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TECHNOLOGY PROPERTIES LIMITED, LLC

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN JOSE DIVISION

In re

TECHNOLOGY PROPERTIES LIMITED,
LLC,

Debtor.

Case No. 13-51589-SLJ-11

Chapter 11

Date: October 2, 2014

Time: 3:00 p.m.

Place: Courtroom 3099

280 South First Street
San Jose, California

**DECLARATION OF AROCKIYASWAMY VENKIDU IN SUPPORT OF OCC'S AND
TPL'S OPPOSITIONS TO CONTINGENT CREDITOR CHARLES H. MOORE'S
MOTION TO APPOINT A CHAPTER 11 TRUSTEE AND REMOVE DEBTOR IN
POSSESSION**

I, Arockiyaswamy Venkidu, know the following matters to be true of my own, personal knowledge and, if called as a witness, could and would testify competently thereto:

1. I am one of the named inventors of the patented CORE Flash technology that is licensed by debtor and debtor in possession Technology Properties Limited ("TPL"). Flash media cards such as CompactFlash, SmartMedia, Memory Stick, MultiMediaCard, Secure Digital Card, and xD-Picture Card have found widespread use, prompting OEMs to support multiple popular but non-interoperable formats which continue to proliferate. The CORE

Flash™ Portfolio covers seminal inventions in the management and control of the wide variety flash card media. CORE Flash licensees worldwide utilize CORE Flash innovations in a high-volume, diverse range of products that rely on flash card media, such as: digital cameras and TVs, PCs, printers, game consoles, digital picture frames, and photo kiosks.

2. I have 25 years of engineering and management experience in the system-on-a-chip market. I left Modular Semiconductor (where I served as its president) to found OnSpec Electronics and OnSpec Technology Partners in 1989, to innovate flash memory management and control technologies. It was at OnSpec that CORE Flash was born. I had joined Modular after the acquisition of Faraday Electronics by Western Digital in 1986. Before that, I was a member of the founding team at Faraday Electronics as Director of Engineering and led the ASIC development of the PC industry's first core logic chipset. I also founded CompuApps, a software development company. I hold a BSEE with honors and MSEE in Advanced Electronics from the Indian Institute of Technology in Madras, India.

3. I met Chet Brown, a member of the Official Unsecured Creditors' Committee (the "OCC") when Faraday Electronics was acquired by Western Digital. Mr. Brown was then a Vice-President at Western Digital. We have maintained a strong professional working relationship throughout the years. It was Chet Brown himself who introduced me to Daniel E. Leckrone and TPL. In 2006, I entered into agreements with TPL, MCM Portfolio LLC and other entities under which I assigned the CORE Flash patent rights to MCM Portfolio LLC, which licensed the commercialization rights to TPL. TPL engaged Alliacense to manage the CORE Flash commercialization program. I am a secured claimant on behalf of OnSpec shareholders with rights against the proceeds from CORE Flash Commercialization Program.

4. I observed the acrimony between TPL and the OCC over the course of this case centering, to a large degree, on the day-to-day management of Daniel E. Leckrone. It appeared to me that the case was doomed to fail and the technologies licensed to TPL would fail with it.

In the summer of 2014, I therefore involved myself in negotiations in an attempt to end the fighting and broker a resolution between TPL and the OCC and was successful.

5. On July 18, 2014, TPL and the OCC executed a Term Sheet containing the material terms for a joint plan of reorganization, part of which provided for the replacement of the CEO and Manager of TPL with a person acceptable to the Committee. I replaced Mr. Leckrone in those roles by written consent of TPL's sole member, Mr. Leckrone. Pursuant to the Term Sheet, Mr. Leckrone retained the power to negotiate the terms of a joint plan, which negotiations were completed with the filing of the Joint Plan of Reorganization By Official Committee Of Unsecured Creditors and Debtor (Dated September 4, 2014) (the "TPL-OCC Joint Plan") which I believe is supported by the OCC, TPL, Leckrone, the various family members, former employees, me, and senior secured claimant Cupertino City Center. The terms of the Joint Plan as regards the treatment of the classes of creditors will not change as the economic bargain has been struck, and anticipate that any further modifications would be modest ones potentially necessary to address the confirmation objections of non-creditor litigation opponents, non-creditor competitors such as Mr. Moore, and the United States Trustee.

6. Paragraph 13 of the Term Sheet provides as follows: "Dan Leckrone shall immediately resign from the board of PDS and not be reappointed to the board of PDS without the written consent of the Committee. Swamy Venkidu will be appointed to the TPL seat on the PDS board and shall not be removed without the written consent of the Committee. In the event Mr. Venkidu leaves the PDS board, his replacement will be named exclusively by the Committee or, after confirmation, by the CEO subject to the review and agreement of the TPL Board (defined below)."

7. All corporate formalities have been observed in appointing me as the Manager of TPL. Attached hereto as Exhibits "A," "B," and "C" attached hereto are true and correct fully

executed copies of the AMENDMENT TO OPERATING AGREEMENT OF TECHNOLOGY PROPERTIES LIMITED LLC A CALIFORNIA LIMITED LIABILITY COMPANY (THE "AMENDMENT") and two Technology Properties Limited LLC Written Consents Of Sole Member whereunder I was appointed as TPL's manager, and David Wright and Marcie Brown were appointed members of the TPL Board. By agreement with TPL and its sole member, Mr. Leckrone, I and the "members of the TPL Board are immediately authorized, directed and empowered to execute any applications, certificates, agreements or any other instruments or documents or amendments or supplements to such documents, including to establish any deposit or savings bank account on behalf of the Company or to do or to cause to be done any and all other acts and things within the power and authority granted to them under the OCC-TPL Joint Plan of Reorganization. . . ." The Amendment further provides that "[t]he TPL Board, subject to the advice and consent of the Committee, shall have the sole authority to appoint or remove the CEO. A vacancy on the TPL Board because of death, resignation, removal, disqualification or otherwise may be filled by the Committee."

8. I also involved myself, as a member of PDS's management committee, in the stalled negotiations between PDS and Alliacense and helped achieve a resolution of that dispute that led to the drafting and execution of the Amended Alliacense Services and Novation Agreement dated July 23, 2014, the execution of which was a further condition to the OCC's willingness to be a co-proponent of the OCC-TPL Joint Plan. In this regard, I also vetted, in my role as a member of the board of PDS, the DHG licensing agent requiring the involvement of outside ethics counsel to structure the relationship. I have communicated with counsel for TPL and participated in the making of decisions with regard to litigation and strategy which is an essential and ongoing function for TPL's CEO.

9. I have, since my appointment, immersed myself in learning about the operations of TPL, how all the portfolios are commercialized, and how to ensure that TPL again generates

substantial profit once the Joint OCC-TPL Plan has been confirmed. In this process, I communicate with Mr. Leckrone, Susan Anhalt, TPL's former Senior Vice President of Law, and Dwayne Hannah, TPL's former Chief Financial Officer, regularly because all of their responsibilities have functionally been transitioned to me and I seek out the opinions of those who have performed the functions I now discharge in legally and factually complex disputes with infringers and potential licensees. I am neither controlled by Mr. Leckrone, nor do I feel compelled to follow his suggestions as I am the CEO duly empowered to exercise the business judgment of TPL in all matters subject to the advice and consent of the TPL Board. In that role, I have fiduciary obligations with which I am very familiar given my professional background and take those obligations very seriously. Allegations suggesting that anyone other than myself is making decisions for TPL or that I am somehow "controlled" by any other party by various parties in this case are untrue.

10. I recognize that my fiduciary duty as Manager and CEO is to the TPL bankruptcy estate and its unsecured creditor body. I believe that the will of those creditors has been embodied in the Joint OCC-TPL Plan that was negotiated and is now moving to confirmation, and it is my goal and intent to manage TPL's operations and bring about confirmation as soon as possible.

I declare under penalty of perjury of the laws of the United States that the foregoing is true and correct. Executed this 17th day of October, 2014, at _____, California.

/s/ Swamy Venkidu
SWAMY VENKIDU

EXHIBIT A

TECHNOLOGY PROPERTIES LIMITED LLC

WRITTEN CONSENT OF SOLE MEMBER

The undersigned, being the sole Member of Technology Properties Limited LLC, a California limited liability company (the "Company"), hereby adopts the following resolution:

WHEREAS, the Company entered into a Term Sheet on July 18, 2014, pursuant to which the Member agreed to appoint Arockiyaswamy Venkidu as the Company's Chief Executive Officer ("CEO");

WHEREAS, it was later noted by the counter-party to the Term Sheet that their use of "CEO" in the Term Sheet was intended to mean "Manager";

WHEREAS, the Term Sheet was amended on _____ to amend paragraph 18 to replace "within 45 days" to "October 31, 2014";

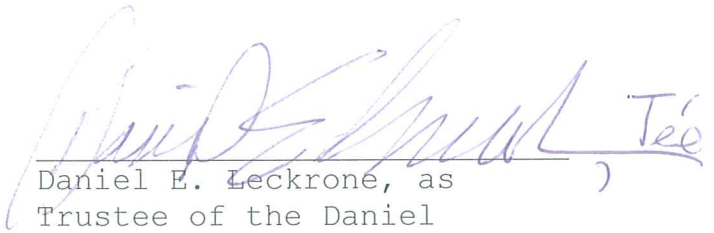
NOW THEREFORE BE IT RESOLVED, that Mr. Venkidu is hereby appointed as the Company's Manager with such limitations to his authority as are set forth in the Term Sheet;

RESOLVED FURTHER, that the powers retained by Daniel Leckrone in the Term Sheet are not modified by this appointment; and

RESOLVED FINALLY, that the executed Term Sheet is to be filed with the records of the Company as Document #14007.

This Consent is to be filed with the minutes of the Company proceedings.

Dated: September 15, 2014


Daniel E. Leckrone, as
Trustee of the Daniel
Leckrone Survivor's Trust,
the Sole Member of TPL

Document References:

Document 14007: Agreement

EXHIBIT B

TECHNOLOGY PROPERTIES LIMITED LLC
WRITTEN CONSENT
OF
SOLE MEMBER

The undersigned, being the sole Member of Technology Properties Limited LLC, a California limited liability company (the "Company"), hereby adopts the following resolutions:

WHEREAS, the Company entered into a Term Sheet on July 18, 2014, pursuant to which Arockiyaswamy Venkidu was appointed as the Company's Chief Executive Officer ("CEO") who shall report and be responsible to a two-member review board (the "TPL Board"), which Term Sheet was amended on October 3, 2014, to extend the term of its effectiveness through and including November 30, 2014, which term may be extended by mutual consent; and

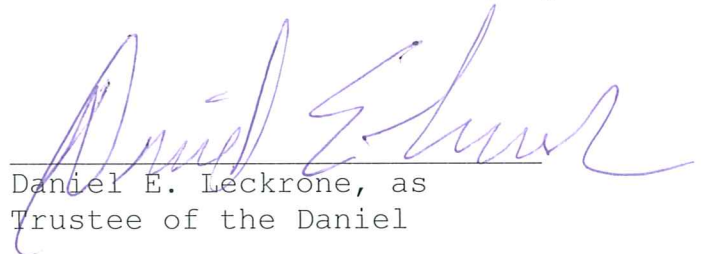
WHEREAS, on September 15, 2014, pursuant to the Written Consent of the Sole Member, the Company resolved to appoint Mr. Venkidu as the Company's Manager, replacing Daniel E. Leckrone in such capacity.

NOW THEREFORE BE IT RESOLVED, that Marcie Brown and David Wright are hereby appointed as the members comprising the TPL Board; and

RESOLVED FINALLY, that Mr. Venkidu and the members of the TPL Board are immediately authorized, directed and empowered to execute any applications, certificates, agreements or any other instruments or documents or amendments or supplements to such documents, including to establish any deposit or savings bank account on behalf of the Company or to do or to cause to be done any and all other acts and things within the power and authority granted to them under the OCC-TPL Joint Plan of Reorganization which powers shall terminate upon the completion of payment of Class 6C under said Plan.

This Consent is to be filed with the minutes of the Company proceedings.

Dated: October __, 2014


Daniel E. Leckrone, as
Trustee of the Daniel

Leckrone Survivor's Trust,
the Sole Member of TPL

Document References:

Document 14007: Agreement

AMENDMENT TO OPERATING AGREEMENT OF
TECHNOLOGY PROPERTIES LIMITED LLC
A CALIFORNIA LIMITED LIABILITY COMPANY

Whereas, OPERATING AGREEMENT OF TECHNOLOGY PROPERTIES LIMITED LLC, A CALIFORNIA LIMITED LIABILITY COMPANY (the “Operating Agreement”) was executed by the Members¹ of Technology Properties Limited LLC (“LLC” or “Debtor”) on December 21, 2008;

Whereas, on March 20, 2013, LLC filed a petition under Title 11, Chapter 11 of the United States Code (hereinafter, the “Bankruptcy Code”) in the Northern District of California entitled *In re Technology Properties Limited LLC*; Case No: 13-51589-SLJ-11 (the “Bankruptcy Case”);

Whereas, an official committee of unsecured creditors (the “Committee”) was appointed in the Bankruptcy Case;

Whereas, the Debtor entered into a Term Sheet on July 18, 2014, pursuant to which Arockiyaswamy Venkidu was appointed as the Debtor’s Chief Executive Officer (“CEO”) who shall report and be responsible to a two-member review board (the “TPL Board”), which Term Sheet was amended on October 3, 2014, to extend the term of its effectiveness through and including November 30, 2014;

Whereas, LLC as the Debtor and the Committee filed their JOINT PLAN OF REORGANIZATION (DATED SEPTEMBER 17, 2014) (the “Joint Plan”) on September 17, 2014 pursuant to which LLC proposed, among other things, a plan to repay its creditors over a period of seven (7) years (the “Plan Period”);

Whereas, on _____, the bankruptcy court entered its order (the “Confirmation Order”) confirming the Joint Plan;

Whereas, the Joint Plan provides for the amendment of the Operating Agreement to implement the provisions of the Joint Plan;

The Members hereby amend the Operating Agreement as follows:

1. This Amendment shall not be construed to expand the power and authority granted to the CEO and Board of Director under the Joint Plan of Reorganization, and all

¹ Capitalized terms not otherwise defined herein have the same meaning ascribed to them in the Operating Agreement.

powers granted to them hereunder or on account of the Joint Plan shall terminate upon the completion of payment of Class 6C under said Plan.

2. Article III of the Operating Agreement is amended as of the Joint Plan's Effective Date, to provide that during the Plan Period, LLC shall be managed by a CEO and a board of directors comprising of at least two (2) members or their designates (the "TPL Board").
3. All references to "Manager" in the Operating Agreement shall be construed to refer to the CEO and the TPL Board during the Plan Period. In addition to those powers and responsibilities delegated to the Manager by the Operating Agreement, the Committee, CEO and the TPL Board shall have all of the powers and duties specified in the Joint Plan. The CEO shall report to the TPL Board and seek the advice and consent of the TPL Board as specified in the Joint Plan.
4. The compensation of the CEO shall be determined by the TPL Board, subject to the advice and consent of the Committee. The compensation of the members of the TPL Board shall be determined by the Committee. The initial CEO is Arockiyaswamy Venkidu. The initial members of the TPL Board are Marcie Brown and David Wright.
5. The TPL Board, subject to the advice and consent of the Committee, shall have the sole authority to appoint or remove the CEO. A vacancy on the TPL Board because of death, resignation, removal, disqualification or otherwise may be filled by the Committee.
6. Article VI, section 24 is hereby modified to include the CEO, the TPL Board and the Committee within its provisions as follows:

24. Duties of Members: Limitation of Liability. The Members, Managers, officers, CEO, TPL Board and Committee shall perform their duties in good faith, in a manner they reasonably believe to be in the best interests of the LLC, and with such care as an ordinarily prudent person in a like position would use under similar circumstances. No Member, officer, member of the TPL Board or Committee, by reason of being or having been a Member or officer, member of the TPL Board and the Committee, shall be liable to the LLC or to any other Member or officer, member of the TPL Board or

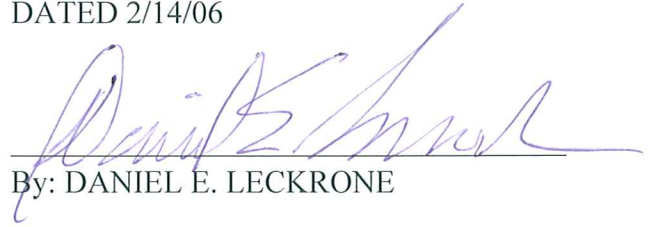
Committee for any loss or damage sustained by the LLC, or any other Member, officer, member of the TPL Board or Committee, unless the loss or damage shall have been the result of fraud, deceit, gross negligence, willful misconduct, or a wrongful taking by that Member, officer, member of TPL Board or Committee.

7. Article VI, section 27 is hereby amended to include the CEO, the TPL Board and the Committee as persons or entities entitled to right of indemnification as set forth in this Section.
8. Article VI, Section 27(d) is amended to provide that the TPL Board shall cause the LLC to purchase and maintain insurance for the LLC, for its Members, officers, TPL Board and its members and the Committee and its members, and/or on any third party or parties whom the TPL Board might determine should be entitled to such insurance coverage.
9. All disputes arising during the Plan Period and under the Joint Plan, Confirmation Order, the Operating Agreement and/or this Amendment shall be referred to be decided by the Bankruptcy Court, which will be the sole tribunal for resolution of all such disputes. Any such dispute may be heard on regular notice as governed by the Bankruptcy Local Rules of the Bankruptcy Court, provided that any such dispute may be heard on shortened time upon application to the Court and the counter party hereby agrees to such shortened time for a hearing on the issue, subject to the availability of the Court.
10. The Plan Period shall expire upon the payment in full with interest as applicable of Classes 1-6C as identified and set forth in the Joint Plan.
11. No further Amendments to the Operating Agreement may be made without the consent of the Committee prior to November 30, 2014, unless the Term Sheet is extended or, alternatively, the Joint OCC-TPL Plan of Reorganization is confirmed and the TPL Board and TPL's sole member agree to some further amendment.

WHEREFORE, the parties have executed this Agreement on the date set forth above.

MEMBER:

DANIEL E. LECKRONE, as Trustee of the
DANIEL E. LECKRONE AND HELENA
M. LECKRONE REVOCABLE TRUST
DATED 2/14/06



By: DANIEL E. LECKRONE

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TECHNOLOGY PROPERTIES LIMITED, LLC

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN JOSE DIVISION

In re

TECHNOLOGY PROPERTIES LIMITED,
LLC,

Debtor.

Case No. 13-51589-SLJ-11

Chapter 11

Judge: Honorable Stephen L. Johnson

CERTIFICATE OF SERVICE

I, Maria Domenici, declare:

I am employed in the County of Santa Clara, California. I am over the age of eighteen (18) years and not a party to the within entitled cause; my business address is 2775 Park Avenue, Santa Clara, California 95050.

On October 17, 2014, I served a true and correct copy of the following document(s):

**DECLARATION OF AROCKIYASWAMY VENKIDU IN SUPPORT OF OCC'S AND
TPL'S OPPOSITIONS TO CONTINGENT CREDITOR CHARLES H. MOORE'S
MOTION TO APPOINT A CHAPTER 11 TRUSTEE AND REMOVE DEBTOR IN
POSSESSION**

via electronic transmission and/or the Court's CM/ECF notification system to the parties
registered to receive notice as follows:

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San Jose, CA 95113
Email: john.wesolowski@usdoj.gov

Unsecured Creditors Committee Attorney

c/o John Walshe Murray, Esq.
c/o Robert Franklin, Esq.
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MCM Portfolio LLC
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Executed on October 17, 2014, at Santa Clara, California. I certify under penalty of perjury that the foregoing is true and correct.

/s/ Maria Domenici
Maria Domenici