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ENDORSED

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David H. ... Superior Court
County of Santa Clara, California

By: _____
J. A. FLORESCA

8 SUPERIOR COURT OF THE STATE OF CALIFORNIA
9 FOR THE COUNTY OF SANTA CLARA
10 UNLIMITED JURISDICTION

12 Charles H. Moore

13 Plaintiff,

14 vs.

15 Technology Properties Limited, LLC, a
California limited liability company; Alliacense
16 LLC, a Delaware limited liability company;
Daniel Edwin Leckrone, an individual; Daniel
17 McNary Leckrone, an individual; Michael
Davis, an individual, and DOES 1 through 100,
18 inclusive,

19 Defendants.

Case No. 110CV183613

**Complaint for Cancellation of Instrument; for
Rescission and Restitution; for Damages for
Fraudulent Promise; for Contractual
Damages; for Conspiracy; for Breach of
Contract; for Constructive Trust and
Accounting; and for Preliminary and
Permanent Injunction**

21 Plaintiff Charles H. Moore ("Plaintiff Moore") complains and alleges as follows:

22 1. Defendant Technology Properties Limited, LLC, is a California limited liability
23 company (and is the successor to, and was formerly known as, Technology Properties Limited, a
24 California corporation (individually and collectively, "TPL")). At all pertinent times TPL has had
25 its principal place of business in Santa Clara County, California.

26 2. Defendant Alliacense LLC ("Alliacense") is a Delaware limited liability company
27 which has at all pertinent times been located at and within the TPL corporate offices in Santa
28 Clara County, California. Upon information and belief, Defendant Alliacense is and at all pertinent

1 times has been a wholly owned subsidiary of Defendant TPL.

2 3. Defendant Daniel Edwin Leckrone (“Attorney Leckrone”) is a licensed California
3 attorney who has at all pertinent times resided in Santa Clara County, California. At all pertinent
4 times, Attorney Leckrone was the Chairman of the Board of TPL.

5 4. Defendant Daniel McNary Leckrone (sometimes known as “DML”; “Defendant
6 Mac Leckrone”) is the son of Attorney Leckrone, and was at pertinent times the President of
7 Defendant Alliacense. Attorney Leckrone and Defendant Mac Leckrone have at all pertinent times
8 controlled the affairs and business of Defendant Alliacense. Defendant Mac Leckrone is a licensed
9 California attorney who has at all pertinent times resided in Santa Clara County, California.

10 5. Defendant Michael Davis (“Defendant Davis”) is an individual resident of Santa
11 Clara County, California. At all pertinent times, Defendant Davis was the Executive Vice-
12 President of Licensing for Defendant Alliacense.

13 6. Plaintiff Moore is ignorant of the names and capacities of defendants sued as
14 DOES 1 through 100, inclusive, and therefore sues these defendants by such fictitious names.
15 Plaintiff Moore will amend this complaint to allege their true names and capacities when
16 ascertained.

17 7. Prior to October 2002, Attorney Leckrone formed a continuing attorney-client
18 relationship with Plaintiff Moore.

19 8. Specifically, prior to 2002, Plaintiff Moore was working on the development of
20 computer chips he had developed, and whose design he had patented, with a French company,
21 “TRIO S.A.” or a subsidiary of the TRIO S.A. company (individually and collectively, “TRIO”).

22 9. Plaintiff Moore was, during this period, receiving a monthly payment from TRIO.
23 As time went on, Plaintiff Moore determined that other entities, with other approaches, might be
24 more effective in developing and exploiting the commercial potential of his patents. Plaintiff
25 Moore began exploring the possibility of working with “iTV,” a US company.

26 10. TRIO objected to Plaintiff Moore working with iTV, on the asserted ground that
27 TRIO had some type of exclusive relationship with Plaintiff Moore concerning his patents. TRIO
28 began withholding the monthly payments it had previously been making to Plaintiff Moore.

1 11. Plaintiff Moore had, by this time, met Attorney Leckrone. When Plaintiff Moore
2 explained the difficulty he was having with TRIO, and the relationship Plaintiff Moore wished to
3 build with iTV, Attorney Leckrone offered legal assistance. Specifically, Attorney Leckrone told
4 Plaintiff Moore that he had already planned a trip to Europe on unrelated matters, and that he was
5 willing to go to Paris to meet with TRIO and to negotiate a settlement that would permit Plaintiff
6 Moore to pursue his opportunities with iTV.

7 12. On Plaintiff Moore's behalf, Attorney Leckrone went to Paris and negotiated a
8 successful resolution of the dispute with TRIO – a settlement that permitted Plaintiff Moore to
9 move forward with development of certain of his patents with iTV.

10 13. When iTV proposed an employment agreement to Plaintiff Moore, Plaintiff Moore
11 gave a copy of the agreement to Attorney Leckrone, who Plaintiff Moore now viewed as his
12 attorney. Attorney Leckrone pronounced the proposed agreement “terrible,” and said that he could
13 negotiate a better one. Plaintiff Moore authorized Attorney Leckrone to negotiate a better
14 agreement on Plaintiff Moore's behalf.

15 14. Attorney Leckrone, acting as Plaintiff Moore's attorney, proceeded to negotiate an
16 employment agreement for Plaintiff Moore with iTV. Under the agreement that Attorney
17 Leckrone negotiated, Plaintiff Moore assigned two of his patents to iTV, and iTV agreed to make
18 regular monthly payments to Plaintiff Moore. For his legal services, Plaintiff Moore agreed to give
19 to Attorney Leckrone a designated percentage (21.25%, more or less) of the payments that
20 Plaintiff Moore received from iTV.

21 15. For a number of months, iTV made regular payments to Plaintiff Moore, pursuant
22 to the employment contract that Attorney Leckrone had negotiated for him. In turn, Plaintiff
23 Moore duly forwarded to Attorney Leckrone his designated share of the contract proceeds, in
24 payment for the legal services that Attorney Leckrone had rendered.

25 16. By early 2002, iTV had largely ceased operations, and was not actively developing
26 or commercializing the two patents that Plaintiff Moore had assigned to iTV. At or about that
27 same time, Attorney Leckrone and Plaintiff Moore had begun their own discussions of possible
28 licensing activities that Attorney Leckrone might be able to carry out for Plaintiff Moore's patent

1 portfolio.

2 17. Plaintiff Moore was concerned that potentially valuable rights and revenues might
3 be lost if the two patents he had assigned to iTV remained with that company, as iTV ceased
4 operations, became insolvent and was subject to the claims and liens of creditors. Attorney
5 Leckrone agreed to represent Plaintiff Moore in retrieving the patents he had assigned to iTV.

6 18. Attorney Leckrone, on Plaintiff Moore's behalf, successfully located and
7 negotiated with the iTV chairman, finding that officer at his residence in Menlo Park, California.
8 Attorney Leckrone prepared and presented the iTV chairman with a document that Attorney
9 Leckrone had prepared on Plaintiff Moore's behalf. In or about February 2002, the iTV chairman
10 signed Attorney Leckrone's assignment document, with Attorney Leckrone standing by as
11 witness, and the two patents were restored to Plaintiff Moore's ownership.

12 19. With the two patents restored to the Moore Microprocessor ("MMP") technology
13 that Plaintiff Moore had invented, the entire portfolio of patents were thereafter referred to as
14 Plaintiff Moore's "MMP Portfolio." Plaintiff Moore and Attorney Leckrone began negotiation of
15 an agreement whereby Attorney Leckrone, through TPL, which was then a largely inactive and
16 moribund corporation, would undertake the commercialization of the MMP Portfolio through
17 licensing of the patents in the MMP Portfolio to third parties.

18 20. By October 2002, Defendant Leckrone had completed his drafting of a
19 "Commercialization Agreement" (hereafter, the "ComAg"), between Plaintiff Moore and Attorney
20 Leckrone's company TPL.

21 21. On the day before the ComAg was signed in or about October 2002, Attorney
22 Leckrone met with Plaintiff Moore in the offices of Attorney Leckrone's company TPL in Santa
23 Clara County, California, for the purpose of review and explanation of the ComAg that Attorney
24 Leckrone had drafted.

25 22. Before and at the time of this meeting, Plaintiff Moore viewed Attorney Leckrone
26 as his attorney and legal counsel. Plaintiff Moore had no other legal counsel or representation in
27 the negotiation and execution of the ComAg. At no time before, or after, the execution of the
28 ComAg did Attorney Leckrone terminate the attorney-client relationship that existed between

1 Attorney Leckrone and Plaintiff Moore.

2 23. At the meeting between Attorney Leckrone and Plaintiff Moore, Attorney
3 Leckrone went through the ComAg with Plaintiff Moore page-by-page and line-by-line. Attorney
4 Leckrone and Plaintiff Moore put their respective initials at the bottom of each page of the ComAg
5 that they reviewed, with Attorney Leckrone giving an explanation of each of the provisions of the
6 ComAg, and of the then-available exhibits to the ComAg. The available exhibits included ComAg
7 Exhibits A (“License”) and B (“Assignment”); the exhibits did not then include, and have never
8 included, any Exhibit H, which by its description in the ComAg table of contents was apparently
9 to have been a document “prohibiting” an attorney-client relationship between Attorney Leckrone
10 and Plaintiff Moore.

11 24. In undertaking his review of the ComAg with Plaintiff Moore, Attorney Leckrone
12 stated that no modifications or changes to the ComAg would be allowed; the document he drafted
13 was in “take it or leave it” form.

14 25. Because Plaintiff Moore had only earlier that year retrieved the two patents that had
15 been assigned to iTV – and because he was concerned that there be no question that he was
16 retaining ownership of the MMP Portfolio, granting to Attorney Leckrone’s company TPL only
17 the right to license the MMP Portfolio – Plaintiff Moore asked for and received oral assurance
18 from Attorney Leckrone that the agreement that Attorney Leckrone was presenting was a licensing
19 agreement only, and that the only right being assigned to Attorney Leckrone’s company TPL
20 under the ComAg was the right to license the MMP Portfolio.

21 26. In addition, one section of the ComAg stated that Plaintiff Moore had retained
22 independent counsel in connection with the ComAg, and that such independent counsel had
23 reviewed and approved the ComAg on Plaintiff Moore’s behalf. When Attorney Leckrone
24 described this language – which he had drafted before meeting with Plaintiff Moore and without
25 consultation with him – Plaintiff Moore told Attorney Leckrone that he lacked the resources to
26 retain independent counsel to review the ComAg, had not retained independent counsel for that
27 purpose, and would not retain independent counsel.

28 27. Plaintiff Moore initialed all pages of the ComAg that were put before him during

1 Attorney Leckrone's review of the document with him, which included the ComAg itself, Exhibits
2 A, B, C, E, F, and G, and an unsigned copy of a UCC-1 form as Exhibit D. He took an execution
3 copy of the ComAg with him to his home in the Lake Tahoe area, to review the ComAg with his
4 wife.

5 28. On or about the next day, having discussed the document with his wife, and having
6 repeated to her Attorney Leckrone's assurance that the ComAg was a transfer to TPL of the right
7 to license the MMP Portfolio only, with all other ownership rights remaining with Plaintiff Moore
8 as the inventor, Plaintiff Moore signed the ComAg, as prepared and drafted by Attorney Leckrone,
9 without any modification to the terms Attorney Leckrone specified and drafted.

10 29. Upon information and belief, the original of the ComAg remains in existence, in
11 the custody and control of Defendant TPL. Upon information and belief, the ComAg does not
12 include and has never included signed copies of Exhibit D (the UCC-1), no copy of which was
13 ever signed by Plaintiff Moore, or of the agreement suggested by the ComAg table of contents as
14 "Exhibit H."

15 30. By its terms, the ComAg does not terminate or sever the pre-existing attorney-
16 client relationship between Attorney Leckrone and Plaintiff Moore; in the time since the ComAg
17 was executed, Attorney Leckrone has taken no separate or independent steps to sever or terminate
18 that relationship.

19 31. The substantive terms of the ComAg that Attorney Leckrone drafted for the
20 signature of Plaintiff Moore were, in pertinent part, as follows-

21 - Plaintiff Moore granted to TPL a license for the purpose of permitting TPL to commercialize the
22 MMP technology (ComAg, p. 2 & Sec. 1. & 2. thereof; Exhibit A to the ComAg);

23 - Plaintiff Moore granted to TPL a limited assignment of certain rights with respect to the licensed
24 MMP technology (ComAg, p. 2, Sec. 1.2); specifically, under Exhibit B to the ComAg, Plaintiff
25 Moore assigned to Defendant TPL a minority share (45%) of Plaintiff Moore's right, title and
26 interest to the MMP technology, with Plaintiff Moore retaining a majority share (55%) of the
27 MMP technology.

28 - TPL agreed to exert reasonable efforts to "commercialize" the MMP technology, with the nature,

1 scope and extent of TPL's anticipated efforts spelled out in the ComAg (ComAg Sec. 2);
2 - certain "Project Expenses" reasonably incurred by TPL were to be charged against the
3 commercialization project (ComAg Sec. 3.);
4 - The parties agreed that "...decisions to license, exchange, encumber, transfer, sell, affiliate, or
5 settle any rights or claim with respect to the Licensed [MMP] Technology shall be evaluated and
6 discussed by the parties, but shall be the province of TPL." (ComAg Sec. 5.1);
7 - TPL agreed to pay to Plaintiff Moore a royalty under the licenses granted to TPL, in an amount
8 equal to Fifty-Five Percent (55%) of a defined "Net Recovery" realized from the revenues
9 generated by such licenses (ComAg Sec. 6.1.);
10 - TPL further agreed that within 60 days of the close of each calendar quarter, TPL would deliver
11 to Plaintiff Moore (1) an operating statement and balance sheet reflecting the Project's financial
12 activity over that quarter; (2) a calculation of the Net Recovery resulting from the Project
13 operations and the royalty due thereon; and (3) payment to Plaintiff Moore of the calculated
14 royalty amount due (ComAg Sec. 6.2.);
15 - TPL was to disburse the gross proceeds of the Project in accordance with a schedule of priorities,
16 with those priorities set out in the ComAg (ComAg Sec. 7.); and
17 - each party was to have a security interest in the Licensed [MMP] Technology and the proceeds
18 thereto, with that security interest reflected in a UCC-1 in the form of Exhibit D to the ComAg
19 (ComAg Sec. 7.3).

20 32. TPL's initial efforts at commercializing Plaintiff Moore's MMP technology met
21 with substantial initial success; upon information and belief, TPL's commercialization efforts for
22 the MMP technology yielded some \$20 million in 2005; some \$100 million in 2006; and an
23 additional \$100 million in 2007. At no time, however, did TPL furnish the quarterly reports
24 mandated by Section 6.2. of the ComAg (leaving Plaintiff Moore unaware of and unable to
25 comment upon or object to the expenses Defendant TPL might choose to charge against the
26 royalty payments due to him); rather, TPL made occasional royalty payments to Plaintiff Moore in
27 the years after 2002, with those payments eventually totaling some \$11 million.

28 33. TPL has never accounted to Plaintiff Moore for its gross revenues and expenses for

1 TPL's commercialization of the MMP Portfolio.

2 34. In or about 2005, TPL and Patriot Scientific Corporation ("PTSC") settled certain
3 litigation over 50% of the MMP Portfolio as to which ownership had been disputed. As a result of
4 this settlement of the MMP Portfolio litigation between TPL and PTSC, another
5 Commercialization Agreement was created, this one between and among TPL, Plaintiff Moore and
6 PTSC. Under this three-party Commercialization Agreement, TPL assumed full licensing
7 responsibility for the entirety of all MMP technology (including the MMP Portfolio it had
8 previously been licensing under the above-described ComAg). In light of the settlement between
9 TPL and PTSC, and pursuant to the three-party Commercialization Agreement, Plaintiff Moore's
10 royalty rights were adjusted: TPL gained the right to deduct a flat 15% for its licensing expenses
11 for the entire MMP Portfolio, with Plaintiff Moore's royalty then to be calculated at 55% of one-
12 half of the remaining 85% of licensing revenue. TPL's newly gained entitlement to a 15% flat fee
13 of gross revenues from licensing of the entire MMP Portfolio should have eliminated all further
14 claim for expenses of the commercialization of the MMP Portfolio. In fact, such expenses have
15 not only continued to be claimed as offsets against the royalty revenues under the ComAg to
16 which Plaintiff Moore is entitled, but have purportedly increased – and increased dramatically.

17 35. In or about December 2006, and thereafter, TPL systematically expanded its
18 licensing arm, Defendant Alliacense. Between 2006 and 2008, TPL added three patent portfolios
19 to the MMP Portfolio that it was previously licensing, and TPL then began marketing and
20 commingling its marketing efforts, for all four portfolios.

21 36. Upon information and belief, revenues generated by the MMP Portfolio were
22 diverted by TPL to support its business expansion into these other, non-related patent portfolios.
23 Employees at Defendant Alliacense grew from approximately 20 employees (a number more than
24 sufficient to serve the TPL/Defendant Alliacense MMP Portfolio licensing effort) to over 50
25 employees. TPL leased additional, more elaborate and more expensive office space. TPL hired
26 expensive business development personnel to seek additional portfolio opportunities (thus
27 expanding TPL business into areas that would detract from and decrease the MMP Portfolio
28 licensing effort). Upon information and belief, all or substantially all of such expenses were borne

1 by the MMP Portfolio and the revenues it continued to generate.

2 37. While TPL expanded its business into non-MMP portfolios, it increasingly
3 departed from the realm of prudent and reasonable business expenses. Private jets and first-class
4 travel, for Attorney Leckrone, Defendant Mac Leckrone, Defendant Davis and other TPL and
5 Defendant Alliacense personnel, became the norm. TPL not only provided chauffeured limousine
6 service for the use of Attorney Leckrone and others, but actually purchased such limousines at
7 company expense (charged through to Plaintiff Moore). A San Diego financial analyst was hired,
8 thus incurring additional unnecessary commute, room and board, and travel expenses. TPL
9 retained an Executive Vice-President for Administration, a woman who lives in London, England
10 and who, on information and belief, has and had a close personal relationship with Attorney
11 Leckrone. Expensive video conferencing equipment was provided for her use, to permit her
12 attendance, via videoconference, at TPL board and executive meetings. Attorney Leckrone made
13 visits to this TPL employee in London - via first-class air travel or private jet – once or twice a
14 month (upon information and belief, there was no TPL or Alliacense business in London).
15 Substantial meal, entertainment and travel expenses were incurred and passed through to Plaintiff
16 Moore, including without limitation, travel to Japan, Korea, France and throughout the United
17 States.

18 38. In addition, Plaintiff Moore is informed and believes that TPL made excessive and
19 exorbitant expenditures for legal fees, and charged Plaintiff Moore excessive and inappropriate
20 amounts for such fees, in an excessive and unnecessary amount according to proof at trial. Upon
21 information and belief, TPL and Attorney Leckrone made secret and undisclosed profits and
22 returns by reason of such legal fees, again in an amount according to proof at trial.

23 39. The result of TPL and Attorney Leckrone's uncontrolled and unknown binge
24 spending was the supposed creation of Project Expenses and other expenses at a level that
25 purportedly precludes any royalty payments to Plaintiff Moore.

26 40. As TPL expanded the scope of Defendant Alliacense's licensing activities, its focus
27 on the MMP Portfolio was lost. Marketing efforts became diffuse and disorganized; TPL engaged
28 in cross-licensing and commingling of licenses between and among its patent portfolios,

1 permitting it to create licensing arrangements and to direct revenues as it saw fit; too often, upon
2 information and belief, in the direction of technologies TPL owned or controlled, and away from
3 the MMP Portfolio, to the detriment of Plaintiff Moore and of PTSC.

4 41. In or about 2005 and 2006, TPL ceased making regular royalty payments to
5 Plaintiff Moore, while continuing its prior failure to provide the periodic operating reports of
6 results and expenses.

7 42. Following dispute and disagreement between TPL and Plaintiff Moore concerning
8 TPL's failure to make royalty payments to Plaintiff Moore pursuant to the ComAg, TPL and
9 plaintiff Moore negotiated and agreed, on or about March 20, 2007, to a written "Amendment
10 Number One To the CHM-TPL Commercialization Agreement" ("ComAg Amendment No.1").
11 Plaintiff Moore was not represented by counsel during the negotiation of ComAg Amendment No.
12 1. The only attorney providing nominal guidance to both parties in the negotiation of ComAg
13 Amendment No. 1 was Roger Cook, Esq., whose firm represented TPL in patent infringement
14 litigation and whose firm had been paid (and would continue to be paid) by TPL and subject to
15 Attorney Leckrone's direction and approval, many millions of dollars in legal fees.

16 43. The material terms of ComAg Amendment No. 1 were, in pertinent part, as
17 follows-

18 - TPL's right to charge Project Expenses before distribution to Plaintiff Moore was eliminated as
19 of January 1, 2006 (ComAg Amendment No. 1, Sec. 1);

20 - Section 6 of Exhibit C to the ComAg was to be eliminated in its entirety (ComAg Amendment
21 No. 1, Sec. 2.); in its place was a section devoted to description of TPL's development of certain
22 Commercialization Activities (ComAg Amendment No. 1, Sec. 2);

23 - A new provision for payment to Plaintiff Moore provided as follows: "TPL shall use its best
24 efforts to distribute, within 30 days of receipt, a minimum of Ten Percent (10%) of any gross
25 proceeds (excluding the Fifteen Percent (15%) fee received pursuant to 6.1(a)(iv)(b) of the
26 Operating Agreement entered into with Patriot Scientific Corporation and dated June 7, 2005 with
27 respect to the MMP Portfolio)(Minimum Distribution). Such Minimum Distribution shall be paid
28 Fifty-Five [Percent] (55%) to [Plaintiff Moore] and Forty-Five [Percent] (45%) to TPL.

1 The latter provision was intended by the parties to provide Plaintiff Moore with prompt payment –
2 upon any receipt of MMP Portfolio licensing fees – of a portion of the royalty payment to which
3 Plaintiff Moore was entitled under the ComAg.

4 44. ComAg Amendment No. 1 is and at all times been a separate and severable
5 agreement from the ComAg.

6 45. Defendant TPL has at all pertinent times since March 20, 2007, been in breach of
7 ComAg Amendment No. 1, in that Defendant TPL has failed at any time to pay to Plaintiff Moore
8 his share of the Minimum Distribution specified in paragraph 3 of ComAg Amendment No. 1;
9 instead, Defendant TPL and Attorney Leckrone offered to pay an advance on such payments to
10 Moore, consisting of a payment to Plaintiff Moore of \$30,000.00 per month, including \$15,000.00
11 per month to cover the Plaintiff Moore's anticipated mortgage payment on **certain property**
12 purchased and developed by Plaintiff Moore. Defendant TPL made such payments for several
13 months only; and then ceased making those or any other payments, without notice, leaving
14 Plaintiff Moore with a substantial mortgage obligation and no revenues to make the mortgage
15 payments assumed in reliance on Defendants' promise of payment.

16 46. Further, Defendant TPL has breached its obligation, in paragraph 2 of ComAg
17 Amendment No. 1, carry out the "design, development and commercialization of Array-Processor
18 Technology and other products based thereon as appear to be economically viable or otherwise
19 desirable (Array Program)." Instead, after devoting an initial apparent effort to commercialize the
20 Array Program, Defendant TPL without notice abruptly ended that commercialization effort in or
21 about January 2009, terminating all employees of the entity devoted to commercialization except
22 for a single individual.

23 47. Defendant TPL has breached, and has continually been in breach of its obligations
24 under the ComAg, in that -
25 - (a) Defendant TPL, having been granted a limited assignment of minority rights (a 45% share) to
26 and in the licensed MMP technology (ComAg, p. 2, Sec. 1.2), in or about October 2003,
27 wrongfully converted to its own possession and use all right, title and interest in the most valuable
28 of the MMP Portfolio, failing at any time to advise or inform Plaintiff Moore of its actions in

1 effecting such conversion through filings with the United States Patent and Trademark Office
2 (“PTO”). Plaintiff Moore was unaware of Defendant TPL’s wrongful appropriation of the most
3 valuable patents in the MMP Portfolio until August 2008, when his review of PTO records
4 revealed that Attorney Leckrone had filed assignment papers with the PTO assigning all rights to
5 the most valuable patents of the MMP Portfolio to Attorney Leckrone’s company TPL;

6 - (b) Defendant TPL has continually failed to make the 55% of Net Recovery payments due to
7 Plaintiff Moore under paragraph 6 of the ComAg, (“6. Royalty, Par. 1”);

8 - (c) Defendant TPL has continually failed to provide to Plaintiff Moore the quarterly operating
9 statement and balance sheet called for in “6.Royalty, Par. 2”, leaving Plaintiff Moore unable to
10 ascertain what if any licensing revenues were being realized by Defendant TPL and what Project
11 Expenses and other expenses might be reasonably deducted from those revenues;

12 - (d) In violation of its obligations under ComAg Sec 2, Defendant TPL has failed, since
13 September 16, 2006, to exert reasonable efforts to “commercialize” the MMP technology, instead
14 devoting substantial effort, at Plaintiff Moore’s expense and to his detriment, to the development
15 and commercialization of other patented technologies either owned by Defendant TPL or as to
16 which TPL had acquired licensing rights; in addition, upon information and belief, Defendant TPL
17 has commingled its licensing efforts and licenses to third parties, assigning to the MMP
18 technologies a disproportionately small share of total license revenues, all without Plaintiff
19 Moore’s knowledge or consent;

20 - (e) Defendant TPL has at no time consulted with Plaintiff Moore with regard to any decision
21 “... to license, exchange, encumber, transfer, sell, affiliate, or settle any rights or claim with
22 respect to the Licensed [MMP] Technology ... (ComAg Sec. 5.1); instead, Defendant TPL has
23 unilaterally made all decisions concerning licensing, and has compounded its failure to consult in
24 advance by failing, since September 26, 2006, to advise Plaintiff Moore as to any licenses
25 Defendant TPL has in fact written or of any revenues it has realized by reason of such licenses;

26 - (f) Despite provision for a security interest in the Licensed [MMP] Technology and the proceeds
27 thereof (ComAg Sec. 7.3), Defendant TPL and Attorney Leckrone have at no time prepared or
28 delivered up to Plaintiff Moore an executed UCC-1 that would afford Plaintiff Moore his

1 contractually mandated security interest in the MMP Technology.

2 48. Further, Defendant TPL's unchecked, unmonitored, unbudgeted and undisclosed
3 expenses, and TPL's involvement with other portfolios, also created the basis, upon information
4 and belief, for similar charges of excess expense, and no supposed profit, net recovery, revenue or
5 return, for others with patent portfolios which Defendant TPL, Defendant Alliacense and/or
6 Attorney Leckrone, were to commercialize.

7 49. In particular, Plaintiff Moore is informed and believes that

8 (a) Attorney Leckrone obtained the rights to the so-called "Chipscale" patent portfolio, through
9 purchase of Chipscale, Inc., the entity that owned those rights. Upon information and belief, the
10 purchase of Chipscale, Inc., was contracted for by Attorney Leckrone individually; with Attorney
11 Leckrone obligating himself to pay an agreed-upon amount, over time, for his purchase of the
12 corporation and its patent rights. Upon information and belief, on or shortly after the date that
13 Attorney Leckrone closed on his purchase of Chipscale, Inc., he immediately licensed or otherwise
14 transferred his newly acquired Chipscale portfolio rights to TPL, with TPL supposedly authorized,
15 under the terms of this transfer, to deduct project expenses and other expenses, allowing for just
16 the sort of excess expense and abuse that would permit a claim of nothing owed to the Chipscale
17 seller (just as TPL and the other Defendants have here used such improper and excessive expenses
18 to deny Plaintiff Moore his royalty payments due for licensing of the MMP Portfolio). Defendant
19 TPL's manipulation of rights under the Chipscale portfolio have led to litigation by and between
20 Defendants TPL and Attorney Leckrone, on the one hand, and the Chipscale portfolio seller, with
21 that litigation presently pending before this Court and known as *Daniel Leckrone v. Phil Marcoux,*
22 *et al.* (and related cross-action), No. 1-09-CV-159593. Plaintiff Moore requests judicial notice of
23 the files, records and proceedings of the *Leckrone v Marcoux* action pending before this Court.

24 (b) upon information and belief, a related dispute exists between TPL and the defendants, on the
25 one hand, and the so-called "Schott group" in Germany, concerning rights to the Chipscale
26 portfolio in Europe. Upon information and belief, TPL and the defendants herein claim and
27 contend that their expenses outstrip any revenues received in connection with the Chipscale
28 portfolio in Europe, and that the Schott group is therefore entitled to no royalty or licensing

1 payments for that reason.

2 (c) Upon information and belief, TPL and the Defendants have made similar charges and claims of
3 expenses in excess of revenues, to defeat or diminish the rights of the so-called “Thunderbird
4 group” to payments in connection with licensing of the “FastLogic” portfolio.

5 (d) Upon information and belief, TPL and the Defendants have failed to honor their purchase
6 agreement with the “OnSpec” company, in connection with TPL’s purchase of its affiliated
7 patents, including the “CoreFlash” portfolio.

8 50. In addition, an individual, Chet Brown, was on information and belief, an investor
9 in TPL; Mr. Brown’s agreement, on information and belief, provided for payments to him based
10 upon a percentage of the gross of TPL revenues. Upon information and belief, Attorney Leckrone
11 and TPL deny Mr. Brown’s right to payment from gross revenues; again, following the pattern and
12 practice applied to Plaintiff Moore and others by TPL and the Defendants, Attorney Leckrone is
13 now claiming the right to deduct his uncontrolled, unmonitored and previously undisclosed
14 expenses from amounts otherwise due to Mr. Brown. This dispute has produced yet another civil
15 action before this Court, known as *Brown vs. Technology Properties Limited, LLC, et al.*, and
16 assigned file no. 1-09-CV-159452 by the clerk of this Court. Plaintiff requests judicial notice of
17 the files, records and proceedings of this pending *Brown v. TPL* action pending before this Court.

18 51. Defendant TPL has further breached the ComAg and ComAg Amendment No. 1 by
19 failing to report its results and licensing activities to Plaintiff Moore, thus permitting TPL to avoid
20 its responsibilities to pay the percentage of the gross (a 55% share of 10% of gross licensing
21 revenues) mandated by ComAg Amendment No. 1, and the royalties due under the ComAg.

22 52. In addition, in or about April 2010, PTSC became aware that TPL, without notice
23 or authorization, had commingled an MMP Portfolio license with other portfolios, including, upon
24 information and belief, the “Chipscale” portfolio in which TPL by then had no rights, and other
25 portfolios owned by TPL, and licensed the result to a major Silicon Valley electronics and cell
26 phone firm. The major component, by any measure, of that license was a license of the MMP
27 Portfolio. TPL and the Defendants, without notice or authorization, upon information and belief,
28 elected to attribute only five percent (5%) of what was upon information and belief a multimillion-

1 dollar licensing fee to the MMP Portfolio. PTSC filed action against TPL and Defendant
2 Alliacense for its deception. That action – *Patriot Scientific Corporation v. Technology Properties*
3 *Limited LLC* – was assigned file no 1-10-CIV-169836 by the clerk of this Court, where it remains
4 pending, with Plaintiff PTSC upon information and belief having obtained a temporary restraining
5 order and preliminary injunction against TPL and Alliacense, barring their further licensing of the
6 MMP Portfolio without express consent of the Plaintiff PTSC. Plaintiff Moore has received no
7 notice from TPL of this license of the MMP portfolio, its result has not been reported to him, and
8 he has not received the share of the Minimum Distribution due to him under ComAg Amendment
9 No. 1. Plaintiff Moore requests judicial notice of the files, records and proceedings of the *Patriot*
10 *Scientific Corporation v. Technology Properties Limited LLC* action.

11 **FIRST CAUSE OF ACTION**

12 **[Cancellation of Instrument (Fraud of Attorney Leckrone and TPL)**
13 **– Against All Defendants]**

14 53. Plaintiff Moore repeats and realleges paragraphs 1 through 52 hereof as if the same
15 were fully set forth herein.

16 54. The ComAg and ComAg Amendment No. 1 are in existence; originals of both
17 documents, upon information and belief, are in the possession of Defendant TPL or Attorney
18 Leckrone.

19 55. Plaintiff Moore was, until August 2008, unaware that Defendant TPL, through
20 Attorney Leckrone, had in October 2003 recorded a purported assignment of all right, title and
21 interest in the most valuable of the patents underlying the MMP Portfolio, from Plaintiff Moore
22 (and from the entity iTV that had earlier held an interest in two of those valuable patents), to
23 Defendant TPL.

24 56. Plaintiff Moore has at no time agreed to assign, transfer or otherwise yield up all or
25 any part of his rights to the MMP Portfolio as a whole, or to any specific patents, to Attorney
26 Leckrone’s company TPL. Had Plaintiff Moore known, at the time he executed the ComAg, that
27 Defendant TPL and Attorney Leckrone thereby intended to deprive him of all right, title and
28 interest in any of his MMP Portfolio patents, Plaintiff Moore would not have entered into the

1 ComAg, or to any of the subsequent amendments thereto.

2 57. Defendant TPL and Attorney Leckrone made the representation that the ComAg
3 was a licensing agreement, and a licensing agreement alone, to Plaintiff Moore, with the intent of
4 causing Plaintiff Moore to rely upon that representation. Such reliance by Plaintiff Moore, on a
5 representation from his attorney who had just recently retrieved rights for him in two of the MMP
6 Portfolio patents, was reasonable under the circumstances, and Defendant TPL and Attorney
7 Leckrone's secret intent to deprive Plaintiff Moore of all ownership rights to the most valuable of
8 his MMP Portfolio patents, were unknown to Plaintiff Moore and could not, in the exercise of
9 reasonable diligence, have been known to him in or about October 2002, when Attorney Leckrone
10 submitted the ComAg to Plaintiff Moore on a "take it or leave it" basis.

11 58. Defendants TPL and Leckrone had no intention, at the time they prepared and
12 promulgated the ComAg, and procured Plaintiff Moore's signature on it, of carrying out its
13 provisions and in particular, of reserving to Plaintiff Moore his right to own and control the
14 patents that make up his MMP Portfolio.

15 59. Defendants' fraudulent conduct renders the ComAg and each and all of the
16 Amendments thereto invalid, and subject to cancellation by this Court.

17 60. Attorney Leckrone and TPL have given Plaintiff Moore no quarterly reports or
18 regular reports of licensing activities and expense, despite contractual and fiduciary obligations to
19 do so; Defendant TPL has neither consulted with nor advised Plaintiff Moore of, any licenses of
20 the MMP Portfolio that TPL (or Alliacense) has issued; TPL and Attorney Leckrone, through
21 Alliacense, have entered into at least one commingled license of dubious worth and misallocated
22 proceeds, as described in Paragraph 52 above and in the *Patriot Scientific Corporation v.*
23 *Technology Properties Limited, LLC* litigation described in Paragraph 52 above. In light of such
24 facts and circumstances, if the ComAg and its Amendments remain outstanding, Defendant TPL
25 and Attorney Leckrone will continue to engage in licensing the MMP Portfolio to third parties
26 without consultation, report of result, concern for proper allocation, and payment of royalties. In
27 addition, upon information and belief, Defendant TPL is and has been experiencing losses and
28 cash flow problems; it may in fact be insolvent, or nearly so. Even if Plaintiff Moore were to

1 obtain a judgment for damages against Defendant TPL, such damages would in all likelihood be
2 uncollectible in substantial part due to the financial condition of Defendant TPL and the
3 irresponsible behavior of Attorney Leckrone.

4 61. Plaintiff Moore is entitled to general and special damages, in an amount according
5 to proof, for the unpaid license fees and royalties to which he is entitled, less deduction for
6 legitimate expenses, if any, that Defendant TPL might be able to demonstrate.

7 62. As alleged above, the actions of Defendant TPL and Attorney Leckrone were made
8 with the intent to defraud Plaintiff Moore into entering into the ComAg, and Plaintiff Moore is
9 entitled to an award of punitive and exemplary damages against Attorney Leckrone and Defendant
10 TPL, in an amount according to proof at trial.

11 WHEREFORE, Plaintiff Moore prays judgment as set forth below.

12 **SECOND CAUSE OF ACTION**

13 **[Cancellation of Instrument (Mistake – Misrepresentations as to Content of Document by**
14 **Fiduciaries Attorney Leckrone and TPL) – Against All Defendants]**

15 63. Plaintiff Moore repeats and realleges paragraphs 1 through 62 hereof as if the same
16 were fully set forth herein.

17 64. The ComAg and ComAg Amendment No. 1 are in existence; originals of both
18 documents, upon information and belief, are in the possession of Defendant TPL or Attorney
19 Leckrone.

20 65. As alleged above, during 2002, there at all times existed an attorney-client
21 relationship between, on the one hand, Attorney Leckrone and his company TPL, and on the other
22 hand, Attorney Leckrone's client Plaintiff Moore.

23 66. During 2002, and at all times since then, Attorney Leckrone and TPL have had and
24 maintained a close and confidential relationship with Plaintiff Moore,

25 67. At the time that Attorney Leckrone explained the terms of the ComAG he had
26 drafted to his client Plaintiff Moore, Attorney Leckrone falsely represented that the document gave
27 to Attorney Leckrone's company TPL only the right and authority to license Plaintiff Moore's
28 MMP Portfolio. Instead, hidden in the text of an Exhibit B to the ComAg was a provision

1 assigning to TPL all right, title and interest to that percentage of the MMP Portfolio that
2 corresponded with the percentage of TPL's assigned licensing revenues (45%).

3 68. In addition, in or about October 2003, after execution of the ComAg, Attorney
4 Leckrone, without notice to Plaintiff Moore and without Plaintiff Moore's knowledge, assigned to
5 his company TPL all right, title and interest to the most valuable of the MMP Portfolio (including
6 without limitation the so-called 336, 584, 749 and 890 patents.

7 69. Plaintiff Moore was, until August 2008, unaware that Defendant TPL, through
8 Attorney Leckrone, had in October 2003 recorded a purported assignment of all right, title and
9 interest in the most valuable of MMP Portfolio patents.

10 70. Plaintiff Moore has at no time agreed to assign, transfer or otherwise yield up all or
11 any part of his rights to the MMP Portfolio to Defendant TPL. Had Plaintiff Moore known, at the
12 time he executed the ComAg, that Defendant TPL and Attorney Leckrone thereby intended to
13 deprive him of any or all of his right, title and interest to the MMP Portfolio, Plaintiff Moore
14 would not have entered into the ComAg, or to any of the subsequent amendments thereto.

15 71. Defendant TPL's and Attorney Leckrone's false representation to Plaintiff Moore
16 that the ComAg and its exhibits constituted a licensing agreement, and a licensing agreement
17 alone, was made in violation of such defendants' fiduciary obligations to Plaintiff Moore, who
18 was at all times in a close and confidential relationship with Attorney Leckrone (Plaintiff Moore's
19 counsel and attorney) and with TPL, Attorney Leckrone's company.

20 72. Plaintiff Moore's mistake in his understanding of what was being transferred in the
21 ComAg (a mistake arising from the false and misleading summary of the ComAg by his
22 fiduciary), and Plaintiff Moore's ignorance of Attorney Leckrone's intent to secure for himself and
23 his company TPL the most valuable of the MMP Portfolio's patents, are grounds for cancellation
24 of the ComAg and its subsequent amendments.

25 73. Defendants TPL and Leckrone had no intention, at the time they prepared and
26 promulgated the ComAg, and procured Plaintiff Moore's signature on it, of carrying out its
27 provisions and in particular, of reserving to Plaintiff Moore his right to own and control his MMP
28 Portfolio.

1 were fully set forth herein

2 79. The attorney-client relationship between, on the one hand, Attorney Leckrone and
3 his company TPL, and on the other hand, Plaintiff Moore, was of the highest fiduciary character.

4 80. In imposing the ComAg on his client, Attorney Leckrone and his company TPL
5 assumed the burden of burden of establishing by clear and satisfactory evidence that the
6 transaction was fair and equitable, and that Plaintiff Moore was fully informed as to all matters
7 relative to the transaction.

8 81. Instead, the ComAg is the product of insufficient consideration from Attorney
9 Leckrone and his company TPL, and undue influence of both on Plaintiff Moore.

10 82. As alleged above, Plaintiff Moore did not discover the true facts concerning
11 Attorney Leckrone and TPL's conversion of the most valuable of the MMP Portfolio patents to
12 TPL's purported ownership and use until August 2008. The fact of such conversion were
13 discovered by Plaintiff Moore through his own investigation, and without disclosure by Attorney
14 Leckrone or his company TPL, despite their obligation to keep Plaintiff Moore informed as to all
15 matters relative to the transaction.

16 83. Plaintiff Moore has suffered substantial financial injury and loss, and will continue
17 to suffer such injury, unless and until the ComAg and its subsequent amendments are rescinded.

18 84. Plaintiff Moore intends service of the summons and complaint in this action to
19 constitute his notice of rescission of the ComAg and its subsequent amendments. Plaintiff Moore
20 hereby offers to restore to Attorney Leckrone and TPL all consideration received by Plaintiff
21 Moore, subject to offset of such amount in its entirety by the amounts found to be due and owing
22 to Plaintiff Moore from Attorney Leckrone and TPL, all in amounts subject to accounting and
23 proof at trial.

24 85. In performing the acts hereinbefore alleged, Attorney Leckrone and his company
25 TPL intentionally misrepresented that the ComAg was a licensing agreement only, that ownership
26 of the MMP Portfolio would remain with Plaintiff Moore, and that TPL would pay to Plaintiff
27 Moore as a royalty his specified percentage of revenues (55%), less reasonable Project Expenses,
28 all with the intent to induce Plaintiff Moore to enter into the ComAg to defendants' benefit; an

1 award of punitive damages against Attorney Leckrone and TPL is thereby justified.

2 WHEREFORE, Plaintiff Moore prays judgment as set forth below.

3 **FOURTH CAUSE OF ACTION**

4 **[In the alternative to Causes of Action One, Two and Three:**
5 **Against Defendant TPL and Attorney Leckrone, For Rescission of ComAg Amendment 1**
6 **and Damages as a Promise Made Without Intent To Perform]**

7 86. Plaintiff Moore repeats and realleges paragraphs 1 through 52 hereof as if the same
8 were fully set forth herein.

9 87. At all times to and through the negotiation of ComAg Amendment No. 1,
10 Defendant TPL and Attorney Leckrone were in a position of trust and authority with respect to
11 Plaintiff Moore, having control over licensing activities authorized by the ComAg, having
12 exclusive knowledge concerning the nature, scope and revenues of such licensing activities,
13 having the duty to report the results of such licensing activities and having the duty to pay
14 royalties to Plaintiff Moore based upon revenues received less Project Expenses incurred, both
15 amounts known only to Defendant TPL and Attorney Leckrone.

16 88. TPL and Attorney Leckrone made no regular or periodic reports of their licensing
17 activities to Plaintiff Moore, leaving him completely dependent upon their honest and faithful
18 reporting of revenues received, and allowable expenses that might be offset against such revenues.

19 89. TPL and Attorney Leckrone ceased making payments to Plaintiff Moore months
20 before March 2007.

21 90. In the negotiations leading up to the March 2007 ComAg Amendment No. 1,
22 Defendants TPL and Leckrone promised Plaintiff Moore that, to ensure his receipt of some
23 income from every license they were able to negotiate of Plaintiff Moore's MMP Portfolio, they
24 would advance to Plaintiff Moore 55% (fifty-five percent) of 10% (ten percent) of the gross
25 revenues from every such MMP license.

26 91. In addition, Plaintiff Moore had by that point invented the so-called "Array"
27 Technology, and had obtained patents on that technology, which he wished to have developed to a
28 point where it might be licensed or commercially exploited. Defendants TPL and Attorney
Leckrone further promised that if Plaintiff Moore provided them with exclusive licensing rights to

1 Array Technology patents, they would utilize their expertise, and part of revenues otherwise
2 payable to Plaintiff Moore under the existing ComAg, to develop the Array Technology to the
3 point where it could be licensed and otherwise commercially exploited.

4 92. At the time defendants made such promises to Plaintiff Moore, they had no
5 intention of performing them.

6 93. Defendants' promises were made by Defendants TPL and Leckrone with the intent
7 to induce Plaintiff Moore to refrain from enforcing his rights to revenues under the ComAg, and to
8 give up his rights to develop and exploit the Array Technology that he had invented.

9 94. Plaintiff Moore, at the time that defendants' promises were made and the ComAg
10 Amendment No. 1 was negotiated and signed, was ignorant of defendants' secret intention not to
11 perform and could not, in the exercise of reasonable diligence, have discovered defendants' secret
12 intentions not to perform. In reasonable and justifiable reliance on defendants' promises, Plaintiff
13 Moore agreed to ComAg Amendment No. 1. Had Plaintiff Moore known the true facts, he would
14 not have taken such action, but would have relied upon his existing rights under the ComAg and
15 taken steps to enforce those rights.

16 95. Defendants failed to abide by their promises. They have at no time paid to Plaintiff
17 Moore any percentage of gross revenues, concealing the fact and amount of those revenues. They
18 have provided no regular, periodic or other accounting to Plaintiff Moore of the licenses that TPL
19 has written, or of the revenues TPL has received from those licenses. Further, defendants
20 deliberately or recklessly hired employees and paid excessive and unwarranted expenses, some
21 upon information and belief having nothing to do with development of Array Technology, charged
22 Plaintiff Moore for those expenses, and then – unilaterally and without notice to Plaintiff Moore –
23 terminated all effort to develop Array Technology in or about 2009.

24 96. But for defendants' wrongful disavowal of their promised actions and behavior,
25 Plaintiff Moore would have realized substantial revenues and would by now be in a position to
26 develop and exploit Array Technology, which defendants to the date hereof refuse to restore to
27 Plaintiff Moore.

28 97. By reason of defendants' actions, Plaintiff Moore has been damaged in an amount

1 according to proof at trial, but reasonably believed to exceed \$20 million.

2 98. The aforementioned conduct of the defendants was an intentional
3 misrepresentation, deceit or concealment of a material fact known to the defendants, with the
4 intention on the part of the defendants of thereby depriving Plaintiff Moore of property or legal
5 rights or otherwise causing injury, and was despicable conduct that subjected Plaintiff Moore to a
6 cruel and unjust hardship in conscious disregard of his rights, so as to justify an award of
7 exemplary and punitive damages.

8 WHEREFORE, Plaintiff Moore prays judgment as set forth below.

9 **FIFTH CAUSE OF ACTION**

10 **[Conspiracy To Commit Fraud – Against All Named Defendants and DOES 1 – 10]**

11 99. Plaintiff Moore repeats and realleges Paragraphs 1 through 52 and 87 through 98
12 hereof as if the same were fully set forth herein.

13 100. In or about 2007, Defendants and each of them knowingly and willingly conspired
14 and agreed among themselves to charge exorbitant, unreasonable and illegitimate fees and
15 expenses to Plaintiff Moore under the ComAg, in amounts that they knew would preclude any
16 payments of royalties to Plaintiff Moore.

17 101. As hereinbefore alleged, and to lull Plaintiff Moore into acceptance and inaction,
18 Defendants suggested and thereafter negotiated the supposed “percentage of the gross” payment
19 modification set out in ComAg Amendment 1, under which Plaintiff Moore was supposedly
20 assured a payment of 55% of 10% of gross licensing revenues, without regard to the expenses
21 Defendants had incurred and would continue to incur.

22 102. Defendants did the acts and things alleged herein pursuant to, and in furtherance of,
23 the conspiracy and the above-alleged agreement.

24 103. ComAg Amendment No. 1 has been honored in its breach; no percentage of gross
25 licensing revenues has ever been paid to Plaintiff Moore; no disclosure of gross licensing revenues
26 has ever occurred.

27 104. Plaintiff Moore is informed and believes that the last known overt act in pursuance
28 of the above-described conspiracy occurred in or about April 2010, when the license described in

1 Paragraph 52 hereof was issued, without notice to Plaintiff Moore, without disclosure, then or
2 since then, to Plaintiff Moore as to the gross revenues received through such license, and to the
3 financial injury of Plaintiff Moore and of PTSC, as described in Paragraph 52.

4 105. Plaintiff Moore, deprived of any reporting of gross license revenues, any notice of
5 licenses negotiated or issued, and any payment of his ComAg Amendment No. 1-specified
6 percentage of the gross, had no knowledge of Defendants' fraud until learning, from third party
7 sources, of the issuance of the license described in Paragraph 52 above.

8 106. As a proximate result of the wrongful acts herein alleged, Plaintiff Moore has been
9 generally damaged, in an amount according to proof.

10 107. As a proximate result of the wrongful acts herein alleged, Plaintiff Moore has been
11 specially damaged in that he has not been paid the royalties due him under the ComAg, all in an
12 amount according to proof, plus prejudgment interest thereon at the legal rate.

13 108. In doing the things alleged herein, Defendants acted fraudulently and willfully, and
14 with the intent to cause injury to Plaintiff Moore, in conscious disregard of Plaintiff Moore's
15 rights, thereby warranting an assessment of punitive damages in an amount according to proof
16 appropriate to punish Defendants and deter others from engaging in similar misconduct.

17 WHEREFORE, Plaintiff Moore prays judgment as set forth below.

18 **SIXTH CAUSE OF ACTION**

19 **[Breach of Contract -- Against TPL and Defendant Alliacense]**

20 109. Plaintiff Moore repeats and realleges Paragraphs 1 through 52 hereof as if the same
21 were fully set forth herein.

22 110. Plaintiff Moore has performed all conditions, covenants and promises required on
23 his part under the ComAg and the amendments thereto.

24 111. As of September 27, 2006, and continuously since that date, TPL and Defendant
25 Alliacense have been in breach of the ComAg for, among other things-

26 - failing to advise Plaintiff Moore of license revenues written;

27 - failing to advise Plaintiff Moore of licensing revenues received;

28 - failing to set-off only reasonable, necessary and disclosed expenses against license revenues

1 received, instead using the device of such improper and/or illegitimate expenses to increase the
2 revenues to Defendants at the expense of royalties due to Plaintiff Moore;
3 - failing to pay Plaintiff Moore royalties due him under the ComAg;
4 - failing to pay Plaintiff Moore his specified percentage of gross revenues received under ComAg
5 Amendment No. 1;
6 - allowing the submission and recordation at the PTO of documents claiming and supposedly
7 establishing assignee status and ownership rights in TPL of patents with substantial value that are
8 and should remain a part of Plaintiff Moore's MMP Portfolio;
9 - misallocating license proceeds in commingled patents, to decrease the amount of license revenue
10 due for license of the MMP Portfolio, and increasing the amount of license revenue supposedly
11 due for license of other patents owned, controlled or misappropriated by TPL.

12 112. As a result of the foregoing breaches of the ComAg and its amendments, Plaintiff
13 has suffered general and special damages, in an amount according to proof.

14 WHEREFORE, Plaintiff Moore prays judgment as set forth below.

15 **SEVENTH CAUSE OF ACTION**

16 **[For Constructive Trust and Accounting -- Against Defendant TPL and Attorney Leckrone]**

17 113. Plaintiff Moore repeats and realleges paragraphs 1 through 52 hereof as if the same
18 were set forth in full herein.

19 114. As alleged above, Plaintiff Moore holds an interest in unpaid license proceeds
20 under the ComAg.

21 115. Defendants TPL and Attorney Leckrone have and hold, and have wrongfully
22 converted to their own use, substantial license proceeds from licenses of the MMP Portfolio, in
23 amounts that substantially exceed any right, claim or entitlement to such proceeds.

24 116. By virtue of such defendants' wrongful acts, they hold the converted funds, in an
25 amount according to proof, in constructive trust for the benefit of Plaintiff Moore.

26 117. Plaintiff Moore has repeatedly requested and demanded the statements of licensing
27 revenues and expenses that are his right.

28 118. Defendants have refused, and continue to refuse, to provide the requested

1 information concerning licensing revenues and expenses.

2 119. Plaintiff Moore does not know the exact amount of the royalties to which he is
3 entitled, and an accounting is necessary to determine the amount of the royalties due to him, in
4 that Plaintiff Moore remains ignorant of the licenses issued on his MMP Portfolio, the gross
5 revenues received, the amounts paid to PTSC, the amounts received by TPL and Alliacense, and
6 the legitimate expenses that TPL and Alliacense may be entitled to deduct in determining the
7 ComAg royalties due to Plaintiff Moore.

8 WHEREFORE, Plaintiff Moore prays judgment as set forth below.

9 **EIGHTH CAUSE OF ACTION**

10 **[Preliminary and Permanent Injunction -- Against All Defendants]**

11 120. Plaintiff Moore repeats and realleges Paragraphs 1 through 52 hereof as if the same
12 were set forth in full herein.

13 121. Plaintiff Moore has received no information concerning licenses written by TPL
14 and Alliacense, despite repeated request and demand for such information.

15 122. Plaintiff Moore has received no royalty payments from TPL since July 2008;
16 Plaintiff Moore has received no payment at all from TPL since November 2009.

17 123. TPL and Alliacense continue to write MMP Portfolio licenses; they wrote a
18 commingled license, wrongfully diverting license revenue away from PTSC and Plaintiff Moore
19 in April 2010; they have written a license to Dresser, Inc., with announcement made of such
20 license not by TPL but by PTSC, on September 24, 2010; they have given no notice of such
21 licenses to Plaintiff Moore, paid him none of the percentage of gross license revenues due to him
22 under the ComAg, and paid him none of the royalties due to him under the ComAg.

23 124. Defendants' wrongful withholding of information and financial results, and refusal
24 to pay licensing royalties or a percentage of the gross to Plaintiff Moore, unless enjoined and
25 restrained by order of this Court, will cause great and irreparable injury to Plaintiff Moore in that
26 (a) Plaintiff Moore's right, title and interest in his MMP Portfolio will be clouded or defeated by
27 transfer, sale, or encumbrance, unless a prohibition against transfer is entered by this Court; and
28 (b) in view of TPL and Alliacense's shaky financial condition, either or both may collapse

1 financially, leaving Plaintiff Moore unable to collect the money judgment that he will gain in this
2 action.

3 125. Plaintiff has no adequate remedy at law for such injury.

4 WHEREFORE, Plaintiff Moore prays judgment as follows:

5 **On his First Cause of Action, as to all Defendants:**

6 1. That the ComAg and the Amendments thereto be declared void as fraudulently
7 induced;

8 2. That Defendant TPL deliver the ComAg and the Amendments thereto to the Clerk of
9 this Court for cancellation;

10 3. That Plaintiff Moore be awarded damages against Defendant TPL and Attorney
11 Leckrone, in an amount according to proof at trial, plus interest thereon from the date that such
12 damages came due to Plaintiff, at the rate of 7 percent per annum or such other rate as the Court
13 may set;

14 4. For exemplary and punitive damages against Defendant TPL and Attorney Leckrone.

15 **On his Second Cause of Action, as to all Defendants:**

16 5. That the ComAg and the Amendments thereto be declared void as the result of
17 mistake;

18 6. That Defendant TPL deliver the ComAg and the Amendments thereto to the Clerk of
19 this Court for cancellation;

20 7. That Plaintiff Moore be awarded damages against Defendant TPL and Attorney
21 Leckrone, in an amount according to proof at trial, plus interest thereon from the date that such
22 damages came due to Plaintiff, at the rate of 7 percent per annum or such other rate as the Court
23 may set;

24 8. For exemplary and punitive damages against Defendant TPL and Attorney Leckrone.

25 **On his Third Cause of Action, as to all Defendants:**

26 9. That this Court declare that the ComAg and the Amendments thereto have been
27 rescinded;

28 10. That Attorney Leckrone and TPL be directed to pay to Plaintiff Moore 55% of the

1 license fees received for licenses of the MMP Portfolio written by TPL and/or Alliacense, after
2 deduction of the reasonable, legitimate and appropriate expenses of such licensing activity;

3 11. That Plaintiff Moore be awarded punitive damages against Defendant TPL and
4 Attorney Leckrone, in an amount according to proof at trial;

5 12. For interest at the legal rate on damages awarded.

6 **On his Fourth Cause of Action, as to Defendant TPL and Attorney Leckrone:**

7 13. That this Court declare that ComAg Amendment No. 1 has been rescinded;

8 14. That Plaintiff Moore restore to Defendant TPL and Attorney Leckrone all benefit
9 received under ComAg Amendment No. 1, conditioned on Defendant TPL and Attorney Leckrone
10 restoring to Plaintiff Moore their benefits received, including without limitation, the Array
11 Technology, plus net damages found to be due and owing;

12 15. That Plaintiff Moore be awarded punitive damages against Defendant TPL and
13 Attorney Leckrone, in an amount according to proof at trial.

14 **On his Fifth Cause of Action, as to all Defendants:**

15 16. For general damages according to proof;

16 17. For special damages according to proof, plus interest thereon at the legal rate;

17 18. For punitive and exemplary damages, in an amount according to proof at trial.

18 **On his Sixth Cause of Action, as to Defendant TPL and Attorney Leckrone:**

19 19. For general damages according to proof;

20 20. For special damages according to proof, plus interest thereon at the legal rate;

21 **On his Seventh Cause of Action, as to Defendant TPL and Attorney Leckrone:**

22 21. For funds converted and held by Defendant TPL and by Attorney Leckrone, in an
23 amount according to proof;

24 22. For interest at the legal rate on the funds converted;

25 23. For an order that such defendants hold the converted funds in constructive trust for
26 Plaintiff Moore;

27 24. For an order declaring Plaintiff Moore to be the legal owner of the converted funds;

28 25. For an order compelling defendants to convey the funds to Plaintiff Moore;

1 26. For an accounting of all monies found owing to Plaintiff Moore;

2 27. For damages in the amount of all monies found owing to Plaintiff Moore.

3 **On his Eighth Cause of Action, as to all defendants:**

4 28. For a preliminary injunction and a permanent injunction all enjoining defendants, and
5 each of them, and their agents, servants, and employees, and all persons acting under, in concert
6 with, or for them:

7 (a) From assigning, selling, encumbering or otherwise transferring the whole or any part of any or
8 all of those patents known as the MMP Portfolio that are the subject of that certain agreement
9 known as the "Commercialization Agreement Between Technology Properties Limited and
10 Charles H. Moore," dated as of October 21, 2002 (the "ComAg"); and

11 (b) From issuing any license of the whole or any part of the MMP Portfolio without first
12 disclosing the prospective terms of such license to Plaintiff Charles H. Moore and obtaining the
13 consent of Plaintiff Moore to such license, which consent shall not be unreasonably withheld;

14 29. For damages according to proof.

15 **On all Causes of Action:**

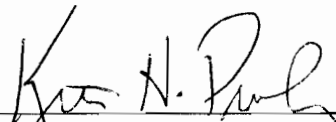
16 30. For costs of suit incurred in this action; and

17 31. For such other and further relief as the Court deems proper.

18 Dated: September 26, 2010

CHILES AND PROCHNOW, LLP

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By: 
Kenneth H. Prochnow
Attorneys for Plaintiff Charles H. Moore