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8 UNITED STATES BANKRUPTCY COURT
9 NORTHERN DISTRICT OF CALIFORNIA
10 SAN JOSE DIVISION

11 In Re:
12 TECHNOLOGY PROPERTIES LIMITED,
13 LLC, f/k/a TECHNOLOGY PROPERTIES
14 LIMITED, INC., a California corporation, f/k/a
TECHNOLOGY PROPERTIES LIMITED, a
California corporation,
15 Debtor.

Case No.: 13-51589-SLJ-11

Chapter 11

Date: October 2, 2014
Time: 1:30 p.m.
Place: Courtroom 3099
280 South First Street
San Jose, California

Honorable Stephen L. Johnson

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19 **MOORE MONETIZATION PLAN OF REORGANIZATION**

20 **DATED AUGUST 28, 2014**
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MOORE MONETIZATION PLAN OF REORGANIZATION (AUGUST 28, 2014) - 1

In Re: Technology Properties Limited, LLC, Debtor; Case No. 13-51589-SLJ-11
{2655/06/00040696.DOCX}

1 **PRELIMINARY STATEMENT**

2 Charles H. Moore (“Mr. Moore”)¹ proposes this MMP Plan of reorganization (the
3 “MMP Plan”) of Technology Properties Limited LLC pursuant to the provisions of Chapter 11
4 of the Bankruptcy Code.

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

11 This MMP Plan sets forth Mr. Moore’s proposal for the restructuring of TPL’s business
12 and finances, and **for the satisfaction, discharge and/or cancellation of all creditor claims**
13 **against Debtor TPL**. The MMP Plan anticipates that TPL’s reorganized business will be
14 operated under the management, guidance and supervision of a Chapter 11 Trustee, whose
15 duties, powers and responsibilities are described in detail below. The MMP Plan contemplates
16 and is dependent upon the replacement of Debtor TPL’s current debtor-in-possession, Daniel E.
17 Leckrone (“Mr. Leckrone” or “Leckrone”), with the Chapter 11 Trustee, following a duly
18 noticed hearing and entry of an appropriate order by the Bankruptcy Court, prior to or at the
19 time of hearing on the MMP Disclosure Statement that accompanies the MMP Plan.

20 Under the MMP Plan, TPL will pay its creditors the net proceeds of operations quarterly
21 for a period of five years from the “Effective Date” of the MMP Plan (subject to an extension
22 of six months at the discretion of the Chapter 11 Trustee charged with managing TPL’s affairs
23
24

25
26 ¹ Mr. Moore, the co-inventor of the patents that make up the “MMP Portfolio” of patents, is a
27 creditor in this Chapter 11 proceeding. By order dated December 5, 2013, the Bankruptcy Court ended
28 the exclusivity period described in 11 U.S.C. § 1121 during which only the debtor-in-possession could
propose a plan of reorganization. During the nearly nine months since December 5, 2013, no MMP
Portfolio licenses have issued, and no TPL creditors have been paid. Patents in the MMP Portfolio will
begin expiring shortly.

1 and effectuating the MMP Plan, and subject to further extension upon Bankruptcy Court
2 approval, as provided in the MMP Plan).

3 The MMP Plan contemplates payment in full of the creditor claims of all secured
4 creditors and all non-insider unsecured creditors, and payment of twenty percent (20%) of the
5 claims of those unsecured creditors who are insiders.

6 With the MMP Plan, creditors and interest holders will receive the DISCLOSURE
7 STATEMENT FOR THE MMP PLAN OF REORGANIZATION (DATED AUGUST 28, 2014) (the “MMP
8 Disclosure Statement”). Creditors will be classified in defined “Classes” described below.

9 Along with the MMP Plan and its MMP Disclosure Statement, those creditors in Classes whose
10 claims are impaired under the MMP Plan will also receive a ballot for voting on the MMP Plan.

11 Under the MMP Plan, Classes 1, 2, 3, 4 and 5 are not impaired and are therefore conclusively
12 presumed to have accepted the MMP Plan. Accordingly, acceptances with respect to those
13 Classes are not being solicited, and no ballots need be returned by creditors in such Classes.²

14 Acceptances of the MMP Plan are being solicited only from Classes 6, 7, 9A and Class
15 10. Only holders of Claims in Classes 6, 7, 9A and 10 need return their ballots.

16 The MMP Disclosure Statement includes a summary of the Debtor’s history, a summary
17 of significant events during the Chapter 11 case, a description of what Creditors and Interest
18 Holders will receive under the MMP Plan and a summary of the procedures and voting
19 requirements necessary for confirmation of the MMP Plan. You should thoroughly review both
20 the MMP Plan and the MMP Disclosure Statement before deciding whether you will accept or
21 reject the MMP Plan. In the event and to the extent that any provision of the MMP Plan is
22 inconsistent with or contrary to the provisions of the MMP Disclosure Statement, the provisions
23 of the MMP Plan shall control and take precedence.

24 **CREDITORS WISHING TO VOTE ON THE MMP PLAN MUST COMPLETE**

25 _____
26
27 ² In addition, Classes 8 and 9B will also not be receiving ballots, as the members of
28 those Classes, if any, as well as the amounts of their Claims are not known and will not be known until
after the Effective Date of the MMP Plan.

1 **THE BALLOT PROVIDED AND RETURN IT NO LATER THAN _____, 2014 TO:**

2 Kenneth H. Prochnow
3 Chiles and Prochnow, LLP
2600 El Camino Real, Suite 412
Palo Alto, CA 94306-1719

4 **IF YOUR BALLOT IS NOT RETURNED BY _____, 2014, IT MAY NOT BE**
5 **CONSIDERED. BALLOTS WHICH ARE RETURNED BUT NOT PROPERLY**
6 **EXECUTED WILL NOT BE CONSIDERED. BALLOTS WHICH ARE EXECUTED**
7 **BUT WHICH FAIL TO INDICATE EITHER ACCEPTANCE OR REJECTION OF**
8 **THE MMP PLAN WILL BE CONSIDERED AS ACCEPTING THE MMP PLAN.**

9 If any Class of Claims impaired and entitled to vote on the MMP Plan does not accept it,
10 Mr. Moore may elect to seek confirmation of the MMP Plan under § 1129(b) of the Bankruptcy
11 Code. Confirmation under § 1129(b) can, in appropriate circumstances, take place
12 notwithstanding the rejection of, or objection to, a chapter 11 plan by the holders of Claims and
13 Interests. If required, the MMP Plan may be modified at or prior to the hearing on
14 Confirmation to permit Bankruptcy Court approval under § 1129(b). If the MMP Plan is not
15 confirmed, the Bankruptcy Court may order the Bankruptcy Case dismissed, or converted to a
16 case under Chapter 7 of the Bankruptcy Code, or other parties in interest may propose a
17 different MMP Plan.

18 **I. DEFINITIONS**

19 As used in the MMP Plan, the following terms shall have the respective meanings
20 specified below:

21 **“Administrative Claim”** means a Claim for any cost or expense of administration of a
22 kind specified in § 503(b) of the Bankruptcy Code, including (a) any actual and necessary costs
23 and expenses of preserving the Bankruptcy Estate incurred on or after the Petition Date and
24 through and including the Effective Date, (b) any cure amounts that must be paid in connection
25 with the assumption of any executory contract or unexpired lease of the Debtor under § 365 of
26 the Bankruptcy Code, (c) fees due to the United States Trustee pursuant to 28 U.S.C. §
27 1930(a)(6), and (d) compensation for legal or other services and reimbursement of expenses
28 allowed by the Bankruptcy Court under §§ 330 and 331 of the Bankruptcy Code or otherwise.

1 **“Administrative Claims Bar Date”** means that date which is thirty (30) days following
2 the Effective Date.

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

6 **“Administrative Convenience Claims”** means Timely Filed Unsecured Claims of
7 \$5,000.00 or less whose holders elect on their Ballot to accept treatment pursuant to Class 5
8 under the MMP Plan, and Timely Filed Unsecured Claims of greater than \$5,000.00 whose
9 holders elect on their Ballot to accept treatment pursuant to Class 5 under the MMP Plan and
10 agree to reduce their respective Allowed Claims to \$5,000.00.

11 **“Alliacense”** means Alliacense LLC, a former division of Debtor TPL that is now an
12 independent company owned by Mr. Leckrone.

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

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

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

20 **“Allowed Claim”** means a Claim: (a) in respect to which a proof of Claim has been
21 filed with the Bankruptcy Court by the applicable Claims Bar Date and to which no objection
22 has been filed by the Claims Objection Deadline; (b) as to which no proof of Claim has been
23 filed and which has been listed on Schedule D, E or F of the Debtor's Schedules and is not
24 listed as disputed, contingent, unliquidated or unknown as to amount, and to which no objection
25 has been filed by the Claims Objection Deadline; (c) which is Allowed by a Final Order; (d)
26 settled, compromised or otherwise resolved by the Reorganized Company pursuant to its power
27 granted under the MMP Plan; or (e) which is deemed Allowed by the MMP Plan. Other than
28 those Claims expressly Allowed by the MMP Plan, no Claim shall be considered an Allowed

1 Claim if: (i) an objection to the allowance thereof is interposed by a party in interest by the
2 Claims Objection Deadline, and such objection has not been overruled by a Final Order; or (ii)
3 the Claim has been satisfied.

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

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

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

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

9 **“Bankruptcy Case”** means this Chapter 11 proceeding; namely, the bankruptcy case
10 styled *In re Technology Properties, Limited, LLC*, Chapter 11 Case No. 13-51589-SLJ, pending
11 in the Bankruptcy Court.

12 **“Bankruptcy Code”** means title 11 of the United States Code and also includes §§ 157,
13 158, 1334, 1408, 1412, and 1452 of title 28 of the United States Code, and any amendments
14 thereto to the extent applicable to this Bankruptcy Case.

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

18 **“Bankruptcy Estate”** or **“Estate”** means the estate created by the commencement of
19 the Bankruptcy Case and comprised of the property described in § 541 of the Bankruptcy Code.

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

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

1 **“Browns Claim”** means Proof of Claim Number 22-1 filed by Chester A. Brown, Jr.
2 and Marcie Brown in the Bankruptcy Case, in connection with the Browns Judgment in the
3 amount of \$10,021,511 plus post-judgment interest.

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

7 **“Browns/TPL Appeal”** means the appeal of the Browns Judgment filed by Debtor TPL
8 and currently pending in the in the Court Of Appeal Of The State Of California, Sixth
9 Appellate District.

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

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

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

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

17 **“Chapter 11 Trustee”** means that individual duly appointed by the Bankruptcy Court
18 to carry out the duties of Chapter 11 trustee as set out in the Bankruptcy Code and the
19 Bankruptcy Rules, and as further described and delineated in this MMP Plan, which
20 contemplates and is dependent upon the appointment of a Chapter 11 Trustee in place of Mr.
21 Leckrone as debtor-in- possession of Debtor TPL.

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

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

26 **“Claims Objection Deadline”** means the date ninety (90) days after the Effective Date;
27 provided, however, that the Claims Objection Deadline may be extended by the Bankruptcy
28 Court for cause upon a noticed motion of the Reorganized Company or the Committee to all

1 Notice Parties on not less than ten (10) days' written notice.

2 **“Claims Trust Account”** means the segregated interest-bearing bank account
3 established for the purpose of holding the deposits of the Quarterly Payment, maintained for
4 paying Distributions to Creditors holding Allowed Claims pursuant to the MMP Plan.

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

7 **“Committee”** means the Official Committee of Unsecured Creditors appointed by the
8 Office of the United States Trustee on March 28, 2013 consisting of Chester A. Brown, Jr. and
9 Marcie Brown, Patriot Scientific Corp., Beresford & Co., the Former Chipscale Shareholders,
10 Farella Braun & Martel, LLP, the Estate of James Kirkendall and Dr. Zlatan Ribic GmbH.

11 **“Committee Claims”** means the proofs of Claims filed by members of the Committee
12 in the Bankruptcy Case and include the following: (A) proof of Claim number 19 filed by
13 Beresford & Co.; (B) proof of Claim number 20 filed by the Estate of James V. Kirkendall; (C)
14 proof of Claim number 21 filed by Dr. Ribic GmbH; (D) proof of Claim number 22 filed by
15 Chester A. Brown, Jr. and Marcie Brown; (E) proof of Claim number 23 filed by Phil Marcoux,
16 individually and as Seller's Rep. for Certain Former ChipScale, Inc. Shareholders; (F) proof of
17 Claim number 28 filed by Farella Braun & Martel LLP; and (G) proofs of Claim numbers 33
18 and 34 filed by Patriot Scientific Corporation.

19 **“Committee's Professionals”** means, collectively, Dorsey & Whitney LLP and such
20 other professionals whose employment by the Committee prior to the Confirmation Date is
21 approved by order of the Bankruptcy Court, if any.

22 **“Confirmation”** means the entry by the Bankruptcy Court of the Confirmation Order.

23 **“Confirmation Date”** means the date on which the Bankruptcy Court enters the Order
24 of Confirmation.

25 **“Confirmation Hearing”** means the hearing held by the Bankruptcy Court on
26 confirmation of the MMP Plan as required by § 1128(a) of the Bankruptcy Code.

27 **“Confirmation Order”** means the Order confirming the MMP Plan under § 1129 of
28 the Bankruptcy Code.

1 **“Creditor”** means any person or entity that has submitted a creditor claim in the
2 Bankruptcy Case.

3 **“Creditor Trust”** means the trust to be established for the purpose of holding the
4 Interests of the Interest Holder and for holding the Unsecured Claimants’ Security Interest for
5 the benefit of holders of Allowed Unsecured Claims, pursuant to the terms of the MMP Plan.

6 **“Creditor Trust Trustee”** shall mean the Chapter 11 Trustee when duly appointed by
7 the Bankruptcy Court.

8 **“Debtor”** means Technology Properties Limited LLC, a California Limited Liability
9 Company.

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

21 **“Disbursing Agent”** means the Chapter 11 Trustee.

22 **“MMP Disclosure Statement”** means the DISCLOSURE STATEMENT FOR THE MMP
23 PLAN OF REORGANIZATION (DATED AUGUST 28, 2014), including any modification(s) thereof
24 and/or amendment(s) thereto.

25 **“Disputed Claim”** means a Claim against the Debtor: (a) as to which a proof of Claim
26 has not been filed and that has been listed in the Debtor's Schedules as disputed, contingent,
27 unliquidated or unknown as to amount; or (b) as to which an objection or adversary proceeding
28 has been filed by the Claims Objection Deadline and which objection or adversary proceeding

1 has not been withdrawn or disposed of by a Final Order.

2 **“Disputed Claims Reserve Account”** means a segregated interest-bearing bank
3 account maintained for the purpose of holding Cash attributable to Disputed Claims, including
4 the Leckrone Claim Set Aside, and administered by the Reorganized Company consistent with
5 the provisions of § 345 of the Bankruptcy Code.

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

9 **“Distribution Date”** means any date on which a Distribution shall be made pursuant to
10 the MMP Plan.

11 **“Effective Date”** means the later of (a) the first Business Day that is at least 30 days
12 after the entry of the Confirmation Order and on which no stay of the Confirmation Order is in
13 effect, including a stay pending appeal, or (b) January 1, 2015.

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

15 **“Excluded Contract”** means an executory contract or unexpired lease that is neither
16 designated for assumption nor for rejection under the MMP Plan as of the conclusion of the
17 Confirmation Hearing. For the avoidance of doubt, the Licensee Protected Contracts are not
18 Excluded Contracts but rather ride through unimpaired, in accordance with Article VIII(f).

19 **“Final Decree”** means the final decree by the Bankruptcy Court closing the Bankruptcy
20 Case pursuant to Bankruptcy Code § 350 and Bankruptcy Rule 3022.

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

25 **“Gross Revenue”** means all present and future property, tangible and intangible,
26 including, without limitation, any and all legal and equitable rights, in which the Reorganized
27 Company possesses or receives any right, title and interest, and all proceeds, products,
28 offspring or profits thereof, including, without limitation, (A) all Cash, (B) all non-Cash

1 proceeds, (C) whatever is acquired upon the sale, lease, license, exchange, or other disposition
2 of property; (D) whatever is collected on, or distributed on account of, property; (E) rights
3 arising out of any property; (F) claims arising out of the loss, nonconformity, or interference
4 with the use of, defects or infringement of rights in, or damage to, property; (G) insurance
5 payable by reason of the loss or nonconformity of, defects or infringement of rights in, or
6 damage to, property; (H) whatever is received from license payments, litigation settlements,
7 judgments, damage awards and service fees; (I) whatever is received from distributions to
8 owners of entities in which TPL has any ownership interest (other than distributions from PDS
9 by reason of MMP licensing or litigation, which are excluded from Gross Revenue but are
10 otherwise accrued for the benefit of Debtor TPL and its creditors under the MMP Plan); and
11 (J) payments of interest, dividends and royalties.

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

13 **“Insider 13% Claims”** means the following: (A) the portion of proof of Claim number
14 25 filed in the Bankruptcy Case by Susan Anhalt, asserted in the estimated amount of
15 \$8,379,952 based on “Payments from Assignment;” (B) proof of Claim number 32 filed in the
16 Bankruptcy Case by John C. Leckrone in the estimated amount of \$8,491,090 based on
17 “Payments from Assignment;” and (C) the portion of proof of Claim number 39 filed in the
18 Bankruptcy Case by Mac Leckrone, asserted in the estimated amount of \$8,478,590 based on
19 “Payments from Assignment.”

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

22 **“Interest Holder”** means Mr. Leckrone as the sole holder of all Interests in the Debtor.

23 **“Insider Employee Compensation Contracts”** means the agreements, whether written
24 or oral, and all amendments, addenda, letter agreements, offer letters, schedules, exhibits,
25 modifications attachments, supplements and other documents related thereto, between TPL,
26 Alliacense and/or the TPL Group, on the one hand, and Daniel McNary Leckrone, Dwayne
27 Hannah, Janet Neal, Michael Davis, Nick Antonopoulos, Robert Neilson and Susan Anhalt, on
28 the other hand, on which the Insider Employee Compensation Claims are based.

1 **“Insider Employee Compensation Claims”** means the following: (A) proof of Claim
2 number 4 filed in the Bankruptcy Case by Robert Neilson; (B) proof of Claim number 17 filed
3 in the Bankruptcy Case by Dwayne Hannah; (C) the portion of proof of Claim number 25 filed
4 in the Bankruptcy Case by Susan Anhalt, asserted in the estimated aggregate amount of
5 \$16,148.43 based on “Unpaid salary” and “Unpaid paid time off;” (D) proof of Claim number
6 27 filed in the Bankruptcy Case by Janet Neal; (E) proof of Claim number 30 filed in the
7 Bankruptcy Case by Nick Antonopoulos; (F) proof of Claim number 35 filed in the Bankruptcy
8 Case by Michael Davis; (G) the portion of proof of Claim number 39 filed in the Bankruptcy
9 Case by Mac Leckrone, asserted in the estimated amount of \$2,141,232 based on “Unpaid
10 Incentive Compensation;” and (H) the portion of proof of Claim number 40 filed in the
11 Bankruptcy Case by Mr. Leckrone, asserted in the estimated aggregate amount of \$59,101.47
12 based on “Unpaid salary” and “Unpaid paid time off.”

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

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

16 **“Leckrone” or “Mr. Leckrone”** means Daniel E. Leckrone, the owner of Debtor TPL
17 and Alliacense, and the debtor-in-possession of Debtor TPL at the time it initiated this
18 Bankruptcy Case. The MMP Plan contemplates and is dependent upon the removal of Mr.
19 Leckrone as debtor-in-possession and his replacement with a Chapter 11 Trustee.

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

23 **“Leckrone Set Aside”** means the sum of \$4,872,284 plus interest at the contract rate of
24 5% per annum, to be reserved and accrued by the Reorganized Company for contingent
25 payment to Mr. Leckrone, based upon resolution and determination of the Allowed Leckrone
26 Claim.

27 **“Licensee Objectors”** means the parties identified in **Exhibit “A”** hereto, together with
28 any of their affiliates, sublicensees, successors or assigns. Licensee Parties may become

1 Licensee Objectors at any time prior to the commencement of the Confirmation Hearing by
2 notice to counsel for the Debtor and the Committee.

3 **“Licensee Parties”** means the Licensee Objectors, together with any other party
4 granted a license by the Debtor on or before the Effective Date, as well as each party’s
5 respective affiliates, sublicensees, successors or assigns.

6 **“Licensee Protected Contracts”** includes but is not limited to those Licensee Protected
7 Contracts listed on **Exhibit “B”** hereto, and means the Debtor’s contracts with any or all of the
8 Licensee Objectors identified in **Exhibit “A”** hereto, together with any intellectual property
9 license and/or settlement agreements with any Licensee Parties, as amended, modified, or
10 supplemented from time to time, as well as all commercialization agreements and other
11 agreements related to the ownership of the licensed patent portfolios or the rights to such
12 portfolios, including the right to license such portfolios. All of these contracts ride through
13 pursuant to Article VIII(f) as a separate category and are not considered executory contracts or
14 Excluded Contracts.

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

17 **“Manager”** shall mean the Chapter 11 Trustee.

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

20 **“MIG”** means Moore Innovations Group, LLC, defined and described below.

21 **“MIG Manager”** means the person selected by the MIG Board of Directors to run the
22 day to day operations of Moore Innovations Group.

23 **“MMP Plan”** means this MMP PLAN OF REORGANIZATION (DATED AUGUST 28, 2014),
24 including any modification(s) hereof and/or amendment(s) hereto that comply with § 1127 of
25 the Bankruptcy Code and Bankruptcy Rule 3019.

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

27 **“Moore Innovations Group, LLC”** (“MIG”) means the new company being created
28 by Mr. Moore for the purpose of carrying forward commercialization of the MMP Portfolio

1 under the auspices of an entity that cannot be characterized as a patent aggregator or patent troll.

2 **“Non-Insider 13% Claims”** means the Browns Claim, the Kirkendall Estate Claim, the
3 Todd Kirkendall Claim and the Marsh Claim.

4 **“NOP”** means the net operating profit generated by TPL’s business operations
5 calculated as follows: the difference between collections from accounts receivable, lawsuit
6 recoveries, license royalties, lump sum license fees and all other sources of revenue from
7 operations during each calendar quarter, less all costs of operation including, but not limited to,
8 salaries, wages, benefits, rent, utilities, taxes, the \$1,000,000 WCR, amounts necessary to
9 replenish the WCR to \$1,000,000 as approved by the TPL Board of Directors, and all
10 Distributions as required under the MMP Plan (including the Minimum Distribution).

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

14 **“Notice Parties”** means the Reorganized Company, counsel for the Reorganized
15 Company, the United States Trustee, the Chapter 11 Trustee, the Licensee Objectors and any
16 Creditor who, after the Confirmation Hearing, files with the Bankruptcy Court and serves on
17 the Reorganized Company and its counsel at the addresses provided at Section XIV of the
18 MMP Plan, a notice requesting to be added as a Notice Party; provided, however, that any
19 creditor whose Claim has been paid in full shall no longer be a Notice Party.

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

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

25 **“Patent Aggregator” or “Patent Troll”** means a non-practicing entity (that is, an
26 entity holding a patent but not involved in the design or manufacture of any product or process
27 associated with that patent) that owns or controls portfolios of patents and that seeks to profit
28 from them through claims of patent infringement.

1 **“Patent Troll”** – see **“Patent Aggregator”** above.

2 **“Patriot”** or **“PTSC”** means Patriot Scientific Corporation.

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

4 **“PDS Revenue”** means the proportional distribution of revenue from the MMP
5 Portfolio as determined by PDS to which TPL is entitled, which excludes expenses paid or
6 reimbursed, if any, to TPL by PDS; PDS Revenue, by contract, is set at 26.075% of PDS net
7 revenue from the MMP Portfolio.

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

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

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

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

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

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

18 **“Professional”** means any Person employed in the Bankruptcy Case prior to the
19 Effective Date pursuant to §§ 327 and 1103 of the Bankruptcy Code, and following the
20 Effective Date as provided by the MMP Plan.

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

26 **“Quarterly Distribution Report”** means the report provided by the Chapter 11 Trustee
27 to the TPL Board of Directors and to the Bankruptcy Court on a quarterly basis as provided at
28 Section VII-F-3 of the MMP Plan, providing a list of all Claims held by Creditors in Classes 2,

1 3, 4, 6, 7, 8, 9A and 9B, and identifying each Claim as either an Allowed Claim, a Disputed
2 Claim (in whole or in part), and if a Disputed Claim, any amount that is undisputed, and
3 providing (for each respective Claim) the Claim number (if applicable), the claimant name, and
4 the Reorganized Company's calculations for each Claim, including: (i) the amount of the
5 Allowed Claim, if applicable (ii) the undisputed portion of any Disputed Claim, (iii) the pro rata
6 Distribution amount for the quarter, and (iv) the interest owing for the quarter calculated at the
7 MMP Plan Interest Rate for that Claim. The Quarterly Distribution Report shall include the
8 then-current total payment due each holder of an Allowed Claim and the total of all such
9 payments due for the quarter.

10 **"Quarterly Payment"** means (A) the payment deposited by the Reorganized Company
11 into the Claims Trust Account after the close of each full calendar quarter following the
12 Effective Date comprised of (i) the NOP for such quarter, plus (ii) the PDS Revenue received
13 during that quarter, less the WCR.

14 **"Rejection Claim"** means an Unsecured Claim arising from the Debtor's rejection of an
15 unexpired lease or executory contract pursuant to the MMP Plan or pursuant to an order of the
16 Bankruptcy Court.

17 **"Rejection Claims Bar Date"** means, other than for an Excluded Contract, the earlier
18 of: (a) thirty (30) days following the date of the Notice of Confirmation; or (b) thirty (30) days
19 after the entry of a Final Order prior to Confirmation approving rejection of an executory
20 contract or unexpired lease. With respect to an Excluded Contract that is rejected pursuant to
21 Section VIII-F of the MMP Plan, the Rejection Claims Bar Date means thirty (30) days from
22 the date notice of rejection and notice of the Rejection Claims Bar Date is provided to the
23 affected party to the Excluded Contract.

24 **"Reorganized Company"** means Debtor TPL on and after the Effective Date.

25 **"Responsible Person"** shall mean the Chapter 11 Trustee.

26 **"Retained Claims"** means any and all claims, defenses and rights of the Debtor and the
27 Reorganized Company against any Person or Entity as of the Effective Date.

28 **"Schedules"** means the Debtor's schedules of assets and liabilities consisting of

1 Schedules “A” through “J” filed with the Bankruptcy Court pursuant to § 521(a)(1) of the
2 Bankruptcy Code and Bankruptcy Rule 1007(b), and any amendments thereto.

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

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

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

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

22 **“Unsecured Creditors’ Security Interest”** means the lien and security interest granted
23 by the Reorganized Company to the Chapter 11 Trustee, in his/her capacity as collateral agent
24 for the benefit of all holders of Allowed Unsecured Claims, in all of its right, title and interest
25 in, to and under its present and future assets, which lien and security interest shall be junior to
26 all existing, valid, perfected, unavoidable and unsubordinated liens against all assets of TPL, to
27 secure the complete and timely performance of all of the Reorganized Company’s obligations
28 and payment of Allowed Claims in Class 6 and Class 7 under the MMP Plan.

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

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

5 **“WCR”** means the Reorganized Company’s \$1.0 million working capital reserve as
6 provided for under the MMP Plan.

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

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

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

19 **A. Unclassified Claims:** § 1123(a)(1) of the Bankruptcy Code provides that
20 certain claims, including Administrative Claims and post-petition tax claims by governmental
21 units entitled to priority under § 507(a)(2) of the Bankruptcy Code, and pre-petition unsecured
22 Priority Tax Claims entitled to priority under § 507(a)(8) of the Bankruptcy Code are not
23 classified claims under a Chapter 11 Plan. Unclassified Claims are here expected to include
24 Professional Fee Claims of the Committee’s Professionals and the Debtor’s Professionals.

25 **B. Classified Claims:**

26 1. Class 1 (Priority Claims).

27 Class 1 consists of all Priority Claims.

28 2. Class 2 (CCC Claim).

1 Class 2 consists of the CCC Claim.

2 3. Class 3 (Venkidu Claim).

3 Class 3 consists of the Venkidu Claim.

4 4. Class 4 (Leckrone Secured Claim).

5 Class 4 consists of the “Leckrone Secured Claim,” Mr. Leckrone’s secured claim that is
6 here a Disputed Claim.

7 5. Class 5 (Administrative Convenience Claims).

8 Class 5 consists of all Administrative Convenience Claims.

9 6. Class 6 (Non-Insider General Unsecured Claims, Together With 50% of Each of
10 the Non-Insider 13% Claims).

11 Class 6 consists of **non-insider** general Unsecured Claims not included or provided for
12 in any other Class, including all Unsecured Claims of vendors and trade Creditors for goods
13 delivered or services provided to the Debtor prior to the Petition Date. Class 6 also consists of
14 50% of each of the Non-Insider 13% Claims.

15 7. Class 7 (50% of Each Of the Non-Insider 13% Claims).

16 Class 7 consists of 50% of each of all Non-Insider 13% Claims.

17 8. Class 8 (Non-Insider Rejected Executory Contract Claims).

18 Class 8 consists of any Non-Insider Claims resulting from Rejected Executory
19 Contracts.

20 9. Class 9.

21 Class 9A consists of (i) all 13% Insider Claims; (ii) all Insider Employee Claims; and
22 (iii) all Insider Unsecured Claims.

23 Class 9B consists of any Insider Claims resulting from Rejected Executory contracts.

24 10. Class 10 - Interests.

25 Class 10 consists of those parties who hold interests in Debtor TPL.

26 **III. TREATMENT OF UNCLASSIFIED CLAIMS**

27 Unclassified Claims shall be treated as follows:

28 **Administrative Claims.**

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

8 Any request for allowance of an Administrative Claim, other than Professional Fee
9 Claims (discussed below), must be filed on or before the Administrative Claims Bar Date. If
10 the holder of an Administrative Claim does not file and serve a request for payment of such
11 Claim on or before the Administrative Claims Bar Date, the holder shall be forever barred from
12 asserting such Claim or receiving any payment on account of such Claim. Any objection to the
13 allowance of an Administrative Claim (excluding any Professional Fee Claims) shall be filed
14 no later than the Administrative Claims Objection Deadline. If no objection to the applicable
15 Administrative Claim is filed on or before that date, such Administrative Claim shall be deemed
16 Allowed as of that date. The foregoing is in full and final satisfaction of all Administrative
17 Claims.

18 **Professional Fee Claims.**

19 All final requests for payment of Professional Fee Claims must be filed with the
20 Bankruptcy Court and served on the Chapter 11 Trustee, the Reorganized Company, the United
21 States Trustee and other parties as designated by the Bankruptcy Court or applicable rules no
22 later than forty (40) days after the Effective Date. After notice and a hearing in accordance
23 with the procedures established by the Bankruptcy Code and prior orders of the Bankruptcy
24 Court in the Bankruptcy Case, if any, the Allowed Amounts of such Professional Fee Claims
25 will be determined by the Bankruptcy Court and, once Allowed pursuant to entry of an order by
26 the Bankruptcy Court, will be paid as promptly as practicable by the Reorganized Company.
27 Objections to Professional Fee Claims must be filed and served on the Chapter 11 Trustee, the
28 Reorganized Company, and the requesting party no later than seven (7) days prior to the

1 hearing on the applications for compensation by the Professionals.

2 **Priority Tax Claims.**

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

8 **IV. TREATMENT OF CLAIMS NOT IMPAIRED UNDER THE MMP PLAN**

9 Holders of Claims in Classes 1, 2, 3, 4 and 5 are not Impaired under the MMP Plan and
10 shall receive the treatment described below:

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

12 Holders of Allowed Priority Claims shall receive the following treatment under the
13 MMP Plan: Except to the extent that the holder of a particular Allowed Priority Claim has
14 agreed to a less favorable treatment of such Claim, each holder of an Allowed Priority Claim
15 shall be paid in cash from the Claims Trust Account, in full upon the later of: (a) six months
16 after the Effective Date; or (b) if such Claim is initially a Disputed Claim, when and if it
17 becomes an Allowed Claim. The foregoing is in full and final satisfaction of all Class 1 Claims.
18 To the extent the holder of an Allowed Priority Claim also holds an Allowed Claim in excess of
19 the amount of its Allowed Priority Claim, such excess shall be treated as an Unsecured Claim
20 in Class 6A or Class 6B, as applicable.

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

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

27 CCC shall receive on account of its Class 2 Allowed Secured Claim payment in full
28 with interest at the 5% interest rate set forth in that certain STIPULATION REGARDING USE OF

1 CASH COLLATERAL (CUPERTINO CITY CENTER) attached to the CCC Claim, such interest
2 deemed to accrue from the Petition Date. Payment on account of the Allowed Secured Claim
3 of CCC shall be made from the Claims Trust Account, and shall be given in four equal
4 payments, beginning on the Effective Date.

5 Upon full satisfaction of the Allowed CCC Claim as a Class 2 claim, all liens, security
6 interests and other encumbrances affecting property of TPL or the Reorganized Company
7 granted in favor of CCC shall automatically be extinguished and terminated.

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

9 **C. Class 3 (Venkidu Claim).**

10 Because Venkidu had been receiving payments from TPL on a regular basis until the
11 TPL bankruptcy filing and because his agreement predated that of the purported agreement
12 giving rise to the Leckrone Secure Claim, the MMP Plan affords second secured creditor
13 priority to the Venkidu Claim among the secured claims in this Bankruptcy Case. Unless
14 otherwise provided by order of the Bankruptcy Court, pursuant to § 1129(b)(2)(A)(i) of the
15 Bankruptcy Code and the Cash Collateral Order, Venkidu shall retain all valid and perfected
16 liens, security interests and other encumbrances affecting property of the Debtor or the
17 Reorganized Company granted in favor of Venkidu prior to the Effective Date, including those
18 granted in the Cash Collateral Order, with respect to the Venkidu Claim to the extent of the
19 Secured Claim of Venkidu is an Allowed Claim.

20 After payment in full, or reservation for, the Allowed Secured Claims in Class 2,
21 Venkidu, on account of the Venkidu Secured Claim, shall be paid 100% of the Quarterly
22 Payment received by the Claims Trust Account, until the Allowed Secured Venkidu Claim has
23 been paid in full together with 7% simple interest per annum from the Petition Date.

24 Upon satisfaction and/or treatment of the Venkidu Claim pursuant to this Class 3, all
25 liens, security interests and other encumbrances affecting property of Debtor TPL or the
26 Reorganized Company granted in favor of Venkidu shall automatically be extinguished and
27 terminated.

28 The foregoing is in full and final satisfaction of all Class 3 Claims.

1 **D. Class 4 (Leckrone Secured Claim).**

2 Because Leckrone's purported contract with TPL came into alleged existence after
3 TPL's agreement with Venkidu, and because Leckrone has never been paid either interest or
4 principal on account of his purported contract and its secured interest, the Leckrone Secured
5 Claim has been afforded third priority among the TPL secured claims, to be paid or funded
6 (subject to resolution of its Disputed Claim status) behind the claims in Class 2 and Class 3.
7 Unless otherwise provided by order of the Bankruptcy Court, pursuant to § 1129(b)(2)(A)(i) of
8 the Bankruptcy Code and the Cash Collateral Order, the Leckrone Secured Claim shall be
9 entitled to all valid and perfected liens, security interests and other encumbrances affecting
10 property of the Debtor or the Reorganized Company granted in favor of Leckrone prior to the
11 Effective Date, including those granted in the Cash Collateral Order.

12 The Class 4 Leckrone Secured Claim is deemed a Disputed Claim by the MMP Plan.
13 Within 30 days of the Effective Date, the Chapter 11 Trustee shall file an objection to the
14 Leckrone Secured Claim and shall commence an adversary proceeding to avoid, re-characterize
15 and/or to subordinate such Secured Claim (absent negotiation with Leckrone resulting in his
16 subordination of the alleged Leckrone Secured Claim behind all claims of non-insider
17 Creditors).

18 Absent resolution of the above-referenced adversary proceeding, or settlement through
19 subordination as described above, and following payment in full of the Class 2 and Class 3
20 Claims, the Chapter 11 Trustee shall make provision for payment of the Leckrone Secured
21 Claim by funding the Leckrone Claim Set Aside in the Disputed Reserve Account, utilizing the
22 Quarterly Payment(s) received after payment in full of the Class 2 and Class 3 Claims for that
23 purpose. The Leckrone Claim Set Aside shall accrue and remain until there is a Final Order
24 determining the amount of the Allowed Leckrone Claim (including interest from the date of
25 filing at the rate of 5% simple interest from the Petition Date); provided, however, that the
26 Bankruptcy Court shall have the power to reduce the amount of the Leckrone Claim Set Aside
27 upon motion by the Chapter 11 Trustee or by any other party in interest. Upon entry of a Final
28 Order (plus time for appeal) determining the amount of the Allowed Leckrone Claim, the

1 Leckrone Claim Set Aside shall be used in whole or in part for payment of the Allowed
2 Leckrone Claim in the appropriate amount, plus interest, and the Leckrone Claim Set Aside
3 shall be terminated. To the extent there are funds remaining in the Leckrone Claim Set Aside
4 after payment of the Allowed Amount of the Leckrone Claim, such excess funds shall be
5 returned to the Claims Trust Account and accounted for as a portion of the next Quarterly
6 Payment received.

7 Upon satisfaction and/or treatment of the Allowed Leckrone Claim pursuant to this
8 Class 4, all liens, security interests and other encumbrances affecting property of Debtor TPL or
9 the Reorganized Company granted in favor of Leckrone shall automatically be extinguished
10 and terminated.

11 The foregoing is in full and final satisfaction of all Class 4 Claims.

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

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

19 The foregoing is in full and final satisfaction of all Class 5 Claims.

20 **V. TREATMENT OF CLASSES OF CLAIMS AND INTERESTS**
21 **THAT ARE IMPAIRED UNDER THE MMP PLAN**

22 Holders of Claims in Class 6, Class 7 and Class 9A, and the holder of Interests in Class
23 10 are Impaired under the MMP Plan and shall receive the treatment under the MMP Plan as
24 described below (the creditors in Class 8 and Class 9B, if any, being nonexistent prior to plan
25 confirmation and unknown at this writing or until plan confirmation, are neither impaired nor
26 entitled to vote on the MMP Plan):

27 **A. Class 6 (Non-Insider General Unsecured Claims, Together With The First**
28 **50% of Each of the Non-Insider 13% Claims).**

1 Holders of Class 6 Allowed Claims shall receive payment in full over time as follows:
2 Holders of Allowed 6 Claims shall be deemed Allowed in an amount equal to 100% of their
3 Claims (for the Non-Insider 13% Claims, that amount will be limited to the first 50% of their
4 Claims), and will receive quarterly *pro rata* payments of (i) 100% of the Quarterly Payment
5 from the Creditor Claims Trust after Allowed Claims in Class 1, Class 2, Class 3, Class 4 and
6 Class 5 have been paid, or reserved for, in full and (ii) interest on their claims from the Petition
7 Date calculated at five percent *per annum*.

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

9 **B. Class 7 (Remaining 50% of Each of the Non-Insider 13% Claims).**

10 Holders of Class 7 Allowed Claims shall receive payment in full over time as follows:
11 Holders of Allowed 7 Claims shall be deemed Allowed in an amount equal to the remaining
12 50% of their Claims (after payment and satisfaction of the first 50% of their Claims pursuant to
13 Class 6 treatment), and will receive quarterly *pro rata* payments of (i) 100% of the Quarterly
14 Payment from the Creditor Claims Trust after Allowed Claims in Class 1, Class 2, Class 3,
15 Class 4, Class 5 and Class 6 have been paid, or reserved for, in full and (ii) interest on their
16 claims from the Petition Date calculated at five percent *per annum*.

17 The foregoing is in full and final satisfaction of all Class 7 Claims.

18 **C. Class 8 – Non-Insider Rejected Executory Contract Claims.**

19 Holders of Class 8 Allowed Claims shall receive payment in full over time as follows:
20 Holders of Allowed 8 Claims, if not disputed, shall be deemed Allowed in full, following the
21 payment in full of, or reservation for, Allowed Claims in Class 1, Class 2, Class 3, Class 4,
22 Class 5, Class 6 and Class 7, and shall receive *pro rata* distributions of 100% of the Quarterly
23 Payment, up to the full Allowed Claims amount, without interest, in accordance with the timing
24 and schedule set forth at Section VII-F-4 of the MMP Plan.

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

26 **D. Class 9.**

27 1. Class 9A (Insider Claims)

28 Holders of Class 9A Allowed Claims shall receive payment over time as follows:

1 Holders of Class 9A Claims shall be deemed Allowed in an amount equal to 20% of their
2 Claims, and following the payment in full of, or reservation for, Allowed Claims in Class 1,
3 Class 2, Class 3, Class 4, Class 5, Class 6, Class 7 and Class 8, shall receive *pro rata*
4 Distributions of 100% of the Quarterly Payment, up to the full Allowed Amounts, together with
5 interest at three percent *per annum* from the Petition Date, in accordance with the timing and
6 schedule set forth at Section VII-A-4 of the MMP Plan.

7 The foregoing is in full and final satisfaction of all Class 9A Claims.

8 2. Class 9B (Insider Rejected Executory Contract Claims)

9 Holders of Class 9B Allowed Claims shall receive payment over time as follows:

10 Holders of Class 9B Claims shall be deemed Allowed in an amount equal to 20% of their
11 Claims, and following the payment in full of, or reservation for, Allowed Claims in Class 1,
12 Class 2, Class 3, Class 4, Class 5, Class 6, Class 7, Class 8 and Class 9A, shall receive *pro rata*
13 Distributions of 100% of the Quarterly Payment, up to the full Allowed Amounts, together with
14 interest at three percent *per annum* from the Petition Date, in accordance with the timing and
15 schedule set forth at Section VII-A-4 of the MMP Plan.

16 The foregoing is in full and final satisfaction of all Class 9B Claims.

17 **E. Class 10 (Interests).**

18 On the Effective Date, all Interests in TPL, and all rights and powers which relate to,
19 arise from and are received and granted therefrom, shall be transferred to the Creditor Trust
20 Trustee. At such time as Allowed Claims in Classes 1, 3, 4, 5, 6, 7, 8, 9A and 9B are paid in
21 full, the Chapter 11 Trustee shall transfer all Interests back to the Interest Holder.

22 The foregoing is in full and final satisfaction of all Class 10 Interests.

23 **F. Class Members**

24 The table below lists all Class Members, their Class, Priority Amount, Secured Amount
25 and Total Amount Claimed. Note: Some of the claims listed below may be duplicates, some
26 may be disputed as well and therefore may be eliminated, reduced or reclassified from the list
27 of claims.

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Member Name	Claim #	Class	Priority Amount	Secured Amount	Claimed Amount
Nixon Peabody, LLP	1	6	\$0	\$0	\$158,748
Internal Revenue Service	2	Priority	\$0	\$0	\$0
CPA Global	3	5	\$0	\$0	\$2,187
Robert K. Neilsen	4	9A	\$0	\$0	\$1,245,000
Franchise Tax Board	5	Priority	\$800	\$0	\$800
General Electric Capital	6	6	\$0	\$0	\$108,634
Arockiyaswamy Venkidu	7	3	\$0	\$5,344,331	\$5,344,331
Adelson, Hess, & Kelly	8	6	\$0	\$0	\$19,511
Floyd Eric Saunders	9	6	\$12,475	\$0	\$36,250
Blumbach Zinngrebe	10	6	\$0	\$0	\$120,000
Shore, Chan, DePumpo	11	6	\$0	\$0	\$201,479
Cupertino City Center	12	2	\$0	\$711,200	\$711,200
American Express Travel	13	6	\$0	\$0	\$88,201
American Express Travel	14	6	\$0	\$0	\$1,044
American Express Travel	15	6	\$0	\$0	\$6,282
C. Alan Marsh	16	7	\$0	\$0	(Error)
Dwayne R. Hannah	17	9A	\$11,725	\$0	\$1,734,914
Green Arrays Inc.	18	6	\$0	\$0	\$0
Beresford & Co	19	6	\$0	\$0	\$2,257,215
Estate of James V Kirkendall	20a	6	\$0	\$0	\$227,500
Estate of James V Kirkendall	20b	7	\$0	\$0	\$227,500
Dr. Ribic GmbH	21	6	\$0	\$0	\$422,880
Chester A. Brown, Jr. & Marcie Brown	22a	6	\$0	\$0	\$5,010,755
Chester A. Brown, Jr. & Marcie Brown	22b	7	\$0	\$0	\$5,010,755

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Member Name	Claim #	Class	Priority Amount	Secured Amount	Claimed Amount
Phil Marcoux	23	6	\$0	\$0	\$425,000
Todd Kirkendall	24a	6	\$0	\$0	\$114,442
Todd Kirkendall	24b	7	\$0	\$0	\$114,142
Susan L. Anhalt	25	9A	\$0	\$0	\$8,396,101
Charles H. Moore	26	6	\$0	\$0	Conditional
Janet E. Neal	27	9A	\$11,725	\$0	\$1,340,160
Farella Braun & Martel	28	6	\$0	\$0	\$640,579
Nicholas Antonopolous	29	9A	\$0	\$0	(Error)
Nicholas Antonopolous	30	9A	\$11,725	\$0	\$2,607,963
Nat Union Fire Insurance	31	6	\$0	\$0	\$0
John C. Leckrone	32	9A	\$11,725	\$0	\$8,491,090
Patriot Scientific Corp	33	6	\$0	\$0	\$1,042,500
Patriot Scientific Corp	34	6	\$0	\$0	\$2,173,814
Michael Davis	35	9A	\$11,725	\$0	\$2,203,502
Kilpatrick, Townsend & Stockton	36	6	\$0	\$0	\$1,447,201
Acer, Inc.	37	6	\$0	\$0	\$0
Nikon Corporation	38	6	\$0	\$0	\$0
S.Anhalt &Mac Leckrone	39	9A	\$11,725	\$0	\$10,619,822
Daniel E. Leckrone	40	4	\$11,725	\$0	\$4,931,390
Alliacense Limited LLC	41	9A	\$11,725	\$0	\$1704,861
HTC Corporation	42	6	\$0	\$0	\$0
Cooley, LLP	43	6	\$0	\$0	\$0
Interconnect Portfolio LLC	44	9A	\$11,725	\$0	\$1,387,375
One Beacon America Insurance Company	45	6	\$0	\$0	\$1,172,368

Member Name	Claim #	Class	Priority Amount	Secured Amount	Claimed Amount
C Alan Marsh	46a	6	\$0	\$0	\$269,904
C Alan Marsh	46b	7	\$0	\$0	\$269,904

F. Below is a consolidated list of claims sorted by Class:

Class	Priority Amt	Secured Amt	Claimed Amt	Expected Amt
2	\$0	\$711,200	\$711,200	\$711,200
3	\$0	\$5,344,331	\$5,344,331	\$5,344,331
4	\$11,725	\$4,931,390	\$4,931,390	\$986,278
5	\$0	\$0	\$2,187	\$2,187
6	\$12,475	\$0	\$15,303,728	\$15,303,728
7	\$0	\$0	\$5,622,601	\$5,622,601
8	NA	NA	NA	NA
9A	\$23,450	\$0	\$40,371,367	\$8,074,273
9B	NA	NA	NA	NA
10	NA	NA	NA	NA
Priority	\$800	\$0	\$800	\$800
Total	\$118,000	\$6,055,531	\$72,287,604	\$36,045,398

VI. IMPAIRMENT OF CLASSES: VOTING OF CLAIMS

Class 1, Class 2, Class 3, Class 4 and Class 5 are unimpaired by the MMP Plan and are deemed to accept the MMP Plan. Class 6, Class 7, Class 9A and Class 10 are Impaired by the Plan and are entitled to vote on the Plan. Since Class 8 and Class 9B are nonexistent and unknown at this time, they are deemed to accept the MMP Plan.

³ Note: Mr. Moore is the holder of Claim 26 against TPL for a total of \$30,195,000. This claim is waived if the January 23, 2013 Settlement Agreement is not rejected by TPL. Given that the MMP Plan rests in part on acceptance of the January 23, 2013 Settlement Agreement, the MMP Plan assumes waiver by Mr. Moore and makes no allowance for payment of his Creditor Claim 26.

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

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

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

11 Under supervision and management by the Chapter 11 Trustee, the Reorganized
12 Company will continue segments of TPL’s business operations (licensing and litigation
13 concerning the non-MMP portfolios of patents, following review and evaluation of the non-
14 MMP portfolios as to their viability and profitability), while taking TPL’s MMP Portfolio
15 licensing and litigation operations in a new and productive direction.

16 At the outset, the Chapter 11 Trustee will review the Reorganized Company’s
17 operations with a view to reducing its overhead substantially. In particular, the Reorganized
18 Company will effect a significant reduction in force: all of TPL’s present employees and
19 officers will be laid off, with TPL salaries reduced, as of the Effective Date, to the salary due to
20 the Chapter 11 Trustee (anticipated to be \$240,000 per annum, exclusive of benefits) and to an
21 Administrative Assistant of the Chapter 11 Trustee’s choosing at a salary of not more than
22 \$72,000 per annum, exclusive of benefits. The Chapter 11 Trustee shall in addition hire
23 accountants and counsel, but the total annual budget for TPL shall not exceed \$1,000,000.

24 This reduction in overhead is put in place to permit immediate, maximum and
25 continuing payments to TPL’s creditors over the anticipated five-year tenure of the MMP Plan,
26 to the end that at the conclusion of the Plan, with all Classes of creditors paid according to the
27 Plan provisions, TPL can be returned to those holding Class 10 Interests. At that point, Plan
28 budgeting will cease, and management by TPL’s owner can again be put in place.

1 The Chapter 11 Trustee shall cause the Reorganized Company to establish the WCR at
2 its designated \$1,000,000 level, with the WCR funded by withholding from revenue the
3 Quarterly Payment up to \$1,000,000 over no fewer than two full calendar quarters after the
4 Effective Date. If at any subsequent time the WCR is reduced to less than \$1,000,000, the
5 Chapter 11 Trustee shall withhold from Quarterly Payment revenues the amount necessary to
6 replenish the WCR to its \$1,000,000 level.

7 **B. New Management**

8 The MMP Plan contemplates and is dependent upon the removal of Mr. Leckrone as
9 TPL's debtor-in-possession, with replacement by a Chapter 11 Trustee, as provided for in 11
10 U.S.C. § 1104 and the pertinent Bankruptcy Rules.

11 Within thirty days (30 days) of entry of a Bankruptcy Court Order removing the
12 debtor-in-possession and ordering the appointment of a Chapter 11 Trustee, the United States
13 trustee shall convene a meeting of the creditors for the purpose of electing a Chapter 11 Trustee
14 to manage and supervise Debtor TPL, under the provisions of 11 U.S.C. §§ 1104(b)(1) and 702
15 (a), (b), and (c). Upon election, and no later than the Effective Date, the Chapter 11 Trustee will
16 perform the duties and responsibilities, and possess and be charged with, the rights, powers and
17 liabilities, set out in the Bankruptcy Code and under the Bankruptcy Rules, and specified in this
18 MMP Plan, including but not limited to:

- 19 1. Performing the duties described in 11 U.S.C. § 1106 [excepting the duty to file a
20 reorganization plan imposed by 11 U.S.C. § 1106(a)(5)];
- 21 2. Acting as Chairman and CEO of the Reorganized Company until the MMP Plan
22 has concluded and the Bankruptcy Case has terminated;
- 23 3. Prepare the annual TPL strategic business plan and obtaining approval of the
24 same by the TPL Board of Directors;
- 25 4. Managing and supervising the day-to-day operations of TPL;
- 26 5. Reviewing (as to viability and profitability) all non-MMP Portfolio licensing
27 and litigation operations of TPL, disposing of and/or abandoning those non-
28 MMP Portfolio licensing operations that cannot be operated to TPL's benefit,

- 1 and managing and operating those non-MMP Portfolio licensing and litigation
2 operations that are determined to be productive assets of TPL;
- 3 6. Litigating and resolving, through judgment or settlement, the question of
4 allowance of the Disputed Leckrone Secured Claim;
- 5 7. Reviewing any and all pre-bankruptcy transfers of TPL assets during the four
6 years prior to the Petition Date to determine whether any such transfers should
7 be challenged as fraudulent conveyances or fraudulent transfers;
- 8 8. Prosecuting, compromising or dismissing the Retainer Claims;
- 9 9. Dismissing the Browns/TPL Appeal (given provision for payment in full of the
10 Browns Claim – and in effect satisfaction of the Browns Judgment – under the
11 MMP Plan);
- 12 10. Dismissing the TPL/Moore ‘Roe’ Litigation;
- 13 11. Reviewing all other pending TPL litigation, to determine whether any can or
14 should be dismissed, compromised or abandoned;
- 15 12. Employing an Administrative Assistant and such other employees, agents,
16 officers, accountants and counsel as may reasonably be deemed necessary for
17 the successful operation of the Reorganized Company;
- 18 13. Establishing the Claims Trust Account and the Creditor Trust;
- 19 14. Acting as Disbursing Agent to the Bankruptcy;
- 20 15. Assuming the TPL seat on the re-constituted PDS Operating Committee, or
21 selecting a suitably qualified person for that position to represent TPL’s interests
22 in PDS, and working cooperatively with the Patriot representative on the PDS
23 Operating Committee to select a mutually acceptable individual to fill the third
24 seat on the PDS Operating Committee;
- 25 16. Acting as a fiduciary of the Reorganized Company, with the power and
26 responsibility to approve major company actions, including the settlement of
27 Avoidance Actions and Retained Claims, disposing of major assets or altering
28 the structure of the Reorganized Company; and

1 17. Preparing appropriate Quarterly Reports for the TPL Board of Directors and
2 such other periodic reports as may be required by the Bankruptcy Court.

3 In addition, prior to the Effective Date the Committee shall select two of its members to
4 become members of the Board of Directors of TPL who shall, along with the Chapter 11
5 Trustee acting as Chairman of the Board, make up a three-member board tasked to perform the
6 following:

- 7 1. Approve the annual TPL strategic business plan as proposed by the Chapter 11
8 Trustee as CEO;
- 9 2. Approve the annual TPL budget;
- 10 3. Advise the CEO regarding non-MMP portfolio licensing and litigation matters;
- 11 4. Approve any asset purchases or sales over \$10,000;
- 12 5. Approve any non-MMP litigation settlements;
- 13 6. Approve any vendor contracts or agreements worth more than \$5,000.

14 As of the Effective Date, Daniel E. Leckrone's employment, if any, as a director, officer
15 and/or employee of TPL shall terminate, and he shall be relieved of any other position or
16 capacity in which he serves any supervisory, managerial, officer or other decision-making role
17 for TPL, until such time as Allowed Claims in Classes 1, 2, 3, 4, 5, 6, 7 and 8 are paid as
18 allowed by the MMP Plan. After payment of all such claims pursuant to Plan, Leckrone may
19 petition the Bankruptcy Court to be reinstated as an officer or employee of TPL.

20 The Chapter 11 Trustee shall confer with and obtain written approval from the Board of
21 Directors prior to pursuing any new business endeavors and prior to selling, transferring or
22 licensing any TPL assets valued at over \$10,000.

23 The Chapter 11 Trustee and the Board of Directors established under the MMP Plan
24 shall remain in place and in control of the Reorganized Company, with all of the rights powers
25 provided to them under the Plan, for a period of five (5) years after the Effective Date (with
26 provision for extension of such period, through Bankruptcy Court Order, in six-month
27 increments until the MMP Plan is concluded with payment in full of the Allowed Claims in
28 Classes 1, 2, 3, 4, 5, 6, 7 and 8).

1 1. IP Portfolio Management

2 Except for the MMP Portfolio (discussed below), the Chapter 11 Trustee shall have
3 wide latitude to develop commercialization plans or other programs to maximize the value and
4 return realized for each of the non-MMP Portfolio patent portfolios under TPL management.
5 The Chapter 11 Trustee shall establish each of the non-MMP Portfolios in a separate business
6 “silo,” each walled off from TPL’s other IP properties. The marketing and commercialization
7 plan for the MMP Portfolio is described in detail below. For each of TPL’s other patent
8 portfolios, the Chapter 11 Trustee shall, after due inquiry and investigation, report to the Board
9 of Directors as to the most advantageous course for TPL as to each portfolio; the choices
10 available to the Chapter 11 Trustee and the TPL Board with respect to such non-MMP
11 portfolios may include (without limitation):

- 12 1. Retaining Alliacense as a Commercialization Entity for some or all of the non-
13 MMP portfolios;
- 14 2. Retaining a third party firm or firms to commercialize some or all of such
15 portfolios;
- 16 3. Selling TPL’s portfolio rights to some or all of the portfolios to Mr. Leckrone, to
17 one or more of his affiliated or owned companies, or to a third party or third
18 parties;
- 19 4. Managing one or more of the portfolios directly.

20 The separation of the non-MMP Portfolios into separate and distinct businesses, each
21 able to stand on its own merits, is in keeping with the new overall direction of TPL, away from
22 a structure that allows characterization of the company as a patent aggregator or patent troll,
23 with the negative implications and consequences that those derogatory terms carry for entities
24 that must license patents or litigate against patent infringers.

25 2. MMP Portfolio Management

26 ***The Status Quo: An Absence of Licensing Revenues.*** The MMP Portfolio of patents is
27 TPL’s most valuable asset. At present, this asset provides no revenue or benefit to TPL: the last
28 MMP license issued by PDS (resulting in revenue to TPL and its co-party

1 licensor/beneficiaries) was sold a full year ago, in *August 2013*. The present MMP Portfolio
2 licensing entity – Mr. Leckrone’s wholly owned company Alliacense – is unable or unwilling
3 (or both) to license the MMP Portfolio.

4 The MMP Plan eliminates any basis for characterization of TPL, PDS, Mr. Moore or
5 their new licensing agent as patent trolls. The MMP Plan changes Debtor TPL’s posture from
6 patent aggregation to patent enhancement.

7 Mr. Moore (known in the microprocessor industry as Chuck Moore) co-founded
8 FORTH, Inc., in 1973. He developed a Forth-based chip (RTX2000) in the mid-1980s,
9 derivatives of which are still being used widely by NASA. At Computer Cowboys, Mr.
10 Moore designed the Sh-Boom microprocessor and then co-founded iTV, an internet appliance
11 manufacturer. He is the co-inventor of the MMP Patent Portfolio, Debtor TPL’s principal asset.
12 During the 1990s, Mr. Moore used his own CAD software to design several custom VLSI chips,
13 including the F21 processor with a network interface. More recently, he invented colorForth
14 and ported his VLSI design tools to it. Mr. Moore worked with IntellaSys for several years,
15 serving as the firm’s CTO during development of the S40 multi-computer chip. After TPL
16 abandoned all efforts in chip development, Mr. Moore formed Green Arrays, Inc., where he
17 continues development and enhancement of chip technologies that have their roots in his MMP
18 Portfolio.

19 Thus, at all pertinent times, Mr. Moore has been actively engaged in carrying forward
20 applications of the MMP Portfolio (as well as new independent technologies).

21 At or before the Confirmation Date for the MMP Plan, Mr. Moore will form a new
22 entity, “Moore Innovations Group, Inc.” (“MIG”). MIG will be tasked under the MMP Plan
23 with leading the commercialization and licensing effort for the MMP portfolio.

24 At its inception, MIG will be Mr. Moore’s wholly owned company. Mr. Moore will
25 serve as MIG’s Chairman of the Board, and he will be the public face of the company and of its
26 MMP patent enhancement and licensing effort. MIG’s board of directors will initially consist of
27 Mr. Moore (as Chairman) and two additional individuals, one to be named by Mr. Moore and
28 the other to be named from members of the Creditors’ Committee willing to serve.

1 Upon the Effective Date, MIG will assume the role of commercializing the MMP
2 Portfolio, for the benefit of Debtor TPL, Patriot and Mr. Moore himself. The revenue sharing
3 formula set out in the January 23, 2013 Settlement Agreement will continue to serve to divide
4 net MMP proceeds appropriately (among TPL, Patriot and Mr. Moore; Mr. Moore receives and
5 will continue to receive the smallest share). MMP licensing revenues will continue to be
6 channeled through PDS; the PDS chairman will continue to approve and sign off on every
7 license, to assure accountability for licensing proceeds under the same system of safeguards put
8 in place when it was necessary to monitor Mr. Leckrone.

9 MIG will be a practicing entity; MMP commercialization will no longer be tainted with
10 affiliation with a patent aggregator. The patent world will still feature patent trolls, but MIG
11 will not be counted among them – any more than Thomas Edison was.

12 Under the MMP Plan, the PDS / TPL amended agreement from August 2012 is being
13 set aside as a preference. The MMP Plan also sets aside as a preference the August 2012 TPL
14 agreement with Alliacense, Patriot and PDS, that established Alliacense as the
15 commercialization entity for the MMP Portfolio. With the 2012 Agreements set aside, and
16 Alliacense no longer authorized to carry out MMP commercialization, all MMP licensing and
17 commercialization rights revert to TPL under the 2005 foundational agreement between and
18 among TPL, Patriot and Mr. Moore, still in effect and remaining in effect as an assumed
19 contract of Debtor TPL, that gave TPL commercialization rights to the MMP Portfolio and
20 established PDS to monitor and supervise TPL’s performance and to collect MMP revenues.

21 Under the MMP Plan:

- 22 1. Debtor TPL and MIG will execute a new commercialization agreement for the
23 MMP Portfolio (the “TPL/MIG Agreement”), affording all MMP licensing rights
24 and authority to MIG that were previously granted to Alliacense under the rejected
25 2012 Agreements. The TPL/MIG Agreement will mandate that all MMP licensing
26 revenues be paid over to PDS, which shall be expected and required to account for
27 and to apportion those revenues under the assumed January 23, 2013 Settlement
28 Agreement;

- 1 2. Under the TPL/MIG Agreement, MIG shall be entitled to retain a commission of
2 20% of its gross MMP licensing revenues, as well as a 5% commission on net
3 litigation revenues generated for TPL, Patriot and Mr. Moore.
- 4 3. Under the TPL/MIG Agreement, PDS shall retain its rights as sole licensor of the
5 MMP Portfolio; MIG shall be empowered and authorized as the sole entity entitled
6 to negotiate such licenses and present them to PDS for approval.
- 7 4. The Chapter 11 Trustee shall be authorized to negotiate an agreement with PDS
8 under which PDS will provide support for MIG in the form of a quarterly advance
9 of \$250,000 for three years, to be repaid from commissions earned from licensing
10 revenues and litigation recoveries generated by MIG. It is anticipated that this
11 agreement, desirable but not necessary under the MMP Plan, will be attainable,
12 given that the MMP Plan relieves PDS of a continuing obligation to provide a
13 \$500,000 quarterly advance to TPL for licensing (because of the reversion to the
14 original 2005 agreement between PTSC, TPL and Mr. Moore) that has produced no
15 revenue since August 2013.
- 16 5. The Chapter 11 Trustee shall be authorized to negotiate any other agreements
17 necessary to carry out the objectives of the MMP Plan.

18 Under the MMP Plan, a manager (“MIG Manager”) with licensing experience and the
19 ability to run a low-cost, high-output, patent enhancement/patent licensing organization will be
20 selected by the MIG Board. The MIG manager will be charged with managing the
21 commercialization, licensing and litigation of the MMP portfolio. MIG shall in no event
22 become involved with the licensing of TPL’s other patent portfolios.

23 **C. Creditor Trust and the Chapter 11 Trustee.**

24 On or before the Effective Date, the Chapter 11 Trustee shall establish the Creditor
25 Trust for the purpose of holding the Interests of the Interest Holder, holding the Unsecured
26 Claimants’ Security Interest for the benefit of holders of Allowed Unsecured Claims, making
27 such disbursements as are necessary to effect the Distributions and investigating and, as
28 appropriate, filing objections to the Creditor Claims. The Chapter 11 Trustee shall thereafter

1 manage the Creditor Trust, acting with the care, skill, prudence and diligence under the
2 circumstances then prevailing that a prudent person acting in a like capacity and familiar with
3 such matters would use in the conduct of an enterprise of a like character and with like aims.

4 As set forth at Section J below, the Chapter 11 Trustee shall act as the Disbursing Agent
5 responsible for disbursing payments to the holders of Allowed Claims pursuant to the terms,
6 classes and priorities of the MMP Plan.

7 As set out above, the Reorganized Company shall pay reasonable compensation to the
8 Chapter 11 Trustee and shall compensate the Board of Directors at a rate that is commensurate
9 with their duties and responsibilities and approved by the Bankruptcy Court.

10 **D. Grant of Security Interest for the Benefit of Holders of Allowed**
11 **Unsecured Claims.**

12 To secure the Reorganized Company's performance of the MMP Plan, on or before the
13 Effective Date, the Chapter 11 Trustee shall cause the Reorganized Company to execute and
14 file a security agreement and all other necessary documents to effect the grant of the Unsecured
15 Claimants Security Interest to the Chapter 11 Trustee. Such security agreement shall provide
16 that in the event of an early termination of the Plan (i.e., conversion to Chapter 7) or a breach of
17 the Plan that is not cured pursuant to the cure procedures set forth below in Section XV of the
18 Plan, the Chapter 11 Trustee shall be afforded the right to sell, foreclose, license, lease,
19 hypothecate and transfer the Reorganized Company's property without need for further Court
20 order, subject to applicable law.

21 The Unsecured Creditors' Security Interest shall be subordinate to all existing, valid,
22 perfected, unavoidable and unsubordinated liens, with CCC, Venkidu and Leckrone who shall
23 retain their respective lien rights and priorities to the same extent and in the same order that
24 existed as of the Effective Date, unless otherwise agreed by the affected party(ies) and ordered
25 by the Bankruptcy Court, or otherwise ordered by the Bankruptcy Court, until such time as their
26 Secured Claims are accorded full satisfaction as set out in the MMP Plan.

27 The Chapter 11 Trustee shall be authorized to file a UCC-1 financing statement or other
28 evidence of the Unsecured Creditors' Security Interest as may be reasonably requested by the

1 Committee. Upon the payment in full with interest under the Plan of all Allowed Claims in
2 Class 7 and 8, the Unsecured Creditors' Security Interest shall be deemed discharged, and the
3 Chapter 11 Trustee shall file and/or record such termination statements as may be necessary to
4 establish and to evidence extinguishment of the lien.

5 **E. Creditors' Committee.**

6 On the Effective Date, the Committee shall be dissolved.

7 **F. Distributions To Creditors.**

8 1. Establishment of Claims Trust Account.

9 On or before the Effective Date, the Chapter 11 Trustee shall establish a separate,
10 segregated bank account for the benefit of holders of Allowed Claims, which shall be the
11 Claims Trust Account. The Chapter 11 Trustee shall fund the Claims Trust Account with
12 amounts adequate to make all payments due on the Effective Date.

13 2. Post-Effective Date Funding of Claims Trust Account.

14 On the Effective Date, and thereafter for the duration of the MMP Plan, the Chapter 11
15 Trustee shall require and direct that TPL's share of MMP-portfolio sourced distributions from
16 PDS shall be deposited directly by PDS into the Claims Trust Account. In addition, no later
17 than three Business Days after the close of each full calendar quarter following the Effective
18 Date, the Chapter 11 Trustee shall cause the Reorganized Company to deposit the portion of the
19 Quarterly Payment for which it is responsible into the Claims Trust Account; provided,
20 however, that in any quarter in which such deposit of the Quarterly Payment to the Claims
21 Trust Account would, in the Reorganized Company's reasonable opinion, result in a reduction
22 of the WCR, then, following consultation with and receipt of written approval of the Steering
23 Committee as to such said reduction, the Quarterly Payment for that quarter shall be reduced
24 accordingly. Such reduction shall not constitute a default under the Plan. The Disbursing Agent
25 shall distribute from the Claims Trust Account the sums specified in the Plan on the
26 Distribution Dates specified in the Plan.

27 3. Quarterly Distribution Report.

28 No later than five Business Days after the close of each full calendar quarter following

1 the Effective Date, the Chapter 11 Trustee shall cause the Reorganized Company to deliver the
2 Quarterly Distribution Report to the Unsecured Creditors of TPL. If any Unsecured Creditor
3 objects to payment on account of any particular Claim as proposed on the Quarterly
4 Distribution Report, that Unsecured Creditor shall provide written notification of such objection
5 to the Chapter 11 Trustee and to the TPL Board of Directors within three Business Days of
6 receipt of the Quarterly Distribution Report, and no Distributions shall be made on account of
7 such Claim(s) until review and approval by the Board of Directors, or entry of an order by the
8 Bankruptcy Court. Upon approval, Chapter 11 Trustee shall, as Disbursing Agent, pay the
9 agreed on or ordered Distribution amount to the holder(s) of such affected Claim(s) as soon as
10 reasonably practicable.

11 4. Timing of Distributions.

12 Except as otherwise provided in the MMP Plan, the Chapter 11 Trustee shall, as
13 Disbursing Agent, pay all Class 1 and Class 5 Allowed Claims on the Effective Date. Failure
14 to pay any Allowed Claim in Class 1 or Class 5 as required under the MMP Plan shall
15 constitute a Plan default unless the Disbursing Agent pays the amount due on account of such
16 Allowed Claim as required under the MMP Plan within thirty days of the Effective Date.

17 Except as otherwise provided in the MMP Plan, the Chapter 11 Trustee, as Disbursing
18 Agent, shall make Distributions of the Quarterly Payment from the Claims Trust Account no
19 later than the fifteenth Business Day following the end of each calendar quarter, in the sums
20 specified in the Quarterly Distribution Report.

21 The Reorganized Company shall continue to operate, and the Chapter 11 Trustee as
22 Disbursing Agent shall pay Allowed Claims, in full and with interest as appropriate, according
23 to the terms of the MMP Plan, for a period of five years after the Effective Date, or, after
24 consultation with and obtaining written approval from, the Board of Directors, an additional
25 period of time not to exceed six months; provided, however, that such period may be extended
26 further by entry of an order by the Bankruptcy Court.

27 5. Distribution Addresses; Undeliverable Distributions.

28 Unless a Creditor has provided the Reorganized Company with written notice of a

1 different address, Distributions shall be sent to Creditors at the address set forth in the proofs of
2 Claim filed with the Claims Agent. If any Creditor desires that its Distribution be transmitted
3 to an address other such proof of Claim address, it shall notify the Chapter 11 Trustee of such
4 changed address through certified mail, return receipt requested, to the Chapter 11 Trustee at
5 the Trustee's business address. (If no proof of Claim is filed with respect to a particular Claim,
6 the Distribution shall be mailed to the address set forth in the Schedules filed by the Debtor.) If
7 any Creditor's Distribution is returned as undeliverable, no further Distributions to such
8 Creditor shall be made unless and until the Chapter 11 Trustee is notified of such Creditor's
9 then current address, at which time all required Distributions shall be made to such Creditor.
10 Undeliverable Distributions shall be held by the Disbursing Agent until such Distributions are
11 claimed; provided, however, that all claims for undeliverable Distributions must be made
12 within ninety (90) days following a Distribution. After such date, all unclaimed Distributions
13 will revert to the Reorganized Company and deposited into the Claims Trust Account, and the
14 Claim of any Creditor or successor to such Creditor with respect to such Distribution shall be
15 discharged and forever barred notwithstanding any federal or state escheat laws to the contrary.

16 6. Withholding Taxes.

17 Pursuant to § 346(h) of the Bankruptcy Code, the Chapter 11 Trustee shall as Disbursing
18 Agent deduct any federal, state or local withholding taxes from any Distributions made with
19 respect to Allowed Claims, as appropriate. The Chapter 11 Trustee shall withhold a
20 Distribution to any Creditor who has not provided information requested and required by the
21 Chapter 11 Trustee as Disbursing Agent for the purpose of fulfilling the obligations imposed by
22 this Plan. The Chapter 11 Trustee shall comply with all reporting obligations imposed on it by
23 any governmental unit with respect to withholding and related taxes.

24 7. Fractional Amounts.

25 Notwithstanding anything contained herein to the contrary, the Reorganized Company
26 shall not be required to make Distributions of fractions of dollars. Whenever any payment of a
27 fraction of a dollar under the Plan would otherwise be called for, the actual payment shall
28 reflect a rounding of such fraction down to the nearest whole dollar.

1 8. De Minimis Distributions.

2 Notwithstanding any other provision of the Plan, Distributions of less than \$50.00 need
3 not be made on account of any Allowed Claim; provided, however, that Distributions that
4 would otherwise be made but for this provision shall carry over to the next Distribution Date
5 until the cumulative amount to which any holder of an Allowed Claim is entitled to is more
6 than \$50.00, at which time the cumulative amount of such Distributions (without interest
7 thereon) will be paid to such holder.

8 9. Time Bar to Cash Payments.

9 Checks issued on account of Allowed Claims shall be null and void if not negotiated
10 within ninety (90) days from the date of issuance thereof. Requests for re-issuance of any
11 check shall be made directly to the Chapter 11 Trustee by the holder of the Allowed Claim to
12 whom such check was originally issued. Any request for re-issuance in respect of voided check
13 shall be made on or before ninety (90) days after the date of the issuance of such check; the
14 Chapter 11 Trustee shall impose a service fee for any such re-issued check. As of the 91st day
15 after issuance, all Claims with respect to any voided checks shall be discharged and forever
16 barred, and such funds shall revert to the Reorganized Company and deposited into the Claims
17 Trust Account.

18 10. Modification of Payment Terms.

19 At any time after the Effective Date, (a) the Reorganized Company may modify the
20 treatment of any Class of Allowed Claims in a manner that is more favorable than provided by
21 the MMP Plan (e.g., the Reorganized Company may make more frequent payments to a Class
22 or pay or cause to be paid all Classes sooner than contemplated by the Plan), provided that such
23 treatment does not adversely impact the ability of the Reorganized Company to perform its
24 obligations under the MMP Plan; and (b) the Reorganized Company may modify the treatment
25 of any Allowed Claim in any manner adverse to the holder of such Claim with the prior written
26 consent of the holder whose Allowed Claim is being adversely effected; provided, however,
27 that any such modification shall be approved in writing by the Board of Directors.

28 **G. Articles of Organization/Operating Agreement.**

1 After the Effective Date, the Reorganized Company, in consultation with the Board of
2 Directors, may amend and restate TPL's articles and operating agreement as permitted by
3 applicable law without further Bankruptcy Court approval, including, among other things and if
4 required, amending such articles and operating agreement as of the Effective Date to comply
5 with the requirements of § 1123(a)(6) of the Bankruptcy Code which requires the inclusion in
6 the Reorganized Company's charter of a prohibition of the issuance of non-voting securities
7 and requires, among other things, the distribution of voting power equitably among the classes
8 of voting securities.

9 **H. Authority Of Reorganized Company Acting By and Through Chapter 11**
10 **Trustee.**

11 On and after the Effective Date, the Chapter 11 Trustee shall be appointed Estate
12 representative pursuant to the applicable provisions of the Bankruptcy Code and the
13 Bankruptcy Rules. Except as otherwise provided by the MMP Plan, the Chapter 11 Trustee
14 shall, in consultation with or with the approval of the Board of Directors as set out in the MMP
15 Plan, be responsible for and have authority to: (a) settle, resolve and object to any Claims (b)
16 commence suit on the Retained Claims or refer any Retained Claims to the Bankruptcy Trustee;
17 (c) pay all fees due under 28 U.S.C. § 1930; (d) file any post-confirmation reports required by
18 the MMP Plan or the Bankruptcy Court; (e) retain, employ and utilize such Professionals as
19 may be necessary without further approval of the Bankruptcy Court; (f) sell or dispose of
20 assets; (g) abandon property of the Estate that is determined to be burdensome or of
21 inconsequential value; (h) do all things necessary and appropriate to fulfill the duties and
22 obligations of the Reorganized Company under the MMP Plan and to fully administer the
23 Bankruptcy Estate as required by the MMP Plan, the Order of Confirmation, the Bankruptcy
24 Code and the Bankruptcy Rules; and (i) move for the entry of a Final Decree and prepare and
25 file any pleadings as may be required by the Bankruptcy Court in connection with the Final
26 Decree and the closing of the Bankruptcy Case.

27 In addition, on the Effective Date, the Reorganized Company shall be substituted as
28 successor to the Debtor and its Estate in all actions, contested matters and adversary

1 proceedings pending or thereafter commenced in the Bankruptcy Court with respect to
2 Disputed Claims. The Chapter 11 Trustee shall have no obligation to pursue any affirmative
3 claims on behalf of the Debtor or its Estate and any such claims may be abandoned or waived at
4 the discretion of the Chapter 11 Trustee, with the advice and consent of the Board of Directors.

5 **I. Responsible Person.**

6 Upon the Effective Date, the Chapter 11 Trustee shall serve as the Responsible Person
7 for the Reorganized Company and shall be fully empowered to execute all documents,
8 agreements and instruments implementing the MMP Plan without further order of the
9 Bankruptcy Court or further action by the member(s) of the Reorganized Company, subject to
10 the terms of the MMP Plan and any other requirements for Board of Directors approval as may
11 be set out in the MMP Plan. Any such document, agreement or instrument executed and
12 delivered by the Chapter 11 Trustee as Responsible Person shall be conclusively deemed duly
13 executed by the Reorganized Company without need for further corporate action or order of the
14 Bankruptcy Court. After the Effective Date, the Chapter 11 Trustee as Responsible Person
15 shall be entitled to act as the Estate representative for purposes of implementing and
16 administering the MMP Plan without need for further corporate action or order of the
17 Bankruptcy Court, subject only to Board of Director review or oversight as set out elsewhere in
18 the MMP Plan.

19 **J. Disbursing Agent.**

20 The Chapter 11 Trustee shall be the Disbursing Agent for all Distributions. Unless
21 otherwise ordered by the Bankruptcy Court, the Disbursing Agent shall serve without a
22 guaranty or fiduciary bond.

23 **K. Tax Returns, Payments and Refunds.**

24 The Chapter 11 Trustee shall file or cause to be filed any and all delinquent and final tax
25 returns and pay any and all taxes owed by the Debtor and the Reorganized Company on a
26 timely basis (other than taxes provided for under the Plan). The right to amend prior tax returns
27 of the Debtor and to pursue and collect all potential tax refunds, to claim losses and to take such
28 other actions to the fullest extent allowed by law to recover value, is reserved to the Chapter 11

1 Trustee.

2 **L. Employee Benefit Plans.**

3 All Benefit Plans in effect as of the Effective Date shall be continued by the
4 Reorganized Company, subject to the rights of the Reorganized Company to modify its
5 employee Benefit Plans from time to time pursuant to applicable nonbankruptcy law. Any
6 obligations of the Debtor to indemnify any Person serving as a fiduciary of any Benefit Plan of
7 the Debtor, under charter, by- laws, contract or applicable state law is deemed to be an
8 executory contract and assumed as of the Confirmation Date (but subject to the occurrence of
9 the Effective Date) and binding on the Reorganized Company. For the avoidance of doubt,
10 Benefit Plans do not include any Insider Employee Compensation Contracts or any provisions
11 thereunder for incentive compensation or otherwise.

12 **M. Further Orders.**

13 Upon motion by the Chapter 11 Trustee, the Bankruptcy Court may enter such other and
14 further orders as may be necessary or appropriate to facilitate consummation of the Plan.

15 **N. Post-Confirmation Employment of Personnel.**

16 The Chapter 11 Trustee may employ or contract with Persons and other Entities to
17 perform, or advise and assist them in the performance of, Trustee obligations under the MMP
18 Plan. The Chapter 11 Trustee may, but is not required to, continue to employ the Debtor's
19 Professionals for the purposes for which they were employed before the Confirmation Date,
20 and for such additional purposes as the Reorganized Company may request, and may employ
21 such other Professionals as may be necessary to perform its responsibilities under the MMP
22 Plan.

23 **O. Post-Confirmation Compensation and Reimbursement of Professionals.**

24 Any Professionals employed by the Reorganized Company after the Confirmation Date
25 shall be entitled to payment of their reasonable post-Confirmation Date fees and reimbursement
26 of expenses on a monthly basis, subject to the following:

27 Until the Bankruptcy Case is closed, each party requesting payment of such
28 compensation shall serve a detailed statement of requested fees and expenses on the Chapter 11

1 Trustee and all other Notice Parties.

2 Any Notice Party or other party in interest (including the Chapter 11 Trustee) may
3 object to any portion of the requested fees and expenses. Any objection to the payment of fees
4 or reimbursement of expenses shall be in writing (and sufficiently detailed to allow the party
5 whose compensation is subject to the objection an opportunity to respond, and ultimately to
6 allow the Bankruptcy Court to rule on such objection) and served on the Chapter 11 Trustee, the
7 Notice Parties and the party whose compensation is subject to the objection. Such an objection
8 must be served within fifteen (15) days after service of the detailed statement.

9 If there is no objection to a party's requested fees and expenses within such fifteen (15)
10 day period, the Chapter 11 Trustee shall cause Reorganized Company promptly to pay the
11 requested amount in full. If an objection to a portion of the fees or expenses requested is timely
12 served, the undisputed portion of such fees and expenses shall be paid.

13 To the extent that an objection is timely served, the Chapter 11 Trustee shall reserve
14 monies in the amount of the disputed fees and expenses pending resolution of said objection.

15 Any objection to a request shall be resolved by either: (a) written agreement between
16 the party requesting such fees and expenses and the objecting party, subject to Chapter 11 Trustee
17 consent and Board of Director approval; or (b) resolution of the disputed amount by the
18 Bankruptcy Court pursuant to Order. Resolution by the Bankruptcy Court shall be requested by
19 motion filed and served on the Notice Parties in accordance with the Bankruptcy Rules and the
20 Local Rules on not less than twenty-one (21) days' notice. Such motion may be filed by either
21 the requesting party or the objecting party. Any opposition to the motion shall be filed and
22 served no later than seven (7) days prior to the hearing.

23 **P. Notice Procedure.**

24 Whenever the Plan requires a Person to provide notice pursuant to the Notice Procedure,
25 such Person seeking the particular relief shall be required to serve a written notice on the Notice
26 Parties, unless a Notice Party has waived written notice in favor of email service, which shall
27 thereafter suffice. Such Person shall be authorized to take the action proposed to be taken in
28 such notice upon the expiration of the period specified in the Plan for such notice unless, before

1 the expiration of the specified notice period, a recipient Notice Party, or a party in interest, has
2 filed an objection to such proposed action with the Bankruptcy Court and scheduled a hearing
3 on such objection within thirty (30) days after the filing of such objection and upon not less
4 than twenty-one (21) days' notice to all Notice Parties. If any such objection is filed, the
5 Person seeking the particular relief shall not take the proposed action unless the Bankruptcy
6 Court approves such action or the objecting party withdraws the objection. Service by
7 electronic filing pursuant to Local Rule 9013-3 shall be adequate for all notices and other
8 pleadings filed with the Bankruptcy Court.

9 **Q. Post-Confirmation Fees, Reports, and Final Decree.**

10 1. U.S. Trustee Fees.

11 Not later than thirty (30) days after the end of each calendar quarter that ends after the
12 Effective Date (including any portion thereof), the Chapter 11 Trustee shall cause the
13 Reorganized Company to pay to the United States Trustee, pursuant to 28 U.S.C. § 1930(a)(6),
14 the quarterly fee for such quarter until the Bankruptcy Case is converted or dismissed, or the
15 Bankruptcy Court enters the Final Decree.

16 2. Post-Confirmation Reports.

17 Not later than thirty (30) days after the end of each calendar quarter which ends after the
18 Effective Date, the Chapter 11 Trustee shall file a quarterly post-Confirmation status report in
19 substantially the form provided by the United States Trustee, serving a copy of said report on
20 the Board of Directors and upon any Notice Party so requesting. Further reports shall be filed
21 thirty (30) days after the end of each calendar quarter thereafter until the entry of the Final
22 Decree, unless otherwise ordered by the Bankruptcy Court.

23 Repeated failure to timely file the required reports may constitute a ground for the
24 bringing of a motion to convert or dismiss the Bankruptcy Case, whichever is in the best
25 interest of the creditors and the Estate, pursuant to § 1112(b) of the Bankruptcy Code.

26 **R. Final Decree.**

27 At such time as all motions, contested matters and adversary proceedings have been
28 finally resolved and the Bankruptcy Case is in a condition to be closed, the Chapter 11 Trustee

1 shall cause the Reorganized Company to file an application for the entry of a Final Decree to
2 close the Bankruptcy Case pursuant to § 350 of the Bankruptcy Code and Rule 3022 of the
3 Bankruptcy Rules. Entry of a Final Decree may be sought by the Chapter 11 Trustee
4 Reorganized Company notwithstanding that all payments required by the Plan may not have
5 been completed, provided, however, that the Bankruptcy Case is determined by the Bankruptcy
6 Court to be fully administered; provided further, that the Bankruptcy Court retains jurisdiction
7 to hear all matters involving the further administration of the Plan until all holders of Allowed
8 Claims have been paid in full or as otherwise agreed to or provided for under the Plan. The
9 Chapter 11 Trustee shall serve the application for entry of a Final Decree on the Notice Parties.
10 Pursuant to Local Rule, such application shall be considered by the Bankruptcy Court without a
11 hearing unless within fourteen (14) days after the date of service of the notice, a party in
12 interest files and serves a request for hearing.

13 **VIII. EXECUTORY CONTRACTS AND UNEXPIRED LEASES**

14 **A. Assumption of Executory Contracts and Unexpired Leases**

15 Each of the following executory contracts shall be assumed by the Reorganized
16 Company on the Effective Date to the extent each such contract is executory in nature, and
17 Confirmation of the Plan shall effect such assumption: (1) the TPL/Moore/PTSC/PDS
18 agreement dated January 23, 2013, (2) TPL's Agreements with Thunderbird Technologies, (3)
19 the Marcoux-TPL Settlement Agreement.

20 All executory contracts assumed prior to Confirmation or pursuant to the MMP Plan and
21 not otherwise rejected pursuant to the MMP Plan, shall remain in full force and effect, be
22 unimpaired by the MMP Plan except as specifically modified by the MMP Plan and the
23 Confirmation Order, and be binding on the parties thereto.

24 **B. Defaults.**

25 Unless other treatment is agreed to between the parties to each assumed contract or
26 lease, if there has been a default in an assumed executory contract or unexpired lease other than
27 the kind specified in § 365(b)(2) of the Bankruptcy Code, the Debtor or the Reorganized
28 Company, as applicable, shall, on or before the Effective Date: (a) cure, or provide adequate

1 assurance that it will promptly cure, any such default; (b) compensate, or provide adequate
2 assurance that it will promptly compensate, the other party to such contract or lease, for any
3 actual pecuniary loss to such party resulting from such default; and (c) provide adequate
4 assurance of future performance under such contract or lease.

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

6 Without admitting the validity of any other executory contracts and unexpired leases,
7 the following executory contracts and unexpired leases of the Debtor are hereby rejected by the
8 Debtor as of the Effective Date, and Confirmation of the Plan shall be deemed to constitute
9 Bankruptcy Court approval of such rejection: (a) TPL's Service Agreement with
10 Semiconductor Insights; (b) the PDS/ Alliacense / TPL / PTSC July 2012 Services Agreement
11 relating to the MMP Portfolio; (c) The Insider Employee Compensation Contracts; (d) the 13%
12 Investor Contracts; (e) The Amended PDS / TPL Commercialization Agreement from August,
13 2012.

14 **D. Rejection Claims**

15 The holder of a Rejection Claim shall file with the Bankruptcy Court, and serve on the
16 Chapter 11 Trustee, a proof of Claim relative to such Rejection Claim on or before the
17 Rejection Claims Bar Date or be forever barred from asserting any such Claim or receiving any
18 payment or other Distribution on account of such Claim. Any Rejection Claim shall be clearly
19 labeled as such to permit appropriate treatment under the MMP Plan by the Chapter 11 Trustee.
20 Insiders' claims shall be classified as Insider Rejection Claims and treated under Class 9A of
21 the MMP Plan; non-insiders' claims shall be classified as Non-Insider Rejection Claims and
22 treated under Class 8 of the MMP Plan.

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

24 The provisions of this Article VIII may be amended, with appropriate notice to those
25 parties in interest directly affected, at any time prior to the conclusion of the hearing on
26 Confirmation of the Plan, to add or remove executory contracts and unexpired leases to be
27 assumed, assumed and assigned, or rejected pursuant to the Plan; provided, however, that **no**
28 **such amendments shall in any way impact the Licensee Protected Contracts or Licensee**

1 **Parties' rights or defenses thereunder, which shall be fully preserved in all respects**, as set
2 forth in Article XVI of the Plan.

3 **F. Excluded Contracts**

4 The Chapter 11 Trustee shall retain the right to reject any Excluded Contracts, but not
5 any Licensee Protected Contracts or related commercialization agreements, at any time
6 following the Effective Date. Excluded contracts include, but are not limited to the following:
7 (1) TPL's GE Copier leases, (2) TPL's Service Agreement with TriNet Acquisition Corporation,
8 (3) TPL's Plan Service Agreement with Fidelity Management Trust Company, and (4) TPL's
9 2012 Services Agreement with Alliacense.

10 Excluded Contracts which have not previously and expressly been assumed or rejected
11 by TPL by final Order of the Court are deemed under such circumstances to have "passed
12 through" the bankruptcy and will remain in effect without modification, unless subsequently
13 rejected in accordance with this Section.

14 For the avoidance of doubt, the Licensee Protected Contracts are not susceptible to
15 rejection by the Reorganized Company and are deemed to have "ridden through" the
16 bankruptcy without prejudice or adverse effects of any kind in accordance with Article XVI of
17 the Plan. All Licensee Protected Contracts are and shall remain in full force and effect and
18 continue to be valid, binding, and enforceable in accordance with their terms against TPL, the
19 Reorganized Company, and all applicable third-party patent owners and their successors and
20 assigns. Furthermore, there shall be no rejection, including no post-Effective Date rejection, of
21 any commercialization agreement or other agreement relating to any of the Licensee Protected
22 Contracts; all such agreements shall either be expressly assumed by the Debtor or shall ride
23 through the Bankruptcy Case unimpaired. Nothing in the Plan, and no act or omission of TPL
24 (such as rejection of or failure to assume any executory contract) shall change any right, interest,
25 claim, license, or defense under the Licensee Protected Contracts.

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

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

28 The applicable Claims Bar Date for most pre-petition Claims was July 23, 2013 and for

1 governmental units was September 16, 2013.

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

3 For purposes of any Distribution under the Plan, the Reorganized Company shall not
4 have any obligation to recognize any transfer of Claims occurring thirty (30) days or more after
5 the Effective Date. The Chapter 11 Trustee and the Reorganized Company shall be entitled to
6 recognize and deal for all purposes with only those claimholders of record stated on the claims
7 docket maintained by the Bankruptcy Court, and if none, on the Debtor's Schedules.

8 **ANY PARTY WHO ACQUIRES A CLAIM AGAINST THE REORGANIZED**
9 **COMPANY THIRTY (30) CALENDAR DAYS OR MORE AFTER THE EFFECTIVE**
10 **DATE MUST ARRANGE WITH THE TRANSFEROR UPON ACQUISITION OF THE**
11 **CLAIM, TO RECEIVE DISTRIBUTIONS TO WHICH THE TRANSFEREE MAY BE**
12 **ENTITLED. NEITHER THE CHAPTER 11 TRUSTEE NOR THE REORGANIZED**
13 **COMPANY SHALL BE REQUIRED TO TRACK CHANGES IN OWNERSHIP OF**
14 **CLAIMS THIRTY (30) CALENDAR DAYS OR MORE AFTER THE EFFECTIVE**
15 **DATE.**

16 **C. Amendments to Claims.**

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

22 **D. Claim Objections.**

23 An objection to a Claim shall be filed no later than the Claims Objection Deadline. An
24 objection to an Administrative Claim shall be filed no later than the Administrative Claims
25 Objection Deadline. Except as otherwise provided in this Section, any Notice Party may file an
26 objection to a Claim or Administrative Claim. The Chapter 11 Trustee shall have the
27 responsibility to review all proofs of Claim filed against the Debtor, to file objections as
28 appropriate and to resolve Disputed Claims; provided, however, that the Chapter 11 Trustee is

1 directed and required to accept all Committee Claims as Allowed Claims.

2 **E. Disputed Claims.**

3 Subject to the next sentence, any Cash that would be distributed to the holder of a
4 Disputed Claim if it were an Allowed Claim on any Distribution Date hereunder shall be set
5 aside by the Chapter 11 Trustee and deposited into the Disputed Claims Reserve Account. Not
6 later than fifteen (15) days after a Disputed Claim has been Allowed in whole or in part, the
7 Chapter 11 Trustee shall distribute the Cash deposited into the Disputed Claims Reserve
8 Account on account of the Allowed Amount of such Disputed Claim.

9 **F. Distributions**

10 Notwithstanding any provision of the MMP Plan specifying a date for payments or
11 Distributions of consideration, payments and Distributions with respect to any Claim that on
12 such date is disputed, contingent, unliquidated or unknown as to amount, will not be made until
13 a Final Order with respect to an objection, estimation or valuation of such Claim is entered by
14 the Bankruptcy Court, or an agreement is reached between the parties, approved by the Chapter
15 11 Trustee and ratified by the Board of Directions, whereupon appropriate Distributions shall
16 be made promptly in accordance with the preceding paragraph. Notwithstanding the foregoing,
17 any undisputed portion of a Disputed Claim shall receive a Distribution on the undisputed
18 portion of the Claim at the same time as Allowed Claims in the same Class pursuant to the
19 MMP Plan.

20 **X. RETAINED CLAIMS**

21 **A. Prosecution of Retained Claims**

22 Except as otherwise provided in this Section, the Chapter 11 Trustee shall collect and
23 prosecute all of the Retained Claims. In determining whether and how to collect and prosecute
24 the Retained Claims on behalf of the Reorganized Company, the Chapter 11 Trustee shall first
25 consult with the Board of Directors, and shall not compromise any Retained Claim, file suit to
26 collect any Retained Claim, or make any other major decision with regard thereto without the
27 written consent of the Board of Directors or an order of the Bankruptcy Court.

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

1 11 Trustee shall independently collect, investigate and prosecute all such Retained Claims. To
2 the extent that such authority is required, the Chapter 11 Trustee is hereby appointed as
3 representative of the estate pursuant to § 1123 of the Bankruptcy Code with respect to the
4 prosecution and liquidation of any Retained Claim against current or former insiders, officers,
5 directors and employees of the TPL, and any affiliated or related Persons and Entities thereto.
6 The terms of employment of any Professional retained by the Chapter 11 Trustee relative to the
7 Retained Claims shall be subject to the approval of the Board of Directors, or absent such
8 approval, order of the Bankruptcy Court.

9 Approval of the Bankruptcy Court shall not be required for the settlement or other
10 resolution of any Retained Claims; provided, however, that the Chapter 11 Trustee shall
11 comply with the Notice settling or resolving any Retained Claim where the amount at issue
12 exceeds \$10,000.

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

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

18 The Reorganized Company, by and through the Chapter 11 Trustee, shall retain after
19 Confirmation and after the Effective Date, all powers granted by the Bankruptcy Code and the
20 Bankruptcy Rules for, without limitation, recovery of property, avoidance of liens, and
21 objection to, and/or subordination of, Claims. Confirmation of the MMP Plan effects no
22 settlement, compromise, waiver or release of any Retained Claim, cause of action or claim for
23 relief held by the Committee, the Steering Committee, the Bankruptcy Estate, the Debtor or the
24 Reorganized Company unless the MMP Plan or Order of Confirmation specifically and
25 unambiguously so provides. The failure of the MMP Plan to refer to any particular Retained
26 Claim is not and will not be construed as a settlement, compromise, waiver, or release of any
27 such Retained Claim. All Retained Claims are hereby preserved and will continue to remain
28 valid after the Effective Date.

1 Except as provided in the MMP Plan or the Order of Confirmation, any and all of
2 claims, Retained Claims, causes of action and rights against any and all third parties, whether
3 such claims, Retained Claims, causes of action or rights arose before, on or after the Petition
4 Date, the Confirmation Date, the Effective Date and/or the date Distributions are made, held by
5 the Chapter 11 Trustee, the Bankruptcy Estate, the Debtor and/or the Reorganized Company,
6 as applicable, are reserved to the fullest extent allowable under applicable law, as such law may
7 be extended or interpreted subsequent to the Effective Date. The entry of the Confirmation
8 Order will not constitute *res judicata* as to any such claims or otherwise bar, estop or inhibit any
9 actions by the Chapter 11 Trustee or the Reorganized Company upon any claims they hold as
10 identified herein or otherwise.

11 Immediately upon confirmation of the MMP Plan, the Chapter 11 Trustee shall dismiss
12 without prejudice (a) the Browns/TPL Appeal; and (b) the TPL/Moore 'Roe' Litigation.
13 Subject to the Chapter 11 Trustee's business judgment, in consultation with the Board of
14 Directors, regarding the pursuit of any particular Retained Claim (which may entail evaluation,
15 among other things, of the cost of pursuing such Retained Claim), the Reorganized Company
16 by and through the Chapter 11 Trustee shall be authorized to pursue all Retained Claims.
17 Without limiting the generality of the scope of the previous paragraphs, the Retained Claims
18 identified at this time include: (a) the Patent Actions which include, without limitation, any and
19 all infringement claims before the ITC and various United States District Courts for the Eastern
20 District of Texas, the District of Delaware and the Northern District of California involving the
21 MMP Portfolio, the CORE Flash Portfolio and the Fast Logic Portfolio; (b) any and all claims
22 and causes of action identified in the Debtor's Schedules and Statement of Financial Affairs;
23 and (c) any and all actions against Venkidu, Onspec, Chipscale, and Indigita, and against all
24 present and past insiders and senior management of TPL, including without limitation, Dwayne
25 Hannah, Mike Davis, Susan Anhalt, Mac Leckrone, Leckrone, Janet Neal, Nick Antonopoulos,
26 Interconnect Portfolio, John Leckrone, Alliacense, Eric Saunders, Michael Montvelishsky,
27 William Martin and any and all entities wholly-owned or partially owned by Leckrone, which
28 actions may include, without limitation, whether asserted directly or under an alter ego theory,

1 actions to subordinate, recharacterize and/or avoid claims, to challenge the validity of liens, to
2 recover preferences and fraudulent conveyances, for breach of fiduciary duty, for usurpation of
3 corporate opportunity, for unfair business practices, for conversion, for misappropriation of
4 funds, for fraud and for misrepresentation.

5 **XI. REQUEST FOR CONFIRMATION**

6 Mr. Moore, as the proponent of the MMP Plan, requests Confirmation of the MMP Plan.
7 In the event any Impaired Class of Claims entitled to vote does not accept the MMP Plan by the
8 requisite statutory majorities provided in § 1126(c) of the Bankruptcy Code, Mr. Moore hereby
9 requests that the Bankruptcy Court confirm the Plan in accordance with the provisions of §
10 1129(b) of the Bankruptcy Code.

11 **XII. RETENTION OF JURISDICTION**

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

16 (a) Proceedings initiated before or after the Confirmation Date and the Effective
17 Date regarding the prosecution of the Retained Claims or any other rights, claims, causes of
18 action or claims for relief held by the Chapter 11 Trustee, the Bankruptcy Estate, the Debtor or
19 the Reorganized Company against any Person, including the recovery of property and
20 subordination of Claims;

21 (b) Allowance, disallowance, determination, liquidation, classification,
22 subordination, estimation, or establishment of the priority or secured or unsecured status of any
23 Claim, including the resolution of any request for payment of any Administrative Claim and the
24 resolution of any and all objections to the allowance or priority of Claims;

25 (c) Requests for the payment of Claims entitled to priority under § 507(a) of the
26 Bankruptcy Code, including compensation and reimbursement of expenses for Professionals to
27 the extent Court approval therefore is required under the MMP Plan or the Confirmation Order;

28 (d) The title, rights or interests of the Debtor or the Reorganized Company in any

1 property, including the recovery of all assets and property of the Bankruptcy Estate wherever
2 located;

3 (e) Any right, power, action, or duty of the Chapter 11 Trustee, the Bankruptcy
4 Estate, the Debtor or the Reorganized Company under the MMP Plan;

5 (f) Any determination or estimation necessary or appropriate under § 505 of the
6 Bankruptcy Code or other determination or estimation relating to tax returns filed or to be filed
7 by the Debtor or the Reorganized Company for periods through the end of the fiscal year in
8 which the Effective Date occurs, including determination of the amount of taxes, net operating
9 losses, tax attributes, tax benefits, tax refunds, and related matters of the Debtor or the
10 Reorganized Company;

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

15 (h) Resolution of controversies and disputes, including the correction of any mistake,
16 defect, or omission regarding consummation, interpretation or enforcement of the MMP Plan,
17 the Confirmation Order, and any agreements referred to in the MMP Plan or executed in
18 contemplation of or to implement the MMP Plan;

19 (i) Resolution of any motions, adversary proceedings (including Retained Claims),
20 contested or litigated matters, and any other matters, and to grant or deny any applications or
21 motions involving the Chapter 11 Trustee, the Debtor or the Reorganized Company that may be
22 pending on the Effective Date;

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

27 (k) Modification of or amendments to the MMP Plan before or after the Effective
28 Date under § 1127 of the Bankruptcy Code or modification of the MMP Disclosure Statement

1 or any contract, instrument, release, or other agreement or document created in connection with
2 the MMP Plan or the MMP Disclosure Statement; or remedy any defect or omission or
3 reconcile any inconsistency in any Bankruptcy Court order, the MMP Plan, the MMP
4 Disclosure Statement or any contract, instrument, release, or other agreement or document
5 created in connection with the MMP Plan or the MMP Disclosure Statement in such manner as
6 may be necessary or appropriate to consummate the MMP Plan, to the extent authorized by the
7 Bankruptcy Code;

8 (l) The entry of an order including injunctions, necessary to enforce the title, rights,
9 and powers of the Chapter 11 Trustee, the Bankruptcy Estate, the Debtor or the Reorganized
10 Company and the purposes and intent of the MMP Plan, and to impose such limitations,
11 restrictions, terms and conditions of such title, rights and powers as the Bankruptcy Court may
12 deem necessary;

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

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

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

23 (p) The entry of a Final Decree closing the Bankruptcy Case, including provisions
24 for injunctive relief as may be equitable, consistent with Bankruptcy Rule 3022 and or retention
25 of jurisdiction for the Bankruptcy Court for purposes of this Article XII.

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

28 **XIII. EFFECT OF CONFIRMATION**

1 As of the Confirmation Date, the effect of Confirmation shall be as provided in § 1141
2 of the Bankruptcy Code, and as follows:

3 **A. Binding Effect of MMP Plan.**

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

11 **B. Vesting Of Property.**

12 Subject to the provisions of this MMP Plan and the Order of Confirmation, the property
13 of the Debtor and the Bankruptcy Estate shall vest in the Reorganized Company on the
14 Effective Date. As of the Effective Date, all such property shall be free and clear of any and all
15 liens, encumbrances, Claims and Interests of Creditors and Interest Holders except as otherwise
16 provided in the MMP Plan, including, without limitation, the Unsecured Creditors' Security
17 Interest. Revesting does not modify the nature of any contracts assumed pursuant to the MMP
18 Plan.

19 **C. Discharge.**

20 Except as otherwise provided in the MMP Plan or the Order of Confirmation, the rights
21 afforded under the MMP Plan and the treatment of Claims and Interests under the MMP Plan
22 are in exchange for and in complete satisfaction, discharge, and release of, all Claims, including
23 any interest accrued thereon from and after the Petition Date, against the Debtor, the
24 Reorganized Company, the Bankruptcy Estate, or any assets or property of the Debtor, the
25 Reorganized Company and the Bankruptcy Estate. Except as provided in the MMP Plan or the
26 Order of Confirmation, pursuant to Bankruptcy Code § 1141(d), Confirmation forever
27 discharges the Debtor and the Reorganized Company from any and all Claims and all debts that
28 arose before the Effective Date, and all debts of the kind specified in §§ 502(g), 502(h) or

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

5 **D. Exculpation.**

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

21 **E. Injunction.**

22 **As of the Confirmation Date, all Persons or Entities that have held, currently hold**
23 **or may hold a Claim or other debt or liability that is discharged or any other right that is**
24 **terminated under the Bankruptcy Code or the MMP Plan are permanently enjoined from**
25 **commencing or continuing any action, the employment of process, or other action, to**
26 **collect, recover or offset any such Claim or debt as a liability of the Bankruptcy Estate or**
27 **the Reorganized Company to the fullest extent permitted by Bankruptcy Code § 524.**

28 **F. Preservation of Insurance.**

1 The discharge and release from Claims as provided in the MMP Plan, except as
2 necessary to be consistent with the MMP Plan, do not diminish or impair the enforceability of
3 any insurance policy that may cover Claims against the Chapter 11 Trustee, the Debtor, the
4 Bankruptcy Estate, the Reorganized Company or any other Person.

5 **G. Reservation of Powers.**

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

10 **XIV. MISCELLANEOUS**

11 **A. Injunctions and Stays.**

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

15 **B. No Admissions.**

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

20 Notwithstanding anything to the contrary in the MMP Plan, if the MMP Plan is not
21 confirmed or the Effective Date does not occur, the MMP Plan shall be null and void, and
22 nothing contained in the MMP Plan or MMP Disclosure Statement shall: (a) be deemed to be
23 an admission with respect to any matter discussed in the MMP Plan, including liability on any
24 Claim or the propriety of any Claim's classification; (b) constitute a waiver, acknowledgement,
25 or release of any Claim, Interest, or any claims held by the Bankruptcy Estate or the
26 Committee; or (c) prejudice in any manner the rights of the Bankruptcy Estate or the
27 Committee in any further proceedings.

28 **C. Revocation of the Plan.**

1 Mr. Moore reserves the right to revoke or withdraw the MMP Plan before the
2 Confirmation Date.

3 **D. Modification of Plan.**

4 Mr. Moore may propose amendments to or modifications of the MMP Plan under §
5 1127(a) of the Bankruptcy Code and Bankruptcy Rule 3019 at any time prior to the conclusion
6 of the hearing on Confirmation of the MMP Plan.

7 In the event that Classes entitled to vote fail to accept the MMP Plan in accordance with
8 Bankruptcy Code § 1129(a)(8), Mr. Moore reserves the right to modify the MMP Plan in
9 accordance with Bankruptcy Code § 1127(a).

10 After the Confirmation Date, the Reorganized Company through the Chapter 11 Trustee
11 may modify the MMP Plan in accordance with § 1127(b) of the Bankruptcy Code and
12 Bankruptcy Rule 3019.

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

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

18 **F. Plan Interpretation.**

19 The headings contained in the MMP Plan are for convenience of reference only and
20 shall not limit or otherwise affect in any way the meaning or interpretation of the MMP Plan.
21 All references in the MMP Plan to the singular shall be construed to include references to the
22 plural and vice versa. All references in the MMP Plan to any one of the masculine, feminine or
23 neuter genders shall be deemed to include references to both other such genders. References to
24 the Debtor shall also include the Reorganized Company (or vice versa) as the context requires.
25 All exhibits, if any, attached to the MMP Plan are, by this reference, hereby incorporated into
26 the Plan. All references in the MMP Plan to a Section or an Article shall mean the
27 appropriately numbered Section or Article of the MMP Plan. Whenever the MMP Plan uses
28 the term “including,” such reference shall be deemed to mean “including, but not limited to.”

1 **G. Governing Law.**

2 Except to the extent that the Bankruptcy Code or other federal law is applicable, the
3 rights, duties and obligations of the Chapter 11 Trustee, the Debtor, the Reorganized Company,
4 its Board of Directors, all Creditors and any other Person arising under the MMP Plan shall be
5 governed by, and construed and enforced in accordance with, the laws of the State of California,
6 without giving effect to California's choice of law provisions.

7 **H. Setoff/Recoupment.**

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

16 **I. Waiver.**

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

20 **J. Notices.**

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

25 If to the Debtor or the Reorganized Company:

26
27 []
28 Chapter 11 Trustee
 Address to be provided

1 If to Charles H. Moore:

2 Charles H. Moore
3 c/o Kenneth H. Prochnow
4 Chiles and Prochnow, LLP
5 2600 El Camino Real #412
6 Palo Alto, CA 94306

7 With a copy to:

8 Kenneth H. Prochnow
9 Chiles & Prochnow, LLP
10 2600 El Camino Real #412
11 Palo Alto, CA 94306;

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

18 **K. Reservation of Rights.**

19 Neither the filing of the MMP Plan nor any statement or provision contained in the
20 MMP Plan or in the MMP Disclosure Statement, nor the taking by any party in interest of any
21 action with respect to the MMP Plan, shall: (a) be or be deemed to be an admission against
22 interest; and (b) until the Effective Date, be or be deemed to be a waiver of any rights any party
23 in interest may have: (i) against any other party in interest; or (ii) in any of the assets of any
24 other party in interest, and, until the Effective Date, all such rights are specifically reserved. In
25 the event that the MMP Plan is not confirmed or fails to become effective, neither the MMP
26 Plan nor the MMP Disclosure Statement nor any statement contained in the MMP Plan or in the
27 MMP Disclosure Statement may be used or relied upon in any manner in any suit, action,
28 proceeding or controversy within or without this Bankruptcy Case involving the Debtor, except
with respect to Confirmation of the MMP Plan.

29 **L. Severability**

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

1 term or provisions of the MMP Plan.

2 **XV. DEFAULT PROVISIONS**

3 If the Reorganized Company shall default in the performance of any of its obligations
4 under the MMP Plan, and shall not have cured such default within a period of 10 days after
5 receipt of written notice of such default from any party in interest affected by the alleged
6 default, then such party in interest may move the Bankruptcy Court, upon notice to the Notice
7 Parties, for an order directing the Reorganized Company to perform such obligations. If the
8 Reorganized Company fails to perform such obligations within 21 days, any party in interest,
9 including, but not limited to, the Office of the United States Trustee, may immediately (i) move
10 to set aside the Confirmation Order; (ii) move for the appointment of a replacement Chapter 11
11 Trustee; (iii) move to convert the case to a case under Chapter 7 of the Bankruptcy Code; or
12 (iv) in the instance of the Chapter 11 Trustee, foreclose on the Unsecured Creditors' Security
13 Interest in all TPL Assets.

14 In the event the Bankruptcy Court enters an order converting the Bankruptcy Case to a
15 case under Chapter 7 of the Bankruptcy Code, the MMP Plan shall terminate, and all property
16 of the Reorganized Company shall vest in the Chapter 7 estate. Such property shall be
17 administered by the Chapter 7 trustee as prescribed in Chapter 7 of the Bankruptcy Code. Any
18 party in interest may oppose any such motion.

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

20 **A. Scope and Intent of This Article**

21 As a settlement of the Licensee Objectors' concerns and objections, this Article is
22 included to effectuate the parties' intent to eliminate any adverse effects or prejudice of the
23 MMP Plan or Confirmation Order on the Licensee Parties' licenses, claims, rights, interests and
24 defenses. This Article XVI shall apply comprehensively to preserve all Licensee Parties' rights,
25 licenses, claims, rights, interests and defenses, as described herein, notwithstanding any other
26 provision of the MMP Plan or the Confirmation Order. To the extent any direct or indirect
27 conflict exists between this Article and any other provision of the MMP Plan, this Article shall
28 control. That is, this Article shall create an exception to any conflicting provision or

1 consequence of the MMP Plan as if expressly cross-referenced therein.

2 **B. Confirmation Order**

3 The Confirmation Order shall incorporate and reaffirm this Article XVI in its entirety,
4 together with the definitions used herein.

5 **C. Amendments to Article XVI**

6 This Article (and definitions used herein) shall not be amended, modified or otherwise
7 adversely affected, directly or indirectly, from other MMP Plan or Confirmation Order
8 amendments, without the prior written consent of each Licensee Objector.

9 **D. No Adverse Impact On Licensee Protected Contracts**

10 Notwithstanding any other provision of the MMP Plan or Confirmation Order, the
11 Licensee Protected Contracts, and the rights, claims, including offsetting or recoupment claims,
12 interests and defenses of each Licensee Party, shall ride through this Bankruptcy Case without
13 prejudice or adverse effects of any kind. All such Licensee Protected Contracts shall remain in
14 full force and effect, and continue to be valid, binding, and enforceable in accordance with their
15 terms, against TPL, the Reorganized Company, and all applicable third-party patent owners and
16 their successors and assigns.

17 For the avoidance of doubt, nothing in the MMP Plan, MMP Disclosure Statement, or
18 Confirmation Order, and no act or omission of the Chapter 11 Trustee, Debtor or Reorganized
19 Company (such as rejection of or failure to assume any executory contract) changes or impairs
20 in any way any rights, interests, claims, licenses, or defenses under the Licensee Protected
21 Contracts. Without limiting the generality of the foregoing, nothing in Article VIII of the MMP
22 Plan (entitled "Effect of Confirmation"), or elsewhere, shall have the effect of stripping or
23 undermining any rights, interests, claims, licenses, or defenses under the Licensee Protected
24 Contracts. Moreover, to the extent permissible by otherwise applicable law, the Confirmation
25 Order shall estop, enjoin, and forever bar the Chapter 11 Trustee, the Debtor, the Reorganized
26 Company, and all applicable third-party patent owners and each of their successors and assigns
27 from taking any action to disrupt or otherwise invalidate or challenge Licensee Parties' licenses,
28 rights, offsetting or recoupment claims, interests, property or defenses.

1 Thus, for avoidance of doubt, each Licensee Party shall have the same unimpaired
2 rights, claims, including offsetting or recoupment claims, interests, and defenses, as such party
3 would have had there been no Bankruptcy Case or MMP Plan. As used in this Article, the
4 terms rights, claims, interests and defenses shall be used in their broadest and most
5 comprehensive senses, including, without limitation, as such terms are used in the Bankruptcy
6 Code. Moreover, the property and property rights of each Licensee Party shall not be directly
7 or indirectly impaired, prejudiced or otherwise adversely affected by the MMP Plan or
8 Confirmation Order, whether by § 1141 or otherwise. Nothing in the MMP Plan or in the
9 Confirmation Order shall be deemed to restrain, enjoin, stay or otherwise obstruct the
10 enforcement, exercise or defense by any Licensee Party after the Effective Date of any of their
11 licenses, rights, offsetting or recoupment claims, interests, property or defenses. Without
12 limiting the generality of the foregoing and notwithstanding any retained jurisdiction provisions
13 in the MMP Plan, the Licensee Parties may respond as law or equity permit with respect to any
14 claim or cross-claim by the Committee, Debtor or Reorganized Company or its affiliates or any
15 of their successors, assignees, or agents, by enforcing in any court or tribunal of competent
16 jurisdiction (as if all bankruptcy jurisdiction with respect thereto ended on the Effective Date)
17 any or all of the licenses, rights, offsetting or recouping claims, interests, property or defenses
18 available or reserved in connection with this Article.

19 **E. No Change For Patent Actions**

20 Notwithstanding any other provision of the MMP Plan or the Confirmation Order, to the
21 extent any patent action or other litigation has been or may be filed or threatened by or for the
22 Chapter 11 Trustee, the Debtor or the Reorganized Company against any Licensee Objector, the
23 position of the parties thereto after the Effective Date shall not be changed by or on account of
24 the MMP Plan or Confirmation Order, and Licensee Parties' rights and defenses shall remain
25 fully preserved, as if there had been no Bankruptcy Case or MMP Plan.

26 **F. No Rejection or § 1141 Impact On Licenses**

27 None of the Licensee Protected Contracts can or will be rejected pursuant to § 365 or
28 impaired or extinguished or discharged or prejudiced by § 1141 or otherwise, but rather all

1 Licensee Protected Contracts shall ride through unimpaired, as provided in this Article.
2 Furthermore, there shall be no rejection, including no post-Effective Date rejection, of any of
3 the Licensee Protected Contracts; all such agreements shall either be expressly assumed by the
4 Debtor or shall ride through the Bankruptcy Case unimpaired.

5 **G. No Limit On Licensee Transfers**

6 Notwithstanding Plan Article IX or any other provision of the MMP Plan or
7 Confirmation Order or, to the maximum extent permitted by applicable law, any Licensee Party
8 may transfer, without restraint, all or any part of or interest in its preserved rights, property,
9 claims, interests or defenses, including the Licensee Protected Contracts, whether before or
10 after the Effective Date.

11 **H. No Limit On Licensee Amendments To Claims, As Permitted By Law**

12 Notwithstanding Plan Article IX or other provisions of the MMP Plan or Confirmation
13 Order, applicable law shall determine whether and to what extent any Licensee Objecter's
14 proof of claim may be amended.

15 **I. Reserved Objections**

16 If and to the extent that any challenge or dispute is made with respect to any licenses,
17 rights, property, interests, claims or defenses or other benefits preserved for Licensee Objectors
18 herein, such Licensee Objectors may not only defend on the basis of this Article XVI, but also
19 on the basis of any or all of the prior objections and arguments of Licensee Objectors, all of
20 which are reserved defensively to protect them from any such challenge or dispute.

21 Furthermore, nothing in the MMP Plan or Confirmation Order shall constitute a waiver by any
22 Licensee Objector of such party's rights under *Stern v. Marshall*, 131 S. Ct. 2594 (2011), or
23 *Bellingham Ins. Agency, Inc. v. Arkin (In re Bellingham Ins. Agency, Inc.)*, 702 F.3d 553 (9th
24 Cir. 2012), to challenge the jurisdiction of the Bankruptcy Court to issue a final judgment.

25 Respectfully submitted,

26 Dated: August 28, 2014

CHILES & PROCHNOW, LLP

27 By: /s/ Kenneth Prochnow
28 Kenneth Prochnow
Attorneys for Charles H. Moore

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Dated: August 28, 2014

Charles H. Moore, Creditor

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Exhibit A
List of Licensees
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Exhibit B
List of Licenses
[To Be Inserted]