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13 TECHNOLOGY PROPERTIES LIMITED LLC

14 **UNITED STATES BANKRUPTCY COURT**  
15 **NORTHERN DISTRICT OF CALIFORNIA**  
16 **SAN JOSE DIVISION**

17 In re:  
18 TECHNOLOGY PROPERTIES LIMITED,  
19 LLC, a California limited liability company,  
20 Debtor.

21 Case No.: 13- 51589SLJ  
22 Chapter 11  
23 Date: November 19, 2014  
24 Time: 2:00 p.m.  
25 Place: Courtroom 3099  
26 280 South First Street  
27 San Jose, California

28 **NOTICE OF PRELIMINARY HEARING ON FIFTH MOTION TO  
APPROVE USE OF CASH COLLATERAL (FRBP 4001(b))**

29 TO SECURED CLAIMANTS CUPERTINO CITY CENTER BUILDINGS, A  
30 CALIFORNIA LIMITED PARTNERSHIP; SWAMY VENKIDU AS SHAREHOLDER  
31 AGENT FOR A GROUP OF SHAREHOLDERS; DANIEL E. LECKRONE; THE OFFICIAL  
32 UNSECURED CREDITORS' COMMITTEE; ALL PARTIES REQUESTING SPECIAL  
33 NOTICE, THE UNITED STATES TRUSTEE, AND THEIR RESPECTIVE COUNSEL:

PLEASE TAKE NOTICE that at the date, time and place set forth above a preliminary hearing will be held on the Fifth Motion to Approve Use of Cash Collateral (FRBP 4001(b)) (the “Motion”) brought by debtor and debtor in possession Technology Properties Limited, LLC (“TPL”) seeking the following relief:

- a. Authority to pay adequate protection from cash collateral in the amount of \$150,000 to secured claimant Cupertino City Center and \$300,000 to secured claimant Venkidu;
- b. Authority to pay current operational and litigation expenses of TPL from cash collateral in the amount of \$8,939.00 in the following amounts and for the indicated purposes:

CPA Global - patent maintenance -estimated	\$ 1,656
SCC Tax Assessment	\$ 995
Cobra Required Payments	\$ 227
Bank Charges	\$ 500
Simon Law Firm	\$ 1,811
Consultants - (finance)	\$ 1,600
Patent Office filing reimbursement - IPR	\$ 450
US Bankruptcy Court	\$ 950
<b>Subtotal SG&amp;A</b>	<b>\$ 8,939</b>

- c. Establishment of a procedure allowing submission of monthly budget to the creditors identified below at least five or, at TPL’s sole option, more calendar days prior to the end of calendar month, which budget shall, if no timely objection is filed and served upon counsel for TPL by the end of the fifth day after service, be deemed approved without further order of the court.

1 TPL proposes the following terms for cash use:

- 2 1. TPL would be authorized to expend or reserve cash collateral subject to the following  
3 paragraphs.
- 4 2. TPL would not be authorized to pay any employee for commissions or incentive  
5 compensation.
- 6 3. TPL has paid Cupertino City Center Buildings (“CCC”) adequate protection of \$150,000  
7 and Venkidu \$300,000.
- 8 4. TPL would be prohibited from paying Daniel E. Leckrone any adequate protection  
9 payment pending further order of this Court.
- 10 5. All three secured creditors, CCC, Swamy Venkidu (“Venkidu”), and Daniel E. Leckrone,  
11 would receive a replacement lien on collateral with a back-up super-priority claim to the  
12 extent that adequate protection proves inadequate measured by a decline from liquidation  
13 value of their collateral as of the filing date. The replacement liens shall attach only to the  
14 collateral of the kind and character to which the respective lienholders’ lien would have  
15 attached pre-petition, and there shall be no cross-collateralization with other collateral  
16 except as specified below as to Venkidu. Any replacement liens approved must be  
17 subordinate to the compensation and expense reimbursement allowed to any future-  
18 appointed trustee in the case.
- 19 6. Venkidu would receive a replacement lien as to the CF portfolio and a back-up super-  
20 priority claim as set forth in paragraph 5 above. To the extent TPL uses proceeds from the  
21 CF portfolio to fund operations, Venkidu would be granted a replacement lien on future  
22 proceeds generated. To the extent those proceeds are inadequate to fully pay Venkidu’s  
23 allowed secured claim, Venkidu would be granted an administrative claim with priority  
24 over all other administrative claims (including professionals’ fees). The replacement lien  
25 and super-priority claim would be valid only to the extent, validity and priority of the pre-  
26 petition lien. If however Venkidu’s pre-petition lien in the CF portfolio is avoided or is  
27 determined to be invalid, then the replacement lien in the post-petition proceeds of the CF  
28 portfolio would be deemed avoided and vacated, and no superpriority claim would be  
allowed. If the value of the CF portfolio is less than the amount of the claim, the  
replacement lien would be valid only to the extent of that value of the collateral.
7. To the extent TPL uses proceeds from the CF portfolio to fund operations Venkidu  
receives a junior replacement lien in the MMP and FastLogic portfolio proceeds as further  
adequate protection only to the same extent, validity and priority of Venkidu’s lien in the  
CF portfolio. Thus, to the extent Venkidu is not paid from the CF portfolio, he would  
have a junior lien on these other portfolios. However, if Venkidu’s pre-petition lien in the  
CF portfolio is avoided or is determined to be invalid, then there is no replacement lien in  
the MMP and FastLogic portfolios and shall be deemed avoided and vacated , and no  
superpriority claim shall be allowed. And, if the value of the CF collateral is less than the  
amount of Venkidu’s allowed, secured claim, the replacement lien in the MMP and  
FastLogic portfolios is valid only to the extent of the value of the collateral.

- 1 8. The Committee shall be deemed to have reserved the right, on behalf of the estate, to  
2 recover all adequate protection payments in the event the Court finds that there is no  
3 enforceable security interest in TPL's assets.
- 4 9. The Committee reserves all rights including, but not limited to, the right to investigate and  
5 challenge (a) the validity, extent, priority and/or enforceability of all alleged liens  
6 (including motions to equitably subordinate and adversary proceedings to avoid liens), (b)  
7 employee compensation, (c) payments to Alliacense, (d) the adequacy of proposed  
8 budgets, and (e) the adequacy of proposed carve outs / retainers for Committee  
9 professionals.
- 10 10. To the extent that recoveries in litigation and licensing results in larger payments being  
11 owed to contingency counsel according to the terms of their court-approved terms of  
12 employment than TPL has projected, the approved contingency shall control, subject to  
13 final approval by this Court under 11 U.S.C. section 328(a).
- 14 11. The terms of the order approving cash use would be binding on any subsequently  
15 appointed trustee.
- 16 12. As a condition of consent by Venkidu to the cash use, Daniel E. Leckrone would agree to  
17 continue to subordinate his lien to that of Venkidu in the CF portfolio.

18 The Motion is based on this Notice, the Motion, and the Declaration of Swamy Venkidu  
19 in support of the Motion. Copies of these pleadings may be obtained by contacting the  
20 undersigned or viewed online by PACER qualified users at [www.canb.uscourts.gov](http://www.canb.uscourts.gov). This notice  
21 is given pursuant to the order of this Court entered on November 11, 2014. Any objection to the  
22 motion may be made orally at the hearing.

23 Dated: November 11, 2014

BINDER & MALTER, LLP

24 By: /s/ Robert G. Harris

25 Robert G. Harris

26 Attorneys for Attorneys for Debtor and Debtor-in-  
27 Possession TECHNOLOGY PROPERTIES  
28 LIMITED LLC

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Attorneys for Debtor and Debtor-in-Possession  
TECHNOLOGY PROPERTIES LIMITED, LLC

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

In re

TECHNOLOGY PROPERTIES LIMITED,  
LLC,

Debtor.

Case No. 13-51589-SLJ-11

Chapter 11

Date: November 19, 2014

Time: 2:00 p.m.

Place: Courtroom 3099

280 South First Street

San Jose, California

**CERTIFICATE OF SERVICE**

I, Natalie D. Gonzalez declare:

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

On November 12, 2014, I served a true and correct copy of the following document(s):

**ORDER SHORTENING TIME FOR PRELIMINARY HEARING ON FIFTH MOTION TO APPROVE USE OF CASH COLLATERAL (FRBP 4001(b))**

**STIPULATED EX PARTE APPLICATION FOR ORDER SHORTENING TIME TO SET PRELIMINARY HEARING ON FIFTH MOTION TO APPROVE USE OF CASH COLLATERAL (FRBP 4001(b))**

**DECLARATION OF COUNSEL IN SUPPORT OF STIPULATED EX PARTE  
APPLICATION FOR ORDER SHORTENING TIME TO SET PRELIMINARY  
HEARING ON MOTION TO APPROVE USE OF CASH COLLATERAL (FRBP  
4001(b))**

**NOTICE OF PRELIMINARY HEARING ON FIFTH MOTION TO  
APPROVE USE OF CASH COLLATERAL (FRBP 4001(b))**

**FIFTH MOTION TO APPROVE STIPULATION FOR USE  
OF CASH COLLATERAL (FRBP 4001(b), (d))**

**STIPULATION FOR USE OF CASH COLLATERAL (FRBP 4001(b))**

**DECLARATION OF AROCKIYASWAMY VENKIDU IN SUPPORT OF  
FIFTH MOTION TO APPROVE USE OF CASH COLLATERAL (FRBP 4001(b))**

via electronic transmission and/or the Court's CM/ECF notification system to the parties

registered to receive notice as follows:

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Executed on November 12, 2014, at Santa Clara, California. I certify under penalty of perjury that the foregoing is true and correct.

/s/ Natalie D. Gonzalez

Natalie D. Gonzalez