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8 **UNITED STATES BANKRUPTCY COURT**
9 **NORTHERN DISTRICT OF CALIFORNIA**

10 In re:	Case No. 13-51589 SLJ
11 TECHNOLOGY PROPERTIES	Chapter 11
12 LIMITED, LLC,	
13 Debtor.	Date: April 9, 2014 Time: 1:30 p.m. Place: Courtroom 3099

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15 **U.S. TRUSTEE'S LIMITED OBJECTION TO INTERIM APPLICATION FOR**
16 **COMPENSATION BY ATTORNEYS FOR CREDITORS COMMITTEE**

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18 The United States Trustee for Region 17, Tracy Hope Davis (the "UST") hereby files this
19 limited objection to the First Application for Interim Compensation (" Fee Application") filed
20 herein by Dorsey & Whitney LLP, counsel to the Creditors Committee herein ("Counsel").

21 This case was filed on March 20, 2013. The Fee Application seeks fees totaling
22 \$1,168,598 and expenses of \$5,312.17 for the period beginning with the employment of Counsel
(April 3, 2013) and ending February 28, 2014, roughly a ten-month period.

23 The UST understands that this has been a highly contentious case, with divergent
24 positions taken by the Committee and by the Debtor. This has resulted in, among other things,
25 competing plans and disclosure statements and a motion to appoint a chapter 11 trustee, both of
26 which are still pending and are currently set for continued hearings on April 29. The Debtor and
27 the Committee have attended mediation sessions with Judge Montali and have also had extensive
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1 negotiations to resolve their issues. The UST does not know the current status of these
2 negotiations, and it is not clear how this case will ultimately be resolved.

3 The Fee Application seeks an enormous amount of money – over \$1.1 million for ten
4 months of work. The UST does not know the extent of fees accrued by Debtor’s counsel, but it
5 is likely to be even higher than Committee Counsel’s fees; the February 2014 MOR reports
6 cumulative accrued fees to date of \$2,656,098, but it is not known if this is for all professionals
7 or just the Debtor’s professionals.

8 The February 2014 MOR reports that the Debtor has only \$133,606 in the bank.
9 According to the Fee Application (pages 7 and 52), Counsel has received \$525,000, representing
10 the “Committee Carve Out,” which Counsel presumably holds pending approval of its fees by
11 the Court.

12 The UST has not spent an inordinate amount of time reviewing the details of the Fee
13 Application. But it is apparent that there are some aspects of the Fee Application that violate the
14 Court’s Guidelines, including billing for two or three attorneys to attend hearings and committee
15 meetings. *See, e.g., Exhibit D.* There may be other areas as well where there may be duplication
16 of effort and services, or the amounts billed are excessive, unnecessary or unreasonable.

17 The UST recognizes that this is an interim application. Under the circumstances, and
18 until the ultimate direction of this case becomes clear, the UST suggests that the Court only
19 allow some percentage of the fees requested, and withhold allowance of the balance until such
20 time as a final application is filed. The UST suggests a holdback of at least 25-30% of the
21 requested fees.

22 The UST has no objection to the allowance of Counsel’s expenses in the amount of
23 \$5,312.17.

24 This limited objection is without prejudice to the UST’s right to object to Counsel’s fees
25 in a final fee application, and the UST reserves all such rights.
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1 Dated: San Jose, California
2 April 2, 2014

Respectfully submitted,

3 TRACY HOPE DAVIS
4 UNITED STATES TRUSTEE

5 By: /s/ John S. Wesolowski
6 Trial Attorney
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In re: Technology Properties Limited LLC
Case no: 13-51589 SLJ

CERTIFICATE OF SERVICE VIA 1st CLASS MAIL OR ECF NOTIFICATION

I, the undersigned, state that I am employed in the City of San Jose, County of Santa Clara, State of California, in the Office of the United States Trustee, at whose direction the service was made; that I am over the age of eighteen years and not a party to the within action; that my business address is 280 South First Street, Suite 268, San Jose, California 95113, that on the date set out below, I served a copy of the attached:

U.S. TRUSTEE'S LIMITED OBJECTION TO INTERIM APPLICATION FOR COMPENSATION
BY ATTORNEYS FOR CREDITORS COMMITTEE

upon each party listed below, by placing such a copy, enclosed in a sealed envelope with prepaid postage thereon, in the United States mail at San Jose, California to:

Technology Properties Limited LLC
Attention: Daniel E. Leckrone
20883 Stevens Creek Blvd., Suite 100
Cupertino, CA 95014

Adleson, Hess And Kelley, APC
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Campbell, CA 95008

Jeffrey R. Bragalone
Bragalone Conroy PC
2200 Ross Ave. #4500W
Chase Tower
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TR Capital Management, LLC
PO Box 633
Woodmere, NY 11598

Anthony G. Simon
Simon Law Firm, P.C.
800 Market Street, Suite 1700
St. Louis, MI 63101

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by ECF notification identified as addressed to

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I declare under penalty of perjury that the foregoing is true and correct.

Executed at San Jose, California, on April 2, 2014.

By: /s/ Patricia M. Vargas

Patricia M. Vargas
Paralegal Specialist