.
- 6.2 TPL has fully complied with all of the requirements of the May 7, 2013 "Order on Motion Regarding Settlement Procedures" ("May 7 Order") entered by the United States Bankruptcy Court for the Northern District of California in the Chapter 11 proceeding of Technology Properties Limited, LLC, Case No. 13-51589 SU, necessary to enter into and perform this Agreement; no appeal has been taken from and no request for relief has been sought from the May 7 Order; and the "Settlement Committee" (as that term is defined in the May 7 Order) has approved or has no objection to the settlement and transactions described in this Agreement. Further, before August 21, 2013, Licensor shall provide Licensee with written confirmation from counsel for the Settlement Committee confirming that the Settlement Committee has approved the settlement and transactions described in this Agreement.
- 6.3 Licensor makes no representation or warranty regarding the validity or enforceability of any of the Licensed Patents and shall for no purpose have any liability with respect to the refund or return of any royalties or fees paid hereunder or in conjunction herewith, nor shall Licensor have any obligation hereunder to proceed with the prosecution of any pending patent application.

7. TERM AND TERMINATION

- 7.1 The term of this Agreement shall extend through the latest expiration date of any Licensed Patent issued any place in the world.
- 7.2 Licensee shall have the right to terminate this Agreement and be relieved from all further obligations hereunder should all claims of the Licensed Patents be materially limited or declared invalid. In such event, neither party shall be entitled to any return or receipt of any payment made or due under this agreement.

7.3 Failure to pay or perform any obligation hereunder within the time prescribed shall constitute an event of default. Failure to cure any default within thirty days after receipt of written notice describing the non-performance (ten days with respect to non-payment of funds) shall entitle the party giving such notice to terminate or suspend all or any portion of this Agreement.

8. NOTICES

8.1 Notices required under this Agreement shall be in written English and shall for all purposes be deemed to be duly given and received when delivered in person or by facsimile transmission and confirmed by Federal Express or certified mail, postage prepaid, to the respective party at the following address:

TO LICENSEE
Acer Incorporated
Attn: Legal Office, General Counsel
8F, 88, Sec. 1, Hsin Tai Wu Rd.
Hsichih Taipei Hsian 221
Taiwan, R.O.C.
Tel: +886-2-2696-1234
Fax: +886-2-8691-1009

- 8.2 Either party may change its designated notice address by giving the other party written notice.
- 8.3 Licensee shall cause all Licensed Products, marketing brochures, data sheets, etc. delivered after the date of this Agreement to be marked with appropriate references to the Licensed Patents.

9. DISPUTE RESOLUTION

9.1 All rights and obligations under this Agreement shall be resolved as if all persons and all transactions related to this Agreement had their legal residence, situs, and employment in Santa Clara County, California. Within fifteen (15) days after written notice of the dispute, members of the most senior management of the parties shall meet and exercise their best efforts to resolve any dispute under the Agreement.

If unresolved, then in the event of a legal or administrative proceeding, the cost of translating into English all discoverable materials, and of providing contemporaneous translation of all live testimony shall be borne by the party submitting any such materials or testimony in any language other than English.

10. GENERAL

- 10.1 Time is of the essence under this Agreement that represents the final understanding between the parties and supersedes all prior agreements between them regarding the Licensed Patents. The parties shall execute and deliver all such further instruments, and do all such other acts as may be necessary or appropriate in order to carry out the intent and purposes of this Agreement.
- 10.2 For a period of five (5) years the parties will maintain all material received hereunder, as confidential and will not use or disclose it other than in conjunction with the enforcement of this Agreement. However, this covenant shall not extend to any form of the material which is either independently developed, acquired by Licensor from a source entitled to possess and disclose such, or which is or becomes available from a nonconfidential source. The provisions of this Agreement (but not the existence or title of this Agreement) and all correspondence and communication relating to this Agreement are confidential and shall remain confidential and not be disclosed by either Party except: (i) with the prior written consent of the other Party, (ii) as may be required by applicable law, regulation or order of a governmental or judicial authority of competent jurisdiction, (iii) during the course of litigation, including pursuant to a discovery request or local rule, so long as the disclosure of such terms and conditions is subject to the same restrictions as is the confidential information of the other litigating parties, and such disclosing party provides the other party written notice at least ten (10) business days prior to such disclosure, or as soon thereafter as reasonably possible, (iv) in confidence to the professional legal and financial counsel representing such party, (v) in

confidence to any party covered by the releases, licenses or covenants granted herein, provided that the financial terms of this Agreement shall not be disclosed pursuant to this clause (v), or (vi) in confidence to a prospective purchaser or investor of the disclosing party. With respect to the foregoing subsection (ii), such disclosing party shall, to the extent legally permissible, provide the other party with prior written notice of such applicable law, regulation or order and, at the request of the other party, use reasonable efforts to limit the disclosure of the terms and conditions of this Agreement, and to obtain a protective order or other confidential treatment.

Notwithstanding this confidentiality provision, the parties may represent that the Litigations have been resolved pursuant to a settlement agreement between the parties.

- 10.3 The failure of any provision of this Agreement by virtue of its being construed as invalid or otherwise unenforceable shall render the entire Agreement cancelable at the option of the party asserting the enforceability of the said provision.
- 10.4 This Agreement shall not be transferred by Licensee by assignment, merger or other means, whether expressly or by operation of law ("Transfer"), without the expressed written consent of Licensor, such consent not to be unreasonably withheld, and a Transfer in accordance with this Agreement.

A Transfer shall be effective only to the extent that it is made in conjunction with a disposition of Licensee or Licensee's business involving Licensed Products ("Transferred Business"), and Licensee: (i) gives Licensor 30 days prior written notice thereof; (ii) in the event of a disposition of the Transferred Business, divests itself of all rights hereunder incident to the Transferred Business; and (iii) remains responsible for and assures the performance of all of Licensee's obligations hereunder by such transferee, but until such time as transferee enters into its own corresponding MMP Portfolio license agreement with Licensor (hereafter, "Corresponding Agreement").

Any purported transfer shall be cancelable on 30 days written notice by Licensor in the event such transferee

fails to enter into a Corresponding Agreement within 90 days of any such transfer.

The rights, licenses, and immunities of any such transferee (or of any successor in interest to the ownership or control of such transferee) shall be limited to the Licensee's level of business and Licensed Products as of the effective date of the transfer, and shall for no purpose be deemed to extend to any further or other activities of such transferee or affiliate.

- 10.5 All rights and privileges arising in connection herewith shall for all purposes be deemed to be subject to the terms and provisions hereof, and the faithful performance thereof.
- 10.6 This Agreement represents the entire agreement between the parties with respect to the subject matter thereof, and may be modified only by a written instrument signed by all parties and/or their successors and assigns.

IN WITNESS WHEREOF the parties have hereunto set their hands and seals as of the dates indicated below.

Phoenix Digital Solutions (LC)	LICENSEE (1) Acer Incorporated
Garillon M. Johnson, Manager,	10 hug
Galiton IV. Johnson, Manager,	Jim Wong, Gorporate President, Acer Inc.
Date: September 6,2013	Date: September 6. 2013
RELEASOR Pechnology Properties Limited LLO	
1 June Marie	
Date: 6 September 2013	
RELEASOR Patriot Scientific Corporation	
an	
Date: September 6, 2013 Chair/Exective Comm.	
Chair / Exective Comm.	
/	

UNDERTAKING by PATRIOT SCIENTIFIC CORPORATION

By these presents, the undersigned Patriot Scientific Corporation, on behalf of itself and its successors and assigns, and their respective officers and directors, and all related beneficial owners of the subject matter of the MMP Portfolio License Agreement ("Patriot") acknowledges that Patriot:

- (i) Has reviewed this Patent License Agreement; and
- (ii) Agrees and warrants that it will forever forebear from challenging, interfering with, or otherwise attempting to diminish any right, title, interest or benefit granted hereunder; and
- (iii) Shall not assert any claim or action against, or seek any form of equitable or compensatory relief from, Licensee in contravention of any right, title, interest or benefit granted hereunder; and

(iv) Joins herein as Licensor.

Patri/ot

By: Car ton M. Johnson

Chair of the Executive Committee

Patriot Scientific Board of

Directors

ADDENDUM A SCHEDULE OF AFFILIATES

Acer Incorporated Acer America Corporation Gateway Inc.

Any entity for which Acer Inc., Acer America Corporation, Gateway Inc. and/or their subsidiaries own 50% or more of the voting power.

ADDENDUM B
SCHEDULE OF LICENSED PATENTS

Country	Patent#	il Filing	App#	Issue	J Tille
US	5,440,749	03-Aug-89	07/389,334	08-Aug-95	High Performance, Low Cost Microprocessor with
••	10,1.10,1.15	1000.00	1	1	Combination Stack and Register Architecture
US	5,530,890	07-Jun-95	08/480,206	25-Jun-96	High Performance, Low Cost Microprocessor
US	5,530,890 C1	16-Jan-09	90/009,388	01-Mar-11	High Performance, Low Cost Microprocessor
US	5,659,703	07-Jun-95	08/482,185	19-Aug-97	Microprocessor System With Hierarchical Stack And
	.,				Method Of Operation
บร	5,809,336	07-Jun-95	08/484,918	15-Sep-98	High Performance Microprocessor Having Variable
					Speed System Clock
US	6,598,148 C1	21-Sep-06	90/008,227	06-Sep-11	High Performance Microprocessor Having Variable
			1		Speed System Clock
บร	6,598,148 C1	29-May-09	90/010,562	06-Sep-11	High Performance Microprocessor Having Variable
	<u> </u>	<u> </u>			Speed System Clock
US	5,809,336 C1	19-Oct-06	90/008,306	15-Dec-09	High Performance Microprocessor Having Variable
					Speed System Clock
US	5,809,336 C1	17-Nov-06	90/008,237	15-Dec-09	High Performance Microprocessor Having Variable
	7.000.000			45 5	Speed System Clock
US	5,809,336 C1	30-Jan-07	90/008,474	15-Dec-09	High Performance Microprocessor Having Variable
					Speed System Clock
US	5,809,336 C2	24-Aug-09	90/009,457	23-Nov-10	High Performance Microprocessor Having Variable
		107 1 07	201101 205	04 1.700	Speed System Clock
บร	5,784,584	07-Jun-95	08/484,935	21-Jul-98	High Performance Microprocessor Using Instructions
110	E 704 F04 O4	15-Nov-06	00/000 005	04 14 00	That Operate Within Instruction Groups
US	5,784,584 C1	15-NOV-U6	90/008,225	21-Jul-09	High Performance Microprocessor Using Instructions
US	·	19-Oct-06	90/008,299	21-Jul-09	That Operate Within Instruction Groups High Performance Microprocessor Using Instructions
US		18-001-00	30/000,239	21-301-09	That Operate Within Instruction Groups
US	5,604,915	07-Jun-95	08/485,031	18-Feb-97	Data Processing System Having Load Dependent
03	0,004,910	01-0011-95	00/400,001	10-1-60-97	Bus Timing
US	5,440,749 C1	31-Mar-08	90/009.034	07-Jun-11	High Performance, Low Cost Microprocessor
00	0,740,7400)	0)-14161-00	00/000,004	Or Cult	Architecture
US	5,440,749 C1	16-Jan-09	90/009,389	07-Jun-11	High Performance, Low Cost Microprocessor
	, ,	1	, , , , , , , , , , , , , , , , , , , ,		Architecture
U\$	5,440,749 C1	30-Apr-09	90/010,520	07-Jun-11	High Performance, Low Cost Microprocessor
	1 ' '	1	, ,		Architecture
IR	0870226	04-Oct-96	96934069.4	21-May-03	RISC Microprocessor Architecture
JP	JP 3739797	04-Oct-96	1996-515848	11-Nov-05	RISC Microprocessor Architecture
JP	3955305	22-Aug-05	2005-240441	11-May-07	RISC Microprocessor Architecture
JP	4859616	10-Oct-06	2006-276681	11-Nov-11	RISC Microprocessor Architecture
UK	0870226	04-Oct-96	96934069.4	21-May-03	RISC Microprocessor Architecture
JP		12-Nov-08	2008-290229		RISC Microprocessor Architecture
JP		15-Jun-09	2009-141967		RISC Microprocessor Architecture
US		31-Oct-07	11/981,278	T	Using Breakpoints for Debugging in a RISC
					Microprocessor Architecture
US	6,598,148	29-Jul-98	09/124,623	22-Jul-03	High Performance Microprocessor Having Variable
	<u> </u>			}	Speed System Clock
DE	DE 69033568.7	02-Aug-90	97200767.8	14-Jun-00	High Performance, Low Cost Microprocessor
EPO _	EP 0786730	14-Mar-97	97200767.8	14-Jun-00	High Performance, Low Cost Microprocessor
FR _	0786730	02-Aug-90	97200767.8	14-Jun-00	High Performance, Low Cost Microprocessor
IT	0786730	02-Aug-90	97200767.8	14-Jun-00	High Performance, Low Cost Microprocessor
JP	JP 2966085	02-Aug-90	02-511130	25-Oct-99	High Performance, Low Cost Microprocessor
NL	0786730	02-Aug-90	97200767.8	14-Jun-00	High Performance, Low Cost Microprocessor
UK	0786730	02-Aug-90	97200767,8	14-Jun-00	High Performance, Low Cost Microprocessor
US		06-Oct-95	60/005,408		RISC Microprocessor Architecture

ADDENDUM C SCHEDULE OF LICENSED TRADEMARKS



ADDENDUM D IMPLEMENTATION PROGRAM REQUIREMENTS

IMPLEMENTATION REPORT.

Within 90 days after the end of each calendar quarter, Licensee shall deliver to Licensor an Implementation Report specifying the quantity of Implementations provided to each of its customers.

II. IMPLEMENTATION NOTICE.

Within 90 days after signing this Agreement, Licensee shall provide the following notice:

"Supply of an Implementation of PDS's MMP technology does not convey a license nor imply a right under any patent, or any other industrial or intellectual property right of PDS, to make, use or sell such Implementation in any finished end-user or ready-to-use final product. You are hereby notified that a license for such use may be required from PDS. Contact: "mmp-licensing@tplgroup.net"

Such notice shall be provided by Licensee either: (1) in data sheets, applications notes and the like, or (2) via customer-accessible website.

Such notice shall be continuous, throughout the term of this Agreement after the said 90 days, but when via website, may be subject to possible temporary interruptions due to system maintenance or failure.

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ADDENDUM E

MOTION TO DISMISS AND MOTION TO TERMINATE

E1 - MOTION TO DISMISS

STIPULATED DISMISSAL WITH PREJUDICE AND ORDER

Pursuant to Federal Rule of Civil Procedure 41(a)(1)(A)(ii), in accordance with an agreement between the parties, the plaintiff and the defendants herein, having settled all claims and counterclaims in this action; and the Court being otherwise fully advised:

IT IS ORDERED that all pending motions are hereby deemed withdrawn by the parties and this matter is DISMISSED with prejudice and without costs to any party. Each party is responsible for their own attorneys' fees.

This order resolves the pending claims between and among the parties and closes the case. However, this order does not resolve related Case No. 3:08-cv-00882 PSG.

E2 - MOTION TO TERMINATE

JOINT MOTION TO TERMINATE THE INVESTIGATION WITH RESPECT TO RESPONDENT ACER, INC.

Pursuant to Commission Rule 19 C.F.R. § 210.21(b), Complainant Technology Properties Limited LLC ("TPL") and Respondent ACER, INC. ("ACER") hereby move to terminate this investigation with respect to ACER on the basis of the attached MMP Portfolio License Agreement.

For the reasons set forth in the Memorandum of Points and Authorities submitted herewith, the moving parties respectfully request that the motion be granted and that the investigation be terminated as to ACER only.

Pursuant to Ground Rule 3.2, counsel for TPL has notified all other parties regarding the substance of this motion prior to its filing.

MEMORANDUM OF POINTS AND AUTHORITIES IN SUPPORT OF JOINT MOTION TO TERMINATE THE INVESTIGATION WITH RESPECT TO RESPONDENT ACER, INC.

Pursuant to Commission Rule 19 C.F.R. § 210.21 (b), Complainant Technology Properties Limited LLC ("TPL") and Respondent ACER, INC. ("ACER") have moved to terminate this investigation with respect to ACER, on the basis of the attached proposed MMP Portfolio License Agreement. The parties request that this Joint Motion be granted.

The attached MMP Portfolio License Agreement has been executed by the parties. There are no other agreements, written or oral, express or implied between the parties concerning the subject matter of this investigation.

Settlement agreements are generally within the public interest. See, e.g., Certain Synchronous Dynamic Random Access Memory Devices, Microprocessors, and Products Containing Same, Inv. No. 337-TA-431, Order No. 11 at 2 (July 12, 2000). Termination based on a settlement agreement is routinely granted. See, e.g., Certain Safety Eyewear and Components Thereof, Inv. No. 337-TA-433, Order No. 37 at 2 (Nov. 3, 2000). The parties respectfully submit that the attached Settlement Agreement will not have any adverse effect on the public health and welfare or competitive conditions in the United States.

For the reasons set forth above, the parties respectfully request that the joint motion to terminate with respect to ACER be granted pursuant to 19 C.F.R. 210.21(b).

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UNITED STATES INTERNATIONAL TRADE COMMISSION WASHINGTON, D.C.

Before the Honorable E. James Gildea Administrative Law Judge

In the Matter of

CERTAIN WIRELESS CONSUMER ELECTRONICS DEVICES AND COMPONENTS THEREOF **Investigation No. 337-TA-853**

CERTIFICATE OF SERVICE

- I, Tracey Nero, hereby certify that on September 17, 2013, a copy of the foregoing document was served upon each of the following parties or their counsel in the manner indicated:
 - 1. Joint Motion to Terminate the Investigation With Respect to Respondents Acer, Inc. and Acer America Corporation **Public Version**

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CERTAIN WIRELESS CONSUMER ELECTRONICS DEVICES AND COMPONENTS THEREOF

Inv. No. 337-TA-853

/s/ Tracey Nero	
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