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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,
LLC;
13 Debtor.

Case No. 13-51589 SLJ
Chapter 11
Hon. Stephen L. Johnson

**ONEBEACON'S LIMITED OBJECTION
AND RESERVATION OF RIGHTS WITH
RESPECT TO THE CONFIRMATION OF
THE JOINT PLAN OF
REORGANIZATION**

Date: February 11, 2015
Time: 10:00 a.m.
Place: 280 South First Street
Courtroom 3099
San Jose, CA 95113

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19 OneBeacon American Insurance Company ("OneBeacon") files this limited objection and
20 reservation of rights with respect to the confirmation of the Joint Plan of Reorganization by the
21 Committee of Unsecured Creditors and Debtor dated January 8, 2015 ("Plan").¹

22 OneBeacon respectfully states as follows:

23 1. Prior to the Petition Date, OneBeacon provided certain insurance coverage to the
24 Debtor, including, coverage under a reservation of rights in that certain litigation defined in the Plan
25 as *Brown v. TPL Litigation*. On July 23, 2013, OneBeacon filed a non-priority, general unsecured
26

27 ¹ OneBeacon is filing this limited objection after the February 4, 2015 objection deadline. Prior to the objection deadline,
28 counsel for the Debtor and OneBeacon agreed that the deadline for OneBeacon to file an objection to the Plan was
extended through and including February 9, 2015.

1 claim in the amount of \$1,172,368.46 for reimbursement of attorneys fees paid in the *Brown v. TPL*
2 *Litigation* (“Claim”).² See, Claim No. 45.

3 2. The Plan provides for the assumption of insurance policies maintained by the Debtor.
4 Plan at Article XI, Section G, Page 56. For the convenience of the parties, relevant portions of the
5 Debtor’s policy with OneBeacon, Policy Number 711-00-87-73-0003, are attached hereto as
6 Exhibit 1.

7 3. The Plan treats the Policy as an executory contract. Bankruptcy Code Section
8 365(b)(1)(A) requires the Debtor to “promptly cure” defaults under the Policy as a condition to the
9 assumption of the Policy. Nowhere in the Plan does the Debtor make any provision to cure arrears
10 due and owing to OneBeacon under the Policy. These arrears include the sums set forth in the Claim.

11 4. OneBeacon submits that in the event that the Debtor elects to assume the Policy, it
12 must comply with the obligations of Bankruptcy Code Section 365(b)(1)(A) and timely cure the
13 arrears due and owing under the Policy as reflected in the Claim. “Bankruptcy Code § 365(b)
14 provides that a debtor in possession may not assume an executory contract if there has been a default,
15 unless such default is cured at the time of assumption.” *In re Arriva Pharmaceuticals, Inc.*, 465 B.R.
16 419, 423-424 (Bankr. ND CA 2011) (Holding, among other things, that the non-debtor counter
17 parties’ failure to assert a default prior to assumption results in bar to seeking cure damages following
18 assumption. *Id.* at 425).

19 5. The Plan contains no provisions to cure the Debtor’s substantial defaults under the
20 Policy. To the extent that the Debtor contests the amount of the underlying cure, it is free to assume
21 the Policy, provided, however, that the Court promptly resolve the cure amount to the extent there is a
22 dispute and, furthermore, that the Debtor promptly tender a Court approved cure amount to
23 OneBeacon.

24 ///

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27 ² The terms of the Policy, and the applicable law of California, including the decision of the California Supreme Court in
28 *Buss v. Superior Court*, 16 Cal.4th 35 (1997), entitle OneBeacon to reimbursement for attorneys’ fees and costs if it is
successful in having the Claim allowed.

EXHIBIT 1



OneBeacon America Insurance Company
 1 Beacon Lane
 Canton, MA 02021-1030
 (781) 332-7000

@vantage®
 for Information Technology
 Premier

Common Policy Declarations

Named Insured and Mailing Address

Policy Number 711-00-87-73-0003

TECHNOLOGY PROPERTIES LIMITED LLC
 (See ASC 00 11 01 98, Schedule 1)
 20400 STEVENS CREEK BLVD
 CUPERTINO, CA 95014-2217

In return for the payment of the premium, and subject to all terms of this policy, we agree with you to provide the insurance as stated in this policy.

Policy Period: from September 14, 2009 to September 14, 2010
 at 12:01 A.M. Standard Time at your mailing address shown above.
Exception: 12 Noon in New Hampshire

The Named Insured is a(n): Corporation

Business Description: SEMICONDUCTORS MFG

Producer

WELLS FARGO OF CALIFORNIA INSURANCE
 SERVICES INC.
 305 WALNUT ST
 REDWOOD CITY, CA 94063-1731

Total Premium

At inception: \$41,028

Forms applicable to all Coverage Parts:

See ASC 00 11 01 98, Schedule 2

CAD 3 9-40-2124 09/15/2009 DSS CPW PR 1.000

4 VIL 100 10 98

Copyright 1998, OneBeacon Insurance Group

COMMON POLICY DECLARATIONS

In witness whereof, we have issued this policy, signed by the President and Secretary, but it shall not be valid unless countersigned by our duly authorized representative.

Domino R. Smith

Secretary

Mike Hill

President

Countersigned

_____ Authorized Representative

_____ Date

SCHEDULE 1

Effective 09/14/2009 , this schedule forms a part of Policy No. 711-00-87-73-0003
(At the time stated in the policy)

issued to

TECHNOLOGY PROPERTIES LIMITED LLC
(See ASC 00 11 01 98, Schedule 1)

Producer: WELLS FARGO OF CALIFORNIA INSURANCE
SERVICES INC.
by OneBeacon America Insurance Company

Named Insured

TECHNOLOGY PROPERTIES LTD.

ALLIACENSE LTD.

INTELLASYS (BEC) LTD., HAMILTON
(BERMUDA), LUGANO BRANCH

SWAT RESEARCH

ONSPEC ELECTRONIC, INC.

INTELLASYS (BEC) LTD.

FMM PORTFOLIO LLC

NONAMI CORP. DBA: TECHNOLOGY
MANAGEMENT ASSOCIATES

INDIGITA LLC

ALLIACENSE LLC

ALLIACENSE SARL

HSM PORTFOLIO LLC

SRAM PRODUCTS LLC

VNS PORTFOLIO LLC

NUVEN

LECKRONE LAW

CAD 3 9-40-2124 09/15/2009 DSS CPW PR 1.000

**COMMON POLICY DECLARATIONS
PREMIUM STATEMENT**

Named Insured:

TECHNOLOGY PROPERTIES LIMITED LLC
(See ASC 00 11 01 98, Schedule 1)
20400 STEVENS CREEK BLVD
CUPERTINO, CA 95014-2217

Producer:

WELLS FARGO OF CALIFORNIA INSURANCE
SERVICES INC.
305 WALNUT ST
REDWOOD CITY, CA 94063-1731

Premium Statement for the period from September 14, 2009 to September 14, 2010

This policy consists of the following coverage parts for which a premium is indicated. This premium may be subject to adjustment.

COVERAGE SECTION	PREMIUM		
	At inception	1st Anniversary	2nd Anniversary
Property Coverages	\$5,186		
Liability Coverages	\$9,874		
Automobile Coverages	\$5,185		
Umbrella Coverages	\$17,227		
Professional Liability Coverages	\$3,000		
Automobile Terrorism Coverage	\$155		
Terrorism Coverage	\$401		
Total Advanced Premium	\$41,028		

CAD 3 9-40-2124 09/15/2009 DSS CPW PR 1.000

Policy Number: 711-00-87-73-0003
Policy Type: @VANTAGE FOR
Effective Date: 09/14/2009

Producer

WELLS FARGO OF
CALIFORNIA INSURANCE SER
305 WALNUT ST
REDWOOD CITY CA 94063-1731

Named Insured and Mailing Address

TECHNOLOGY PROPERTIES LIMITED LLC
20400 STEVENS CREEK BLVD
CUPERTINO CA 95014-2217

Please see reverse side for Schedule of Payments.

SCHEDULE OF PAYMENTS

INSTALLMENT DATE	AMOUNT
09/2009	\$10,257
10/2009	3,419
11/2009	3,419
12/2009	3,419
01/2010	3,419
02/2010	3,419
03/2010	3,419
04/2010	3,419
05/2010	3,419
06/2010	3,419

40 - 2124 09/15/2009 CPW

SCHEDULE 2

Effective 09/14/2009 , this schedule forms a part of Policy No. 711-00-87-73-0003
(At the time stated in the policy)

issued to

TECHNOLOGY PROPERTIES LIMITED LLC
(See ASC 00 11 01 98, Schedule 1)

Producer: WELLS FARGO OF CALIFORNIA INSURANCE
SERVICES INC.

by OneBeacon America Insurance Company

Common Policy Declarations, 4 VIL 100 10 98, Continued:

Forms Applicable to All Coverage Parts:

4 VIL 100 10 98	COMMON POLICY DECLARATIONS
ASC 00 02 01 98	PREMIUM STATEMENT
ASC 00 12 01 98	SCHEDULE OF LOCATIONS
CLD 120 08 98	SCHEDULE OF PAYMENTS
VIL 001 02 05	COMMON POLICY CONDITIONS- (N/A TO VA AUTO)
VIL 619 CA 02 05	CA CHANGES-CANCELLATION & NONRENEWAL
ASC 00 11 01 98	Schedule 1 - NAMED INSURED
ASC 00 11 01 98	Schedule 2 - LIST OF COMMON DEC FORMS

CAD 3 9-40-2124 09/15/2009 DSS CPW PR 1.000

ASC 00 11 01 98

ARCHIVE

POLICY SCHEDULE

Case: 13-51589 Doc# 652 Filed: 02/06/15 Entered: 02/06/15 13:07:54 Page 11 of 16

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LIABILITY COVERAGE PART DECLARATIONS

Limits of Insurance @vantage for General Liability Endorsement Applies

General Aggregate	\$2,000,000
Products/Completed Operations Aggregate	\$2,000,000
Each Occurrence	\$1,000,000
Personal and Advertising Injury	\$1,000,000
Damage to Premises Rented to You	\$1,000,000 Per Occurrence
Medical Expense PGL	\$10,000 Per Person
Employee Benefits	\$1,000,000 Each Claim \$1,000,000 Annual Aggregate 87 Employees \$1,000 Deductible
Global General Liability	Foreign Sales Included
International Human Resources Assistance	Covered
Voluntary Workers Compensation Employers Liability	Covered
Bodily Injury by Accident	\$1,000,000 Each Accident
Bodily Injury by Disease Including By Endemic Disease	\$1,000,000 Policy Limit \$1,000,000 Each Employee
International Contingent Automobile	\$1,000,000 Per Occurrence
Stop Gap Employers Liability	
Bodily Injury by Accident	\$1,000,000 Each Accident
Bodily Injury by Disease	\$1,000,000 Each Employee
Bodily Injury by Disease	\$1,000,000 Aggregate Limit
State	Remuneration
North Dakota	
Ohio	
Washington	

Forms applicable to the Liability Coverage Part:
See ASC 00 11 01 98, Schedule 6

CAD 3 9-40-2124 09/15/2009 DSS CPW PR 1.000

SCHEDULE 6

Effective 09/14/2009, this schedule forms a part of Policy No. 711-00-87-73-0003
(At the time stated in the policy)

issued to

TECHNOLOGY PROPERTIES LIMITED LLC
(See ASC 00 11 01 98, Schedule 1)

Producer: WELLS FARGO OF CALIFORNIA INSURANCE
SERVICES INC.

by OneBeacon America Insurance Company

Liability Coverage Part Declarations, ASC 00 05 01 98, Continued:

Forms Applicable to the Liability Coverage Part:

ASC 00 05 01 98	LIABILITY COVERAGE PART DEC
CG 00 01 12 07	COMMERCIAL GENERAL LIABILITY COVERAGE FORM
CG 00 68 05 09	RECORDING & DIST OF MATERIAL OR INFO IN VIOLATION OF LAW EX
CG 04 40 11 03	STOP GAP-EMPLOYERS LIABILITY COVERAGE ENDORSEMENT-ND
CG 04 41 12 04	STOP GAP-EMPLOYERS LIABILITY COVERAGE ENDORSEMENT-OH
CG 04 42 11 03	STOP GAP-EMPLOYERS LIABILITY COVERAGE ENDORSEMENT-WA
CG 04 44 11 03	STOP GAP-EMPLOYERS LIABILITY COVERAGE ENDORSEMENT-WY
CG 20 05 11 85	ADDL INSURED-CONTROLLING INTEREST
CG 21 47 12 07	EMPLOYMENT-RELATED PRACTICES EXCLUSION (N/A TX & WA)
CG 21 67 04 02	FUNGI OR BACTERIA EXCLUSION
CG 21 71 06 08	EXCL- OTHER ACTS OF TERRORISM; CAP ON CERTIFIED LOSSES
CG 32 34 01 05	CA CHANGES
IL 00 21 07 02	NUCLEAR ENERGY LIABILITY EXCL (n/a to NY or WA)
INT 02 04 04	INTERNATIONAL HUMAN RESOURCES COVERAGE WITH ASSISTANCE
INT 03 02 05	INTERNATIONAL CONTINGENT AUTO LIABILITY COVERAGE FORM
INT 05 02 05	GLOBAL GENERAL LIABILITY ENDORSEMENT
INT 11 12 06	CORPORATE DESIGNEE FORM
INT 39 02 05	INTERNATIONAL EXCLUSION - TERRORISM
VCG 007 02 05	EMPLOYEE BENEFITS LIABILITY COVERAGE FORM
VCG 100 10 98	LIABILITY SCHEDULE
VCG 207 06 07	@VANTAGE FOR GENERAL LIABILITY TECHNOLOGY COMPANIES
VCG 217 02 05	EXCL-INFRINGEMENT OF COPYRIGHT PATENT, TRADEMARK, TRADE SECRET

CAD 3 9-40-2124 09/15/2009 DSS CPW PR 1.000

ASC 00 11 01 98

POLICY SCHEDULE

SCHEDULE 6

Effective 09/14/2009 , this schedule forms a part of Policy No. 711-00-87-73-0003
(At the time stated in the policy)

issued to

TECHNOLOGY PROPERTIES LIMITED LLC
(See ASC 00 11 01 98, Schedule 1)

Producer: WELLS FARGO OF CALIFORNIA INSURANCE
SERVICES INC.

by OneBeacon America Insurance Company

Liability Coverage Part Declarations, ASC 00 05 01 98, Continued:

Forms Applicable to the Liability Coverage Part:

VCG 263 03 99	STOP GAP EMPLOYERS LIABILITY COVERAGE
VCG 272 02 05	EXCL - PROFESSIONAL SERVICES LIABILITY
VCG 302 07 07	ABSOLUTE EXCLUSION-ASBESTOS LIABILITY
ASC 00 11 01 98	Schedule 6 - LIABILITY FORMS LIST

CAD 3 9-40-2124 09/15/2009 DSS CPW PR 1.000

ASC 00 11 01 98

POLICY SCHEDULE

PROFESSIONAL LIABILITY COVERAGE PART DECLARATIONS

Limits of Insurance

NOTICE: THIS IS A CLAIMS-MADE FORM AND APPLIES TO CLAIMS FIRST MADE DURING THE POLICY PERIOD AND AFTER THE RETROACTIVE DATE SHOWN IN THE DECLARATIONS. DEFENSE COSTS REDUCE THE LIMIT OF LIABILITY AND ARE SUBJECT TO THE DEDUCTIBLE. DATA PRIVACY LIABILITY AND COMMUNICATIONS LIABILITY COVERAGES, IF APPLICABLE, ARE PROVIDED ON A CLAIMS MADE AND REPORTED BASIS.

Total Aggregate Limit (All Coverages Combined)	\$2,000,000
Technology Errors or Omissions - Broad	\$2,000,000 Each Wrongful Act \$2,000,000 Aggregate Sublimit \$25,000 Deductible per Claim \$1,000,000 Gross Sales 09/01/2006 Retro Date Worldwide Coverage
Data Privacy Liability Coverage	Not Covered
Communications Liability Coverage	Not Covered

Forms applicable to the Professional Liability Coverage Part:
See ASC 00 11 01 98, Schedule 7

CAD 3 9-40-2124 09/15/2009 DSS CPW PR 1.000

SCHEDULE 7

Effective 09/14/2009 , this schedule forms a part of Policy No. 711-00-87-73-0003
(At the time stated in the policy)

issued to

TECHNOLOGY PROPERTIES LIMITED LLC
(See ASC 00 11 01 98, Schedule 1)

Producer: WELLS FARGO OF CALIFORNIA INSURANCE
SERVICES INC.
by OneBeacon America Insurance Company

Commercial Professional Liability Coverage Part Declarations,
APR 005 02 99, Continued

Forms Applicable to the Professional Liability Coverage Part:

APR 001 06 07	TECHNOLOGY ERRORS OR OMISSIONS COVERAGE FORM
APR 005 02 99	PROFESSIONAL LIAB DECLARATIONS
APR 218 06 07	UNAUTHORIZED ACCESS
APR 674 CA 06 07	CA CHANGES
IL 00 21 07 02	NUCLEAR ENERGY LIABILITY EXCL (n/a to NY or WA)
ASC 00 10 01 98	Policy Change 1 - NAMED INSURED LIMITATION
ASC 00 11 01 98	Schedule 7 - PROF LIAB POLICY FORMS LIST

CAD 3 9-40-2124 09/15/2009 DSS CPW PR 1.000

ASC 00 11 01 98

POLICY SCHEDULE

1 Gregg S. Kleiner, State Bar No. 141316
McKENNA LONG & ALDRIDGE LLP
2 One Market Plaza
Spear Tower, 24th Floor
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Fax No.: 415-267-4198
4 Email: gkleiner@mckennalong.com

5 Counsel for OneBeacon Technology Insurance
6
7

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

11 In re
12 TECHNOLOGY PROPERTIES LIMITED,
LLC
13 Debtor.

Case No. 13-51589 SLJ
Chapter 11
Hon. Stephen L. Johnson

CERTIFICATE OF SERVICE

Date: February 11, 2015
Time: 10:00 a.m.
Place: 280 South First Street
Courtroom 3099
San Jose, CA 95113

17
18 I, Winifred K. Owen, declare as follows:

19 I am employed in the City and County of San Francisco, State of California. I am over the age
20 of 18 years and not a party to the within action; my business address is McKenna Long & Aldridge
21 LLP, 121 Spear Street, Suite 200, San Francisco, California 94105.

22 On the date of execution hereof, at my place of business, I served copies of the following:

23 **ONEBEACON'S LIMITED OBJECTION AND RESERVATION OF RIGHTS**
24 **WITH RESPECT TO THE CONFIRMATION OF THE JOINT**
PLAN OF REORGANIZATION

25 on the parties listed below:

- 26 **BY MAIL:** I enclosed the document(s) in a sealed envelope or package addressed to the persons at the addresses
27 listed in the Service List and placed the envelope for collection and mailing, following our ordinary business
28 practices. I am readily familiar with McKenna Long & Aldridge LLP's practice for collecting and processing
correspondence for mailing. On the same day that the correspondence is placed for collection and mailing, it is
deposited in the ordinary course of business with the United States Postal Service, in a sealed envelope with
postage fully prepaid.

PARTIES SERVED

DIP Counsel

Robert G. Harris
Law Offices of Binder & Malter
2775 Park Ave.
Santa Clara, CA 95050

Committee Counsel

Robert A. Franklin
Dorsey & Whitney LLP
305 Lytton Ave.
Palo Alto, CA 94301

U.S. Trustee

Office of the U.S. Trustee
ATTN: John Wesolowski
280 S. First Street, Suite 268
San Jose, CA 95113

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct and that I am employed in the office of a member of the bar of this Court at whose direction the service was made. Executed on February 6, 2015 at San Francisco, California.



WINIFRED K. OWEN

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