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17 **UNITED STATES BANKRUPTCY COURT**  
18 **NORTHERN DISTRICT OF CALIFORNIA**  
19 **SAN JOSE DIVISION**

20 In re: )  
21 )  
22 **TECHNOLOGY PROPERTIES LIMITED LLC,** ) Case No. 13-51589-SLJ-11  
**fka TECHNOLOGY PROPERTIES LIMITED** )  
**INC., A CALIFORNIA CORPORATION,** ) Chapter 11  
23 **fka TECHNOLOGY PROPERTIES LIMITED,** )  
**A CALIFORNIA CORPORATION,** )  
24 ) Date: October 2, 2014  
25 ) Time: 3:00 p.m.  
Debtor. ) Place: United States Bankruptcy Court  
26 ) 280 S. First Street, Room 3099  
San Jose, CA 95113  
Judge: Honorable Stephen L. Johnson

27 **JOINT PLAN OF REORGANIZATION BY**  
**OFFICIAL COMMITTEE OF UNSECURED CREDITORS AND DEBTOR**  
28 **(DATED SEPTEMBER 17, 2014)**

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1 **PRELIMINARY STATEMENT**

2 The Official Committee of Unsecured Creditors of Technology Properties Limited, LLC (the  
3 “Committee”) and debtor and debtor in possession Technology Properties Limited, LLC (the  
4 “Debtor” or “TPL”) propose this plan of reorganization (the “Plan”) pursuant to the provisions of  
5 Chapter 11 of the Bankruptcy Code.

6 On March 20, 2013, TPL filed its Voluntary Petition under chapter 11 of the Bankruptcy  
7 Code. Chapter 11 sets forth the rules and procedures under which financially distressed entities may  
8 be reorganized or liquidated pursuant to a plan of reorganization presented to Creditors and Interest  
9 Holders for consideration and approval. Confirmation (i.e., Bankruptcy Court approval) of this Plan  
10 is the culmination of that process.

11 This Plan sets forth the joint proposal of the Committee and TPL for the restructuring of  
12 TPL’s finances and for the satisfaction, discharge and/or cancellation of all Claims against TPL.  
13 Pursuant to the Plan, new management will be appointed to operate TPL’s business, and TPL will  
14 pay its creditors certain proceeds of various portfolios quarterly for a period of up to seven years  
15 (subject to extension upon Committee approval).

16 With the Plan, Creditors and Interest Holders will receive the DISCLOSURE STATEMENT FOR  
17 JOINT PLAN OF REORGANIZATION (DATED SEPTEMBER 17, 2014) (the “Disclosure Statement”). With  
18 the Plan and Disclosure Statement, Creditors will receive a Ballot for voting on the Plan. Class 1 is  
19 not Impaired under the Plan and is therefore conclusively presumed to have accepted the Plan.  
20 Accordingly, acceptances with respect to Class 1 are not being solicited and no Ballots need be  
21 returned by creditors in such Class. Acceptances of the Plan are therefore being solicited only from  
22 Classes 2, 3, 4, 5, 6, 7 and 8. Consequently, only holders of Claims in Classes 2, 3, 4, 5, 6A, 6B, 6C,  
23 7 and the holder of Interests in Class 8 need return their Ballots.

24 The Disclosure Statement includes a summary of the Debtor’s history, a summary of  
25 significant events during the Chapter 11 case, a description of what Creditors and Interest Holders  
26 will receive under the Plan and a summary of the procedures and voting requirements necessary for  
27 confirmation of the Plan. You should thoroughly review both the Plan and the Disclosure Statement  
28 before deciding whether you will accept or reject the Plan. In the event and to the extent that any

1 provision of the Plan is inconsistent with or contrary to the provisions of the Disclosure Statement,  
2 the provisions of the Plan shall control and take precedence.

3 **CREDITORS WISHING TO VOTE ON THE PLAN MUST COMPLETE THE**  
4 **BALLOT PROVIDED AND RETURN IT NO LATER THAN OCTOBER \_\_, 2014 TO:**

5 **Binder & Malter**  
6 **2775 Park Avenue**  
7 **Santa Clara, CA 95050**  
8 **Attention: Robert G. Harris**  
9 **Email: Rob@bindermalter.com**

10 **IF YOUR BALLOT IS NOT RETURNED BY OCTOBER \_\_, 2014, IT MAY NOT BE**  
11 **CONSIDERED. BALLOTS WHICH ARE RETURNED BUT NOT PROPERLY**  
12 **EXECUTED WILL NOT BE CONSIDERED. BALLOTS WHICH ARE EXECUTED BUT**  
13 **WHICH FAIL TO INDICATE EITHER ACCEPTANCE OR REJECTION OF THE PLAN**  
14 **WILL BE CONSIDERED AS ACCEPTING THE PLAN.**

15 If any class of Claims does not accept the Plan, the Committee may elect to seek  
16 Confirmation of the Plan under Section 1129(b) of the Bankruptcy Code. Confirmation under  
17 Section 1129(b) can, in appropriate circumstances, take place notwithstanding the rejection of, or  
18 objection to, the Plan by the holders of Claims and Interests. If required, the Plan may be modified  
19 at or prior to the hearing on Confirmation to permit Bankruptcy Court approval under Section  
20 1129(b). If the Plan is not confirmed, the Bankruptcy Court may order the Bankruptcy Case  
21 dismissed, or converted to a case under Chapter 7 of the Bankruptcy Code, or other parties in interest  
22 may propose a different plan.

## 23 **I. DEFINITIONS**

24 As used in the Plan, the following terms shall have the respective meanings specified below:

25 **“Accepting Non-Insider 13% Claims”** mean the Non-Insider 13% Claims in the instance  
26 the Browns accept the Plan and/or do not object to confirmation of the Plan.

27 **“Adjusted Gross Revenue”** or **“AGR”** means Gross Revenue less amounts owing under  
28 patent litigation counsel contingency retainer agreements and agreements with inventors of the  
portfolios TPL commercializes .

1           **“Administrative Claim”** means a Claim for any cost or expense of administration of a kind  
2 specified in Section 503(b) of the Bankruptcy Code, including (a) any actual and necessary costs and  
3 expenses of preserving the Bankruptcy Estate incurred on or after the Petition Date and through and  
4 including the Effective Date, (b) any cure amounts that must be paid in connection with the  
5 assumption of any executory contract or unexpired lease of the Debtor under Section 365 of the  
6 Bankruptcy Code, (c) fees due to the United States Trustee pursuant to 28 U.S.C. § 1930(a)(6), and  
7 (d) compensation for legal or other services and reimbursement of expenses allowed by the  
8 Bankruptcy Court under Sections 330 and 331 of the Bankruptcy Code or otherwise.

9           **“Administrative Claims Bar Date”** means that date which is sixty (60) days following the  
10 Effective Date.

11           **“Administrative Claims Contribution”** means the portion of Adjusted Gross Revenue  
12 contributed each quarter to pay holders of Allowed Administrative Claims who agree to accept  
13 treatment other than payment in cash in full on the Effective Date.

14           **“Administrative Claims Objection Deadline”** means, for Administrative Claims other than  
15 Professional Fee Claims, thirty (30) days after the Administrative Claims Bar Date or such later date  
16 as may be established by the Bankruptcy Court.

17           **“Administrative Convenience Claims”** means Timely Filed Unsecured Claims of  
18 \$5,000.00 or less whose holders elect on their Ballot to accept treatment pursuant to Class 5 under  
19 the Plan, and Timely Filed Unsecured Claims of greater than \$5,000.00 whose holders elect on their  
20 Ballot to accept treatment pursuant to Class 5 under the Plan and agree to reduce their respective  
21 Allowed Claims to \$5,000.00.

22           **“Agility”** means Agility IP Law, LLC.

23           **“Alliacense”** means Alliacense Limited, LLC.

24           **“Alliacense Services Agreement”** means that certain Services Agreement as amended  
25 March 19, 2012, between TPL and Alliacense.

26           **“Allowed” or “Allowed Amount”** means the amount in which any Claim or Interest is  
27 allowed.

28 ///

1           **“Allowed Administrative Claim”** means all or any portion of an Administrative Claim that  
2 has either been Allowed by a Final Order or as to which there has been no objection within the time  
3 period established by the Plan or by an order of the Bankruptcy Court.

4           **“Allowed Claim”** means a Claim: (a) in respect to which a proof of Claim has been filed  
5 with the Bankruptcy Court by the applicable Claims Bar Date and to which no objection has been  
6 filed by the Claims Objection Deadline; (b) as to which no proof of Claim has been filed and which  
7 has been listed on Schedule D, E or F of the Debtor's Schedules and is not listed as disputed,  
8 contingent, unliquidated or unknown as to amount, and to which no objection has been filed by the  
9 Claims Objection Deadline; (c) which is Allowed by a Final Order; (d) settled, compromised or  
10 otherwise resolved by the Reorganized Company pursuant to its power granted under the Plan; or (e)  
11 which is deemed Allowed by the Plan. Other than those Claims expressly Allowed by the Plan, no  
12 Claim shall be considered an Allowed Claim if: (x) an objection to the allowance thereof is  
13 interposed by a party in interest by the Claims Objection Deadline, and such objection has not been  
14 overruled by a Final Order; or (y) the Claim has been satisfied.

15           **“Allowed Interest”** means the Allowed Interest of an Interest Holder.

16           **“Allowed Unsecured Claim”** means any Allowed Claim that is an Unsecured Claim.

17           **“Assignment Agreements”** means (a) the Assignment Agreement between TPL and Daniel  
18 (Mac) McNary Leckrone, dated January 5, 2003; (b) the Assignment Agreement between TPL and  
19 John C. Leckrone, dated January 5, 2003; (c); the Assignment Agreement between TPL and Susan  
20 L. Anhalt, dated January 5, 2003; (e) the Assignment Agreement between TPL and Chester A.  
21 Brown and Marcie Brown, dated August 4, 2003; (f) the Assignment Agreement between TPL and  
22 James Kirkendall, dated January 5, 2004 and (g) the Assignment Agreement between TPL and  
23 Tobacco Retailing USA, dated February 5, 2004.

24           **“Avoidance Actions”** means causes of action under Chapter 5 of the Bankruptcy Code.

25           **“Ballot”** means the form distributed to each holder of an Impaired Claim that is entitled to  
26 vote to accept or reject the Plan.

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1           **“Bankruptcy Case”** means the bankruptcy case styled *In re Technology Properties, Limited,*  
2 *LLC*, Chapter 11 Case No. 13-51589-SLJ, pending in the Bankruptcy Court.

3           **“Bankruptcy Code”** means title 11 of the United States Code and also includes  
4 Sections 157, 158, 1334, 1408, 1412, and 1452 of title 28 of the United States Code, and any  
5 amendments thereto to the extent applicable to this Bankruptcy Case.

6           **“Bankruptcy Court”** means the United States Bankruptcy Court for the Northern District of  
7 California, San Jose Division, or such other court exercising jurisdiction over the Bankruptcy Case.

8           **“Bankruptcy Estate”** or **“Estate”** means the estate created by the commencement of the  
9 Bankruptcy Case and comprised of the property described in Section 541 of the Bankruptcy Code.

10           **“Bankruptcy Rules”** means the Federal Rules of Bankruptcy Procedure promulgated under  
11 28 U.S.C. § 2075, as amended, as applicable to the Bankruptcy Case.

12           **“Benefit Plans”** means all benefit plans of whatever type or nature provided by the Debtor  
13 as of the date of this Plan including all 401(k) plans, medical insurance plans, accidental death and  
14 dismemberment plans and disability plans and any rights of employees to extended coverage arising  
15 from any benefit plan whether under the terms of the benefit plans, under COBRA, or under  
16 applicable law. For the avoidance of doubt, Benefit Plans do not include any Insider Employee  
17 Compensation Contracts or any provisions thereunder for incentive compensation or otherwise.

18           **“Browns”** means Chester A. Brown, Jr. and Marcie Brown.

19           **“Brown Claim”** means Proof of Claim Number 22-1 filed by the Browns in the Bankruptcy  
20 Case, in connection with the Browns Judgment in the amount of \$10,021,511 plus post-judgment  
21 interest.

22           **“Brown Judgment”** means the Judgment dated June 5, 2013, entered in favor of Chester A.  
23 Brown, Jr. and Marcie Brown against TPL by the Santa Clara County Superior Court in the action  
24 entitled: *Brown v. TPL*, Case No. 1-09-CV -159452.

25           **“Brown/TPL Appeal”** means the appeal of the Brown Judgment filed by TPL and currently  
26 pending in the in the Court Of Appeal Of The State Of California, Sixth Appellate District.

27           **“Business Day”** means a day, Monday through Friday, excluding all legal holidays (as  
28 defined in Bankruptcy Rule 9006(a)(6).

1           **“Cash”** means cash and cash equivalents, including but not limited to checks and similar  
2 forms of payment or exchange.

3           **“CCC”** means Cupertino City Center Buildings, a California Limited Partnership.

4           **“CCC Claim”** means proof of Claim number 7 filed by CCC, asserting a Secured Claim in  
5 the amount of \$711,200.

6           **“CEO”** means the Chief Executive Officer of the Reorganized Company as selected and  
7 appointed by the TPL Board.

8           **“Claim,”** as used herein, is defined in Section 101(5) of the Bankruptcy Code.

9           **“Claims Bar Date”** means: (a) with respect to Claims other than those held by governmental  
10 units, July 23, 2013; (b) with respect to Claims held by governmental units, September 16, 2013; and  
11 (c) with respect to Rejection Claims, the Rejection Claims Bar Date.

12           **“Claims Objection Deadline”** means the date ninety (90) days after the Effective Date;  
13 provided, however, that the Claims Objection Deadline may be extended by the Bankruptcy Court  
14 for cause upon a noticed motion of the Reorganized Company or the Committee to all Notice Parties  
15 on not less than ten (10) days’ written notice.

16           **“Claims Trust Account”** means the segregated interest-bearing bank account maintained for  
17 the purpose of holding the deposits of the Quarterly Payment, maintained for paying Distributions to  
18 Creditors holding Allowed Claims pursuant to the Plan.

19           **“Class”** means a category or group of holders of Claims or Interests as designated pursuant  
20 to the Plan.

21           **“Committee”** means the Official Committee of Unsecured Creditors appointed by the Office  
22 of the United States Trustee on March 28, 2013 consisting of Chester A. Brown, Jr. and Marcie  
23 Brown, Patriot Scientific Corp., Beresford & Co., Phil Marcoux, as Representative for the Former  
24 Chipscale Shareholders, Farella Braun & Martel, LLP, the Estate of James Kirkendall and Dr. Zlatan  
25 Ribic GmbH.

26           **“Committee Claims”** means the proofs of Claims filed by members of the Committee in the  
27 Bankruptcy Case and include the following: (A) proof of Claim number 19 filed by Beresford &  
28 Co.; (B) proof of Claim number 20 filed by the Estate of James V. Kirkendall; (C) proof of Claim



1 number 21 filed by Dr. Ribic GmbH; (D) proof of Claim number 22 filed by Chester A. Brown, Jr.  
2 and Marcie Brown; (E) proof of Claim number 23 filed by Phil Marcoux, individually and as  
3 Seller's Rep. for Certain Former ChipScale, Inc. Shareholders; (F) proof of Claim number 28 filed  
4 by Farella Braun & Martel LLP; and (G) proofs of Claim numbers 33 and 34 filed by Patriot  
5 Scientific Corporation.

6 **"Committee's Professionals"** means, collectively, Dorsey & Whitney LLP and such other  
7 professionals whose employment by the Committee prior to the Confirmation Date is approved by  
8 order of the Bankruptcy Court, if any.

9 **"Confirmation"** means the entry by the Bankruptcy Court of the Confirmation Order.

10 **"Confirmation Date"** means the date on which the Bankruptcy Court enters the Order of  
11 Confirmation.

12 **"Confirmation Hearing"** means the hearing held by the Bankruptcy Court on confirmation  
13 of the Plan as required by Section 1128(a) of the Bankruptcy Code.

14 **"Confirmation Order"** means the Order confirming the Plan under Section 1129 of the  
15 Bankruptcy Code.

16 **"Debtor"** means Technology Properties Limited LLC, a California Limited Liability  
17 Company.

18 **"Debtor's Professionals"** means, collectively, Binder & Malter, LLP, Agility IP Law, LLP,  
19 the Simon Law Firm, P.S., Bragalone Conroy, PC, Farnan LLP, Ropers Majeski Kohn & Bentley,  
20 Adelson, Hess & Kelly APS, Fulop Business Tax Services, Henneman & Associates, and such other  
21 professionals whose employment by the Debtor prior to the Confirmation Date is approved by order  
22 of the Bankruptcy Court, if any; and following the Effective Date, any professionals engaged by the  
23 Reorganized Company to represent or assist it in fulfilling its duties and obligations as the  
24 Reorganized Company under the Plan, including such accountant(s) as the Reorganized Company  
25 may select to complete the Debtor's tax returns and other required filings with governmental  
26 authorities having jurisdiction over the Reorganized Company, and such legal professionals as may  
27 be appropriate to assist in administering the Plan, the Bankruptcy Case and the Bankruptcy Estate.

28 ///

1           **“Disbursing Agent”** means the Plan Agent and any successor appointed pursuant to the  
2 Plan.

3           **“Disclosure Statement”** means the DISCLOSURE STATEMENT FOR JOINT PLAN OF  
4 REORGANIZATION (DATED SEPTEMBER 17, 2014), including any modification(s) thereof and/or  
5 amendment(s) thereto.

6           **“Disputed Claim”** means a Claim against the Debtor: (a) as to which a proof of Claim has  
7 not been filed and that has been listed in the Debtor's Schedules as disputed, contingent, unliquidated  
8 or unknown as to amount; or (b) as to which an objection or adversary proceeding has been filed by  
9 the Claims Objection Deadline and which objection or adversary proceeding has not been withdrawn  
10 or disposed of by a Final Order.

11           **“Disputed Claims Reserve Account”** means a segregated interest-bearing bank account  
12 maintained for the purpose of holding Cash attributable to Disputed Claims and administered by the  
13 Reorganized Company consistent with the provisions of Section 345 of the Bankruptcy Code.

14           **“Distribution”** means, as the context requires: (a) the cash to be provided under the Plan to  
15 the holders of Allowed Claims; or (b) the payment, transfer, delivery or deposit of cash to Creditors  
16 pursuant to the Plan.

17           **“Distribution Date”** means any date on which a Distribution shall be made pursuant to the  
18 Plan.

19           **“Effective Date”** means the later of (a) the first Business Day that is at least 30 days after the  
20 entry of the Confirmation Order and on which no stay of the Confirmation Order is in effect,  
21 including a stay pending appeal, or (b) the first Business Day on which the Reorganized Company  
22 has sufficient cash to make all payments required under the Plan on the Effective Date; provided,  
23 however, that the Effective Date shall be no later than November 15, 2014.

24           **“Employee Incentive Compensation Claims”** mean the claims arising from the Employee  
25 Compensation Contracts between TPL and Mike Davis, Robert Neilson and Nick Antonopoulos.

26           **“Employee Compensation Contracts”** means the agreements, whether written or oral, and  
27 all amendments, addenda, letter agreements, offer letters, schedules, exhibits, modifications  
28 attachments, supplements and other documents related thereto, between TPL, Alliacense and/or the

1 TPL Group, on the one hand, and Daniel (“Mac”) McNary Leckrone, Dwayne Hannah, Janet Neal,  
2 Michael Davis, Nick Antonopoulos and/or Robert Neilson, on the other hand, on which the  
3 Employee Compensation Claims and the Subordinated Employee Compensation Claims are based

4 **“Entity”** has the meaning ascribed to it under Section 101(15) of the Bankruptcy Code.

5 **“Excluded Contract”** means an executory contract or unexpired lease that is neither  
6 designated for assumption nor for rejection under the Plan as of the conclusion of the Confirmation  
7 Hearing. For the avoidance of doubt, the Licenses are not Excluded Contracts but rather ride  
8 through unimpaired, in accordance with Article XVI.

9 **“Final Decree”** means the final decree by the Bankruptcy Court closing the Bankruptcy  
10 Case pursuant to Bankruptcy Code Section 350 and Bankruptcy Rule 3022.

11 **“Final Order”** means an order entered on the docket by the Bankruptcy Court or other court  
12 of competent jurisdiction over the Bankruptcy Case, as applicable, which is no longer subject to  
13 appeal, certiorari or other proceedings for review or rehearing, and as to which no appeal, certiorari  
14 or other proceedings for review or rehearing are pending.

15 **“Gross Revenue”** means all present and future property of TPL, tangible and intangible,  
16 including, without limitation, any and all legal and equitable rights, in which the Reorganized  
17 Company possesses or receives any right, title and interest, and all proceeds, products, offspring or  
18 profits thereof, including, without limitation, (A) all Cash, (B) all non-Cash proceeds, (C) whatever  
19 is acquired upon the sale, lease, license, exchange, or other disposition of property; (D) whatever is  
20 collected on, or distributed on account of, property; (E) rights arising out of any property; (F) claims  
21 arising out of the loss, nonconformity, or interference with the use of, defects or infringement of  
22 rights in, or damage to, property; (G) insurance payable by reason of the loss or nonconformity of,  
23 defects or infringement of rights in, or damage to, property; (H) whatever is received from license  
24 payments, litigation settlements, judgments, damage awards and service fees; (I) whatever is  
25 received from distributions to owners of entities in which TPL has any ownership interest other than  
26 the PDS interest; (J) payments of interest, dividends and royalties; and (K) tax refunds and credits.

27 **“Impaired”** shall have the meaning set forth at Section 1124 of the Bankruptcy Code.

28 ///

1           **“Insider 13% Claims”** means the following: (A) the portion of proof of Claim number 25  
2 filed in the Bankruptcy Case by Susan Anhalt, asserted in the estimated amount of \$8,379,952 based  
3 on “Payments from Assignment;” (B) the portion of proof of Claim number 32 filed in the  
4 Bankruptcy Case by John C. Leckrone in the estimated amount of \$8,491,090 based on “Payments  
5 from Assignment;” and (C) the portion of proof of Claim number 39 filed in the Bankruptcy Case by  
6 Daniel (“Mac”) McNary Leckrone, asserted in the estimated amount of \$8,478,590 based on  
7 “Payments from Assignment.”

8           **“Insurance Policies”** means the schedule of past and present insurance policies attached  
9 hereto as Exhibit “A”.

10           **“Interest”** means units or rights to units or any membership interest or other ownership  
11 interest held by any Person in the Debtor.

12           **“Interest Holder”** means Daniel E. Leckrone as the sole holder of all Interests in the Debtor.

13           **“IP Owners”** means the owners of the MMP Portfolio, CORE Flash Portfolio, Fast Logic  
14 Portfolio and Chipscale Portfolio licensed by TPL to Licensees, including without limitation PDS,  
15 Patriot, Charles H. Moore, and MCM Portfolio LLC.

16           **“IP Owners Commercialization Agreements”** means the agreements and licenses entered  
17 into between the IP Owners and TPL to license the respective portfolios.

18           **“ITC”** means the United States International Trade Commission.

19           **“Kirkendall Estate Claim”** means proof of Claim number 20 filed by the Estate of James V.  
20 Kirkendall, in the amount of \$455,000.00.

21           **“Leckrone”** means Daniel E. Leckrone.

22           **“Leckrone Secured Claim”** means the portion of proof of Claim number 40 filed by  
23 Leckrone, asserting a Secured Claim in the amount of \$4,872,284.00 based on “Loan Repayments,  
24 including interest.”

25           **“Leckrone Priority Claim”** means the Class 1 Priority Claim of Leckrone.

26           **“License”** means each of the approximately 175 non-exclusive agreements granting licenses  
27 of patent portfolios that were executed by TPL, PDS, Patriot Scientific, HSM Portfolio LLC or  
28 MCM Portfolio LLC as licensor(s) prior to the filing of the Bankruptcy Case and any agreements

1 granting licenses of patent portfolios that were executed by TPL, PDS, Patriot Scientific, MCM  
2 Portfolio LLC or HSM Portfolio LLC as licensor(s) prior to the Effective Date, in each case, as  
3 amended, modified, or supplemented from time to time whether by settlement agreement, side letter  
4 or otherwise.

5 **“Licensee Objectors”** means the parties identified in **Exhibit “B”** hereto, together with  
6 each party’s successors and assigns. Licensees may become Licensee Objectors at any time prior to  
7 the commencement of the Confirmation Hearing by notice to counsel for the Debtor and the  
8 Committee.

9 **“Licensees”** means the Licensee Objectors, together with any other party granted a License  
10 on or before the Effective Date including those identified on **Exhibit “B-2”** hereto.

11 **“Local Rules”** means the Local Rules of the United States District Court for the Northern  
12 District of California, as amended, as applicable to this Bankruptcy Case.

13 **“Marsh Claim”** means Proof of Claim Number 46 filed by C. Alan Marsh, in the amount of  
14 \$539,808.00.

15 **“MMP Portfolio”** means the Moore Microprocessor Portfolio.

16 **“Non-Insider 13% Claims”** means the Brown Claim, the Kirkendall Estate Claim, the Todd  
17 Kirkendall Claim and the Marsh Claim.

18 **“Notice of Confirmation”** means the NOTICE OF ORDER CONFIRMING PLAN or similarly  
19 titled notice of like effect issued by the Clerk of the Bankruptcy Court following Confirmation.

20 **“Notice Parties”** means the Reorganized Company, counsel for the Reorganized Company,  
21 the United States Trustee, the Responsible Person, the TPL Board, the Committee, counsel for the  
22 Committee, the Plan Agent, counsel for the Plan Agent, if any, the Licensee Objectors if they serve  
23 notice on the Reorganized Company requesting to be a Notice Party following the Confirmation  
24 Hearing and any Creditor who, after the Confirmation Hearing, files with the Bankruptcy Court and  
25 serves on the Debtor or the Reorganized Company and its counsel at the addresses provided at  
26 Section XV-J of the Plan, a notice requesting to be added as a notice party; provided, however, that  
27 any creditor whose Claim has been paid in full shall no longer be a Notice Party.

28 **“Notice Procedure”** means the procedure for notice set forth at Section VII-P of the Plan.

1           **“Patent Actions”** means the ITC and District Court actions involving the MMP Portfolio,  
2 the CORE Flash Portfolio, the Fast Logic Portfolio and any and all other actions involving other  
3 present and future patent portfolios.

4           **“Patriot”** means Patriot Scientific Corporation.

5           **“PDS”** means Phoenix Digital Solutions LLC.

6           **“PDS Revenue”** means the distribution of revenue from the MMP Portfolio as determined  
7 by the PDS Operating Agreement and the Settlement Agreement dated January 23, 2013, by and  
8 among TPL, PDS, Patriot, Moore and others to which TPL is entitled..

9           **“PDS Management Committee”** means the Management Committee of PDS.

10          **“Person”** shall have the meaning ascribed to it under Section 101(41) of the Bankruptcy  
11 Code.

12          **“Petition Date”** means March 20, 2013, the date on which the Debtor filed its Voluntary  
13 Petition under Chapter 11 initiating the Bankruptcy Case and on which date relief was ordered in the  
14 Bankruptcy Case.

15          **“Plan”** means this JOINT PLAN OF REORGANIZATION by OFFICIAL COMMITTEE OF  
16 UNSECURED CREDITORS AND DEBTOR (DATED SEPTEMBER 4) including any modification(s) hereof  
17 and/or amendment(s) hereto that comply with Section 1127 of the Bankruptcy Code and Bankruptcy  
18 Rule 3019.

19          **“Plan Agent”** means the Entity appointed pursuant to the Plan to, among other things, act as  
20 administrator of the Claims Trust Account, prosecute objections to the Committee Claims and act as  
21 the Disbursing Agent.

22          **“PTO”** means the U.S. Patent and Trademark Office.

23          **“Priority Claim”** means any Claim entitled to priority pursuant to Sections 507(a)(1)  
24 through (a)(7) of the Bankruptcy Code, but not including an Administrative Claim.

25          **“Priority Tax Claim”** means any Claim against the Debtor entitled to priority pursuant to  
26 Section 507(a)(8) of the Bankruptcy Code.

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1           **“Professional”** means any Person employed in the Bankruptcy Case prior to the Effective  
2 Date pursuant to Section 327 and 1103 of the Bankruptcy Code, and following the Effective Date as  
3 provided by the Plan.

4           **“Professional Fee Claim”** means an Administrative Claim for the compensation and  
5 reimbursement of expenses asserted by a Professional employed in the Bankruptcy Case pursuant to  
6 Section 327 or 1103 of the Bankruptcy Code or an expense reimbursement claim by a Committee  
7 member, and incurred by such Professional or Committee member (to the extent Allowed under  
8 Section 328, 330, 331, or 503 of the Bankruptcy Code) through the Effective Date.

9           **“Quarterly Distribution Report”** means the report provided by the Reorganized Company  
10 to the Plan Agent and the TPL Board on a quarterly basis as provided at Section VII.E.3.of the Plan,  
11 providing a list of all Claims held by Creditors in Classes 2, 3, 4, 6 and 7 and identifying each Claim  
12 as either an Allowed Claim, a Disputed Claim (in whole or in part), and if a Disputed Claim, any  
13 amount that is undisputed, and providing for each respective Claim, the Claim number (if  
14 applicable), the claimant name, and the Reorganized Company’s calculations for each Claim,  
15 including: (i) the amount of the Allowed Claim, if applicable (ii) the undisputed portion of any  
16 Disputed Claim, (iii) the pro rata Distribution amount for the quarter, and (iv) the interest owing for  
17 the quarter calculated at the applicable interest rate as provided in the Plan. The Quarterly  
18 Distribution Report shall include the total payment due each holder of an Allowed Claim and the  
19 total of all such payments due for the quarter.

20           **“Quarterly Payment”** means (A) the payment deposited by the Reorganized Company into  
21 the Claims Trust Account after the close of each full calendar quarter following the Effective Date  
22 comprised of (i) that portion of revenue to which TPL is entitled as set forth on **Exhibit ”C”** hereto  
23 plus (ii) distributions deposited by PDS, if any, to the Claims Trust Account comprised of 100% of  
24 TPL’s PDS Revenue for such quarter, less the Administrative Claims Contribution, the necessary  
25 operating expenses of the Reorganized Company, and the amounts necessary to fund and maintain  
26 the WCR.

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1           **“Rejection Claim”** means an Unsecured Claim arising from the Debtor's rejection of an  
2 unexpired lease or executory contract pursuant to the Plan or pursuant to an order of the Bankruptcy  
3 Court.

4           **“Rejection Claims Bar Date”** means, other than for an Excluded Contract, the earlier of: (a)  
5 thirty (30) days following the date of the Notice of Confirmation; or (b) thirty (30) days after the  
6 entry of a Final Order prior to Confirmation approving rejection of an executory contract or  
7 unexpired lease. With respect to an Excluded Contract that is rejected pursuant to Section IX-F of  
8 the Plan, the Rejection Claims Bar Date means thirty (30) days from the date notice of rejection and  
9 notice of the Rejection Claims Bar Date is provided to the affected party to the Excluded Contract.

10           **“Release”** means the release releasing all Released Parties from all Retained Claims or other  
11 claims or causes of action without limitation, in substantially the form attached hereto as **Exhibit**  
12 **“E”**.

13           **“Released Claims”** means any claims or causes of actions against the Released Parties by  
14 the Debtor, the estate, and all persons and entities that vote to accept the Plan and execute the  
15 Release and any claims or causes of actions against the Reorganized Company except as provided  
16 herein.

17           **“Released Parties”** means the following persons: Dwayne Hannah, Mike Davis, Robert  
18 Neilson, Susan Anhalt, Daniel (“Mac”) McNary Leckrone, Leckrone, Janet Neal, Nick  
19 Antonopoulos, Interconnect Portfolio, John Leckrone, Alliacense, Eric Saunders, Michael  
20 Montvelishsky, William Martin, and any and all entities wholly-owned or partially owned by  
21 Leckrone, the Leckrone Family Trust.

22           **“Reorganized Company”** means the Debtor on and after the Effective Date.

23           **“Responsible Person”** means the CEO.

24           **“Retained Claims”** means any and all claims, defenses and rights of the Debtor and the  
25 Reorganized Company against any Person or Entity as of the Effective Date, including those  
26 Retained Claims referred to in Article X.

27           **“Schedules”** means the Debtor’s schedules of assets and liabilities consisting of Schedules  
28 “A” through “J” filed with the Bankruptcy Court pursuant to Section 521(a)(1) of the Bankruptcy



1 Code and Bankruptcy Rule 1007(b), and any amendments thereto.

2       **“Secured Claim”** means a Claim secured by a lien, security interest, or other charge against  
3 or interest in property in which the Debtor has an interest or that is subject to setoff under Section  
4 553 of the Bankruptcy Code, to the extent of the value (as specified in the Plan, or if no value is  
5 specified, as determined in accordance with Section 506(a) of the Bankruptcy Code) of the interest  
6 of a holder of such Claim in the Debtor's interest in such property or to the extent of the amount  
7 subject to such setoff, as the case may be. A Claim falling under this definition, but exceeding the  
8 value of the Claim's interest in the applicable collateral, or exceeding the amount subject to setoff, as  
9 applicable, shall be an Unsecured Claim to the extent of such excessive amount.

10       **“Subordinated Employee Incentive Compensation Claims”** mean: (A) that portion of  
11 proof of Claim number 17 filed in the Bankruptcy Case by Dwayne Hannah based on his Employee  
12 Compensation Contract; (B) that portion of proof of Claim number 27 filed in the Bankruptcy Case  
13 by Janet Neal based on her Employee Compensation Contract; (C) that portion of proof of Claim  
14 number 39 filed in the Bankruptcy Case by Daniel (“Mac”) McNary Leckrone based on his  
15 Employee Compensation Contract.

16       **“TPL Board”** means the board of the Reorganized Company to be appointed by the  
17 Committee on the Effective Date, comprised of at least two Committee members or their nominees  
18 who shall be identified prior to the Confirmation Hearing.

19       **“Todd Kirkendall Claim”** means proof of Claim number 24 filed by Todd Kirkendall, in  
20 the amount of \$228,884.00.

21       **“TPL Member”** means Daniel E. Leckrone or his successor, assigns, estate or heirs.

22       **“TPL/Moore ‘Roe’ Litigation”** means the action entitled: *Charles H. Moore v. Technology*  
23 *Properties Limited, et al.*; Case No. 1-10-CV183613 proceeding in the Superior Court of California,  
24 Santa Clara County.

25       **“Unsecured Claim”** means a general unsecured Claim, but excluding Administrative  
26 Claims, Priority Claims and Priority Tax Claims, which is: (a) listed in the Debtor's Schedules (other  
27 than if listed as disputed, contingent, unliquidated or unknown as to amount); or (b) filed with the  
28 Claims Agent, including the Unsecured Claims of undersecured Creditors and Rejection Claims.

1           **“Venkidu”** means Arockiyaswamy Venkidu, as representative of the former shareholders of  
2 OnSpec Electronic Inc.

3           **“Venkidu Claim”** means proof of Claim number 7 filed by Venkidu asserting a Secured  
4 Claim in the amount of \$5,344,331.00.

5           **“WCR”** means the Reorganized Company’s \$325,000 working capital reserve as provided  
6 for under the Plan and as determined to be necessary by the CEO with the advice and consent of the  
7 TPL Board.

8           Any capitalized term used in the Plan that is not herein defined but is defined in the  
9 Bankruptcy Code or the Bankruptcy Rules shall have the meaning ascribed to such term in the  
10 Bankruptcy Code or the Bankruptcy Rules.

11           **II.           DESIGNATION OF CLASSES OF CLAIMS AND INTERESTS**

12           The Claims against and Interests in the Debtor are designated and classified below for  
13 purposes of the Plan. The treatment of Claims described below applies only to Allowed Claims.  
14 Distributions to holders of Claims which are not Allowed Claims as of the Effective Date will be  
15 withheld in accordance with the Plan’s provisions for the treatment of Disputed Claims. Except to  
16 the extent that the Plan provides otherwise, a Claim or Interest that is properly includable in more  
17 than one Class is classified in a particular Class only to the extent that it qualifies within the  
18 description of that Class, and is placed in a different Class to the extent it qualifies within the  
19 description of such different Class.

20           A.       Unclassified Claims: Section 1123(a)(1) of the Bankruptcy Code provides that  
21 certain claims, including Administrative Claims and post-petition tax claims by governmental units  
22 entitled to priority under Section 507(a)(2) of the Bankruptcy Code, and pre-petition unsecured  
23 Priority Tax Claims entitled to priority under Section 507(a)(8) of the Bankruptcy Code are not  
24 classified under the Plan. Unclassified Claims are expected to include Professional Fee Claims of  
25 the Committee’s Professionals and the Debtor’s Professionals.

26           B.       Classified Claims:

27                   **1.       Class 1 (Priority Claims).**

28           Class 1 consists of all Priority Claims.

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**2. Class 2 (CCC Claim).**

Class 2 consists of the CCC Claim.

**3. Class 3 (Leckrone Secured).**

Class 3 consists of the Leckrone Secured Claim.

**4. Class 4 (Venkidu Secured).**

Class 4 consists of the Venkidu Claim.

**5. Class 5 (Administrative Convenience Claims).**

Class 5 consists of all Administrative Convenience Claims.

**6. Class 6.**

**Class 6A (General Unsecured Claims, Together With 50% of Each of the Non-Insider 13% Claims, 75% of Each of the Employee Compensation Claims and 25% of Each of the Insider Compensation Claims).**

Class 6A includes general Unsecured Claims not included or provided for in any other Class, including all Rejection Claims and all Unsecured Claims of vendors and trade Creditors for goods delivered or services provided to the Debtor prior to the Petition Date.

Class 6A also includes 50% of each of the Accepting Non-Insider 13% Claims solely in the event the Browns vote in favor of the Plan and do not object to the confirmation of the Plan. If the Browns do not vote in favor of the Plan or if they object to the confirmation of the Plan, then all Non-Insider 13% Claims and Insider 13% Claims shall be classified together in Class 6C.

Class 6A also includes 75% of the Employee Incentive Compensation Claims and 25% of the Subordinated Employee Incentive Compensation Claims.

**Class 6B (25% of Each of the Accepting Non-Insider 13% Claims, 25% of Each of the Employee Compensation Claims and 75% of Each of the Insider Employee Compensation Claims).**

Class 6B includes 25% of each of the Accepting Non-Insider 13% Claims solely in the event the Browns vote in favor of the Plan and do not object to confirmation of the Plan. If the Browns do not vote in favor of the Plan or if they object to confirmation of the Plan, then all Non-Insider 13% Claims and Insider 13% Claims shall be classified together in Class 6C. Class 6B also includes 25% of the Employee Incentive Compensation Claims and 75% of the Subordinated Employee Incentive Compensation Claims.

1 **Class 6C (Either of (i) 25% of Each the Accepting Non-Insider 13% Claims or (ii) 100% of the Non-Insider 13% Claims and 100% of the**  
2 **Insider 13% Claims).**

3 Class 6C consists of either (i) 25% of each of the Accepting Non-Insider 13%er Claims, or  
4 (ii) in the instance that there are no Accepting Non-Insider 13%er Claims (i.e., if the Browns do not  
5 accept the Plan and/or if they object to confirmation of the Plan), all Non-Insider 13% Claims and all  
6 Insider 13% Claims.

7 **7. Class 7 (Claims of Leckrone, Alliacense and Interconnect Portfolio LLC,**  
8 **and Insider 13% Claims to the Extent Not Classified in Class 6C).**

9 Class 7 includes 100% of the Leckrone Secured Claim (for purposes of the timing payment  
10 under this Plan only) and any general unsecured claim held by Leckrone plus the unsecured claims  
11 held by each and every one of his affiliates, related entities, and Entities under his control, but does  
12 not include the Leckrone Priority Claim. Class 7 also includes claims numbers 41 and 44 of  
13 Alliacense and Interconnect Portfolio LLC, respectively. Class 7 shall in no event be construed to  
14 include priority or non-priority wage claims.

15 Class 7 also includes the Insider 13% Claims to the extent that the Insider 13% Claims are  
16 not classified in Class 6C above (i.e., in the instance the Browns do not accept the Plan or if they  
17 object to confirmation of the Plan).

18 **8. Class 8 (Interests).**

19 Class 8 consists of all Interests.

20 **III. TREATMENT OF UNCLASSIFIED CLAIMS**

21 Unclassified Claims shall be treated as follows:

22 **Administrative Claims.**

23 Except to the extent that the holder of a particular Administrative Claim has agreed to a  
24 different treatment of such Claim, each holder of an Allowed Administrative Claim shall be paid in  
25 cash, in full upon the later of: (a) the Effective Date; (b) if such Claim is initially a Disputed Claim,  
26 if and when it becomes an Allowed Administrative Claim; and (c) if such Claim is incurred after the  
27 Petition Date in the ordinary course of the Debtor's business, within such time as payment is due  
28 pursuant to the terms giving rise to such Claim or as otherwise authorized by the Bankruptcy Court.

Any request for allowance of an Administrative Claim, other than Professional Fee Claims

1 (discussed below), must be filed on or before the Administrative Claims Bar Date. If the holder of  
2 an Administrative Claim does not file and serve a request for payment of such Claim on or before  
3 the Administrative Claims Bar Date, the holder shall be forever barred from asserting such Claim or  
4 receiving any payment on account of such Claim. Any objection to the allowance of an  
5 Administrative Claim (excluding any Professional Fee Claims) shall be filed no later than the  
6 Administrative Claims Objection Deadline. If no objection to the applicable Administrative Claim is  
7 filed on or before that date, such Administrative Claim shall be deemed Allowed as of that date. The  
8 foregoing is in full and final satisfaction of all Administrative Claims.

9 **Professional Fee Claims.**

10 All final requests for payment of Professional Fee Claims must be filed with the Bankruptcy  
11 Court and served on Reorganized Company, the Committee, the United States Trustee and other  
12 parties as designated by the Bankruptcy Court or applicable rules no later than sixty (60) days after  
13 the Effective Date. After notice and a hearing in accordance with the procedures established by the  
14 Bankruptcy Code and prior orders of the Bankruptcy Court in the Bankruptcy Case, if any, the  
15 Allowed Amounts of such Professional Fee Claims will be determined by the Bankruptcy Court and,  
16 once Allowed pursuant to entry of an order by the Bankruptcy Court, will be promptly paid by the  
17 Reorganized Company. Objections to Professional Fee Claims must be filed and served on the  
18 Reorganized Company and its counsel, if any, the Committee and its counsel, and the requesting  
19 party no later than seven (7) days prior to the hearing on the applications for compensation by the  
20 Professionals.

21 **Priority Tax Claims.**

22 Except to the extent that the holder of a particular Priority Tax Claim has agreed to a  
23 different treatment of such Claim, each holder of an Allowed Priority Tax Claim shall be paid in  
24 cash, in full upon the later of: (a) the Effective Date; and (b) if such Claim is initially a Disputed  
25 Claim, if and when it becomes an Allowed Priority Tax Claim. The foregoing is in full and final  
26 satisfaction of all Priority Tax Claims.

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1           **IV. TREATMENT OF CLAIMS NOT IMPAIRED UNDER THE PLAN**

2           Holders of Claims in Class 1 are not Impaired under the Plan and shall receive the treatment  
3 under the Plan as described below:

4           **A. Class 1 (Priority Claims)**

5           Holders of Allowed Priority Claims in shall receive the following treatment under the Plan:  
6 Except to the extent that the holder of a particular Allowed Priority Claim has agreed to a less  
7 favorable treatment of such Claim, each holder of an Allowed Priority Claim shall be paid in cash, in  
8 full upon the later of: (a) the Effective Date; or (b) if such Claim is initially a Disputed Claim, when  
9 and if it becomes an Allowed Claim. The foregoing is in full and final satisfaction of all Class 1  
10 Claims. To the extent the holder of an Allowed Priority Claim also holds an Allowed Claim in  
11 excess of the amount of its Allowed Priority Claim, such excess shall be treated as an Unsecured  
12 Claim in Class 6A.

13           **V. TREATMENT OF CLASSES OF CLAIMS AND INTERESTS**  
14           **THAT ARE IMPAIRED UNDER THE PLAN**

15           Holders of Claims in Class 2, Class 3, Class 4, Class 5, Class 6 and Class 7 and the holder of  
16 Interests in Class 8 are Impaired under the Plan and shall be entitled to vote and shall receive the  
17 treatment under the Plan as described below:

18           **A. Class 2 (CCC Claim)**

19           Pursuant to Section 1129(b)(2)(A)(i) of the Bankruptcy Code and the Cash Collateral Order,  
20 CCC shall retain all valid and perfected liens, security interests and other encumbrances affecting  
21 property of the Debtor or the Reorganized Company granted in favor of CCC prior to the Effective  
22 Date, including those granted in the Cash Collateral Order, with respect to the CCC Claim to the  
23 extent of the Allowed Secured Claim of CCC.

24           CCC shall receive on account of its Class 2 Allowed Secured Claim payment in full over  
25 time with interest as follows: CCC shall receive 75% of the Quarterly Payment until the Allowed  
26 Secured Claim of CCC is paid in full with 10% per annum simple interest. Payments shall  
27 commence on the first day of the first calendar quarter after the Effective Date. The remaining  
28 portion of the Quarterly Payment shall be deposited into the Claims Trust Account and reserved to

1 pay interest on the Allowed Class 4 Claim as set forth below and the Allowed Claims of Class 6A as  
2 set forth below. CCC's lien shall remain on said funds until it has been paid in full. By voting in  
3 favor of the Plan, CCC consents explicitly to the reservation and payment of the aforementioned  
4 25% of the Quarterly Payment before it is paid in full.

5       Upon full treatment of the Allowed CCC Claim accorded in this Class 2, all liens, security  
6 interests and other encumbrances affecting property of the Debtor or the Reorganized Company  
7 granted in favor of CCC shall automatically be extinguished and terminated. The Reorganized  
8 Company shall be authorized to prepare and file all documents as are necessary, including, but not  
9 limited to, the filing of a UCC-3 Termination Statement.

10       The foregoing is in full and final satisfaction of all Class 2 Claims.

11       **B.                   Class 3.**

12       Unless otherwise provided by order of the Bankruptcy Court, pursuant to Section  
13 1129(b)(2)(A)(i) of the Bankruptcy Code and the Cash Collateral Order, Leckrone shall retain all  
14 valid and perfected liens, security interests and other encumbrances affecting property of the Debtor  
15 or the Reorganized Company granted in favor of Leckrone prior to the Effective Date, including  
16 those in granted under all Cash Collateral Orders. The Leckrone Secured Claim will be treated as a  
17 Class 7 claim under this Plan for purposes of the timing of payment. By voting in favor of the Plan,  
18 Leckrone consents to the subordination of his payments and shall receive a release of all claims and  
19 causes of action against the Leckrone Claim, including any claims to challenge the extent, validity  
20 and priority, or to seek further subordination of such Claim.

21       **C.           Class 4 (Venkidu Claim).**

22       Unless otherwise provided by order of the Bankruptcy Court, pursuant to Section  
23 1129(b)(2)(A)(i) of the Bankruptcy Code and the Cash Collateral Order, Venkidu shall retain all  
24 valid and perfected liens, security interests and other encumbrances affecting property of the Debtor  
25 or the Reorganized Company granted in favor of Venkidu prior to the Effective Date, including  
26 those in granted in the Cash Collateral Order, with respect to the Venkidu Claim to the extent of the  
27 Allowed Secured Claim of Venkidu.

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1 Venkidu shall receive on account of his Class 4 Allowed Secured Claim payment in full over  
2 time with interest as follows: In accordance with the schedule set forth in **Exhibit “C”** hereto (i)  
3 Venkidu shall receive payments of 7% simple interest on the Allowed Class 4 Claim from 25% of  
4 the Quarterly Payment until payment in full of, or reservation for, Allowed Claims in Class 2; and  
5 then (ii) Venkidu shall receive on account of his Class 4 Allowed Secured Claim, 75% of the  
6 Quarterly Payment until the Allowed Secured Venkidu Claim has been paid in full together with 7%  
7 simple interest per annum.

8 By voting in favor of the Plan, Venkidu consents explicitly to the payment of the 25% of the  
9 Quarterly Payment to general unsecured Creditors in Class 6A before he has been paid in full. As a  
10 condition to voting in favor of the Plan, Venkidu shall receive a release of all claims against the  
11 Venkidu Claim, including any claims to challenge the extent, validity and priority, or to seek  
12 subordination of, such Claim. The foregoing is in full and final satisfaction of all Class 4 Claims.

13 **D. Class 5 (Administrative Convenience Claims).**

14 On the Effective Date, each holder of a Class 5 Allowed Administrative Convenience Claim  
15 shall receive directly from the Reorganized Company a single cash payment in the amount its  
16 Allowed Claim, not to exceed \$5,000.00, which payment shall be in full and final satisfaction of  
17 each respective Class 5 Claim. If at the time Distributions are made to Class 5, a holder of a Class 5  
18 Claim is a Disputed Claim, payment on the Claim shall be deferred until such time and to the extent  
19 such Disputed Claim is Allowed.

20 **E. Class 6A (General Unsecured Claims, Together With 50% of Each of the**  
21 **Accepting Non-Insider 13% Claims, 75% of Each of the Employee Compensation Claims and**  
22 **25% of Each of the Insider Employee Compensation Claims).**

23 Holders of (i) Class 6A Accepting Non-Insider 13% Claims who affirmatively vote to accept  
24 the plan and do not object to confirmation of the Plan and who provide releases to the Released  
25 Parties, (ii) Employee Incentive Compensation Claims and (iii) Subordinated Insider Employee  
26 Incentive Compensation Claims who vote in favor of the Plan and do not object to approval of the  
27 Plan shall be deemed to be Allowed Claims which are not subject to dispute with the following  
28 exceptions notwithstanding these two claimants being Released Persons: (a) the difference between  
the amount asserted in the Employee Incentive Compensation Claim of Robert Neilson (Claim No.



1 4) and the amount scheduled in the Debtor's Schedules attributable to Robert Neilson and (b) the  
2 difference between the amount asserted in the Employee Incentive Compensation Claim of Mike  
3 Davis (Claim No. 35) and the amount scheduled in the Debtor's Schedules attributable to Mike  
4 Davis. Employee Incentive Compensation Claims and Subordinated Employee Incentive  
5 Compensation Claims of Claimants who do not vote in favor of the Plan or object to approval of the  
6 Plan are subject to objection to the extent the holders of these Claims do not vote affirmatively in  
7 favor of the Plan and/or object to the Plan. Confirmation of the Plan shall also constitute an  
8 agreement by the Accepting Non-Insider 13% Claimants that any payment representing satisfaction  
9 of any post-petition obligations of the Debtor or future obligations of the Reorganized Company  
10 under the Assignment Agreements, to the extent that any such obligations still exist, shall be  
11 deferred until such time as all Allowed Claims in Classes 1, 2, 4, 5, 6A, 6B, 6C and 7 have been paid  
12 with interest.

13 Holders of Class 6A Allowed Claims shall receive payment in full over time as follows:  
14 Holders of Allowed 6A Claims will receive quarterly *pro rata* payments of (i) the balance of the  
15 25% of the Quarterly Payment after payment of, or reservation for, 7% simple interest on the  
16 Allowed Class 4 Claim, until Allowed Claims in Classes 1, 2 and 5 have been paid, or reserved for,  
17 in full; then (ii) 25% of the Quarterly Payment until Allowed Claims in classes 1, 2, 4, and 5 have  
18 been paid, or reserved for, in full; and then (iii) 100% of the Quarterly Payment following the  
19 payment in full of, or reservation for, the Allowed Claims in Class 1, Class 2, Class 4 and Class 5, in  
20 accordance with the Plan. Holders of Class 6A Allowed Claims shall receive interest on their claims  
21 from the Petition Date calculated at five percent *per annum* or such other rate as the Bankruptcy  
22 Court may direct. The foregoing is in full and final satisfaction of all Class 6A Claims.

23  
24 **F. Class 6B (25% of Each of the Accepting Non-Insider 13% Claims, 25% of Each  
25 of the Employee Compensation Claims and 75% of Each of the Insider Employee  
26 Compensation Claims).**

26 Claims in Class 6B are subordinated by the Plan to Claims in Class 6A.

27 Class 6B Accepting Non-Insider 13% Claims who affirmatively vote to accept the plan and  
28 do not object to confirmation of the Plan and who provide releases to the Released Persons, (ii)

1 Employee Incentive Compensation Claims and (iii) Subordinated Employee Incentive Compensation  
2 Claims of claimants who vote in favor of the Plan and do not object to approval of the Plan shall be  
3 deemed to be Allowed Claims which are not subject to dispute with the following exceptions: (a) the  
4 difference between the amount asserted in the Employee Incentive Compensation Claim of Robert  
5 Neilson and the amount scheduled in the Debtor's Schedules attributable to Robert Neilson and ()  
6 the difference between the amount asserted in the Employee Incentive Compensation Claim of Mike  
7 Davis and the amount scheduled in the Debtor's Schedules attributable to Mike Davis .

8 Holders of Class 6B Allowed Claims shall receive payment in full over time as follows:  
9 Holders of Allowed 6B Claims will receive quarterly *pro rata* payments of 100% of the Quarterly  
10 Payment following the payment in full of, or reservation for, the Allowed Claims in Class 1, Class 2,  
11 Class 4, Class 5 and Class 6A in accordance with the schedule set forth in **Exhibit "C"** hereto.  
12 Holders of Class 6B Allowed Claims shall receive interest on their claims from the Petition Date  
13 calculated at five percent *per annum* or such other rate as the Bankruptcy Court may direct. The  
14 foregoing is in full and final satisfaction of all Class 6B Claims.

15 **G. Class 6C (Either of (i) 25% of Each the Accepting Non-Insider 13% Claims or**  
16 **(ii) 100% of the Non-Insider 13% Claims and 100% of the Insider 13% Claims).**

17 Claims in Class 6C are subordinated by the Plan to Claims in Classes 6A and 6B.

18 Class 6C Accepting Non-Insider 13% Claims who affirmatively vote to accept the plan and  
19 do not object to confirmation of the Plan and who provide releases to the Released Parties shall be  
20 deemed to be Allowed Claims which are not subject to dispute.

21 Subject to the following paragraph, Holders of Allowed Class 6C Accepting Non-Insider  
22 13% Claims, if any, shall receive payment in full over time as follows: Holders of Accepting Non-  
23 Insider 13% Claims, if any shall receive quarterly *pro rata* payments of 100% of the Quarterly  
24 Payment following the payment in full of, or reservation for Disputed Claims, the Allowed Claims in  
25 Class 1, Class 2, Class 4, Class 5, Class 6A and Class 6B in accordance. Holders of Allowed Class  
26 6C Accepting Non-Insider 13% Claims shall receive interest on their claims from the Petition Date  
27 calculated at five percent *per annum* or such other rate as the Bankruptcy Court may direct.  
28

1           Alternatively in the instance that there are no Accepting Non-Insider 13%er Claims (i.e., if  
2 the Browns do not accept the plan and/or object to approval of the plan), 100% of all Non-Insider  
3 13% Claims and all Insider 13% Claims shall be classified in Class 6C and holders of Allowed Class  
4 6C Claims shall receive payment of 20% of the Allowed Amount of their Claims over time as  
5 follows: Holders of Allowed Claims in Class 6C shall receive quarterly *pro rata* payments of 100%  
6 of the Quarterly Payment following the payment in full of, or reservation for Disputed Claims, the  
7 Allowed Claims in Class 1, Class 2, Class 4, Class 5, Class 6A and Class 6B

8           The foregoing is in full and final satisfaction of all Class 6C Claims.

9           **H. Class 7 (Claims of Leckrone, Alliacense and Interconnect Portfolio LLC, and**  
10 **Insider 13% Claims to the Extent Not Classified in Class 6C).**

11           Claims in Class 7 are subordinated by the Plan to all Claims, including without limitation,  
12 unclassified Claims and the Claims of creditors in Classes 1, 2 and 4 through 6.

13           Holders of Class 7 Allowed Claims shall receive payment in full over time as follows:  
14 Holders of Class 7 Claims shall, if they vote to accept the Plan, be deemed Allowed in an amount  
15 equal to 100% of their Claims, and following the payment in full with interest of, or reservation for,  
16 Allowed Claims in Class 1, Class 2, Class 4, Class 5, and Class 6, shall receive *pro rata*  
17 Distributions of 100% of the Quarterly Payment, up to the full Allowed Amounts, together with  
18 interest at five percent *per annum* or such other rate as the Bankruptcy Court may direct, in  
19 accordance with the Plan.

20           If holders of Claims in Class 7 do not vote to accept the Plan, then each of Claims in Class 7  
21 shall be deemed a Disputed Claim under the Plan and shall not receive Distributions under the Plan  
22 until entry of a Final Order determining the Allowed Amount of each particular Insider 13% Claim.  
23 The foregoing is in full and final satisfaction of all Class 7 Claims. Confirmation of the Plan shall  
24 also constitute an agreement by the Insider 13% Claimants that any payment representing  
25 satisfaction of any post-petition obligations of the Debtor or future obligations of the Reorganized  
26 Company under the Assignment Agreements, to the extent that any such obligations still exist, shall  
27 be deferred until such time as all Allowed Claims in Classes 1, 2, 4, 5, 6A, 6B, 6C and 7 have been  
28 paid with interest.

1           **I.       Class 8 (Interests).**

2           The Class 8 Interest holder shall retain his Interests in the Debtor. The Interest Holder shall,  
3 upon the Effective Date, cede all rights to control the management and governance of the  
4 Reorganized Company as an Interest holder, and such rights shall become vested in the CEO, subject  
5 to the terms of the Plan. Once all unclassified Claims and the Allowed Claims of creditors in  
6 Classes 1, 2, 4, 5, 6A, 6B and 6C are paid in full, all rights to control the management and  
7 governance of the Reorganized Company will automatically revert to the holder of the Class 8  
8 Interests, and the Committee and the TPL Board will immediately and automatically lose all  
9 authority with respect to the Reorganized Company. The foregoing is in full and final satisfaction of  
10 all Class 8 Interests.

11                           **VI.       IMPAIRMENT OF CLASSES; VOTING OF CLAIMS**

12           Class 1 is unimpaired by the Plan and deemed to accept the Plan. Class 2, Class 3, Class 4,  
13 Class 5, Classes 6A, 6B, and 6C, Class 7 and Class 8 are impaired by the Plan and are entitled to  
14 vote on the Plan.

15           Each holder of an Allowed Claim in an Impaired Class of Claims shall be entitled to vote  
16 separately to accept or reject the Plan. For purposes of calculating the number of Allowed Claims in  
17 a Class that has voted to accept or reject the Plan under Section 1126(c) of the Bankruptcy Code, all  
18 Allowed Claims in such Class held by one Person or Entity or its “affiliate” (as defined in the  
19 Securities Act of 1933 and the rules and regulations promulgated with respect to such Act) shall be  
20 aggregated and treated as one Allowed Claim in such Class; provided, however, that Claims  
21 acquired by a Person or Entity from unrelated Entities shall not be aggregated for purposes of voting.

22                           **VII.       MEANS FOR EXECUTION OF THE PLAN**

23           **A.       Business Operations and Expenses of the Reorganized Company.**

24           Under new management, the Reorganized Company will continue TPL’s existing  
25 commercialization activities and specifically, continue to exercise and enforce TPL’s rights to  
26 manage litigation relating to the various patent portfolios. PDS shall remain responsible for  
27 monitoring licensing and settlements relating to the MMP Portfolio; provided, however, that nothing  
28 herein shall change existing agreements among the Debtor, Patriot, PDS and Moore.

1 The Reorganized Company shall be permitted to establish the WCR in an amount determined  
2 as necessary by the CEO with the advice and consent of the TPL Board, which shall be funded as set  
3 forth in the definition of the Quarterly Payment. At any time in which the WCR is reduced from  
4 \$325,000 the Reorganized Company may replenish the WCR up to \$325,000. The Reorganized  
5 Company shall not withdraw any funds from the WCR and shall not replenish the WCR without first  
6 consulting with and obtaining written approval from the TPL Board.

7 **B. New Management.**

8 The TPL Member shall have executed an amendment (the "Amendment") to the TPL  
9 Operating Agreement implementing the provisions of the Plan as set forth in this Article VII. In the  
10 event of a difference between the terms of the Amendment and the Plan, the terms of the Plan will  
11 control. Venkidu will replace Leckrone as the CEO of TPL to exercise the duties and  
12 responsibilities of a manager as specified in the TPL Operating Agreement and Amendment to run  
13 the business operations of the Reorganized Company, including, but not limited to, the  
14 commercialization of all portfolios, subject to the direction of the TPL Board appointed by the  
15 Committee. The CEO shall not be entitled to privileged communications between the Debtor or the  
16 Reorganized Company and (1) Binder & Malter LLP and (2) Dorsey & Whitney LLP, and will not  
17 assert or waive any privilege belonging to the Debtor or the Reorganized Company with respect to  
18 any such communications with Binder & Malter LLP and/or Dorsey & Whitney LLP.

19 Leckrone shall retain the power and right to direct TPL's reorganization counsel in all  
20 respects, including but not limited to negotiation of the terms of the Plan and the Disclosure  
21 Statement, up to the Effective Date as well as Insurance Coverage Counsel, Ropers Majeski, Kohn  
22 Bentley P.C. as counsel for the litigation against Brown, provided that such litigation is funded by  
23 insurance and shall not be at any cost to the Estate or deplete funds of the Reorganized Company. In  
24 no event shall the TPL Member be able to initiate, direct or prosecute any other litigation on behalf  
25 of the Reorganized Company or the Bankruptcy Estate until Classes 1, 2, 4, 5, 6A, 6B and 6C have  
26 been paid in full.

27 On the Effective Date and pursuant to the Confirmation Order, the Committee shall appoint  
28 the TPL Board of the Reorganized Company. The CEO shall be responsible for the management of

1 the Reorganized Company's business and affairs subject to the advice, consent and direction of the  
2 TPL Board. Except for any matters relating to the prosecution of objections to the Committee  
3 Claims, the TPL Board shall oversee the Plan Agent, including monitoring the expenditures of the  
4 Plan Agent's and his or her professionals up an annual cap of \$75,000 unless increased by  
5 agreement of the TPL Board and CEO including with respect to administering the Claims Trust  
6 Account. The TPL Board shall be authorized and empowered to hire, supervise and, subject to the  
7 Notice Procedure and the terms of the Plan, dismiss and replace the CEO without further Bankruptcy  
8 Court approval. The TPL Board shall be authorized and required to fulfill TPL's obligations under  
9 the PDS Operating Agreement together with TPL's representative on the PDS management  
10 committee, as well as all existing commercialization and other agreements to which TPL is a party.

11 The TPL Board shall act as a fiduciary of the Reorganized Company and shall have the  
12 power and responsibility to approve major company actions, disposing of major assets provided that  
13 it complies with the procedures set forth in section VII.J. below and subject to consent of the TPL  
14 Member as is otherwise required by the TPL Operating Agreement, Amendment and applicable  
15 California law. In no event may the Reorganized Company, the CEO, or the TPL Board as a result  
16 of the rights granted under this Plan take any out of the ordinary course of business action without  
17 consent of the TPL Member that would otherwise require such approval under applicable State law  
18 or the TPL Operating Agreement and Amendment. Any disputes between the Reorganized  
19 Company and the TPL Member under this paragraph and Section VII. J. below shall be submitted to  
20 the Bankruptcy Court for resolution upon notice of at least 28 days.

21 Other than as provided for in this Plan, the Reorganized Company shall not dispute Claims  
22 that have been voluntarily subordinated. In the event a member of the TPL Board resigns or his/her  
23 seat otherwise becomes vacant, the Committee shall, subject to the Notice Procedure, appoint a  
24 replacement.

25 To the extent not already terminated, on the Effective Date, Leckrone shall be terminated as  
26 manager and Chairman of TPL, as a member of the PDS Management Committee, and shall not  
27 exercise any supervisory, managerial, officer or decision making role for TPL, until such time as  
28 Allowed Claims in Classes 1, 2, 3, 4, 5 and 6 are paid in full pursuant to the Plan. Subsequent to

1 payment of all Allowed Claims in Classes 1, 2, 3, 4, 5 and 6 in full with interest pursuant to the Plan,  
2 Leckrone shall be automatically restored to any such roles as they existed prior to the Effective Date.

3 The CEO, under the supervision of the TPL Board, shall have the duty and power to manage  
4 the day-to-day operations of the Reorganized Company, including the commercialization of the  
5 portfolios which the Debtor is obligated to commercialize. Among other things, the CEO, in  
6 consultation with the TPL Board, and subject to the cap on WCR, shall be authorized to evaluate the  
7 Reorganized Company's staffing needs, to retain, hire or contract with any employees, and  
8 consultants she/he deems necessary in her/his business judgment; shall review and evaluate TPL's  
9 books and records; shall ensure all expenditures are properly accounted for and are "ordinary and  
10 necessary" pursuant to generally accepted accounting principles; and shall fulfill the obligations in  
11 the commercialization agreements for the several portfolios which the Debtor is obligated to  
12 commercialize. The CEO and the TPL Board shall be required to keep TPL books and records in  
13 accordance with GAAP, maintain all corporate formalities and ensure the timely filing of all tax  
14 returns.

15 After appointment of the CEO and the TPL Board, approval of settlements and licensing for  
16 TPL is and shall be the responsibility of the CEO, subject to the advice, direction and consent of the  
17 TPL Board.

18 The CEO shall confer with and obtain written approval from the TPL Board prior to pursuing  
19 any new business endeavors and prior to selling, transferring or licensing any TPL assets. The CEO  
20 shall also confer with and obtain TPL Board approval prior to pursuing and consummating any other  
21 major company actions and any other actions for which the TPL Board, in its discretion, may require  
22 approval provided that the Reorganized Company complies with the procedures set forth in section  
23 VII.J. below.

24 In the event of any deadlock in voting between TPL Board members, the vote shall be  
25 referred to and resolved by vote of the Committee.

26 On, or as soon as practicable after, the Effective Date, the Reorganized Company shall  
27 obtain, subject to the cap on WCR, liability insurance to provide comprehensive insurance coverage  
28 for losses of or advancement of defense costs to the CEO, the TPL Board and to the extent



1 permissible under applicable law, the Committee related to any legal action brought against such  
2 Entities and Persons in their capacity as directors and officers.

3 The CEO and the TPL Board shall remain in place and in control of the Reorganized  
4 Company, with all of the rights and powers provided to them under the Plan, until such time as  
5 Allowed Claims in Classes 1, 2, 3, 4, 5 and 6 are paid in full with interest under the Plan. After such  
6 payment occurs, the Committee shall be immediately dissolved and all members of the Committee  
7 on the TPL Board shall be deemed to have resigned therefrom without further order or notice.

8 **C. Plan Agent.**

9 On or before the Effective Date, the Committee shall appoint the Plan Agent. The Plan  
10 Agent shall manage the Claims Trust Account. The Plan Agent shall act as the Disbursing Agent  
11 responsible for disbursing Distributions to the holders of Allowed Claims pursuant to the terms of  
12 the Plan.

13 The Plan Agent shall investigate and, if appropriate in her/his business judgment, object to  
14 the Committee Claims. The Plan Agent shall act independently (i.e., without direction from the TPL  
15 Board or the Committee) in investigating and objecting to the Committee Claims. Other than the  
16 Debtor or the Reorganized Company whose rights to file objections to the Committee Claims are  
17 expressly preserved, the Plan Agent shall have exclusive authority to investigate and if appropriate  
18 file objections to all creditor Claims.

19 The Reorganized Company shall, in consultation with and after obtaining written approval  
20 from the TPL Board, pay reasonable compensation to the Plan Agent and his or her professionals not  
21 to exceed \$75,000 per year, subject to increase as provided for in the Plan.

22 **D. Creditors' Committee.**

23 The Committee shall remain following the Effective Date and shall have the duties and  
24 responsibilities set forth in the Plan.

25 **E. Distributions To Creditors.**

26 **1. Establishment of Claims Trust Account.**

27 On or before the Effective Date, the Reorganized Company shall establish a separate,  
28 segregated bank account for the benefit of holders of Allowed Claims, which shall be the Claims



1 Trust Account. The Reorganized Company shall fund the Claims Trust Account with amounts  
2 adequate to make all payments due on the Effective Date.

3 **2. Funding of Claims Trust Account.**

4 No later than three Business Days after the close of each full calendar quarter following the  
5 Effective Date, the Reorganized Company shall deposit the portion of the Quarterly Payment for  
6 which it is responsible into the Claims Trust Account; provided, however, that in any quarter in  
7 which the deposit of the Quarterly Payment to the Claims Trust Account would, in the Reorganized  
8 Company's reasonable opinion, result in a reduction of the WCR, then, following consultation with  
9 and receipt of written approval of the TPL Board as to such said reduction, the Quarterly Payment  
10 for that quarter shall be reduced accordingly. Such reduction shall not constitute a default under the  
11 Plan; provided, however, that the Reorganized Company has deposited the aggregate of at least 20%  
12 of Adjusted Gross Revenue during each calendar quarter. The Disbursing Agent shall distribute  
13 from the Claims Trust Account the sums specified on the Quarterly Distribution Report on the  
14 Distribution dates specified in the Plan as set forth on **Exhibit "C"** attached hereto.

15 Distribution of proceeds, if any, received from portfolios other than the MMP Portfolio,  
16 CORE Flash Portfolio, Fast Logic Portfolio and Chipscale Portfolio, shall be subject to the  
17 commercialization agreements and inventor agreements applicable to such portfolio, and shall be  
18 distributed in accordance with the schedule on **Exhibit "C"** attached hereto. TPL shall retain 80%  
19 of net proceeds received from such other portfolios; provided that doing so does not breach of any  
20 agreement with respect to such portfolio.

21 **3. Quarterly Distribution Report.**

22 No later than five Business Days after the close of each full calendar quarter following the  
23 Effective Date, the Reorganized Company shall deliver the Quarterly Distribution Report to the TPL  
24 Board and the Plan Agent and any creditor who has requested a copy of such Quarterly Distribution  
25 Report. The Plan Agent, in its capacity as Disbursing Agent, shall make Distributions from the  
26 Claims Trust Account in the sums and to the addresses specified on the Quarterly Distribution  
27 Report.

28 **4. Timing of Distributions.**

1 Except as otherwise provided in the Plan, the Disbursing Agent shall pay all Class 1 and  
2 Class 5 Allowed Claims on the Effective Date, or as otherwise agreed by a particular Class 1 or  
3 Class 5 creditor with the Reorganized Company. Failure to pay any Allowed Claim in Class 1 or  
4 Class 5 as required under the Plan shall constitute a Plan default unless the Disbursing Agent pays  
5 the amount due on account of such Allowed Claim as required under the Plan within thirty days of  
6 the Effective Date, unless otherwise agreed by a particular Class 1 or Class 5 creditor with the  
7 Reorganized Company.

8 Except as otherwise provided in the Plan, the Disbursing Agent shall make Distributions of  
9 the Quarterly Payment from the Claims Trust Account no later than the tenth Business Day  
10 following the end of each calendar quarter, in the sums specified in the Quarterly Distribution  
11 Report.

12 The Reorganized Company shall continue to operate and the Disbursing Agent shall pay  
13 Allowed Claims in Classes 6 and 7 in full with interest, according to the terms of the Plan for a  
14 period of seven years after the Effective Date, or, after consultation with and obtaining written  
15 approval from the TPL Board, an additional period of time not to exceed six months; provided,  
16 however, that such period may be extended further by order by the Bankruptcy Court.

#### 17 **5. Distribution Addresses; Undeliverable Distributions.**

18 Unless a Creditor has provided the Reorganized Company with written notice of a different  
19 address, Distributions shall be sent to Creditors at the address set forth in the proofs of Claim filed  
20 with the Claims Agent. If no proof of Claim is filed with respect to a particular Claim, the  
21 Distribution shall be mailed to the address set forth in the Schedules filed by the Debtor. If any  
22 Creditor's Distribution is returned as undeliverable, no further Distributions to such Creditor shall be  
23 made unless and until the Reorganized Company is notified of such Creditor's then current address,  
24 at which time all required Distributions shall be made to such Creditor. Undeliverable Distributions  
25 shall be held by the Disbursing Agent until such Distributions are claimed; provided, however, that  
26 all claims for undeliverable Distributions must be made within ninety (90) days following a  
27 Distribution. After such date, all unclaimed Distributions will revert to the Reorganized Company  
28 and deposited into the Claims Trust Account, and the Claim of any Creditor or successor to such

1 Creditor with respect to such Distribution shall be discharged and forever barred notwithstanding  
2 any federal or state escheat laws to the contrary.

3 **6. Withholding Taxes.**

4 Pursuant to Section 346(h) of the Bankruptcy Code, the Disbursing Agent shall deduct any  
5 federal, state or local withholding taxes from any Distributions made with respect to Allowed  
6 Claims, as appropriate. The Disbursing Agent shall be permitted to withhold a Distribution to any  
7 Creditor who has not provided information requested by the Disbursing Agent for the purpose of  
8 fulfilling its obligations hereunder. The Disbursing Agent shall comply with all reporting  
9 obligations imposed on it by any governmental unit with respect to withholding and related taxes.

10 **7. Fractional Amounts.**

11 Notwithstanding anything contained herein to the contrary, the Reorganized Company shall  
12 not be required to make Distributions of fractions of dollars. Whenever any payment of a fraction of  
13 a dollar under the Plan would otherwise be called for, the actual payment shall reflect a rounding of  
14 such fraction to the nearest whole dollar (up or down), with half dollars being rounded down.

15 **8. De Minimis Distributions.**

16 Notwithstanding any other provision of the Plan, Distributions of less than \$50.00 need not  
17 be made on account of any Allowed Claim; provided, however, that Distributions that would  
18 otherwise be made but for this provision shall carry over to the next Distribution Date until the  
19 cumulative amount to which any holder of an Allowed Claim is entitled to is more than \$50.00, at  
20 which time the cumulative amount of such Distributions will be paid to such holder.

21 **9. Time Bar to Cash Payments.**

22 Checks issued on account of Allowed Claims shall be null and void if not negotiated within  
23 ninety (90) days from the date of issuance thereof. Requests for re-issuance of any check shall be  
24 made directly to the Reorganized Company by the holder of the Allowed Claim to whom such check  
25 was originally issued. Any request for re-issuance in respect of such voided check shall be made on  
26 or before ninety (90) days after the date of the issuance of such check. After such date, all Claims  
27 with respect to any voided checks shall be discharged and forever barred, and such funds shall revert  
28 to the Reorganized Company and deposited into the Claims Trust Account.

1                   **10.     Modification of Payment Terms.**

2           At any time after the Effective Date, (a) the Reorganized Company may modify the treatment  
3 of any Class of Allowed Claims in a manner that is more favorable than provided by the Plan (e.g.,  
4 the Reorganized Company may make more frequent payments to a Class or pay or cause to be paid  
5 all Classes sooner than contemplated by the Plan), provided that such treatment does not adversely  
6 impact any subordinate class or the ability of the Reorganized Company to perform its obligations  
7 under the Plan; and (b) the Reorganized Company may modify the treatment of any Allowed Claim  
8 in any manner adverse to the holder of such Claim with the prior written consent of the holder whose  
9 Allowed Claim is being adversely affected; provided, however, that any such modification shall be  
10 approved in writing by the affected claimant and the Reorganized Company.

11           **F.     Articles of Organization/Operating Agreement.**

12           After the Effective Date, the Reorganized Company, in consultation with the TPL Board,  
13 may amend and restate TPL's operating agreement as permitted by applicable law and in accordance  
14 with the terms of the Plan without further Bankruptcy Court approval, including, among other things  
15 and if required, amending such articles and operating agreement as of the Effective Date to comply  
16 with the requirements of Section 1123(a)(6) of the Bankruptcy Code which requires the inclusion in  
17 the Reorganized Company's charter a prohibition of the issuance of non-voting securities and  
18 requires, among other things, the distribution of voting power equitably among the classes of voting  
19 securities.

20           **G.     Authority Of Reorganized Company.**

21           On and after the Effective Date, the Reorganized Company shall be appointed Estate  
22 representative pursuant to the applicable provisions of the Bankruptcy Code and the Bankruptcy  
23 Rules. Except as otherwise provided by the Plan, the Reorganized Company, by and through its  
24 CEO and any designee(s) in consultation with and after obtaining written approval from the TPL  
25 Board and the Committee as applicable, shall be responsible for and have authority to: (a) settle,  
26 resolve and object to Claims; (b) commence suit on the Retained Claims or refer any Retained  
27 Claims to the Plan Agent; (c) pay all fees due under 28 U.S.C. § 1930; (d) file any post-  
28 Confirmation reports required by the Plan or the Bankruptcy Court; (e) retain, employ and utilize

1 such Professionals as may be necessary without further approval of the Bankruptcy Court; (f) sell or  
2 dispose of assets; (g) abandon property of the Estate that is determined to be burdensome or of  
3 inconsequential value; (h) do all things necessary and appropriate to fulfill the duties and obligations  
4 of the Reorganized Company under the Plan and to fully administer the Bankruptcy Estate as  
5 required by the Plan, the Order of Confirmation, the Bankruptcy Code and the Bankruptcy Rules;  
6 and (i) move for the entry of a Final Decree and prepare and file any pleadings as may be required  
7 by the Bankruptcy Court in connection with the Final Decree and the closing of the Bankruptcy  
8 Case.

9 In addition, on the Effective Date, the Reorganized Company shall be substituted as  
10 successor to the Debtor and its Estate in all actions, contested matters and adversary proceedings  
11 pending or thereafter commenced in the Bankruptcy Court with respect to Disputed Claims. The  
12 Reorganized Company shall have no obligation to pursue any affirmative claims on behalf of the  
13 Debtor or its Estate other than the Brown Appeal and any resulting trial, and any such claims may be  
14 abandoned or waived at the discretion of the Reorganized Company subject to the approval of the  
15 TPL Board if required other than the Brown Appeal; provided that if Browns sign the Release, the  
16 Brown Appeal will be dismissed.

17 **H. Responsible Person.**

18 Upon the Effective Date, the CEO shall serve as the Responsible Person for the Reorganized  
19 Company and shall be fully empowered to execute all documents, agreements and instruments  
20 implementing the Plan without further order of the Bankruptcy Court or further action by the  
21 managers or member(s) of the Reorganized Company, subject to the terms of the Plan and any other  
22 requirements for TPL Board approval as required by the TPL Board. Any such document,  
23 agreement or instrument executed and delivered by the Responsible Person shall be conclusively  
24 deemed duly executed by the Reorganized Company without need for further corporate action or  
25 order of the Bankruptcy Court. After the Effective Date, the Responsible Person shall be entitled to  
26 act as the Estate representative for purposes of implementing and administering the Plan without  
27 need for further corporate action or order of the Bankruptcy Court.

28 The Reorganized Company shall, in consultation with and after obtaining written approval

1 from the TPL Board, pay reasonable compensation to the Responsible Person subject to the cap on  
2 WCR.

3       Until the Bankruptcy Case is closed, the Responsible Person may resign at any time. In the  
4 event the Responsible Person voluntarily resigns prior to the date the Bankruptcy Case is closed, a  
5 new Responsible Person will be nominated by the TPL Board with notice to be provided pursuant to  
6 the Notice Procedure.

7       Until the Bankruptcy Case is closed, the TPL Board shall be authorized and empowered to  
8 hire, supervise and, subject to compliance with the Notice Procedure, dismiss and replace the  
9 Responsible Person without further Bankruptcy Court approval. In addition, any other party in  
10 interest may move to remove the Responsible Person for cause upon motion to the Bankruptcy Court  
11 on not less than twenty one (21) days' notice to the Notice Parties. If pursuant to a timely filed  
12 motion or a request for hearing pursuant to the Notice Procedure, the Bankruptcy Court enters a  
13 Final Order either (1) rejecting the TPL Board's proposed successor to replace the Responsible  
14 Person or (2) removing the Responsible Person, a new Responsible Person shall be appointed by the  
15 Bankruptcy Court upon nomination by any party in interest, including the Reorganized Company  
16 and the TPL Board, following not less than twenty one (21) days' notice to the Notice Parties.

17       If replaced as the Responsible Person, the former Responsible Person shall turn over all of  
18 his or her books and records to the new Responsible Person. Any successor Responsible Person  
19 shall be entitled to receive reasonable compensation from the Reorganized Company, in consultation  
20 with and after obtaining written approval from the TPL Board and subject to the cap on WCR.

21       **I. Disbursing Agent.**

22       The Disbursing Agent for all Distributions shall be the Plan Agent. The Reorganized  
23 Company, in consultation with and after written approval from the TPL Board, may relieve the Plan  
24 Agent from its responsibilities as the Disbursing Agent and may appoint a successor Disbursing  
25 Agent at any time upon providing fifteen (15) days' notice to the Notice Parties pursuant to the  
26 Notice Procedure. In the absence of a timely objection by a Notice Party to the proposed Disbursing  
27 Agent within such fifteen (15) day period, the Reorganized Company may proceed with the  
28 appointment of the proposed Disbursing Agent. Any timely objection to the appointment of a

1 Disbursing Agent shall be set for hearing before the Bankruptcy Court on no less than twenty-one  
2 (21) days' notice to the Notice Parties. Any successor Disbursing Agent shall be entitled to receive  
3 reasonable compensation. Unless otherwise ordered by the Bankruptcy Court, the Disbursing Agent  
4 shall serve without a guaranty or fiduciary bond.

5 **J. Taxes.**

6 The Reorganized Company shall file or cause to be filed in a timely manner any and all tax  
7 returns and pay in a timely manner any and all taxes (including, but not limited to, income, payroll,  
8 property and business) arising out of the operations of the Debtor and/or the Reorganized Company  
9 except with respect to distributions made by the Reorganized Company to the Member. Except with  
10 respect to taxes assessed against Leckrone as TPL's Member for pre-petition activity by TPL which  
11 are unrelated to any action taken by TPL as the Debtor, the Reorganized Company shall pay as and  
12 when due all taxes attributable to any action taken by TPL as the Debtor or the Reorganized  
13 Company which are attributed to or assessed against the TPL Member including, but not limited to,  
14 taxes arising from out of the ordinary course of business sales of assets, changes in entity form,  
15 amendments of prior tax returns and/or the recharacterization of transactions and shall indemnify  
16 and hold the TPL Member harmless with respect thereto. The Reorganized Company shall not be  
17 liable for taxes assessed against Leckrone as TPL's Member for pre-petition activity by TPL which  
18 are unrelated to any action taken by the Reorganized Company, the TPL Board, the CEO, the  
19 Committee or the Plan Agent. Leckrone shall be responsible for such taxes that and shall indemnify  
20 and hold harmless the Reorganized Company with respect thereto. The Reorganized Company shall,  
21 prior to taking any action that may result in any such tax liability, supply the TPL Member with an  
22 analysis of the anticipated tax effect of any such action as well as the ability of the Reorganized  
23 Company to pay the tax liability as and when due.  
24  
25  
26

27 The TPL Member shall notify the Reorganized Company within two business days of the  
28 delivery of the analysis if there is any disagreement on the amount of taxes or ability of the



1 Reorganized Company to pay them as and when due. In the event of a timely notification, the  
2 Reorganized Company may set a hearing in the Court on no less than three (3) days' notice. An,  
3 order of the Bankruptcy Court shall be required prior to the Reorganized Company taking the  
4 proposed action unless the tax liability in question is less than \$15,000 and funded by the  
5 Reorganized Company in advance. Each of the Reorganized Company or TPL and Leckrone or the  
6 TPL member shall submit its position in writing to the Court on or before the hearing date, and the  
7 foregoing persons and entities agree to an accelerated hearing upon three ~~seven~~ days' notice subject  
8 to the Court's availability.  
9

10  
11 **K. Employee Benefit Plans.**

12 All Benefit Plans in effect as of the Effective Date shall be continued by the Reorganized  
13 Company, subject to the rights of the Reorganized Company to modify its employee Benefit Plans  
14 from time to time pursuant to applicable non-bankruptcy law. Any obligations of the Debtor to  
15 indemnify any Person serving as a fiduciary of any Benefit Plan of the Debtor, under charter, by-  
16 laws, contract or applicable state law is deemed to be an executory contract and assumed as of the  
17 Confirmation Date (but subject to the occurrence of the Effective Date) and binding on the  
18 Reorganized Company. For the avoidance of doubt, Benefit Plans do not include any Insider  
19 Employee Compensation Contracts or any provisions thereunder for incentive compensation or  
20 otherwise.

21 **L. Further Orders.**

22 Upon motion by the Reorganized Company, the Bankruptcy Court may enter such other and  
23 further orders as may be necessary or appropriate to facilitate consummation of the Plan.

24 **M. Post-Confirmation Employment of Personnel.**

25 The Committee, the Reorganized Company and Plan Agent (the latter subject to an annual  
26 cap of \$75,000 (subject to increase pursuant to the Plan)) may employ or contract with Persons and  
27 other Entities to perform, or advise and assist them in the performance of, their respective  
28 obligations under the Plan subject to the cap on WCR. The Reorganized Company, in consultation



1 with and after written approval from the TPL Board, may, but is not required to, continue to employ  
2 the Debtor's Professionals for the purposes for which they were employed before the Confirmation  
3 Date, and for such additional purposes as the Reorganized Company may request, and the  
4 Reorganized Company, in consultation with and after obtaining written approval from the TPL  
5 Board, may employ such other Professionals as may be necessary to perform its responsibilities  
6 under the Plan.

7 **N. Post-Confirmation Compensation and Reimbursement of Professionals.**

8 Any Professionals employed by the Reorganized Company, the Committee, or the Plan  
9 Agent (the latter subject to the annual cap of \$75,000 and subject to CEO and TPL Board  
10 approval)\_after the Confirmation Date shall be entitled to payment of their reasonable post-  
11 Confirmation Date fees and reimbursement of expenses on a monthly basis, subject to the cap on  
12 WCR and subject to the following:

13 Until the Bankruptcy Case is closed, each party requesting payment of such compensation  
14 shall serve a detailed statement of requested fees and expenses on the Notice Parties.

15 Any Notice Party or other party in interest may object to any portion of the requested fees  
16 and expenses. Any objection to the payment of fees or reimbursement of expenses shall be in  
17 writing (and sufficiently detailed to allow the party whose compensation is subject to the objection  
18 an opportunity to respond, and ultimately to allow the Bankruptcy Court to rule on such objection)  
19 and served on the Notice Parties and the party whose compensation is subject to the objection. Such  
20 an objection must be served within fifteen (15) days after service of the detailed statement.

21 If there is no objection to a party's requested fees and expenses within such fifteen (15) day  
22 period, the Reorganized Company shall promptly pay the requested amount in full. If an objection  
23 to a portion of the fees or expenses requested is timely served, the Reorganized Company shall  
24 promptly pay the undisputed portion of such fees and expenses.

25 To the extent that an objection is timely served, the Responsible Person shall reserve monies  
26 in the amount of the disputed fees and expenses pending resolution of said objection.

27 Any objection to a request shall be resolved by either: (a) written agreement between the  
28 party requesting such fees and expenses and the objecting party; or (b) resolution of the disputed

1 amount by the Bankruptcy Court pursuant to a Final Order. Resolution by the Bankruptcy Court  
2 shall be requested by motion filed and served on the Notice Parties in accordance with the  
3 Bankruptcy Rules and the Local Rules on not less than twenty-one (21) days' notice. Such motion  
4 may be filed by either the requesting party or the objecting party. Any opposition to the motion shall  
5 be filed and served no later than seven (7) days prior to the hearing.

6 Professionals employed by the Reorganized Company, the Committee or the Plan Agent  
7 shall not otherwise be required to file applications for Bankruptcy Court approval of post-  
8 Confirmation fees and expenses.

9 Following the closing of the Bankruptcy Case, the Professionals of the Reorganized  
10 Company, the Committee and the Plan Agent shall be entitled to payment in the ordinary course  
11 upon the submission of an invoice to the Reorganized Company and subject to written approval by  
12 the Committee; provided, however, that any disputes with respect thereto shall be resolved by the  
13 Bankruptcy Court upon reopening the Bankruptcy Case.

14 **O. Notice Procedure.**

15 Whenever the Plan requires a Person to provide notice pursuant to the Notice Procedure,  
16 such Person seeking the particular relief shall be required to serve a written notice on the Notice  
17 Parties. Such Person shall be authorized to take the action proposed to be taken in such notice upon  
18 the expiration of the period specified in the Plan for such notice unless, before the expiration of the  
19 specified notice period, a recipient Notice Party, or a party in interest, has filed an objection to such  
20 proposed action with the Bankruptcy Court and scheduled a hearing on such objection within thirty  
21 (30) days after the filing of such objection and upon not less than twenty-one (21) days' notice to all  
22 Notice Parties. If any such objection is filed, the Person seeking the particular relief shall not take  
23 the proposed action unless the Bankruptcy Court approves such action or the objecting party  
24 withdraws the objection. Service by electronic filing pursuant to Local Rule 9013-3 shall be  
25 adequate for all notices and other pleadings filed with the Bankruptcy Court.

26 **P. Post-Confirmation Fees, Reports, and Final Decree.**

27 **1. U.S. Trustee Fees.**

28 Not later than thirty (30) days after the end of each calendar quarter that ends after the

1 Effective Date (including any portion thereof), the Reorganized Company shall pay to the United  
2 States Trustee, pursuant to 28 U.S.C. § 1930(a)(6), the quarterly fee for such quarter until the  
3 Bankruptcy Case is converted or dismissed, or the Bankruptcy Court enters the Final Decree.

## 4 **2. Post-Confirmation Reports.**

5 Not later than thirty (30) days after the end of each calendar quarter which ends after the  
6 Effective Date, the Reorganized Company shall file a quarterly post-Confirmation status report in  
7 substantially the form provided by the United States Trustee and serve a copy of said report on the  
8 Committee. Further reports shall be filed thirty (30) days after the end of each calendar quarter  
9 thereafter until the entry of the Final Decree, unless otherwise ordered by the Bankruptcy Court.

10 Failure to timely file the required reports may constitute a ground for the bringing of a  
11 motion to convert or dismiss the Bankruptcy Case, whichever is in the best interest of the creditors  
12 and the Estate, pursuant to Section 1112(b) of the Bankruptcy Code.

## 13 **Q. Final Decree.**

14 At such time as all motions, contested matters and adversary proceedings have been finally  
15 resolved and the Bankruptcy Case is in a condition to be closed, the Reorganized Company shall file  
16 an application for the entry of a Final Decree to close the Bankruptcy Case pursuant to Section 350  
17 of the Bankruptcy Code and Rule 3022 of the Bankruptcy Rules. Entry of a Final Decree may be  
18 sought by the Reorganized Company notwithstanding that all payments required by the Plan have  
19 not been completed, provided, however, that the Bankruptcy Case is determined by the Bankruptcy  
20 Court to be fully administered; provided further, that the Bankruptcy Court retains jurisdiction to  
21 hear all matters involving the further administration of the Plan until all holders of Allowed Claims  
22 have been paid in full or as otherwise agreed to or provided for under the Plan. The Reorganized  
23 Company shall serve the application for entry of a Final Decree on the Notice Parties. Pursuant to  
24 Local Rule, such application shall be considered by the Bankruptcy Court without a hearing unless  
25 within fourteen (14) days after the date of service of the notice, a party in interest files and serves a  
26 request for hearing.

## 27 **VIII. EXECUTORY CONTRACTS AND UNEXPIRED LEASES**

### 28 **A. Assumption of Executory Contracts and Unexpired Leases**

1 Each of the following executory contracts shall be assumed by the Reorganized Company on  
2 the Effective Date to the extent each such contract is executory in nature, and Confirmation of the  
3 Plan shall effect such assumption: (1) the TPL/Moore/PTSC/PDS agreement dated January 23, 2013;  
4 (2) all agreements related to the MMP Portfolio to which TPL is a party, based on the resolution of  
5 all controversies existing between (i) PDS, TPL and Patriot and (ii) Alliacense, PDS and Agility  
6 have been resolved; (3) the IP Owners Commercialization Agreements, subject to the agreement of  
7 the IP Owners other than PDS to modify the IP Owners Commercialization Agreements to conform  
8 with the provisions of this Plan and the waterfall distribution set forth in **Exhibit "C"** hereto and to  
9 defer payment of all cure amounts, if any, to after all Allowed Claims have been paid in Classes 1, 3,  
10 4, 5, 6A, 6B and 6C have been paid in full; (4) the Alliacense Services Agreement, subject to the  
11 agreement of Alliacense to defer payment of all cure amounts, if any, to after all Allowed Claims  
12 have been paid in Classes 1, 3, 4, 5, 6A, 6B and 6C have been paid in full; (5) agreements between  
13 TPL and Thunderbird; and (6) Insurance Policies.

14 All executory contracts assumed prior to Confirmation or pursuant to the Plan and not  
15 otherwise rejected pursuant to the Plan, shall remain in full force and effect, be unimpaired by the  
16 Plan except as specifically modified by the Plan and the Confirmation Order, and be binding on the  
17 parties thereto.

18 **B. Defaults.**

19 Unless other treatment is agreed to between the parties to each assumed contract or lease, if  
20 there has been a default in an assumed executory contract or unexpired lease other than the kind  
21 specified in Section 365(b)(2) of the Bankruptcy Code, the Debtor or the Reorganized Company, as  
22 applicable, shall, on or before the Effective Date: (a) cure, or provide adequate assurance that it will  
23 promptly cure, any such default; (b) compensate, or provide adequate assurance that it will promptly  
24 compensate, the other party to such contract or lease, for any actual pecuniary loss to such party  
25 resulting from such default; and (c) provide adequate assurance of future performance under such  
26 contract or lease.

27 **C. Rejection of Executory Contracts and Unexpired Leases.**

28 Without admitting the validity of any other executory contracts and unexpired leases, the

1 following executory contracts and unexpired leases of the Debtor are hereby rejected by the Debtor  
2 as of the Effective Date, and Confirmation of the Plan shall be deemed to constitute Bankruptcy  
3 Court approval of such rejection: (a) TPL's Service Agreement with Semiconductor Insights and (b)  
4 the Employee Compensation Contracts.

5 **D. Rejection Claims**

6 The holder of a Rejection Claim shall file with the Bankruptcy Court, and serve on counsel  
7 for the Reorganized Company, a proof of Claim relative to such Rejection Claim on or before the  
8 Rejection Claims Bar Date or be forever barred from asserting any such Claim or receiving any  
9 payment or other Distribution on account of such Claim. With respect to any Rejection Claim that is  
10 timely filed after Confirmation, the holder of such Rejection Claim may elect treatment in Class 5 of  
11 the Plan by filing such election with the Bankruptcy Court with service on the Reorganized  
12 Company and its counsel at the addresses in the caption of the Plan no later than the Rejection  
13 Claims Bar Date, unless such date is extended by written agreement of the Reorganized Company.

14 **E. Adding and Removing Executory Contracts and Unexpired Leases**

15 The provisions of this Article VIII may be amended, with appropriate notice to those parties  
16 in interest directly affected, at any time prior to the conclusion of the hearing on Confirmation of the  
17 Plan, to add or remove executory contracts and unexpired leases to be assumed, assumed and  
18 assigned, or rejected pursuant to the Plan; provided, however, that no such amendments shall in any  
19 way impact the Licenses or Licensees' rights or defenses thereunder, which shall be fully preserved  
20 in all respects, as set forth in this Plan.

21 **F. Excluded Contracts**

22 The Reorganized Company shall retain the right to reject any Excluded Contracts, but not  
23 any Licenses or related commercialization agreements, prior to the Confirmation Hearing.  
24 Following written notice to the affected party, the Reorganized Company may reject any Excluded  
25 Contracts without further order of the Bankruptcy Court (with the affected party to the Excluded  
26 Contract having 30 days after notice of rejection to file a Rejection Claim, if any).

27 Excluded Contracts which have not previously and expressly been assumed or rejected by  
28 TPL by final Order of the Court are deemed under such circumstances to have "passed through" the

1 bankruptcy and will remain in effect without modification, unless subsequently rejected in  
2 accordance with this Section.

3 For the avoidance of doubt, the Licenses are deemed to not be executory contracts and are  
4 therefore not susceptible to rejection by the Reorganized Company and are deemed to have “ridden  
5 through” the bankruptcy without prejudice or adverse effects of any kind in accordance with  
6 Article XVI of the Plan. Each Licensee shall have the same unimpaired rights, claims, including  
7 offsetting or recoupment claims, interests, and defenses, as such party would have had there been no  
8 Bankruptcy Case or Plan. Notwithstanding any provision of the Plan or Confirmation Order,  
9 applicable law shall determine whether and to what extent any Licensee’s proof of claim may be  
10 amended.

11 **IX. PROOFS OF CLAIM; OBJECTIONS**

12 **A. Time for Filing Proofs of Claim.**

13 The applicable Claims Bar Date for most pre-petition Claims was July 23, 2013 and for  
14 governmental units was September 16, 2013.

15 **B. Ownership and Transfers of Claims.**

16 For purposes of any Distribution under the Plan, the Reorganized Company shall not have  
17 any obligation to recognize any transfer of Claims occurring thirty (30) days or more after the  
18 Effective Date. The Reorganized Company, the Disbursing Agent, the Plan Agent, the CEO, the  
19 Committee, and their Professionals (as applicable) shall be entitled to recognize and deal for all  
20 purposes with only those claimholders of record stated on the claims docket maintained by the  
21 Bankruptcy Court, and if none, on the Debtor’s Schedules.

22 **ANY PARTY WHO ACQUIRES A CLAIM AGAINST THE REORGANIZED**  
23 **COMPANY THIRTY (30) CALENDAR DAYS OR MORE AFTER THE EFFECTIVE DATE**  
24 **MUST ARRANGE WITH THE TRANSFEROR UPON ACQUISITION OF THE CLAIM,**  
25 **TO RECEIVE DISTRIBUTIONS TO WHICH THE TRANSFEREE MAY BE ENTITLED.**  
26 **NONE OF THE REORGANIZED COMPANY, THE DISBURSING AGENT, OR THE**  
27 **COMMITTEE SHALL BE REQUIRED TO TRACK CHANGES IN OWNERSHIP OF**  
28 **CLAIMS THIRTY (30) CALENDAR DAYS OR MORE AFTER THE EFFECTIVE DATE.**

1           **C.       Amendments to Claims.**

2           Except as provided by the Plan or as otherwise permitted by the Bankruptcy Court, the  
3 Bankruptcy Rules or applicable law, proofs of Claim may not be amended later than the applicable  
4 Claims Bar Date except for amendments to proofs of Claim to decrease the amount or priority  
5 thereof; provided, however, that the foregoing deadline shall not afford a claimant a right to amend a  
6 Claim that, pursuant to applicable law, is not subject to amendment.

7           **D.       Claim Objections.**

8           An objection to a Claim shall be filed no later than the Claims Objection Deadline. An  
9 objection to an Administrative Claim shall be filed no later than the Administrative Claims  
10 Objection Deadline. Except as otherwise provided in this Section, any party in interest may file an  
11 objection to a Claim or an Administrative Claim. The Reorganized Company shall have the  
12 responsibility to review all proofs of Claim filed against the Debtor, to file objections as appropriate  
13 and to resolve Disputed Claims. With respect to Claims asserted by current or former Insiders,  
14 officers, directors and employees of the TPL, and any affiliated or related Persons and Entities  
15 thereto (including, without limitation, the Insider Employee Compensation Claims and the Insider  
16 13% Claims), the Reorganized Company may refer any objections to such Claims to the Plan Agent;  
17 provided, however, that any claimant who has agreed to subordinate its Claim pursuant to the Plan  
18 and accepted the Plan shall not be deemed disputed or subject to any objection, except as otherwise  
19 provided in the Plan with respect to the Employee Compensation Claims of Robert Neilson and  
20 Mike Davis.

21           As set forth above at Section VII-C, the Plan Agent shall investigate and, if appropriate in  
22 her/his business judgment, object to any or all of the Committee Claims. The Plan Agent shall act  
23 independently (i.e., without direction from the Reorganized Debtor or the Committee) in  
24 investigating and objecting to the Committee Claims. Other than the Debtor or the Reorganized  
25 Company whose rights to file objections to the Committee Claims are expressly preserved, the Plan  
26 Agent shall have the sole authority to investigate and if appropriate file objections to the Committee  
27 Claims.

28       ///



1           **E.      Disputed Claims.**

2           Subject to the next sentence, any Cash that would be distributed to the holder of a Disputed  
3 Claim if it were an Allowed Claim on any Distribution Date hereunder shall be set aside by the  
4 Disbursing Agent into the Disputed Claims Reserve Account. Not later than fifteen (15) days after  
5 the Disbursing Agent receives notice that a Disputed Claim has been Allowed in whole or in part,  
6 the Disbursing Agent shall distribute the Cash deposited into the Disputed Claims Reserve Account  
7 on account of the Allowed Amount of such Disputed Claim. To the extent that Cash payments made  
8 into the Disputed Claims Reserve Account on account of a Disputed Claim exceed the Cash  
9 distributable with respect to the Allowed Amount of such Claim, such excess cash shall be returned  
10 to the Claims Trust Account for the funding of the next Quarterly Payment.

11           **F.      Distributions**

12           Notwithstanding any provision of the Plan specifying a date for payments or Distributions of  
13 consideration, payments and Distributions with respect to any Claim that on such date is disputed,  
14 contingent, unliquidated or unknown as to amount, will not be made until a Final Order with respect  
15 to an objection, estimation or valuation of such Claim is entered by the Bankruptcy Court, or an  
16 agreement is reached between the parties, whereupon appropriate Distributions shall be made  
17 promptly in accordance with the preceding paragraph. Notwithstanding the foregoing, any  
18 undisputed portion of a Disputed Claim shall receive a Distribution on the undisputed portion of the  
19 Claim at the same time as Allowed Claims in the same Class pursuant to the Plan.

20                                   **X.      RETAINED CLAIMS**

21           **A.      Prosecution of Retained Claims**

22           Except as otherwise provided herein, the Reorganized Company shall collect and prosecute  
23 all of the Retained Claims. In determining whether and how to collect and prosecute the Retained  
24 Claims on behalf of the Reorganized Company, the CEO shall consult with the TPL Board and shall  
25 not compromise any Retained Claim, file suit to collect any Retained Claim, or make any other  
26 major decision with regard thereto without the written consent of the TPL Board or an order of the  
27 Bankruptcy Court.

28           With respect to any Retained Claim against any member of the Committee, the Plan Agent

1 shall independently collect, investigate and prosecute all such Retained Claims.

2 In addition to the foregoing, the Plan Agent is hereby appointed as representative of the  
3 Estate pursuant to Section 1123 of the Bankruptcy Code with respect to the prosecution and  
4 liquidation of any Retained Claim against current or former insiders, officers, directors and  
5 employees of the TPL, and any affiliated or related Persons and Entities thereto unless released by  
6 the terms of this Plan as a result of an affirmative vote and agreement to subordinate to Class 7 by  
7 this Claimant. The terms of employment of any Professional retained by the Plan Agent relative to  
8 the Retained Claims shall be subject to the approval of the Reorganized Company, or absent such  
9 approval, order of the Bankruptcy Court. The Reorganized Company shall have the right to be heard  
10 relative to all such matters.

11 Approval of the Bankruptcy Court shall not be required for the settlement or other resolution  
12 of any Retained Claims; provided, however, that the Reorganized Company, the Committee and the  
13 Plan Agent, as applicable, shall comply with the Notice Procedure before settling or resolving any  
14 Retained Claim where the amount at issue exceeds \$10,000.

15 **B. Preservation of Claims and Rights.**

16 As the process of investigating and evaluating the Debtor's transactions and records remains  
17 ongoing, such process may result in additional claims against persons not yet identified herein and  
18 may also result in other claims against Persons identified herein in addition to those identified at this  
19 point in time.

20 The Bankruptcy Estate, the Committee, the Plan Agent, the Debtor and the Reorganized  
21 Company, as applicable, shall retain after Confirmation and after the Effective Date, all powers  
22 granted by the Bankruptcy Code and the Bankruptcy Rules for, without limitation, recovery of  
23 property, avoidance of liens, and objection to, and/or subordination of, Claims. Confirmation of the  
24 Plan effects no settlement, compromise, waiver or release of any Retained Claim, cause of action or  
25 claim for relief held by the Committee, the Plan Agent, the Bankruptcy Estate, the Debtor or the  
26 Reorganized Company unless the Plan or Order of Confirmation specifically and unambiguously so  
27 provides. The failure of the Plan to refer to any particular Retained Claim is not and will not be  
28 construed as a settlement, compromise, waiver, or release of any such Retained Claim. Except as

1 otherwise provided in this Plan. all Retained Claims are hereby preserved and will continue to  
2 remain valid after the Effective Date.

3 Except as provided in the Plan or the Order of Confirmation, any and all of claims, Retained  
4 Claims, causes of action and rights against any and all third parties, whether such claims, Retained  
5 Claims, causes of action or rights arose before, on or after the Petition Date, the Confirmation Date,  
6 the Effective Date and/or the date Distributions are made, held by the Committee, the Bankruptcy  
7 Estate, the Plan Agent, the Debtor and the Reorganized Company, as applicable, are reserved to the  
8 fullest extent allowable under applicable law, as such law may be extended or interpreted subsequent  
9 to the Effective Date. Except as otherwise provided in the Plan, including, without limitation, in  
10 Section XIII-E below, the entry of the Confirmation Order will not constitute *res judicata* as to any  
11 such claims or otherwise bar, estop or inhibit any actions by the Committee, the Plan Agent, the  
12 Debtor, the Bankruptcy Estate or the Reorganized Company upon any claims they hold as identified  
13 herein or otherwise.

14 Subject to the Reorganized Company's business judgment, in consultation with the TPL  
15 Board, regarding the pursuit of any particular Retained Claim (which may entail evaluation, among  
16 other things, of the cost of pursuing such Retained Claim), the Reorganized Company, the TPL  
17 Board, and, with respect to any Retained Claims against any member of the Committee, the Plan  
18 Agent shall be authorized to pursue all Retained Claims. Without limiting the generality of the  
19 scope of the previous paragraphs, the Retained Claims identified at this time include: (a) the Patent  
20 Actions which include, without limitation, any and all infringement claims before the ITC and  
21 various United States District Courts for the Eastern District of Texas, the District of Delaware and  
22 the Northern District of California involving the MMP Portfolio, the CORE Flash Portfolio and the  
23 Fast Logic Portfolio; (b) any and all claims and causes of action identified in the Debtor's Schedules  
24 and Statement of Financial Affairs; (c) the Browns/TPL Appeal; (d) the TPL/Moore 'Roe'  
25 Litigation; (e) any and all actions against Venkidu, Onspec, Chipscale and Indigita , and (f) against  
26 all present and past insiders and senior management of TPL, including without limitation, Dwayne  
27 Hannah, Mike Davis, Susan Anhalt, Mac Leckrone, Leckrone, Janet Neal, Nick Antonopoulos,  
28 Interconnect Portfolio, John Leckrone, Alliacense, Eric Saunders, Michael Montvelishsky, William

1 Martin and any and all entities wholly-owned or partially owned by Leckrone, which actions may  
2 include, without limitation, whether asserted directly or under an alter ego theory, actions to  
3 subordinate, recharacterize and/or avoid claims, to challenge the validity of liens, to recover  
4 preferences and fraudulent conveyances, for breach of fiduciary duty, for usurpation of corporate  
5 opportunity, for unfair business practices, for conversion, for misappropriation of funds, for fraud  
6 and for misrepresentation.<sup>1</sup>

7 **XI. REQUEST FOR CONFIRMATION**

8 Based upon the resolution of all controversies between and among (i) Alliacense, PDS and  
9 Agility and (ii) TPL, Patriot and PDS by prior written agreement, the Debtor and the Committee, as  
10 the proponents of the Plan, request Confirmation of the Plan. In the event any Impaired Class of  
11 Claims entitled to vote does not accept the Plan by the requisite statutory majorities provided in  
12 Section 1126(c) of the Bankruptcy Code, the Debtor and the Committee hereby request that the  
13 Bankruptcy Court confirm the Plan in accordance with the provisions of Section 1129(b) of the  
14 Bankruptcy Code.

15 **XII. RETENTION OF JURISDICTION**

16 Notwithstanding the entry of the Confirmation Order and the occurrence of the Effective  
17 Date, the Bankruptcy Court shall retain and have all authority and jurisdiction as is allowed under  
18 the Bankruptcy Code and other applicable law to enforce the provisions, purposes, and intent of this  
19 Plan, including matters or proceedings that relate to:

20 (a) Proceedings initiated before or after the Confirmation Date and the Effective Date  
21 regarding the prosecution of the Retained Claims or any other rights, claims, causes of action or  
22 claims for relief held by the Committee, the Plan Agent, the Bankruptcy Estate, the Debtor or the  
23 Reorganized Company against any Person, including the recovery of property and subordination of  
24 Claims;

25 (b) Allowance, disallowance, determination, liquidation, classification, subordination,

26  
27 <sup>1</sup> Retained Claims against the entities listed in sub-section (f) are Released Claims under the Plan to  
28 the extent such parties have voluntarily subordinated their claims pursuant to the provisions of the Plan and  
voted in favor of it.

1 estimation, or establishment of the priority or secured or unsecured status of any Claim, including  
2 the resolution of any request for payment of any Administrative Claim and the resolution of any and  
3 all objections to the allowance or priority of Claims;

4 (c) Requests for the payment of Claims entitled to priority under Section 507(a) of the  
5 Bankruptcy Code, including compensation and reimbursement of expenses for Professionals to the  
6 extent Court approval therefore is required under the Plan or the Confirmation Order;

7 (d) The title, rights or interests of the Debtor or the Reorganized Company in any  
8 property, including the recovery of all assets and property of the Bankruptcy Estate wherever  
9 located;

10 (e) Any right, power, action, or duty of the Committee, the Plan Agent, the Bankruptcy  
11 Estate, the TPL Board, the Debtor or the Reorganized Company under the Plan;

12 (f) Any determination or estimation necessary or appropriate under Section 505 of the  
13 Bankruptcy Code or other determination or estimation relating to tax returns filed or to be filed by  
14 the Debtor or the Reorganized Company for periods through the end of the fiscal year in which the  
15 Effective Date occurs, including determination of the amount of taxes, net operating losses, tax  
16 attributes, tax benefits, tax refunds, and related matters of the Debtor or the Reorganized Company;

17 (g) Any matters related to the assumption, assumption and assignment, or rejection of  
18 any executory contract or unexpired lease to which the Debtor or the Reorganized Company is a  
19 party and to hear, determine and, if necessary, liquidate, any claims arising from, or cure amounts  
20 related to, such assumption or rejection;

21 (h) Resolution of controversies and disputes, including the correction of any mistake,  
22 defect, or omission regarding consummation, interpretation or enforcement of the Plan, the  
23 Confirmation Order, and any agreements referred to in the Plan or executed in contemplation of or to  
24 implement the Plan;

25 (i) Resolution of any motions, adversary proceedings (including Retained Claims),  
26 contested or litigated matters, and any other matters, and to grant or deny any applications or  
27 motions involving the Committee, the TPL Board, the Plan Agent, the Debtor or the Reorganized  
28 Company that may be pending on the Effective Date;

1 (j) Entry of such orders as may be necessary or appropriate to implement or consummate  
2 the provisions of the Plan and all contracts, instruments, releases, and other agreements or  
3 documents created in connection with the Plan or the Disclosure Statement;

4 (k) Modification of or amendments to the Plan before or after the Effective Date under  
5 Section 1127 of the Bankruptcy Code or modification of the Disclosure Statement or any contract,  
6 instrument, release, or other agreement or document created in connection with the Plan or the  
7 Disclosure Statement; or remedy any defect or omission or reconcile any inconsistency in any  
8 Bankruptcy Court order, the Plan, the Disclosure Statement or any contract, instrument, release, or  
9 other agreement or document created in connection with the Plan or the Disclosure Statement in  
10 such manner as may be necessary or appropriate to consummate the Plan, to the extent authorized by  
11 the Bankruptcy Code;

12 (l) The entry of an order including injunctions, necessary to enforce the title, rights, and  
13 powers of the Committee, the Committee, the Plan Agent, the TPL Board, the Bankruptcy Estate, the  
14 Debtor or the Reorganized Company and the purposes and intent of the Plan, and to impose such  
15 limitations, restrictions, terms and conditions of such title, rights and powers as the Bankruptcy  
16 Court may deem necessary;

17 (m) Implementation of the provisions of the Plan and entry of such orders (i) in aid of  
18 Confirmation of the Plan or (ii) as are necessary or appropriate if the Order of Confirmation is for  
19 any reason modified, stayed, reversed, revoked, or vacated;

20 (n) Determine any other matters that may arise in connection with or relate to the Plan,  
21 the Disclosure Statement, the Confirmation Order or any contract, instrument, release, or other  
22 agreement or document created in connection with the Plan, the Disclosure Statement or the  
23 Confirmation Order except as otherwise provided in the Plan, or as otherwise provided under the  
24 Bankruptcy Code or other applicable law;

25 (o) Determine any claim of any Person of any nature whatsoever against the  
26 Professionals arising in or related to the Bankruptcy Case; or

27 (p) The entry of a Final Decree closing the Bankruptcy Case, including provisions for  
28 injunctive relief as may be equitable, consistent with Bankruptcy Rule 3022 and or retention of

1 jurisdiction for the Bankruptcy Court for purposes of this Article XII.

2 If closed, the Bankruptcy Case may be reopened at any time to facilitate the provisions of  
3 this Article XII of the Plan.

4 **XIII. EFFECT OF CONFIRMATION**

5 As of the Confirmation Date, the effect of Confirmation shall be as provided in Section 1141  
6 of the Bankruptcy Code, and as follows:

7 **A. Binding Effect of Plan.**

8 The provisions of the confirmed Plan shall bind the Debtor, the Reorganized Company, any  
9 Entity acquiring property under or otherwise accepting the benefits of the Plan, and every Creditor  
10 and Interest Holder, whether or not such Creditor or Interest Holder has filed a proof of Claim or  
11 Interest in the Bankruptcy Case, whether or not the Claim or Interest of such Creditor or Interest  
12 Holder is Impaired under the Plan, and whether or not such Creditor or Interest Holder has accepted  
13 or rejected the Plan.

14 **B. Vesting Of Property.**

15 Subject to the provisions of this Plan and the Order of Confirmation, the property of the  
16 Debtor and the Bankruptcy Estate shall vest in the Reorganized Company on the Effective Date. As  
17 of the Effective Date, all such property shall be free and clear of any and all liens, encumbrances,  
18 Claims and Interests of Creditors and Interest Holders except as otherwise provided in the Plan.  
19 Revesting does not modify the nature of any contracts assumed pursuant to the Plan.

20 **C. Discharge.**

21 Except as otherwise provided in the Plan or the Order of Confirmation, the rights afforded  
22 under the Plan and the treatment of Claims and Interests under the Plan are in exchange for and in  
23 complete satisfaction, discharge, and release of, all Claims, including any interest accrued thereon  
24 from and after the Petition Date, against the Debtor, the Reorganized Company, the Bankruptcy  
25 Estate, or any assets or property of the Debtor, the Reorganized Company and the Bankruptcy  
26 Estate. Except as provided in the Plan or the Order of Confirmation, pursuant to Bankruptcy Code  
27 § 1141(d), Confirmation forever discharges the Debtor and the Reorganized Company from any and  
28 all Claims and all debts that arose before the Effective Date, and all debts of the kind specified in



1 Sections 502(g), 502(h) or 502(i) of the Bankruptcy Code, whether or not: (a) a proof of Claim based  
2 on such debt is filed or deemed filed under Section 501 of the Bankruptcy Code; (b) a Claim based  
3 on such debt is Allowed under Section 502 of the Bankruptcy Code; or (c) the holder of a Claim  
4 based on such debt has accepted the Plan.

5 **D. Exculpation.**

6 To the extent permitted under applicable law, none of the Bankruptcy Estate, the  
7 Reorganized Company, the Manager, the Committee, the members of the Committee (solely in their  
8 capacity as such), the TPL Board, the members of the TPL Board (solely in their capacity as such)  
9 and their respective officers, directors, members, managers, employees, advisors, attorneys, agents,  
10 or direct and indirect affiliates will have or will incur any liability to any holder of a Claim or  
11 Interest, or any other party in interest, or any of their respective members or former members,  
12 agents, employees, representative, financial advisors, attorneys or affiliates or any of their  
13 predecessors, successors, or assigns, for any act or omission in connection with, relating to, or  
14 arising out of, the Bankruptcy Case, the negotiation and pursuit of confirmation of the Plan, the  
15 confirmation of the Plan, the consummation of the Plan, or the administration of the Plan excluding  
16 the obligations of the Debtor, the Reorganized Company, the Committee or the TPL Board under the  
17 Plan and any acts or omissions of any Person covered by this Section constituting willful misconduct  
18 or gross negligence, and in all respects such Persons shall be entitled to rely on the advice of counsel  
19 with respect to their duties and responsibilities under the Plan.

20 **E. Release of Claims**

21 Confirmation of the Plan shall constitute and effect a full release of all Avoidance Actions,  
22 claims, causes of action and claims for relief against the Released Parties and as to the Released  
23 Claims as to the estate and Reorganized Company and as to all parties who execute the Release in  
24 substantially the form attached hereto as **Exhibit "E"**.

25 **F. Injunction.**

26 **As of the Confirmation Date, all Persons or Entities that have held, currently hold or**  
27 **may hold a Claim or other debt or liability that is discharged or any other right that is**  
28 **terminated under the Bankruptcy Code or the Plan are permanently enjoined from**

1 **commencing or continuing any action, the employment of process, or other action, to collect,**  
2 **recover or offset any such Claim or debt as a liability of the Bankruptcy Estate or the**  
3 **Reorganized Company to the fullest extent permitted by Bankruptcy Code Section 524.**

4 **G. Preservation of Insurance.**

5 The discharge and release from Claims as provided in the Plan, except as necessary to be  
6 consistent with the Plan, and Confirmation of the Plan do not diminish or impair the enforceability  
7 of any insurance policy that may cover claims against the Debtor, the Bankruptcy Estate, the  
8 Reorganized Company or any other Person.

9 The Reorganized Company shall assume the Debtors' Insurance Policies on the Effective  
10 Date. To the extent permitted under applicable law, and except as otherwise provided in the Plan, all  
11 insurance policies in full force and effect prior to the Effective Date shall remain in full force and  
12 effect and shall continue to cover claims against, without limitation, the Debtor, the Bankruptcy  
13 Estate, the Reorganized Company, the CEO, the TPL Board or any other Person, as applicable.

14 **H. Reservation of Powers.**

15 The Reorganized Company shall retain all powers granted by the Bankruptcy Code, the  
16 Bankruptcy Rules and the Local Rules to a trustee or debtor in possession, including those with  
17 respect to the recovery of property and objections to, and/or subordination of, Claims and Interests.

18 **XIV. MISCELLANEOUS**

19 **A. Injunctions and Stays.**

20 Unless otherwise provided, all injunctions or stays arising under or entered during the  
21 Bankruptcy Case under Section 105 or Section 362 of the Bankruptcy Code, or otherwise, and in  
22 existence on the Confirmation Date, shall remain in full force and effect until the Effective Date.

23 **B. No Admissions.**

24 Except as specifically provided in the Plan, nothing contained in the Plan shall be deemed or  
25 construed in any way as an admission by the Bankruptcy Estate with respect to any matter set forth  
26 in the Plan, including the amount or allowability of any Claim, or the value of any property of the  
27 Bankruptcy Estate.

28 Notwithstanding anything to the contrary in the Plan, if the Plan is not confirmed or the

1 Effective Date does not occur, the Plan shall be null and void, and nothing contained in the Plan or  
2 Disclosure Statement shall: (a) be deemed to be an admission with respect to any matter discussed in  
3 the Plan, including liability on any Claim or the propriety of any Claim's classification; (b) constitute  
4 a waiver, acknowledgement, or release of any Claim, Interest, or any claims held by the Bankruptcy  
5 Estate or the Committee; or (c) prejudice in any manner the rights of the Bankruptcy Estate or the  
6 Committee in any further proceedings.

7 **C. Revocation of the Plan.**

8 The Committee and the Debtor reserve the right to revoke or withdraw the Plan before the  
9 Confirmation Date.

10 **D. Modification of Plan.**

11 The Committee and the Debtor may propose amendments to or modifications of the Plan  
12 under Section 1127(a) of the Bankruptcy Code and Bankruptcy Rule 3019 at any time prior to the  
13 conclusion of the hearing on Confirmation of the Plan.

14 In the event that Classes entitled to vote fail to accept the Plan in accordance with  
15 Bankruptcy Code Section 1129(a)(8), the Committee and the Debtor reserve the right to modify the  
16 Plan in accordance with Bankruptcy Code Section 1127(a).

17 After the Confirmation Date, the Reorganized Company may modify the Plan in accordance  
18 with Section 1127(b) of the Bankruptcy Code and Bankruptcy Rule 3019.

19 **E. Saturday, Sunday and Legal Holiday.**

20 If any payment or act under the Plan should be made or performed on a day that is not a  
21 Business Day, then the payment or act may be completed the next succeeding day that is a Business  
22 Day, in which event the payment or act will be deemed to have been completed on the required day.

23 **F. Plan Interpretation.**

24 The headings contained in the Plan are for convenience of reference only and shall not limit  
25 or otherwise affect in any way the meaning or interpretation of the Plan. All references in the Plan  
26 to the singular shall be construed to include references to the plural and vice versa. All references in  
27 the Plan to any one of the masculine, feminine or neuter genders shall be deemed to include  
28 references to both other such genders. References to the Debtor shall also include the Reorganized

1 Company (or vice versa) as the context requires. All exhibits, if any, attached to the Plan are, by this  
2 reference, hereby incorporated into the Plan. All references in the Plan to a Section or an Article  
3 shall mean the appropriately numbered Section or Article of the Plan. Whenever the Plan uses the  
4 term “including,” such reference shall be deemed to mean “including, but not limited to.”

5 **G. Governing Law.**

6 Except to the extent that the Bankruptcy Code or other federal law is applicable, the rights,  
7 duties and obligations of the Debtor, the Reorganized Company, all Creditors and any other Person  
8 arising under the Plan shall be governed by, and construed and enforced in accordance with, the laws  
9 of the State of California, without giving effect to California’s choice of law provisions.

10 **H. Setoff/Recoupment.**

11 The Reorganized Company may, but is not required to, setoff or recoup against any Claim or  
12 Interest with the consent of the affected claimant and the payments or other Distribution to be made  
13 under the Plan in respect of such Claim or Interest, claims of any nature whatsoever that arose before  
14 the Petition Date that the Debtor may have against the holder of such Claim or Interest to the extent  
15 such claims may be setoff or recouped under applicable law, but neither the failure to do so nor the  
16 allowance of any Claim or Interest under the Plan shall constitute a waiver or release by the  
17 Bankruptcy Estate or the Reorganized Company of any claim that they may have against such  
18 Person.

19 **I. Waiver.**

20 After the Confirmation Date, except as otherwise specifically set forth in the Plan, any term  
21 of the Plan may be waived in writing only by the party or parties entitled to the benefit of the term to  
22 be waived.

23 **J. Notices.**

24 Except for service by electronic filing as permitted by Section VII-P of the Plan, all notices  
25 required or permitted to be made in accordance with the Plan shall be in writing and shall be  
26 delivered personally or by first class mail, subject to any changes of addresses, notices of which shall  
27 be filed with the Bankruptcy Court, the following:

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If to the Debtor or the Reorganized Company:

Technology Properties Limited LLC  
Attn: Swamy Venkidu, CEO

With a copy to:

Robert G. Harris  
Binder & Malter, LLP  
2775 Park Avenue  
Santa Clara, CA 95050

If to the Committee:

Committee  
Attn: Marcie Brown  
4290 Manuela Way  
Palo Alto, CA 94306

With a copy to:

Robert A. Franklin  
Dorsey & Whitney LLP  
305 Lytton Avenue  
Palo Alto, CA 95014

and if to a holder of an Allowed Claim, at the address set forth in its proof of Claim filed in the Bankruptcy Case, or if none, at its address set forth in the Schedules. Notices shall be deemed given when delivered or deposited in the United States mail. Any Person or Entity may change the address at which such Person or Entity is to receive notices under the Plan by filing its change of address with the Bankruptcy Court and serving the Debtor or the Reorganized Company and its counsel at the addresses provided in this Section.

**K. Reservation of Rights.**

Neither the filing of the Plan nor any statement or provision contained in the Plan or in the Disclosure Statement, nor the taking by any party in interest of any action with respect to the Plan, shall: (a) be or be deemed to be an admission against interest; and (b) until the Effective Date, be or be deemed to be a waiver of any rights any party in interest may have: (i) against any other party in interest; or (ii) in any of the assets of any other party in interest, and, until the Effective Date, all such rights are specifically reserved. In the event that the Plan is not confirmed or fails to become

1 effective, neither the Plan nor the Disclosure Statement nor any statement contained in the Plan or in  
2 the Disclosure Statement may be used or relied upon in any manner in any suit, action, proceeding or  
3 controversy within or without this Bankruptcy Case involving the Debtor, except with respect to  
4 Confirmation of the Plan.

5 **L. Severability**

6 Should any term or provision of the Plan be determined to be unenforceable, such  
7 determination shall in no way limit or affect the enforceability and operative effect of any other term  
8 or provisions of the Plan.

9 **XV. DEFAULT PROVISIONS**

10 If the Reorganized Company defaults in the performance of any of its material obligations  
11 under the Plan, and does not cure such default within a period of 30 days after receipt of written  
12 notice of such default from any party in interest affected by the alleged default, then such party in  
13 interest may move the Bankruptcy Court, upon notice to the Notice Parties and after opportunity for  
14 a hearing, for an order directing the Reorganized Company to perform such material obligations. If  
15 the Reorganized Company fails to perform any such material obligations within 21 days, any party  
16 in interest, including, but not limited to, the Office of the United States Trustee, may file a motion  
17 with the Bankruptcy Court seeking an order converting the Bankruptcy Case to a case under Chapter  
18 7 of the Bankruptcy Code. If such motion is granted, the executory provisions of the Plan shall  
19 terminate excluding Article XVI which shall survive notwithstanding any default or associated  
20 conversion to Chapter 7 , and all property of the Reorganized Company shall vest in the Chapter 7  
21 estate. Such property shall be administered by the Chapter 7 trustee as prescribed in Chapter 7 of the  
22 Bankruptcy Code. Any party in interest, including the Reorganized Company, may oppose any such  
23 motion.

24 **XVI. OVERRIDING PROTECTIONS FOR LICENSEE PARTIES**

25 **A. Scope and Intent of This Article.** As a means of addressing the Licensee Objectors'  
26 concerns and objections, this Article is included to effectuate the parties' intent to eliminate any  
27 adverse effects or prejudice of the Plan or Confirmation Order on the Licensees' Licenses, claims,  
28 rights, interests and defenses. This Article XVI shall apply comprehensively to preserve all

1 Licensees' rights, licenses, claims, interests and defenses, as described herein, notwithstanding any  
2 other provision of the Plan or the Confirmation Order or the operation of the Bankruptcy Code. To  
3 the extent any direct or indirect conflict exists between this Article and any other provision of the  
4 Plan or Confirmation Order, this Article shall control. As used in this Article, the terms "rights,"  
5 "claims," "interests" and "defenses" shall be used in their broadest and most comprehensive senses.  
6 Nothing herein shall expand or change the terms or scope of any License or allow any transfer of any  
7 right or interest under any License beyond what is permitted under such License.

8       **B. Confirmation Order.** The Confirmation Order shall incorporate and reaffirm this  
9 Article XVI in its entirety, together with the definitions used herein. Whether or not any IP Owner  
10 objects to or supports the Plan, or votes for or against the Plan, the Confirmation Order shall prevent  
11 such IP Owner from defeating, violating or disputing any of the Licensees' rights, licenses, interests,  
12 defenses or other benefits under such parties' respective Licenses or this Article XVI.

13       **C. Amendments to Article XVI.** This Article (and definitions used herein) shall not be  
14 amended, modified or otherwise adversely affected, directly or indirectly, from other Plan or  
15 Confirmation Order amendments, without the prior written consent of each affected Licensee  
16 Objector.

17       **D. No Adverse Impact On Licenses.** Notwithstanding any other provision of the Plan  
18 or Confirmation Order, the Licenses, and the rights, claims, including offsetting or recoupment  
19 claims, interests and defenses of each Licensee thereunder, shall ride through this Bankruptcy Case  
20 without rejection, prejudice or adverse effects of any kind, including on account of Section 1141.  
21 All Licenses shall remain in full force and effect, and continue to be valid, binding, and enforceable  
22 in accordance with their terms, against TPL, the Reorganized Company, and all applicable IP  
23 Owners and their successors and assigns as if there had been no Bankruptcy Case or Plan or  
24 Confirmation Order, and neither TPL's reorganization nor exit from bankruptcy shall affect such  
25 validity and enforceability of the Licenses.

26       No act or omission of the Committee, TPL, estate representative, other proponent of any  
27 confirmed plan of reorganization, or Reorganized Company (such as rejection of or failure to assume  
28 any executory contract) changes, impairs, or has the effect of stripping or undermining, whether by



1 Section 1141 or otherwise, any rights, interests, claims, licenses, or defenses under the Licenses that  
2 existed before or independent of the Bankruptcy Case, or that were executed prior to the Effective Date.  
3 To the extent permissible by otherwise applicable law, the Confirmation Order shall estop, enjoin,  
4 and bar the Committee, TPL, estate representatives, any other proponent of any confirmed plan of  
5 reorganization, and the Reorganized Company, and each of their respective successors and assigns,  
6 from taking any action to disrupt or otherwise invalidate or challenge the Licenses and the  
7 Licensees' rights, offsetting or recoupment claims, interests, property or defenses thereunder.  
8 Nothing in the Plan or in the Confirmation Order shall be deemed to restrain, enjoin, stay or  
9 otherwise obstruct the enforcement, exercise or defense by any party to a License after the Effective  
10 Date of any of their licenses, rights, offsetting or recoupment claims, interests, property or defenses.

11 E. **No Change For Patent Actions.** Notwithstanding any other provision of the Plan or  
12 the Confirmation Order, the Plan and Confirmation Order shall have no effect on any party's rights,  
13 claims, including offsetting or recoupment claims, interests and defenses in any patent action or  
14 other litigation that has been or may be filed.

15 F. **Reserved Objections.** Licensees may defend an attack of their Licenses on any  
16 basis, including the protections afforded under this Article XVI, whether or not previously raised by  
17 a Licensee. Furthermore, nothing in the Plan or Confirmation Order shall constitute a waiver by  
18 any Licensee of such party's rights under *Stern v. Marshall*, 131 S. Ct. 2594 (2011), or *Bellingham*  
19 *Ins. Agency, Inc. v. Arkin (In re Bellingham Ins. Agency, Inc.)*, 702 F.3d 553 (9th Cir. 2012), or  
20 subsequent precedents on this topic, to challenge the jurisdiction of the Bankruptcy Court to issue a  
21 final judgment.

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1           **G. IP Owner Side Letters.** The IP Owners have provided written confirmation and  
2 consent, in substantially the forms of the side letters attached as **Exhibit “D”** hereto, which are  
3 incorporated herein, confirming such IP Owner’s promise of non-disturbance of Licensees’ rights  
4 under their existing Licenses.

5 Dated: September 17, 2014

**DORSEY & WHITNEY, LLP**

7 By: /s/ Robert A. Franklin  
8 Robert A. Franklin  
9 Attorneys for Official  
10 Committee of Unsecured Creditors

11 Dated: September 17, 2014

**Official Committee of Unsecured Creditors**

12 By: /s/ Marcie Brown  
13 Marcie Brown  
14 Chairperson

15 Dated: September 17, 2014

**BINDER & MALTER**

16 By: /s/ Robert G. Harris  
17 Robert G. Harris  
18 Attorneys for Debtor Technology Properties  
19 Limited, LLC

20 Dated: September 17, 2014

**TECHNOLOGY PROPERTIES LIMITED, LLC**

21 By: /s/Daniel E. Leckrone  
22 Daniel E. Leckrone  
23 Its: Responsible Corporate Individual



# **Global Package, Crime, Cargo & Directors/Officers Liability Insurance Summary**

November 30, 2011–  
November 30, 2012

For

## **TPL Group**

**Presented By:**

Mary Castiglia, Senior Vice President  
Victoria Ryan, Account Executive

Heffernan Insurance Brokers, Inc.  
120 Howard Street, #550  
San Francisco, CA 94105  
www.heffins.com  
Phone: (415) 778-0300  
License No. 0564249

**January 24, 2012**

# CONTACT INFORMATION

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## ACCOUNT TEAM/CONTACT INFORMATION

### Heffernan Insurance Brokers

120 Howard Street, #550  
San Francisco, CA 94105  
Main: (415) 778-0300  
Fax: (415) 778-0301

**Account Leader:** **Mary Castiglia**  
Phone: (415) 808-1307  
Cell: (415) 609-3027  
E-mail: maryc@heffins.com

**Account Executive:** **Victoria Ryan**  
Phone: (415) 808-1340  
Cell: (415) 728-5310  
E-mail: victoriar@heffins.com

**Account Assistant:** **Amy Gamble**  
Phone: (415) 808-1364  
E-mail: amyg@heffins.com

## INSURED CONTACT INFORMATION

TPL Group  
20883 Stevens Creek Blvd, Suite 100  
Cupertino, CA 95014  
www.tplgroup.net

Dwayne Hannah, CFO  
dwayne@tplgroup.net  
(408) 850-3275

### **Attention:**

This resume of coverage is intended to facilitate your understanding of the insurance program we are proposing to arrange on your behalf. It is NOT intended to replace or supersede your present insurance policies. For a complete description of coverages, conditions, limitations, warranties, exclusions, etc. please read the actual policy(s). This is a quotation only and coverage is not bound, nor does this document represent a Binder of Insurance.

# NAMED INSURED(S)

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## **Named Insureds:**

### **Active Companies:**

- Technology Properties Limited LLC (*Parent Company / holding company*)
- DBA: TPL Group
- Alliacense Limited LLC . (*Manages licensing activities*)
- Alliacense SARL (*French Subsidiary of Alliacense LLC*)
- Intellasys Corporation (*2006 merged into Technology Properties Limited LLC, Subsidiary doing development of semiconductors*)
- Intellasys (BEC) Ltd. (*Bermuda company for international sales of products*)
- Phoenix Digital Solutions LLC (*Joint Venture entity between TPL and Patriot Scientific*)
- SWAT Research LLC (*Develops IP and applications in the Hearing Listening area*)

### **Ownership Companies:**

- Chipscale, Inc. (*Owns Chipscale Portfolio patents*)
- HSM Portfolio LLC (*Owns FastLogic Portfolio patents*)
- Interconnect Portfolio LLC (*Former owner of SiliconPipe Portfolio patents*)
- MCM Portfolio LLC (*Owns CoreFlash Portfolio patents*)
- Occam Portfolio LLC (*Owns Occam Portfolio patents*)
- Online Security Portfolio LLC (*Owns Online Security Portfolio patents*)
- SRAM Products, LLC (*Owns certain rights to SRAM Portfolio patents*)
- SWAT/ACR Portfolio LLC (*Owns SWAT/ACR Portfolio patents*)
- VNS Portfolio LLC (*Owns VNS Portfolio patents*)
- Wafer-Level Packaging Portfolio LLC (*Owns Wafer-Level Packaging Portfolio patents*)

## NAMED INSURED(S)

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### **Inactive Companies:**

- Alliacense Ltd (*Predecessor Entity to Alliacense LLC*)
- Indigita LLC (*Inactive entity*)
- Leckrone Law Corporation (*Inactive entity*)
- Nonami Corp. DBA Technology Management Associates (*No longer exists*)
- Nuven Limited (*No longer exists*)
- Onspec Electronic, Inc. (*Semiconductor company liquidated in 2008*)
- TPL Micro Limited (*No longer Exists*)
- Video Processing Technology (*No longer exists*)

# LOCATIONS

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## **Scheduled Locations (TPL Group):**

1. 20883 Stevens Creek Blvd., Suite 100, Cupertino, CA 95014

## **UnScheduled Locations (Vendors):** *Locations with Property Values less than \$250,000*

- ◆ TSMC Taiwan
- ◆ Unisem
- ◆ Silterra
- ◆ UTAC



## GLOBAL PROPERTY COVERAGES

<b>Coverages:</b>	<b>Insurer: Hartford</b> <b>Policy Number: 7UUNVX9250</b> <b>Policy Term: 11/30/11-12</b>	
Personal Property/Contents/Inventory/Tenants Improvements, Business Interruption / Extra Expense, Contingent Business Income, EDP Equipment, Software & Media - including Machinery Breakdown perils. Replacement Cost. No co-insurance. <i>See following Statement of Property Values &amp; BI/EE Worksheet</i>		
<b>Limits:</b>		
Contents-Business Personal Property		\$650,000 Loc 1
Computer Hardware / Media		\$400,000 Loc 1
Business Income / Extra Expense		\$1,000,000 Loc 1
Contingent Business Income - Unnamed Location - Global		\$250,000
Business Income/Extra Expense -Any Other Location - Global		\$250,000
Property, Any Other Location - Global		\$250,000
Property In Transit		Delete
Boiler & Machinery		Total Insured Values
Computer Equipment - Earthquake (California)		\$100,000
Earthquake Sprinkler Leakage		\$2,500,000 Annual Aggregate
Blanket Bucket Property Endorsement		\$500,000
<b>Deductibles:</b>		
Coinsurance		Waived
Property		\$1,000
Boiler & Machinery Property Deductible		\$2,500
Boiler & Machinery Time Deductible		48 hours
BI/EE Coinsurance		None
Earthquake Sprinkler Leakage		\$25,000
Contingent Business Income		72 Hours
<b>Territory:</b>		
Global		
<b>Exclusions:</b>		
<ul style="list-style-type: none"> <li>• Earthquake</li> <li>• Flood</li> <li>• Please refer to the actual policy for all terms, conditions and exclusions</li> <li>• <b>Independent Contractors - Not Covered</b></li> </ul>		

## GLOBAL CARGO COVERAGES

<b>Coverages</b>	<b>Insurer: Lloyds of London</b> <b>Policy Number: MC-2451</b> <b>Policy Term: 11/30/11-12</b>	
Coverage for losses resulting from direct physical change of or loss of incoming, outgoing or intercompany shipments of Goods Insured. War Risks, Strikes, Riots and Civil Commotion.		
<b>Goods Insured:</b>		
All lawful goods and merchandise consisting primarily of <b>semiconductors and including packing materials</b> and similar good incidental to the business of the assured.		
<b>Limits:</b>		
Air Conveyance		\$500,000
Land Conveyance		\$500,000
Vessel Conveyance		\$500,000
Exhibition/Trade Shows		\$100,000
Non-containerized On-Deck Conveyance		\$50,000
Sales Samples		\$10,000
Messenger		\$10,000
Any one package shipped via registered mail		\$10,000
<b>Deductibles:</b>		
Per claim		\$1,000
<b>Rating / Exposure Basis:</b>		
Exposure Basis – Sales		\$500,000
Auditable Rate		Flat
Policy Auditable		Yes
Minimum Premium		\$1,500
<b>Valuation:</b>		
<b>Goods and/or Merchandise under Invoice:</b> Valued, premium included, at amount of invoice and including all charges in the invoice, and including prepaid and/or advanced and/or guaranteed freight plus 10%.		
<b>Intercompany Shipment:</b> Valued at the intercompany invoice, or if no invoice, at replacement cost.		
<b>All Other Goods and/or Merchandise including Returned or Refused Shipments:</b> Valued at replacement cost.		

## GLOBAL CARGO COVERAGES

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<b>Territory:</b>
Worldwide, except where prohibited by law
<b>Exclusions:</b>
<ul style="list-style-type: none"><li>• Biological, Chemical, Biochemical</li><li>• South America 60 day clause</li><li>• Electromagnetic Exclusion</li><li>• Radioactive Exclusion</li><li>• Others per policy form</li><li>• Please refer to actual policy for all terms, conditions and exclusions</li><li>• <b>Independent Contractors – Not Covered / Not Applicable</b></li></ul>

# GLOBAL GENERAL LIABILITY

<b>Coverages:</b>	<b>Insurer: Hartford</b> <b>Policy Number: 7UUNVX9250</b> <b>Policy Term: 11/30/11-12</b>	
<b>Commercial General Liability:</b> Provides coverage for third party suits alleging Bodily Injury, Property Damage, Personal Injury and Advertising Injury. Coverage includes defense costs and provides coverage for settlements or damages awarded to claimants. Defense costs are <b>outside</b> the limits of insurance.		
<b>Products/Completed Operations:</b> Provides coverage for third party suits alleging Bodily Injury or Property Damage arising out of your product or completed work. Coverage includes defense costs and provides coverage for settlements or damages awarded to claimants. Defense costs are <b>outside</b> the limits of insurance.		
<b>Employee Benefits Liability:</b> Provides coverage for suits arising as a result of negligent acts, errors or omissions in administering employee benefit programs. Coverage includes defense costs and provides coverage for settlements or damages awarded to claimants. Defense costs are <b>within</b> the limits of insurance.		
<b>Limits:</b>		
Aggregate		\$2,000,000
Products / Completed Ops Aggregate		\$2,000,000
Advertising Injury & Personal Injury		\$1,000,000
Damage to Premises Rented to You		\$1,000,000
Medical Expense		\$10,000
Employee Benefits Liability – Per Occ		\$1,000,000
Employee Benefits Liability – Per Agg		\$2,000,000
Employee Benefits Liability – Deductible		\$1,000
Stop Gap Employers Liability – By Accident		\$1,000,000
Stop Gap Employers Liability – By Disease		\$1,000,000
Stop Gap Employers Liability – Aggregate		\$1,000,000
<b>Exposure Information:</b> <i>(Subject to final audit)</i>		
Revenues – Domestic (Products)		\$200,000
Revenues – Foreign (Products)		\$300,000
Revenues – Domestic (Licensing)		\$10,000,000
Revenues – Foreign (Licensing)		\$20,000,000
Total Revenues		\$30,500,000

<b>Territory:</b>
Global, except those countries prohibited by law
<b>Exclusions:</b>
<ul style="list-style-type: none"> <li>• Asbestos Exclusion; Intellectual Property Exclusion; PHN-Recording &amp; Distribution of Material of Information in Violation of Law</li> <li>• Please refer to the actual policy for all terms, conditions and exclusions</li> <li>• <b>Independent Contractors – liability arising from their actions for work on behalf of TPL. Does not cover the ICs directly.</b></li> </ul>

## ERRORS & OMISSIONS COVERAGES

<b>Coverages:</b>	<b>Insurer: Hartford</b> <b>Policy Number: TE027237411</b> <b>Policy Term: 11/30/11-12</b>	
<b>Technology Errors &amp; Omissions:</b> Provides coverage for third party suits alleging failure of product, related software and/or support to perform as promised. Coverage includes defense costs and provides coverage for settlements or any damages awarded to claimants. Defense costs are within the limits of insurance.		
<b>Limits:</b>		
Errors and Omissions – Per Occ		\$2,000,000
Errors and Omissions – Per Agg		\$2,000,000
Errors and Omissions – Deductible Per Claim		\$25,000
Retro Active Date – E&O		9/1/2006
<b>Exposure Information:</b> <i>(Subject to final audit)</i>		
Revenues – Domestic (Products)		\$200,000
Revenues – Foreign (Products)		\$300,000
Revenues – Domestic (Licensing)		\$10,000,000
Revenues – Foreign (Licensing)		\$20,000,000
Total Revenues		\$30,500,000
<b>Territory:</b>		
Global, except those countries prohibited by law.		
<b>Exclusions:</b>		
<ul style="list-style-type: none"> <li>• Asbestos Exclusion</li> <li>• Intellectual Property Exclusion</li> <li>• PHN-Recording &amp; Distribution of Material of Information in Violation of Law</li> <li>• Please refer to the actual policy for all terms, conditions and exclusions</li> <li>• <b>Independent Contractors – liability arising from their actions for work on behalf of TPL. Does not cover the ICs directly.</b></li> </ul>		

## GLOBAL GENERAL LIABILITY & E&O

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<b>Territory:</b>
Global, except those countries prohibited by law
<b>Exclusions:</b>
<ul style="list-style-type: none"><li>• Asbestos Exclusion</li><li>• Intellectual Property Exclusion</li><li>• PHN-Recording &amp; Distribution of Material of Information in Violation of Law</li><li>• Please refer to the actual policy for all terms, conditions and exclusions</li><li>• <b>Independent Contractors – liability arising from their actions for work on behalf of TPL. Does not cover the ICs directly.</b></li></ul>

## DOMESTIC AUTO COVERAGES

<b>Coverages:</b>	<b>Insurer: Hartford</b>	
	<b>Policy Number: 57UUNVX9250</b>	
	<b>Policy Term: 11/30/11-12</b>	
<p><b>Non-Owned &amp; Hired Car liability:</b> Coverage for Third Party suits alleging Bodily Injury or Property Damage as a result of an accident involving an owned auto or a car driven by an employee while on company business. Symbols 8 &amp; 9</p> <p><b>Hired Auto Physical Damage:</b> Physical damage coverage for hired autos Symbols 1, 8,9</p>		
<b>Domestic Limits:</b>		
Non-owned & Hired Liability CSL		\$1,000,000
Uninsured/Underinsured Motorist Liability		\$1,000,000
Hired Auto Physical Damage		\$50,000 / Actual Cash Value or cost of repair
Auto Medical Payments		\$5,000
Collision Deductible		\$1,000
Comprehensive Deductible		\$1,000
Loss of Use		\$10,000
<b>Exposure Information:</b>		
Estimated Annual Auto Rental Days - Domestic		150
Annual Rental Costs \$ - Domestic		\$12,000
<b>Vehicle Schedule:</b>		
1. 2008 BMW 750LI VIN#WBAHN83558DT79654 Cost New: \$78,900 95014		
<b>Drivers Schedule:</b> Provide Name, DL#, State, DOB		
<ul style="list-style-type: none"> <li>• Daniel E. Leckrone CDL#N529367 DOB: 02/01/38</li> <li>• Nick Antonopoulos N2100708 04/24/56</li> </ul>		
<b>Territory:</b>		
The United States of America, its territories & possessions, Puerto Rico and Canada		
<b>Exclusions:</b>		
<ul style="list-style-type: none"> <li>• Please refer to actual policy form for terms, conditions and exclusions.</li> <li>• <b>Independent Contractors - Not Covered</b></li> </ul>		

## FOREIGN AUTO COVERAGES

<b>Coverages:</b>	<b>Insurer:</b> ACE/Hartford <b>Policy Number:</b> PHFD37257606 <b>Policy Term:</b> 11/30/11-12	
Foreign Auto Liability Symbols 8,9		
<b>Foreign Limits:</b>		
Bodily Injury/Property Damage		\$1,000,000
<b>Exposure Information:</b>		
Estimated Annual Auto Rental Days – Foreign		20
Annual Rental Costs – \$ Foreign		\$1,500
<b>Vehicle Schedule:</b>		
N/A		
<b>Drivers Schedule:</b>		
N/A		
<b>Territory:</b>		
Global, except those countries prohibited by law.		
<b>Exclusions:</b>		
<ul style="list-style-type: none"> <li>Owned Autos</li> <li>Please refer to actual policy form for terms, conditions and exclusions.</li> <li><b>Independent Contractors – Not Covered</b></li> </ul>		



## FOREIGN WORKERS COMPENSATION

<b>Coverages</b>		<b>Insurer:</b> ACE/Hartford <b>Policy Number:</b> PHFD37257606 <b>Policy Term:</b> 11/30/11-12
Include Coverage: <ul style="list-style-type: none"> <li>• US Hires Working Overseas</li> <li>• Third Country Nationals</li> <li>• Local Nationals</li> </ul>	<ul style="list-style-type: none"> <li>- Benefits – State of Hire</li> <li>- Benefits - Country of Origin</li> <li>- Excess DIC Benefits - Country of Origin</li> </ul>	
<b>Limits</b>		
Workers Compensation		Statutory
Employers Liability –Bodily Injury by Accident – Each Accident		\$1,000,000
Employers Liability –Bodily Injury by Disease – Each Employee		\$1,000,000
Employers Liability –Bodily Injury by Disease – Policy Limit		\$1,000,000
Medical Assistance Services		\$500,000
Repatriation Expense – Each Employee		\$250,000
Repatriation Expense – Aggregate		Unlimited
<b>Coverage Enhancements</b>		
<ul style="list-style-type: none"> <li>• Provide Travel Assistance Services</li> </ul>		
<b>Estimated Exposure Information</b>		
# of US Employee Travel Days Overseas Per Year		300
# of Foreign Employee Travel Days Outside of country of hire Per Year		0
<u>Countries / Areas Traveled: Korea, Japan, China, Europe</u>		
<b>Payrolls By Country (US \$)</b>		<b>\$US Dollars</b>
France		\$50,000
<b>Exclusions:</b>		
<ul style="list-style-type: none"> <li>• Please refer to actual policy form for all terms, conditions and exclusions</li> <li>• <b>Independent Contractors – Not Covered</b></li> </ul>		

## UMBRELLA LIABILITY

<b>Coverages:</b>	<b>Renewal</b> <b>Insurer: Hartford</b> <b>Policy Number: 57RHUVX9081K2</b> <b>Policy Term: 11/30/11-12</b>	
Excess Liability, following form over underlying policies.		
<b>Limits:</b>		
Each Occurrence Limit		\$10,000,000
Products/Completed Ops Aggregate		\$10,000,000
Bodily Injury by Disease Aggregate		\$10,000,000
General Aggregate Limit		\$10,000,000
Self Insured Retention		\$10,000
<b>Underlying Schedule of Insurance:</b>	<b>Limit</b>	<b>Insurer/Policy Number</b>
Commercial General Liability	\$1,000,000 Occ	Hartford/57UUNVX9250
Commercial General Liability	\$2,000,000 Agg	Hartford/57UUNVX9250
Personal / Advertising Liability	\$1,000,000 Agg	Hartford/57UUNVX9250
Employee Benefits Liability	\$1,000,000	Hartford/57UUNVX9250
Domestic Auto Liability	\$1,000,000	Hartford/57UUNVX9250
Foreign Auto Liability	\$1,000,000	ACE/PHFD37257606
Foreign Liability	\$1,000,000	ACE/PHFD37257606
<b>Exposure Information:</b>		
Revenues – Domestic (Products)		\$200,000
Revenues – Foreign (Products)		\$300,000
Revenues – Domestic (Licensing)		\$10,000,000
Revenues – Foreign (Licensing)		\$20,000,000
Total Revenues		\$30,500,000
<b>Territory:</b>		
Global, except where prohibited by law		
<b>Exclusions:</b>		
<ul style="list-style-type: none"> <li>• Errors &amp; Omissions Not Covered by Umbrella</li> <li>• Please refer to actual policy form for terms, conditions and exclusions.</li> <li>• <b>Independent Contractors – See General Liability section</b></li> </ul>		

## GLOBAL CRIME COVERAGES

<b>Coverages:</b>	<b>Insurer: Chubb</b> <b>Policy Number: 82073234</b> <b>Policy Term: 11/30/11-12</b>	
Theft of property, money & securities by employees. Forgery or theft of monetary instruments including checks. Coverage applies to Loss Sustained.		
<b>Limits:</b>		
Employee Theft (Includes ERISA Endorsement) (A)		\$250,000
Premises (B)		\$250,000
In Transit (C)		\$250,000
Forgery (D)		\$250,000
Computer Fraud Coverage (E)		\$250,000
Funds Transfer Fraud Coverage (F)		\$250,000
Money Orders & Counterfeit Money (G)		\$250,000
Credit Card Forgery (H)		\$250,000
Client Coverage (I)		\$250,000
Expense Coverage (J)		\$250,000
<b>Deductible:</b>		
Deductible – per occurrence		\$5,000
<b>Terms</b>		
Independent Contractors		Covered
<b>Territory:</b>		
Worldwide		
<b>Exclusions:</b>		
<ul style="list-style-type: none"> <li>○ Kidnap and Ransom (covered under separate limits)</li> <li>○ Please refer to actual policy form for the terms, conditions and exclusions.</li> <li>○ <b>Independent Contractors – Covered as of 11/30/2010</b></li> </ul>		

## FIDUCIARY LIABILITY COVERAGES

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<b>Coverages:</b>	<b>Insurer: Chubb</b>	
	<b>Policy Number: 82073234</b>	
	<b>Policy Term: 11/30/11-12</b>	
<b><u>Fiduciary Liability-</u></b>		
Protection for those who administer pension and welfare funds, profit-sharing and other employee benefit programs against loss for errors and omissions by the administrator. The need for this coverage was created by the Employee Retirement Income Security Act (ERISA) of 1974. Also known as pension trust liability insurance.		
<b>Fiduciary Liability Limit</b>		
Maximum Limit of Liability – Annual Aggregate		\$1,000,000
<b>Deductible:</b>		
Fiduciary Liability Deductible		\$0
Pending & Prior Litigation Date		Sept. 14, 2006
Duty of Defend		Yes
Type of Policy		Claims Made
<b>Territory:</b>		
Worldwide		
<b>Endorsements and Exclusions</b>		
<ul style="list-style-type: none"> <li>• HIPPA Extension Endorsement</li> <li>• Please refer to actual policy form for all terms, conditions and exclusions.</li> </ul>		

## SPECIAL CRIME COVERAGES

<b>Coverages:</b>	<b>Insurer: Chubb</b>	
	<b>Policy Number: 82073234</b>	
	<b>Policy Term: 11/30/11-12</b>	
<b><u>Kidnap/Ransom-</u></b>		
Protection for those who administer pension and welfare funds, profit-sharing and other employee benefit programs against loss for errors and omissions by the administrator. The need for this coverage was created by the Employee Retirement Income Security.		
<b>Kidnap/Ransom Limits</b>		
Insuring Clause 1 - Kidnapping and Extortion Coverage(A)		\$5,000,000
Insuring Clause 2 - Custody Coverage (B)		\$5,000,000
Insuring Clause 3 - Expense Coverage (C)		\$5,000,000
Accidental Loss (D)		\$5,000,000
Insuring Clause 4 - Accidental Loss Coverage		
- Loss of Life Benefit Amount:		\$1,000,000
- Event Benefit Amount:		\$1,000,000
- Mutilation (Percentage of Loss of Life Benefit Amount)		25%
- Accidental Loss other than Mutilation of Loss of Life Benefit Amount):		100%
Legal Liability Costs Coverage (E)		\$5,000,000
Emergency Political Repatriation (F)		\$500,000
<b>Deductible:</b>		
Kidnap and Ransom		None
<b>Exposure Information:</b>		
Total U.S. Employees:		45
Total Foreign Employees:		1
<b>Territory:</b>		
Worldwide		
<b>Exclusions:</b>		
<ul style="list-style-type: none"> <li>• Please refer to actual policy form for all terms, conditions and exclusions.</li> <li>• <b>Independent Contractors – Not Covered</b></li> </ul>		

# DIRECTORS & OFFICERS LIABILITY/EMPLOYMENT PRACTICES LIABILITY COVERAGES

<b>Coverages:</b>	<b>Insurer: Chartis</b> <b>Policy Number: 01-381-33-98</b> <b>Policy Term: 11/30/11-12</b>	
	<ul style="list-style-type: none"> <li>▪ Directors &amp; Officers Liability (Management Liability &amp; Company Reimbursement)</li> <li>▪ Employment Practices Liability</li> </ul>	
<b>Limits:</b>		
Combined Directors & Officer Liability & Employment Practices Liability Limit – Aggregate – all losses		\$5,000,000
Additional Limit of Liability for Costs, Charges and Expenses is included		\$1,000,000
<b>Retentions / Terms:</b>		
Directors & Officers Liability Retention		\$50,000
Employment Practices Claim Retention		\$50,000
Employment Practices Claim – 3 <sup>rd</sup> Party – Retention		\$50,000
Defense Costs		Included in Limits
Continuity Date – first \$2,000,000 limit		11/3/2006
Continuity Date – limit in excess of \$2,000,000		11/3/2007
Policy Type		Claims Made
Defense Type		Duty to Defend
<b>Cases: (Specific Investigation-Claim-Litigation Event or Act Exclusion) Form #99193 05/08</b>		
<ul style="list-style-type: none"> <li>• <i>Chester A. Brown, Jr. and Marcie Brown v. Technology Properties Limited LLC, dba TPL Group; Daniel E. Leckrone, et al.</i> Santa Clara County Superior Court Case #: 1-09-CV-159452</li> <li>• <i>Technology Properties Limited LLC, dba TPL Group v. Chester A. Brown, Jr., et al.</i> (Cross-Complaint) Santa Clara County Superior Court Case #: 1-09-CV-159452</li> <li>• <i>Cupertino City Center Buildings v. Technology Properties Limited</i> Santa Clara County Superior Court Case #: 1-10-CV-186192</li> <li>• <i>Daniel Leckrone and Technology Properties Limited v. Phil Marcoux, et al.</i> (Complaint) Santa Clara County Superior Court Case #: 1-09-CV-159593</li> <li>• <i>Phil Marcoux, et al. v. Technology Properties Limited LLC, Daniel Leckrone, ChipScale, Inc., IntellaSys BEC Ltd., Wafer-Level Packaging Portfolio LLC, Alliacense LLC, Apple, Inc., et al.</i> (1<sup>st</sup> Amended Cross-Complaint) Santa Clara County Superior Court Case #1-09-CV-159593</li> <li>• <i>In the Matter of the Arbitration of Charles H. Moore &amp; TPL Group Technologies Properties Limited</i> American Arbitration Association Case #79-117-Y-000046 09 JEMO</li> <li>• <i>Charles H. Moore v. Technology Properties Limited LLC, Alliance LLC, Daniel E. Leckrone, Daniel M. Leckrone, Michael Davis, et al.</i> Santa Clara County Superior Court Case #: 1-10-CV-183613</li> <li>• <i>Patriot Scientific Corporation v. Technology Properties Limited LLC, Alliacense LLC, et al.</i> Santa Clara County Superior Court Case #: 1-10-CV-169836</li> <li>• <i>Pascal Chauvin HR matter</i>[I believe the French case number is: "RCS de Paris #498 029 511 (2007 B 10862)"]</li> </ul>		

# DIRECTORS & OFFICERS LIABILITY/EMPLOYMENT PRACTICES LIABILITY COVERAGES

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<b>Exclusions:</b>	
Form # 105119 (04/10)	Family Exclusion Endorsement (D&O Coverage) *The Leckrone Family
Form # 98962 (04/08)	Professional Errors and Omissions Exclusion Endorsement (with Securities Claim Carveback) (D&O Coverage)
<ul style="list-style-type: none"><li>• Please refer to actual policy form for terms, conditions, and exclusions.</li></ul>	

## APPENDIX A - STATEMENT OF PROPERTY VALUES

Statement of Property Values (in US Dollars)											
TPL Group. - As of November, 2011											
#	Street Address	Sq. Ft.	Construction Type / Age of Building	Sprinkled Y/N	Alarm Systems	Tenant Improvements	Fixed Assets/Contents - \$	Inventory / WIP - \$	Computer Equipment - \$	Business Income / Contingent Business Income	Total Insured Values - \$
<b>Scheduled Locations:</b>											
1	20883 Stevens Creek Blvd., Suite 100, Cupertino, CA 95014	9,729	Steel/Masonry Year Built 2000 or newer	Yes	Security Cameras, key card access	\$50,000	\$450,000	\$150,000	\$400,000	\$1,000,000	\$2,050,000
<b>Scheduled Vendors (Fabs / Assembly/Test)</b>											
						\$50,000	\$450,000	\$150,000	\$400,000	\$1,000,000	\$2,700,000
<u>Valuation: Business Personal Property--900,000-----Current Replacement Cost \$900,000</u> <u>Property of Others--\$50,000-----Estimated Replacement Cost \$50,000</u> <u>Raw Materials, Supplies-----Estimated Replacement Cost</u> <u>Work-in-Process-----Value of Labor &amp; Material Expended + Proper Portion of Overhead</u> <u>Finished Inventory You Manufacture-----Selling Price</u> <u>Finished Inventory Manufactured by Others--\$150,000-----Replacement Cost: \$150,000</u> <u>The above values are accurate to the best of my knowledge and belief:</u> Signed: _____ Date: _____											



Policy Digest 2012-2013  
For  
The TPL Group

Type of Policy	Company	Policy Number	Policy Term	Premium	Coverage	Limits	Deductible
Domestic Package Policy	Hartford	57UUNVX9260	11/30/12-13	\$4,990	Personal Property/Inv/EDP Blnktd:	\$1,071,000	\$1,000
					Business Income / EE:	\$1,000,000	1,000
					Earthquake Sprinkler Leakage:	\$2,000,000	\$25,000
General Liability	Hartford	57UUNVX9260	11/30/2012	\$13,653	General Liability Aggregate:	\$2,000,000	
					Products/Completed Ops Agg:	\$2,000,000	
					Pers./ Advertising Liab Per Occ.:	\$1,000,000	
					Damage to Premises Rented to You:	\$1,000,000	
					Medical Expenses:	\$10,000	
					Employee Benefits Liab. Agg:	\$1,000,000	
Stop Gap WA:	\$1,000,000						
Auto	Hartford	57UUNVX9260	11/30/12-13	\$2,573	CSL	\$1,000,000	\$1,000
Umbrella	Hartford	57RHIVX9081	11/30/12-13	\$8,471	Products/Completed Ops Limit:	\$10,000,000	\$10,000
					General Aggregate	\$10,000,000	\$10,000
Errors & Omissions	Hertford	TE027237412	11/30/12-13	\$11,494	Each Glitch	\$2,000,000	\$25,000
					Retroactive Date:	9/1/2006	
Foreign Package	ACE	PHFD37562051001	11/30/12-13	7,589	Foreign Property AOL Limit	\$250,000	\$100
					Tenants Liability	\$100,000	\$100
					Foreign General Liability Aggregate:	\$2,000,000	
					Products/Completed Ops Agg:	\$2,000,000	
					Advertising Injury & Personal Injury	\$1,000,000	
Foreign Voluntary WC					WC:	\$1,000,000	
					Employers Liability	\$1,000,000	\$1,000
Foreign Automobile					CSL	\$1,000,000	
D&O/EPL	Chartis	04-454-44-78	11/30/12-13	\$63,366	D&O Limit:	\$5,000,000	\$50,000
					Employment Practices	\$2,000,000	\$50,000
					Continuity Date	11/3/2006	
Crime/Fiduciary/ Business Travel Accident	Chubb	8207-3234	11/30/12-13	\$6,910	Crime - Employee Dishonesty	\$250,000	\$ 5,000
					Fiduciary	\$1,000,000	\$0
					Special Crime	\$5,000,000	\$0
Cargo Ocean Marine	Falvey/Lloyds	MC-2451	11/30/12-13	\$1,500	Air/Land/Vessel	\$500,000	\$1,000
					Exhibition/Trade Fairs	\$100,000	1,000

Policy Digest 2013-2014  
For  
The TPL Group

Type of Policy	Company	Policy Number	Policy Term	Premium	Coverage	Limits	Deductible
<b>Domestic Package Policy</b>	Hartford	57UUNVX9250	11/30/13-14	\$5,298	Personal Property/Inv/EDP Blnktd:	\$1,350,000	\$1,000
<b>Property</b>					Business Income / EE:	\$1,000,000	72 Hours
					Earthquake Sprinkler Leakage:	\$2,000,000	\$25,000
<b>General Liability</b>	Hartford	57UUNVX9250	11/30/2013	\$7,636	General Liability Aggregate:	\$2,000,000	
					Products/Completed Ops Agg:	\$2,000,000	
					Pers./ Advertising Liab Per Occ.:	\$1,000,000	
					Damage to Premises Rented to You:	\$1,000,000	
					Medical Expenses:	\$10,000	
					Employee Benefits Liab. Agg:	\$1,000,000	
					Stop Gap WA:	\$1,000,000	
<b>Auto</b>	Hartford	57UUNVX9250	11/30/12-13	\$2,128	CSL	\$1,000,000	\$1,000
<b>Umbrella</b>	Hartford	57RHIVX9081	11/30/13-14	\$7,832	Products/Completed Ops Limit:	\$10,000,000	\$10,000
				Pending Revised Premium	General Aggregate	\$10,000,000	
<b>Errors &amp; Omissions</b>	Hartford	TE027237413	11/30/13-14	\$1,620	Each Glitch	\$2,000,000	\$25,000
					Retroactive Date:	9/1/2006	
<b>Foreign Package</b>	ACE	PHFD37562051002	11/30/13-14	7,589	Foreign Property AOL Limit	\$250,000	\$100
					Tenants Liability	\$100,000	\$100
					Foreign General Liability Aggregate:	\$2,000,000	
					Products/Completed Ops Agg:	\$2,000,000	
					Advertising Injury & Personal Injury	\$1,000,000	
<b>Foreign Voluntary WC</b>					Employers Responsibility	Included	
					Employers Liability	\$1,000,000	
<b>Foreign Automobile</b>					CSL	\$1,000,000	
<b>D&amp;O/EPL</b>	Chartis	04-454-44-78	Non Renewed by TPL	Non Renewed by TPL	D&O Limit:	\$5,000,000	\$15,000
					Employment Practices	\$2,000,000	\$15,000
					Continuity Date - first \$2,000,000	11/3/2006	
					Continuity Date - limit in excess of \$2,000,000	11/3/2007	
<b>Crime/Fiduciary/</b>	Chubb	8207-3234	11/30/13-14	\$7,507	Maximum Aggregate Limit of Liability	\$1,000,000	
<b>Business Travel Accident</b>					Crime - Including 3rd Party	\$250,000	\$ 5,000
					Fiduciary	\$1,000,000	\$0
					Special Crime	\$5,000,000	\$0

# EXHIBIT B

## TPL Licensee Objectors

- Alcon Research, Ltd.
- Apple Inc.
- Blackberry Limited
- DirecTV, LLC
- Fujitsu Limited
- Mattel, Inc.
- NEC Corporation
- Nikon Corporation

## **EXHIBIT B-2**

On occasion, Alliacense may announce selected events that are representative of its activities at large. See below for examples.

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**Palace Entertainment Purchases MMP Portfolio™ License**

**Fujitsu Limited Purchases Fast Logic™ Portfolio License**

**CSR plc Purchases Fast Logic™ Portfolio License**

**ProMOS Technologies Inc. Purchases Fast Logic™ Portfolio License**

**Sony Corporation Purchases Fast Logic™ Portfolio License**

**SK Hynix Purchases Fast Logic™ Portfolio License**

**Advanced Micro Devices Purchases Fast Logic™ Portfolio License**

**ON Semiconductor Purchases Fast Logic™ Portfolio License**

**Acer Inc. Purchases CORE Flash™ Portfolio License**

**Acer Inc. Purchases MMP Portfolio™ License**

**Amazon.com Inc. Purchases MMP Portfolio™ License**

**Kyocera Corporation Purchases MMP Portfolio™ License**

**Brother Industries, Ltd. Purchases CORE Flash™ Portfolio License**

**Marvell Semiconductor Purchases Fast Logic™ Portfolio License**

**CORE Flash Portfolio Licensing Program Strengthened as Dell Inc. Settles Out of CORE Flash™ Cases**

**Datalogic S.p.A. Purchases MMP Portfolio™ License**

**Datalogic S.p.A. Purchases Fast Logic Portfolio™ License**

**Datalogic S.p.A. Purchases CORE Flash™ Portfolio License**

**Brocade Communications Systems, Inc. Purchases MMP Portfolio™ License**

**ITC Issues Exclusion Orders Against CORE Flash™ Portfolio Infringers**

**Fujitsu Limited Purchases CORE Flash™ Portfolio License**

**Panasonic Corporation Purchases CORE Flash™ Portfolio License**

**Sierra Wireless, Inc. Purchases MMP Portfolio™ License**

**Systemax Inc. Purchases CORE Flash™ Portfolio License**

**Oracle Corporation Purchases Fast Logic Portfolio™ License**

**Oracle Corporation Purchases MMP Portfolio™ License**

**UTC Purchases MMP Portfolio™ License**

**Micron Technology, Inc. Purchases CORE Flash™ Portfolio License**

**Transcend Information, Inc. Purchases CORE Flash™ Portfolio License**

**Sabrent Purchases CORE Flash™ Portfolio License**

**Pentair, Inc. Purchases Fast Logic Portfolio™ License**

**Pentair Purchases MMP Portfolio™ License**

**13 Companies Cited for Infringement of MMP Portfolio™  
in ITC Complaint**

**Alliacense Announces Ford Motor Company Purchases  
MMP Portfolio™ License**

**Jasco Products Purchases CORE Flash™ Portfolio License**

**Samsung Electronics Purchases CORE Flash™ Portfolio  
License**

**Renesas Purchases Fast Logic™ Portfolio License**

**The TPL Group Files Second Wave of ITC and District  
Court Complaints on CORE Flash Technology**

**The Walt Disney Company Purchases Fast Logic™  
Portfolio License**

**The Walt Disney Company Purchases CORE Flash™  
Portfolio License**

**VOXX International Purchases CORE Flash™ Portfolio  
License**

**The Walt Disney Company Purchases MMP Portfolio™  
License**

**Micca Purchases CORE Flash™ Portfolio License**

**Cirrus Logic Purchases Fast Logic™ Portfolio License**

**Tyco International Ltd. Purchases MMP Portfolio™  
License**

**Extreme Networks, Inc. Purchases MMP Portfolio™ License**

**Xilinx, Inc. Purchases Fast Logic™ Portfolio License**

**ViewSonic Corporation Purchases CORE Flash™ Portfolio License**

**Lottomatica Purchases MMP Portfolio™ License**

**Lottomatica Purchases Fast Logic Portfolio™ License**

**TE Connectivity Purchases MMP Portfolio™ License**

**TE Connectivity Purchases Fast Logic Portfolio™ License**

**Royal Consumer Information Products, Inc. Purchases CORE Flash™ Portfolio License**

**Curtis International, Ltd. Purchases CORE Flash™ Portfolio License**

**NVIDIA Purchases Fast Logic™ Portfolio License**

**Cymer, Inc. Purchases MMP Portfolio™ License**

**TAO Electronics and Circus World Displays Purchase CORE Flash™ Portfolio Licenses**

**Cummins Inc. Purchases Fast Logic™ Portfolio License**

**Aluratek, Inc. Purchases CORE Flash™ Portfolio License**

**CEIVA Logic, Inc. Purchases CORE Flash™ Portfolio License**

**Creedon Technologies Purchases CORE Flash™ Portfolio License**

**Freescale Purchases Fast Logic™ Portfolio License**

**Coby Electronics Purchases CORE Flash™ Portfolio License**

**Sakar International, Inc. Purchases CORE Flash™ Portfolio License**

**The TPL Group Enhances Fast Logic Portfolio Licensing Program with Infringement Action in District Court**

**Lenovo Purchases CORE Flash™ Portfolio License**

**Velocity Micro Purchases CORE Flash™ Portfolio License**

**Cummins Inc. Purchases MMP Portfolio™ License**

**GiiNii International Purchases CORE Flash™ Portfolio License**

**Merkury Innovations Purchases CORE Flash™ Portfolio License**

**Gear Head Purchases CORE Flash™ Portfolio License**

**Xi Computer Purchases CORE Flash™ Portfolio License**

**Fourstar Group Purchases CORE Flash™ Portfolio License**

**Arcelik Purchases MMP Portfolio™ License**

**Arcelik Purchases Fast Logic™ Portfolio License**

**Leica Camera Purchases MMP Portfolio™ License**

**Optoma Purchases MMP Portfolio™ License**

**Optoma Purchases Fast Logic™ Portfolio License**

**Blue Coat Systems, Inc. Purchases MMP Portfolio™ License**



**Caterpillar Inc. Purchases MMP™ Portfolio License**

**Blue Coat Systems, Inc. Purchases Fast Logic™ Portfolio License**

**VTech Holdings Ltd Purchases MMP Portfolio™ License**

**Force10 Networks Purchases Moore Microprocessor Patent™ Portfolio License**

**TPV Technology Purchases Fast Logic™ Portfolio License**

**Alcon Purchases Moore Microprocessor Patent™ Portfolio License**

**Buffalo Technology Inc. Purchases Moore Microprocessor Patent™ Portfolio License**

**Cardiac Science Purchases Moore Microprocessor Patent™ Portfolio License**

**Smith & Nephew Purchases Moore Microprocessor Patent™ Portfolio License**

**Smith & Nephew Purchases Fast Logic™ Portfolio License**

**PNY Technologies Purchases CORE Flash™ Portfolio License**

**SANYO Electric Co. Ltd. Purchases Moore Microprocessor Patent™ Portfolio License**

**Westinghouse Digital Electronics Purchases CORE Flash™ Portfolio License**

**ADC Telecommunications Purchases Moore Microprocessor Patent™ Portfolio License**

**Pantech Co. Ltd, and Pantech & Curitel Communications Inc. Purchases Moore Microprocessor Patent™ Portfolio License**

**Varian Medical Systems Purchases Moore Microprocessor Patent™ Portfolio License**

**Hoffmann-La Roche purchases MMP portfolio license**

**Unisys Corporation Purchases Moore Microprocessor Patent™ Portfolio License**

**Roper Industries Purchases Moore Microprocessor Patent™ Portfolio License**

**Royal Philips Electronics Purchases CORE Flash™ Portfolio License**

**Imation Purchases Fast Logic™ Portfolio License**

**Verbatim Purchases CORE Flash™ Portfolio License**

**ASUSTeK Purchases CORE Flash™ Portfolio License**

**ASUSTeK Purchases Moore Microprocessor Patent™ Portfolio License**

**Royal Philips Electronics Purchases Fast Logic™ Portfolio License**

**Respironics to be Covered by MMP™ Portfolio License**

**Rockwell Automation Purchases Moore Microprocessor Patent™ Portfolio License**

**Lexmark Purchases CORE Flash™ Portfolio License**

**Bosch Purchases Fast Logic™ Portfolio License**

**Roland Becomes 50th Licensee, Setting a Major Milestone in Moore Microprocessor Patent™ Licensing Progra**

**Audiovox Purchases Moore Microprocessor Patent™ Portfolio License**

**Bosch Purchases Moore Microprocessor Patent™ Portfolio License**

**Hoya Purchases Moore Microprocessor Patent™ Portfolio License**

**Onkyo Purchases Moore Microprocessor Patent™ Portfolio License**

**RIM and The TPL Group Agree to Moore Microprocessor Patent™ Portfolio License**

**Belkin Purchases CORE Flash™ Portfolio License**

**Emerson Radio Purchases Moore Microprocessor Patent™ Portfolio License**

**Gerber Scientific Purchases Moore Microprocessor Patent™ Portfolio License**

**Citizen Purchases Moore Microprocessor Patent™ Portfolio License**

**Advanced Medical Optics Licenses Moore Microprocessor Patent™ Portfolio**

**Mattel Becomes 40th Licensee, Setting a Major Milestone in Moore Microprocessor Patent™ Licensing Program**

**DIRECTV Purchases Moore Microprocessor Patent™ Portfolio License**

**ATEN and IOGEAR products now covered under CORE Flash™ Portfolio License**

**Tokyo Electron Purchases Moore Microprocessor Patent™ Portfolio License**

**Psion Purchases Moore Microprocessor Patent™ Portfolio License**

**Humax Purchases Moore Microprocessor Patent™ Portfolio License**

**Verigy Purchases Moore Microprocessor Patent™ Portfolio License**

**TPL and NEC Electronics America Resolve Their Dispute Over the Moore Microprocessor Patent™ Portfolio**

**TPL, Toshiba, Matsushita (Panasonic), and JVC Resolve Their Dispute Over the Moore Microprocessor Patent™ Portfolio**

**Alpine Electronics Purchases Moore Microprocessor Patent™ Portfolio License**

**Lite-On IT Purchases Moore Microprocessor Patent™ Portfolio License**

**TPL Group Licenses Moore Microprocessor Patent™ Portfolio To WMS**

**Daewoo Electronics Purchases Moore Microprocessor Patent™ Portfolio License**

**TEAC Corporation Purchases Moore Microprocessor Patent™ Portfolio License**

**Mace Group, Inc. Purchases CORE Flash™ Portfolio License**

**EDGE Tech Corp Purchases CORE Flash™ Portfolio License**

**Brookstone First Retailer to Purchase CORE Flash™ Portfolio License from The TPL Group**

**Royal Philips Purchases Moore Microprocessor Patent™ Portfolio License**

**American Power Conversion Products to be Covered by MMP™ Portfolio License**

**Denso Wave Purchases Moore Microprocessor Patent™ Portfolio License**

**DMP Electronics Signs Agreement to Implement Moore Microprocessor Patent™ Design Techniques in Manufacturing Semiconductor Devices**

**The LEGO Group Purchases Moore Microprocessor Patent™ Portfolio License**

**Bull Purchases Moore Microprocessor Patent™ Portfolio License**

**Nokia Purchases Moore Microprocessor Patent™ Portfolio License**

**Sharp Purchases Moore Microprocessor Patent™ Portfolio License**

**SanDisk Purchases Moore Microprocessor Patent™ Portfolio License**

**Funai Purchases Moore Microprocessor Patent™ Portfolio License**

**NEC Purchases Moore Microprocessor Patent™ Portfolio License**

**Alliacense Highlights Successful 2006 as Schneider Electric Joins Stellar Roster of Moore Microprocessor Patent™ Portfolio Licensees**

**Lexmark Purchases Moore Microprocessor Patent™ Portfolio License**

**Agilent Technologies Becomes Tenth Major Manufacturer to Purchase Moore Microprocessor Patent™ Portfolio License During 2006**

**Kenwood Joins Steadily Expanding Roster of Global Manufacturers to Purchase Moore Microprocessor Patent™ Portfolio License**

**Olympus Purchases Moore Microprocessor Patent™ Portfolio License**

**PENTAX Joins Growing Roster of Global Manufacturers Licensed to Use the Moore Microprocessor Patent™ Portfolio**

**Seiko Epson Agrees to Purchase Moore Microprocessor Patent™ Portfolio License**

**Nikon Purchases MMP™ Portfolio License**

**The TPL Group Licenses Moore Microprocessor Patent™ Portfolio to Sony**

**Fujitsu Purchases License to Intellectual Property Protected by Moore Microprocessor Patent™ Portfolio**

**Casio Joins HP in Purchasing “System” License to Use Moore Microprocessor Patent™ Portfolio**

# **Hewlett-Packard Becomes First System Manufacturer to License Moore Microprocessor Patent™ Portfolio**

**Disclosure Statement**  
**Joint Plan of Reorganization**  
**by Official Committee of Unsecured Creditors and Debtor**  
**(Dated September 4, 2014)**

**Exhibit C – Waterfall**

The gross proceeds of all settlements/licenses from all portfolios other than the MMP Portfolio will be paid to contingency counsel for each portfolio who shall be entitled to retain expenses and fees and is required to make the following disbursements: subject to the waterfall below in the case of the CORE Flash and Fast Logic portfolios, (i) 15% of gross proceeds to Alliacense for settlements/licenses to the extent procured by Alliacense, and (ii) the requisite contractual payment to any inventor, other than as set forth herein, and the remainder shall be divided and paid as follows: (iii) 80% to TPL for operations and payments to creditors; and (iv) 20% to the IP Owner.

- A. Fast Logic **litigation proceeds** to be disbursed as follows:
- (1) Attorney's litigation expenses (est. 15%) and attorney contingency fee, (36.75%);
  - (2) Thunderbird 17.5% and Alliacense 15%<sup>1</sup> of gross proceeds after payment of No.1 above; and
  - (3) 80% retained by TPL for operations and payments to creditors and 20% to Leckrone.
- B. Fast Logic non-litigation proceeds:
- (1) Expenses 15%;
  - (2) Contingency atty: 10.5%;
  - (3) Thunderbird 17.5% and Alliacense 15%<sup>2</sup> of gross proceeds after payment after payment of No. 1 and 2 above; and
  - (4) 80% retained by TPL for operations and payments to creditors and 20% to Leckrone.
- C. Core Flash litigation proceeds:

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<sup>1</sup> To the extent the license is procured by Alliacense

<sup>2</sup> To the extent the license is procured by Alliacense



- (1) Litigation expenses (est. 15%) and contingency fee (32%) and Alliacense (15%) of gross proceeds to the extent that the license is procured by Alliacense; and
- (2) 80% retained by TPL for operations and payments to creditors and 20% to Leckrone.

D. Core Flash non-litigation proceeds:

- (1) Expenses 15%;
- (2) Contingency atty: 5.7%;
- (3) Alliacense: 15% of gross proceeds to the extent that the license is procured by Alliacense; and
- (4) 80% retained by TPL for operations and payments to creditors and 20% to Leckrone.

The foregoing is subject in every respect to (1) the actual terms of the litigation contingency fee agreements, which have variable percentages<sup>3</sup> based on progress of the litigation and the identification of the licensee as a defendant or non-defendant, and (2) the actual terms of the agreement with Thunderbird Technologies. In the exercise of its business judgment, commencing upon the Effective Date, TPL may fund and maintain a working capital reserve in an amount deemed necessary by the CEO, with the advice and consent of the TPL Board. Distributions to creditors will be paid solely from proceeds remaining after all operational expenses are paid, and the working capital reserve is funded according to the terms of the joint plan.

# EXHIBIT D

To all existing licensees of the \_\_\_\_  
Portfolio, including those referenced  
in Exhibit A hereto (collectively, the  
“\_\_\_\_ Licensees”):

*Re: Non-Disturbance Agreement Relating to Existing Intellectual Property Licenses  
(the “Agreement”)*

In an effort to advance the progress of Chapter 11 case No. 13-51589-SLJ filed on March 20, 2013 (the “Bankruptcy Case”) of Technology Properties Limited, LLC (“TPL”) pending in the United States Bankruptcy Court for the Northern District of California (San Jose Division) (the “Court”) and to address the concerns expressed by certain \_\_\_\_ Licensees therein, for valuable consideration, the receipt and adequacy of which is hereby acknowledged, the undersigned irrevocably and unconditionally represents, warrants and agrees as follows:

1. ***Survival of Existing Protected Licenses.*** All existing licenses to the \_\_\_\_\_ Portfolio (the “Portfolio”) granted by TPL and \_\_\_\_\_ (collectively, the “Protected Licenses”) are, and shall survive the effective date of any confirmed plan of reorganization as, valid, binding and enforceable against the undersigned, its successors and assigns in accordance with their terms in all possible circumstances and situations, to the same extent as that which existed prior to the filing of the Bankruptcy Case. The undersigned do not dispute, challenge or contest the legal or factual basis for the prior sentence.

2. ***No Expansion of Rights.*** The Protected License rights and obligations shall not be expanded from that which existed prior to the filing of the Bankruptcy Case. Nothing herein shall expand or change the scope of any Protected License or to allow any transfer of any right or interest under any Protected License beyond what is permitted by such Protected License.

3. ***No Adverse Effect of Bankruptcy or “Ride Through.”*** Without limiting the generality of Paragraph 1 above, the Protected Licenses shall remain valid and enforceable in accordance with their express terms, regardless of any developments in the Bankruptcy Case, TPL’s reorganization or its exit from chapter 11, whether or not such developments or events are foreseeable or within any party’s control, as if the \_\_\_\_ Licensees were beneficiaries of the Protected Licenses as direct licenses from the undersigned on the same terms thereof, but without imposing any affirmative obligations on the undersigned, except the obligation not to disturb the quiet enjoyment of the Protected Licenses by the \_\_\_\_ Licensees. For the avoidance of doubt, if any commercialization agreement, license or other agreements between the undersigned and TPL relating to the Protected Licenses (the “Related Licenses”) are, or at any time become, in default (whether or not such default is noticed or stayed), terminated, or rejected under 11 U.S.C. § 365 or otherwise, such default, termination or rejection shall not terminate, prejudice, impair or otherwise affect the Protected License(s).

4. ***Authority to Execute.*** The undersigned is the owner of and/or licensor of patents and/or other intellectual property in the \_\_\_\_ Portfolio, referenced in filings in the Bankruptcy

Case, and some or all of which intellectual property is also licensed to \_\_\_ Licensees in accordance with the Protected Licenses. The undersigned has been duly authorized to execute this Agreement as a valid, binding and enforceable Agreement, on which the \_\_\_ Licensees may fully rely.

5. ***Entire Agreement and Binding Effect.*** This Agreement is unconditional and irrevocable and contains the entire agreement of the parties with respect to the subject matter contained herein. This Agreement shall bind the undersigned and its successors and assigns, and shall estop, enjoin, and bar the undersigned and their successors and assigns from (i) making any claim that the rights, interests or defenses existing under the Protected Licenses have been or may be in the future modified, adversely affected or terminated as a result of any noncompliance or any bankruptcy-related event, act, omission or alleged default (whether or not such default is noticed or stayed) by TPL under any of the Related Licenses occurring on or before the Effective Date of any confirmed plan of reorganization or arising from any term of such plan; (ii) suing to invalidate the Protected Licenses or taking action to disrupt or challenge the enforceability of the Protected Licenses based on TPL's bankruptcy or reorganization and (iii) arguing that any \_\_\_ Licensee is not a licensee in the ordinary course of business, as such term is used in Section 9-321 of the Uniform Commercial Code, or that any grant of rights to such party is subject to the undersigned's security interest, if any.

6. ***Resolution of Objections.***

(a) Each undersigned licensee, severally for itself and not jointly, confirm that this Agreement, together with the negotiated language attached hereto as *Exhibit A*, to be included in TPL's final plan of reorganization and corresponding confirmation order, combine to resolve licensees' objections<sup>1</sup> with respect to TPL's current plan of reorganization treatment of the licenses, *provided that* the acknowledgement in this sentence is conditional on:

(i) there being no direct or indirect revisions to the ultimately applicable plan of reorganization, any agreement or other document ultimately incorporated into or pursuant to that plan, or the final plan confirmation order, that diminish or otherwise adversely affect any licensee rights, interests, defenses or protections, whether by amendments, substitutions, replacements, reinterpretations, or other actions with any such adverse consequences to licensees, or create any burden, prejudice or obligation on any license or licensee;

(ii) the final plan confirmation order provides the required protections for the licenses and the licensees' rights, interests, and protections, and

(iii) nothing is said or done on the court record that could have any such effects described in subparagraph (i) above.

(b) For the avoidance of doubt, if the licensees retain their bargained for treatment set forth herein and in *Exhibit A*, then there is no cause for further licensee objections. However, if adverse changes occur, then licensees can object or otherwise react to them as such licensees deem appropriate without being prejudiced by this paragraph 6.

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<sup>1</sup> [FN citing specific objection docket entries].

TECHNOLOGY PROPERTIES LIMITED LLC

By: \_\_\_\_\_  
Swamy Venkidu, Chief Executive Officer

[INSERT PORTFOLIO LICENSOR SIGNATURE  
BLOCKS]

[INSERT OBJECTING LICENSEE SIGNATURE  
BLOCKS]

**EXHIBIT A**

# EXHIBIT E

## MUTUAL RELEASE AGREEMENT

THIS MUTUAL RELEASE AGREEMENT (this “**Agreement**”) is made and entered into as of the \_\_\_ day of September, 2014 (the “**Execution Date**”), by and among Chester A. Brown, Jr. and Marcie Brown, the Estate of James V. Kirkendall, Todd Kirkendall and C. Alan Marsh, (collectively, the “**Non-Insider 13%ers**”), on the one hand, and Dwayne Hannah, Mike Davis, Robert Neilson, Susan Anhalt, Daniel (“Mac”) McNary Leckrone, Daniel E. Leckrone, Janet Neal, Nick Antonopoulos, Interconnect Portfolio LLC, John C. Leckrone, Alliacense Limited, LLC, Eric Saunders, Michael Montvelishky, William Martin, and, with the exception of TPL (as defined below), any and all entities wholly-owned or partially owned by Leckrone, the Leckrone Family Trust and [other specific entity names to be inserted] (collectively, the “**TPL Insiders**”) on the other hand. Each of the parties identified above is referred to in this Agreement as a “**Party**,” and all of the parties identified above are collectively referred to in this Agreement as the “**Parties**.”

## RECITALS

A. On March 20, 2013, Technology Properties Limited, LLC (the “**Debtor**” or “**TPL**”) filed a voluntary petition under chapter 11 of the United States Bankruptcy Code (the “**Bankruptcy Code**”), commencing a bankruptcy case proceeding in the Northern District of California Bankruptcy Court, San Jose Division, styled *In re Technology Properties Limited LLC, fka Technology Properties Limited Inc., A California Corporation, fka Technology Properties Limited, A California Corporation; Case No. 13-51589-SLJ-11* (the “**Bankruptcy Case**”). The Debtor remains a debtor in possession pursuant to relevant provisions of the Bankruptcy Code.

B. On September 4, 2014, the Debtor and the Official Committee of Unsecured Creditors appointed in the Debtor’s bankruptcy case (the “**Committee**”) filed the Joint Plan of Reorganization by Official Committee of Unsecured Creditors and Debtor (Dated September 4, 2014) (the “**Plan**”).

C. During 2003 and 2004, TPL entered into certain agreements (each, an “**Assignment Agreement**” and collectively, the “**Assignment Agreements**”) with each of the Non-Insider 13%ers pursuant to which TPL agreed to assign a percentage interest in gross proceeds received by TPL from the commercialization of certain patent portfolios.

D. Based on TPL’s alleged breach of their Assignment Agreement, Chester A. Brown, Jr. and Marcie Brown (together, the “**Browns**”) commenced an action in the Santa Clara County Superior Court entitled *Brown v. TPL*, Case No. 1-09-CV -159452, during which the Santa Clara County Superior Court entered a judgment against TPL in June 2013 (the “**Brown Judgment**”). TPL has filed an appeal of the Brown Judgment which is currently pending in the in the Court Of Appeal Of The State Of California, Sixth Appellate District (the “**Brown/TPL Appeal**”). .

E. The TPL Insiders each are individuals or entities that are or were in some manner affiliated with, controlled by, employed by, or otherwise related to the Debtor.

F. Each of the Non-Insider 13%ers contends that TPL breached her/his/its respective Assignment Agreements due to its failure or refusal to turnover proceeds in accordance with the terms of such Assignment Agreement. Accordingly, each of the Non-Insider 13%ers has filed a

claim in the Bankruptcy Case based on such alleged breach, and, with respect to the Browns, based on the Brown Judgment.

G. Each of the Non-Insider 13%ers also contends that since the date of consummation of each of their respective Assignment Agreements, TPL has engaged in schemes to defraud its creditors including, without limitation, schemes to divert funds from TPL to the TPL Insiders, and that they may possess, among other claims and causes of action, claims and causes of action against the TPL Insiders based on such schemes and on the obligations under the Assignment Agreements (collectively, the “**Non-Insider 13%er Claims**”).

H. Each of the TPL Insiders fully denies that they have engaged or been involved in any way in any schemes to defraud TPL’s creditors or to divert funds from TPL.

I. Under the Plan, certain claimants who affirmatively vote to accept the Plan, do not object to the confirmation of the Plan, and release any claims they may have against the TPL Insiders are afforded certain treatment under the Plan.

J. In connection with the Plan, the Parties desire to resolve all issues and any potential liability that may have been incurred or will be incurred in connection with the Assignment Agreements, the Non-Insider 13%er Claims and the matters set forth above; therefore, the Parties have agreed upon a full and final resolution and release of claims against one another, on the terms and conditions set forth herein.

## **AGREEMENT**

NOW, THEREFORE, in consideration of the mutual promises, agreements, and obligations of the Parties, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties, intending legally to be bound, hereby agree as follows:

1. Recitals. Each of Recitals A through J above is incorporated into and is made a part of this Agreement. Each Party represents and warrants to each other Party that each Recital is true and accurate.

2. Effective Date. This Agreement is expressly conditioned on the confirmation of the Plan by the Bankruptcy Court and shall be effective only on the date on which an order is entered by the Bankruptcy Court confirming the Plan and no stay of such order is in effect, including a stay pending appeal (the “**Effective Date**”).

3. Mutual Release Of Claims.

3.1 Non-Insider 13%ers Release of Claims. In consideration of the treatment accorded under the Plan and except as otherwise provided in the Plan, on the Effective Date, each of the Non-Insider 13%ers, on behalf of herself/himself/itself and her/his/its successors in interest, beneficiaries, heirs, assigns, agents, attorneys, and representatives, hereby releases and forever discharges all of the TPL Insiders, their successors in interest, beneficiaries, heirs, assigns, attorneys, agents, representatives, and insurers, from any and all Released Claims (as defined in Section 3.3) that she/he/it may now have or may ever have against,

arising from, or related to, either directly or indirectly, to (i) the Assignment Agreement, (ii) the Non-Insider 13%er Claims, (iii) any agreement or alleged agreement which relates or refers to the Debtor, including, without limitation, any assignment or investment agreement to which the Debtor or any TPL Insider is or is alleged to be a party, (iv) any claim or pending or threatened action or legal proceeding which any Non-Insider 13%er may assert or possess against or involving the Debtor or any TPL Insider, and/or (v) any claim, demand, duty, or obligation arising from or related to any of the foregoing (collectively, the “**Non-Insider 13%er Released Claims**”). To the extent any lawsuit is now pending against any of the TPL Insiders, each Non-Insider 13%er who is a prosecuting party to such lawsuit shall promptly cause a dismissal with prejudice to be filed as to any TPL Insider who is a defending party to such lawsuit.

2.2 TPL Insiders’ Release of Claims. In consideration of the treatment accorded under the Plan and except as otherwise provided in the Plan, on the Effective Date, each of the TPL Insiders, on behalf of herself/himself/itself and her/his/its successors in interest, beneficiaries, heirs, assigns, agents, attorneys, and representatives, hereby releases and forever discharges all of the Non-Insider 13%ers, their successors in interest, beneficiaries, heirs, assigns, attorneys, agents, representatives, and insurers, from any and all Released Claims (as defined in Section 3.3) that she/he/it may now have or may ever have against, arising from, or related to, either directly or indirectly, to (i) the Assignment Agreement, (ii) the Non-Insider 13%er Claims, (iii) any agreement or alleged agreement which relates or refers to the Debtor, including, without limitation, any assignment or investment agreement, to which the Debtor or any TPL Insider is or is alleged to be a party, (iv) any claim or pending or threatened action or legal proceeding against or involving the Debtor or any TPL Insider, and/or (v) any claim, demand, duty, or obligation arising from or related to any of the foregoing (collectively, the “**TPL Insiders’ Released Claims**”). To the extent any lawsuit is now pending against any of the Non-Insider 13%ers, each TPL Insider who is a prosecuting party to such lawsuit shall promptly cause a dismissal with prejudice to be filed as to any Non-Insider 13%er who is a defending party to such lawsuit.

3.3 As used in this Agreement, “**Released Claims**” means any and all actions and causes of action, suits, debts, dues, accounts, bonds, covenants, contracts, agreements, promises, warranties, guarantees, representations, judgments, claims, liabilities, losses, obligations, torts, damages, liens, costs, expenses (including, without limitation, reasonable attorneys’ fees and costs), and demands whatsoever, at law or in equity, whether past, present, or future, or known or unknown, or foreseen or unforeseen, or direct or indirect, or fixed or contingent.

3.4 No Previous Assignment of Claims. Each Non-Insider 13%er represents and warrants to the TPL Insiders that she/he/it has not previously assigned, in whole or in part, to any person or entity, any of her/his/its right, title, or interest in or to any of the Non-Insider 13%er’s Released Claims. Each TPL Insider represents and warrants to the Non-Insider 13%ers that she/he/it has not previously assigned, in whole or in part, to any person or entity, any of her/his/its right, title, or interest in or to any of the TPL Insiders’ Released Claims.



3.5 Release of Unknown Claims. Each of the Parties hereby acknowledges and knowingly, freely, and voluntarily waives the benefits of California Civil Code Section 1542, and all analogous provisions, codes, and/or statutes under state and/or federal law. California Civil Code Section 1542 provides:

**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.**

4. Covenant Not To Sue. Each Party covenants and agrees she/he/it will forever refrain and forebear from commencing, instituting or prosecuting any lawsuit, action, or other proceeding against any other Party, directly or indirectly, arising out of, or in connection with any Released Claim released pursuant to Section 3 above, and further covenants and agrees that on and after the effective date of the Agreement, this Agreement will be a bar to any such claim, action, suit, or proceeding.

5. Integration Clause. This Agreement will be binding upon the Parties and their respective successors and assigns. No change or amendment to this Agreement will be effective unless it is contained in a single document that all of the Parties sign. Failure to insist upon strict compliance with any term or provision of this Agreement by any of the Parties will not be deemed to constitute a waiver by such Party of any of her/his/its rights upon a subsequent act or failure to act. Each Party acknowledges and agrees that in the event of any subsequent litigation, arbitration proceeding, controversy, or dispute concerning this Agreement, none of them will be permitted to offer or introduce into evidence any oral testimony concerning any oral promises or oral agreements between or among them or their respective attorneys or other representatives that contradict the terms of this Agreement. Each Party represents and warrants to the other Parties that prior to executing this Agreement: (a) except as specifically contained in the Agreement, she/he/it did not rely upon anything stated or not stated by any other Party or any of her/his/its respective agents, employees, members, officers, or other representatives in deciding to enter into the Agreement, and (b) no agent, employee, member, officer, or other representative of any Party was authorized to make, and no Party relied upon, any statement or representation other than those specifically contained in this Agreement.

6. Construction. Each of the Parties has been represented by independent counsel in the negotiation and preparation of this Agreement. This Agreement will be construed according to the fair meaning of its language. Each Party hereby waives any and all rights it has or may have at law or in equity to object to or defend against the enforcement of this Agreement after the Effective Date, whether on the basis of course of conduct, lack of consideration, lack of authorization, illegality, invalidity, change of circumstances, supervening causes, necessary implications, or otherwise. This Agreement will be liberally construed so as to carry out the Parties' intent. Any terms not defined in this Agreement shall have the meaning ascribed to them by the Plan.

7. Power, Authority, and Enforceability. Each of the Parties represents and warrants to each of the other Parties that (a) she/he/it has full power, authority, and legal right to execute, deliver, and perform her/his/its respective obligations under this Agreement; (b) all actions of such Party that are necessary or appropriate for the execution and delivery of and performance of this

Agreement have been taken; and (c) this Agreement constitutes the valid and legally binding obligation of such Party, enforceable against she/he/it in accordance with its terms.

8. No Admissions. This Agreement is intended to settle and dispose of any and all claims, defenses and interests related to the matters that are the subject of this Agreement; provided, however, that nothing herein will be construed as an admission by any Party of any liability of any kind to any other Party.

9. Choice of Law And Venue. The laws of the State of California and of Chapter 11 of Title 11 of the U.S. Code will govern this Agreement.

10. Continuing Jurisdiction of Bankruptcy Court. The Bankruptcy Court will have exclusive jurisdiction to determine as a core proceeding any dispute or controversy with respect to the interpretation or enforcement of this Agreement.

11. Attorneys' Fees. The Parties hereto will be responsible for their respective attorneys' fees, expenses, and costs incurred by them through the date of this Agreement.

12. Successors and Assigns. This Agreement inures to the benefit of and binds the Parties and each of their successors and assigns, including any bankruptcy trustee. No Party may assign any of its respective rights or obligations under this Agreement without the prior written consent of the other Parties.

13. No Third Party Beneficiaries. Except as specifically provided in this Agreement, (a) the rights and benefits of this Agreement will not inure to the benefit of any party, person, or entity that is not a Party, and (b) nothing contained in this Agreement will be construed to create any rights, claims, or causes of action in favor of any third party or any other person or entity against any Party.

14. Execution of Additional Documents. The Parties agree to execute and deliver any and all additional papers, documents, instruments, and other assurances, and will do any and all acts and things reasonably necessary in connection with the performance of their obligations hereunder and to carry out the intent of the Parties.

15. Counterparts. This Agreement may be executed in counterparts, each of which will be deemed to be an original as against the Party whose "ink original," facsimile, or electronic signature appears thereon, and all of such counterparts will together constitute one and the same instrument. Electronic and facsimile signatures will be effective for all purposes.

16. Titles and Captions. The Parties have inserted the section titles in this Agreement only as a matter of convenience and for reference. The section titles in no way define, limit, extend, or describe the scope of this Agreement or the intent of the Parties in including any particular provision in this Agreement.

17. Gender; Number. Words used in this Agreement, regardless of the number or gender specifically used, will be deemed and construed to include any other number, singular or plural, and any other gender, masculine, feminine or neuter, as the context requires.

18. Informed Review. Each Party acknowledges and represents to each of the other Parties that: (a) the provisions of this Agreement and their legal effect have been fully explained to she/he/it by its own counsel; (b) she/he/it has received independent legal advice from counsel of her/his/its own selection in the negotiation of the terms and the preparation and execution of this Agreement, and she/he/it has relied solely on the advice and instruction of her/his/its own attorney, who has had the opportunity to review and analyze the Agreement for a reasonable period of time prior to its execution by such Party; (c) she/he/it fully understands the facts and has been fully informed of her/his/its legal rights and obligations under this Agreement; (d) this Agreement is being entered into and signed by she/he/it knowingly, freely, and voluntarily, after having received such legal advice and with such knowledge, and she/he/it is entering into this Agreement with the conviction that it is a fair agreement and that it represents an equitable compromise of the competing interests of the Parties and that, in addition, it was prepared and executed without fraud, duress, undue influence, or coercion of any kind exerted by any of the other Parties.

[Remainder of page left blank intentionally.]

**19. BY EXECUTING THIS AGREEMENT, EACH PARTY ACKNOWLEDGES AND REPRESENTS TO EACH OF THE OTHER PARTIES THAT SHE/HE/IT HAS READ THE ENTIRE AGREEMENT.**

IN WITNESS WHEREOF, the Parties have executed and delivered this Agreement as of the Execution Date.