

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

In re: Technology Properties Limited LLC

Case No. 13-51589

**CHAPTER 11  
MONTHLY OPERATING REPORT  
(GENERAL BUSINESS CASE)**

**SUMMARY OF FINANCIAL STATUS**

MONTH ENDED: May-14

PETITION DATE: 03/20/13

1. Debtor in possession (or trustee) hereby submits this Monthly Operating Report on the Accrual Basis of accounting (or if checked here the Office of the U.S. Trustee or the Court has approved the Cash Basis of Accounting for the Debtor).  
Dollars reported in \$1

	<u>End of Current Month</u>	<u>End of Prior Month</u>	<u>As of Petition Filing</u>
<b>2. Asset and Liability Structure</b>			
a. Current Assets	\$2,473,931	\$2,408,141	
b. Total Assets	\$2,493,431	\$2,427,641	\$4,472,717
c. Current Liabilities	\$3,077,224	\$2,818,215	
d. Total Liabilities	\$72,847,146	\$72,588,137	\$69,769,922
			<b>Cumulative</b>
<b>3. Statement of Cash Receipts &amp; Disbursements for Month</b>	<u>Current Month</u>	<u>Prior Month</u>	<u>(Case to Date)</u>
a. Total Receipts	\$73,149	\$40,544	\$10,387,874
b. Total Disbursements	\$649	\$69,157	\$10,387,213
c. Excess (Deficiency) of Receipts Over Disbursements (a - b)	\$72,500	(\$28,613)	\$660
d. Cash Balance Beginning of Month	\$51,933	\$80,546	\$123,773
e. Cash Balance End of Month (c + d)	\$124,433	\$51,933	\$124,433
	<u>Current Month</u>	<u>Prior Month</u>	<u>(Case to Date)</u>
4. <b>Profit/(Loss) from the Statement of Operations</b>	(\$150,293)	(\$366,352)	(\$3,202,263)
5. <b>Account Receivables (Pre and Post Petition)</b>	\$2,286,208	\$2,286,208	
6. <b>Post-Petition Liabilities</b>	\$3,077,224	\$2,818,215	
7. <b>Past Due Post-Petition Account Payables (over 30 days)</b>	\$704,078	\$649,990	

**At the end of this reporting month:**

	<u>Yes</u>	<u>No</u>
8. Have any payments been made on pre-petition debt, other than payments in the normal course to secured creditors or lessors? (if yes, attach listing including date of payment, amount of payment and name of payee)	_____	No _____
9. Have any payments been made to professionals? (if yes, attach listing including date of payment, amount of payment and name of payee)	_____	No _____
10. If the answer is yes to 8 or 9, were all such payments approved by the court?	_____	_____
11. Have any payments been made to officers, insiders, shareholders, relatives? (if yes, attach listing including date of payment, amount and reason for payment, and name of payee)	Yes _____	_____
12. Is the estate insured for replacement cost of assets and for general liability?	Yes _____	_____
13. Are a plan and disclosure statement on file?	Yes _____	_____
14. Was there any post-petition borrowing during this reporting period?	_____	No _____

15. Check if paid: Post-petition taxes Y ; U.S. Trustee Quarterly Fees Y ; Check if filing is current for: Post-petition tax reporting and tax returns: Y .  
(Attach explanation, if post-petition taxes or U.S. Trustee Quarterly Fees are not paid current or if post-petition tax reporting and tax return filings are not current.)

I declare under penalty of perjury I have reviewed the above summary and attached financial statements, and after making reasonable inquiry believe these documents are correct.

Date: 6/21/2014 0:00

/s/ Daniel E. Leckrone  
Responsible Individual

**STATEMENT OF OPERATIONS**  
**(General Business Case)**

For the Month Ended 05/31/14

<u>May</u>				<u>Cumulative</u>	<u>Next Month</u>
<u>Actual</u>	<u>Forecast</u>	<u>Variance</u>		<u>(Case to Date)</u>	<u>Forecast</u>
\$73,059	\$5,000	\$68,059	<b>Revenues:</b>		
	\$0	\$0	1 Gross Sales	\$10,352,721	\$100
\$73,059	\$5,000	\$68,059	2 less: Sales Returns & Allow. & ForeignTax Whd	\$641,250	\$0
		\$0	3 Net Sales	\$9,712,979	\$100
\$73,059	\$5,000	\$68,059	4 less: Cost of Goods Sold (Schedule 'B')	\$0	
\$0		\$0	5 Gross Profit	\$9,712,979	\$100
\$78,333	\$78,333	\$0	6 Interest	\$0	
		\$0	7 Other Income: Current portion of prepaid royalty	\$1,096,662	\$78,333
(\$11,750)	(11,750)	\$0	8 Vendor Refund	\$30,947	\$33,390
		\$0	9 Less: Cost of Revenue	(\$5,766,816)	(11,750)
\$139,642	\$71,583	\$68,059	10 <b>Total Revenues</b>	\$5,073,772	\$100,073
			<b>Expenses:</b>		
\$1,832	\$4,000	\$2,168	11 Compensation to Owner(s)/Officer(s)	\$976,857	\$0
\$3,944	3,000	(944)	12 Salaries	\$1,049,779	-
		\$0	13 Commissions	\$0	
\$0	\$0	\$0	14 Contract Labor	\$15,000	\$0
		\$0	Rent/Lease:		
\$0	\$100	\$100	15 Personal Property	\$19,937	\$100
\$0	\$14,585	\$14,585	16 Real Property	\$141,640	\$0
\$3,773	\$5,300	\$1,528	17 Insurance	\$137,773	\$0
		\$0	18 Management Fees	\$0	
		\$0	19 Depreciation	\$0	
			Taxes:		
\$333	\$2,000	\$1,667	20 Employer Payroll Taxes (Paid to TriNet)	\$97,287	\$0
\$0	\$0	\$0	21 Real Property Taxes	\$0	\$0
\$0	\$0	\$0	22 Other Taxes	\$15,382	\$0
\$0	\$200	\$200	23 Other Selling	\$26,079	\$200
\$5,000	\$5,000	(\$0)	24 Other Administrative	\$120,380	\$5,000
\$0	\$400	\$400	25 Interest	\$6,549	\$400
\$0	\$0	\$0	26 Other Expenses: Miscellaneous SG&A	\$2,181	\$0
\$331	\$1,000	\$669	27 TriNet Payroll Fees	\$22,557	\$500
\$69	\$1,000	\$931	28 Workers Comp Insurance (Paid to TriNet)	\$30,792	\$0
\$2,027	\$6,800	\$4,773	29 Employer Paid Benefits (Paid to TriNet)	\$186,539	\$500
\$0	\$0	\$0	30 Unrealized Loss(gain) - stock	(\$25,369)	\$0
\$22,542	\$5,000	(\$17,542)	31 Patent Procec./Maintenance	\$522,449	\$5,000
\$0	\$10,000	\$10,000	32 Other Professional Fees	\$22,315	\$10,000
\$50,000	\$50,000	\$0	33 CCC Adequate Protection	\$650,000	\$50,000
\$75,000	\$75,000	\$0	34 Venkidu Adequate Protection	\$975,000	\$75,000
\$164,851	\$183,385	\$18,534	35 <b>Total Expenses</b>	\$4,993,128	\$146,700
(\$25,209)	(\$111,802)	\$86,593	36 <b>Subtotal</b>	\$80,644	(\$46,627)
			<b>Reorganization Items:</b>		
(\$125,084) FN1	(\$200,000)	(\$74,916)	37 Professional Fees	(\$3,246,182)	(\$200,000)
		\$0	38 Provisions for Rejected Executory Contracts		
		\$0	39 Interest Earned on Accumulated Cash from		
		\$0	Resulting Chp 11 Case		
\$0	\$0	\$0	40 Gain or (Loss) from Sale of Equipment		
		\$0	41 U.S. Trustee Quarterly Fees	(\$36,725)	\$0
		\$0	42		
(\$125,084) FN1	(\$200,000)	\$74,916	43 <b>Total Reorganization Items</b>	(\$3,282,907)	(\$200,000)
(\$150,293)	(\$311,802)	\$161,509	44 <b>Net Profit (Loss) Before Federal &amp; State Taxes</b>	(\$3,202,263)	(\$246,627)
		\$0	45 Federal & State Income Taxes		
(\$150,293)	(\$311,802)	\$161,509	46 <b>Net Profit (Loss)</b>	(\$3,202,263)	(\$246,627)

Foot Note 1: Professional fees accrued are an estimate, since we do not have the actual invoices.  
Attach an Explanation of Variance to Statement of Operations (For variances greater than +/- 10% only):

**BALANCE SHEET**  
**(General Business Case)**  
For the Month Ended 05/31/14

**Assets**

**From Schedules**

**Market Value**

**Current Assets**

1	Cash and cash equivalents - unrestricted		\$124,433
2	Cash and cash equivalents - restricted		\$38,290
3	Accounts receivable (net) * See Footnote	A	\$2,286,208
4	Inventory	B	\$25,000
5	Prepaid expenses		\$0
6	Professional retainers		\$0
7	Other: _____		\$0
8	_____		_____
9	<b>Total Current Assets</b>		\$2,473,931

**Property and Equipment (Market Value)**

10	Real property	C	\$0
11	Machinery and equipment	D	\$3,000
12	Furniture and fixtures	D	\$864
13	Office equipment	D	\$15,636
14	Leasehold improvements	D	\$0
15	Vehicles	D	\$0
16	Other: _____	D	_____
17	_____	D	_____
18	_____	D	_____
19	_____	D	_____
20	_____	D	_____
21	<b>Total Property and Equipment</b>		\$19,500

**Other Assets**

22	Loans to shareholders		_____
23	Loans to affiliates		_____
24	_____		_____
25	_____		_____
26	_____		_____
27	_____		_____
28	<b>Total Other Assets</b>		\$0
29	<b>Total Assets</b>		\$2,493,431

**\*NOTE:** A portion of the PDS receivable listed may be uncollectable. The uncollectable value has not been estimated. Familiarity with comparable market used to estimate the market value of assets at time of petition.

**Liabilities and Equity**  
(General Business Case)

**Liabilities From Schedules**

**Post-Petition**

**Current Liabilities**

30	Salaries and wages		\$151,721
31	Payroll taxes		\$0
32	Real and personal property taxes		\$0
33	Income taxes		\$0
34	Sales taxes		\$0
35	Notes payable (short term)		\$9,040
36	Accounts payable (trade)	A	\$716,170
37	Real property lease arrearage		\$0
38	Personal property lease arrearage		\$0
39	Accrued professional fees		\$2,166,000
40	Current portion of long-term post-petition debt (due within 12 months)		\$0
41	Other: <u>Contingency Fees due on Revenue</u>		-
42	<u>Other Invoice Accruals</u>		34,292
43			\$3,077,224
44	<b>Total Current Liabilities</b>		<b>\$3,077,224</b>
45	<b>Long-Term Post-Petition Debt, Net of Current Portion</b>		<b>\$0</b>
46	<b>Total Post-Petition Liabilities</b>		<b>\$3,077,224</b>

**Pre-Petition Liabilities (allowed amount TBD) \*Not Necessarily Allowed listed**

47	Secured claims	F	TBD	\$10,728,180
48	Priority unsecured claims	F	TBD	\$9,026,825
49	General unsecured claims	F	TBD	\$50,014,917
50	<b>Total Pre-Petition Liabilities</b>		TBD	<b>\$69,769,922</b>
51	<b>Total Liabilities</b>		TBD	<b>\$72,847,146</b>

**Equity (Deficit)**

52	Retained Earnings/(Deficit) at time of filing		
53	Capital Stock		
54	Additional paid-in capital		
55	Cumulative profit/(loss) since filing of case		
56	Post-petition contributions/(distributions) or (draws)		
57			
58	Market value adjustment		
59	<b>Total Equity (Deficit)</b>		<b>(\$70,353,715)</b>
60	<b>Total Liabilities and Equity (Deficit)</b>		<b>\$2,493,431</b>

NOTES:

47 - 51) Allowed amounts have not yet been determined. Listed Pre-petition full amounts.

**SCHEDULES TO THE BALANCE SHEET**  
(General Business Case)

**Schedule A**

**Accounts Receivable and (Net) Payable**

<b>Receivables and Payables Agings</b>	<b>Accounts Receivable</b>	<b>Accounts Payable</b>	<b>Past Due</b>
	<b><u>[Pre and Post Petition]</u></b>	<b><u>[Post Petition]</u></b>	<b><u>Post Petition Debt</u></b>
0 -30 Days	\$0	12,092	
31-60 Days	\$0	54,088	
61-90 Days	\$0	119,853	716,170
91+ Days	2,379,646	530,137	FN2
Total accounts receivable/payable	<u>\$2,379,646</u>	<u>716,170</u>	
Allowance for doubtful accounts	93,438		
Accounts receivable (net)	<u><u>\$2,286,208</u></u>		

NOTES: FN 1, A portion of the PDS receivable listed may be uncollectable. The uncollectable value has not been estimated.

FN 2 Payable withheld because Cash Collateral Budget Approved by Court does not accommodate full payment

Delay in payments to Alliacense.

**Schedule B**

**Inventory/Cost of Goods Sold**

<b><u>Types and Amount of Inventory(ies)</u></b>	<b><u>Inventory(ies) Balance at End of Month</u></b>	<b><u>Cost of Goods Sold</u></b>
		<b>Inventory Beginning of Month</b>
		Add -
Retail/Restaurants - Product for resale		Net purchase
		Direct labor
		Manufacturing overhead
Distribution - Products for resale		Freight in
		Other:
		Misc Expense
Manufacturer - Raw Materials		
Work-in-progress		Less -
Finished goods	\$25,000	Inventory End of Month
		Shrinkage
Other - Explain		Personal Use
		Cost of Goods Sold
<b>TOTAL</b>	<u><u>\$25,000</u></u>	<u><u>\$0</u></u>

**Method of Inventory Control**

Do you have a functioning perpetual inventory system?

Yes  No

How often do you take a complete physical inventory?

Weekly   
 Monthly   
 Quarterly   
 Semi-annually   
 Annually

Date of last physical inventory was None

Date of next physical inventory is \_\_\_\_\_

**Inventory Valuation Methods**

Indicate by a checkmark method of inventory used.

Valuation methods -  
 FIFO cost   
 LIFO cost   
 Lower of cost or market   
 Retail method   
 Other   
 Explain \_\_\_\_\_

NOTE: We have on hand dated pre-production chips and legacy chips

No formal valuation

**Schedule C  
Real Property**

Description	<u>Cost</u>	<u>Market Value</u>
None	\$0	\$0
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
<b>Total</b>	<b>\$0</b>	<b>\$0</b>

**Schedule D  
Other Depreciable Assets**

Description	<u>Cost</u>	<u>Market Value</u>
Machinery & Equipment -	unavailable	\$3,000
_____	_____	_____
_____	_____	_____
<b>Total</b>	<b>\$0</b>	<b>\$3,000</b>
Furniture & Fixtures -		
_____	\$4,268	\$864
_____	_____	_____
_____	_____	_____
<b>Total</b>	<b>\$4,268</b>	<b>\$864</b>
Office Equipment -		
_____	\$192,406	\$15,636
_____	_____	_____
_____	_____	_____
<b>Total</b>	<b>\$192,406</b>	<b>\$15,636</b>
Leasehold Improvements -		
_____	0	
_____	_____	_____
_____	_____	_____
<b>Total</b>	<b>\$0</b>	<b>\$0</b>
Vehicles -		
_____	_____	_____
_____	_____	_____
<b>Total</b>	<b>\$0</b>	<b>\$0</b>

**Schedule E**  
**Aging of Post-Petition Taxes**  
(As of End of the Current Reporting Period)

<b>Taxes Payable</b>	<b><u>0-30 Days</u></b>	<b><u>31-60 Days</u></b>	<b><u>61-90 Days</u></b>	<b><u>91+ Days</u></b>	<b><u>Total</u></b>
<b>Federal</b>					
Income Tax Withholding	\$0				\$0
FICA - Employee	\$0				\$0
FICA - Employer	\$0				\$0
Unemployment (FUTA)	\$0				\$0
Income	\$0				\$0
Other (Attach List)	\$0				\$0
<b>Total Federal Taxes</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>State and Local</b>					
Income Tax Withholding	\$0				\$0
Unemployment (UT)	\$0				\$0
Disability Insurance (DI)	\$0				\$0
Empl. Training Tax (ETT)	\$0				\$0
Sales	\$0				\$0
Excise	\$0				\$0
Real property	\$0				\$0
Personal property	\$0				\$0
Income	\$0				\$0
Other (Attach List)	\$0				\$0
<b>Total State &amp; Local Taxes</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Total Taxes</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**Schedule F**  
**Pre-Petition Liabilities**

<b><u>List Total Claims For Each Classification -</u></b>	<b><u>Claimed Amount</u></b>	<b><u>Allowed Amount (b)</u></b>
Secured claims (a)	\$10,728,180	TBD
Priority claims other than taxes	\$9,026,825	TBD
Priority tax claims	\$0	TBD
General unsecured claims	\$50,014,917	TBD

- (a) List total amount of claims even it under secured.  
(b) Estimated amount of claim to be allowed after compromise or litigation. As an example, you are a defendant in a lawsuit alleging damage of \$10,000,000 and a proof of claim is filed in that amount. You believe that you can settle the case for a claim of \$3,000,000. For Schedule F reporting purposes you should list \$10,000,000 as the Claimed Amount and \$3,000,000 as the Allowed Amount.

**Schedule G**  
**Rental Income Information**  
**Not applicable to General Business Cases**

**Schedule H**  
**Recapitulation of Funds Held at End of Month**

	<b><u>Account 1</u></b>	<b><u>Account 2</u></b>	<b><u>Account 3</u></b>	<b><u>Account 4</u></b>	<b><u>Account 5</u></b>
Bank	U.S.Bank NA	M&T Bank	M&T Bank	M&T Bank	M&T Bank
Account Type	Trust Acct.	Checking	Checking	Checking	Checking
Account No.	xxxx1655	xxxxxx8039	xxxxxx8062	xxxxxx8070	xxxxxx8088
Account Purpose	Trust Acct.	General DIP	DIP	DIP	DIP
Balance, End of Month	\$68,169 FNI	23,758	1,000	1,089	30,417

Total Funds on Hand for all Accounts \$124,433

Attach copies of the month end bank statement(s), reconciliation(s), and the check register(s) to the Monthly Operating Report.

Footnote 1: As a condition of approving a litigation settlement in May, the Official Committee of Unsecured Creditors required deposit of TPL's portion of the settlement fee to a trust account set up by Dorsey & Whitney, attorneys of the Official Committee of Unsecured Creditors, rather than an existing TPL DIP account.

## STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS

Increase/(Decrease) in Cash and Cash Equivalents

For the Month Ended 05/31/14

		Actual May <u>Month</u>	Cumulative (Case to Date)
<b>Cash Receipts</b>			
1	Rent/Leases Collected		\$0
2	Cash Received from Sales	\$73,149	\$9,524,876
3	Interest Received		\$0
4	Borrowings		\$0
5	Funds from Shareholders, Partners, or Other Insiders		\$0
6	Capital Contributions		\$0
7	Vendor refunds		\$69,626
8	PDS Distribution		\$793,371
9			\$0
10			
11			
12	<b>Total Cash Receipts</b>	<b>\$73,149</b>	<b>\$10,387,874</b>
<b>Cash Disbursements</b>			
13	Payments for Inventory		\$0
14	Selling (COS/Direct Litigation Expenses)	\$ -	\$4,844,015
15	Administrative	\$ 649	\$191,921
16	Capital Expenditures		\$0
17	Principal Payments on Debt		\$0
18	Interest Paid		\$0
	Rent/Lease:		
19	Personal Property	\$ -	\$30,032
20	Real Property	\$ -	\$125,901
	Amount Paid to Owner(s)/Officer(s)		\$0
21	Salaries	\$ -	\$466,199
22	Draws		\$0
23	Commissions/Royalties		\$0
24	Expense Reimbursements	\$ -	\$21,619
25	Other		\$0
26	Salaries/Commissions (less employee withholding)	\$ -	\$797,127
27	Management Fees		\$0
	Taxes:		
28	Employee Withholding *See Footnote	\$ - FN1	\$482,395
29	Employer Payroll Taxes *See Footnote	\$ - FN1	\$82,741
30	Real Property Taxes		\$0
31	Other Taxes	\$ -	\$15,212
32	Other Cash Outflows:		\$0
33	Insurance	\$ -	\$102,637
34	Patent Prosec. & Maint./Lit Support	\$ -	\$560,545
35	Employee/Employer Health Benefits (Paid to TriNet)	\$ - FN1	\$228,574
35b	Worker Comp and TriNet Fees Paid to TriNet)	\$ - FN1	\$47,819
36	401K payments to Fidelity		\$78,753 FN1
37	Creditor's Committee/Reorg Counsel/ U.S Trustee Fee	\$ -	\$1,011,725
37b	Adequate Protection		\$1,300,000
38	<b>Total Cash Disbursements:</b>	<b>\$649</b>	<b>\$10,387,213</b>
39	<b>Net Increase (Decrease) in Cash</b>	<b>\$72,500</b>	<b>\$660</b>
40	<b>Cash Balance, Beginning of Period</b>	<b>\$51,933</b>	<b>\$123,773</b>
41	<b>Cash Balance, End of Period</b>	<b>\$124,433</b>	<b>\$124,433</b>

Footnote 1: Employee withholdings (except 401K), employer taxes, workers comp, and health benefits are all paid directly to TriNet prior to the 401K Withholdings paid directly to Fidelity through a deduction from TPL's Bank account.



## Technology Properties Limited LLC

MOR Attachment May 31, 2014

Explanation of Variance to Statement of Operations (For variances greater than +/- 10% only):

Item number

- |                |  |
|----------------|--|
| 1              | Timing of Settlement different than anticipated.                     |
| 11, 12, 20, 27 | Four employees laid off at the beginning of May                      |
| 16             | Office rent taken over by Alliacense                                 |
| 16             | Copy machine leases - turned in machines to lien holder              |
| 17             | Kept Gen. Liability, Auto, and Bus. Property Insurance; termed rest. |
| 24             | Admin expenses lower than anticipated.                               |
| 28             | Workman's comp fees were less due to less payroll.                   |
| 29             | Benefit fees were less due to less people covered.                   |
| 31             | Pat/Pros. Fees were higher than anticipated. CPA Global \$21K.       |
| 32             | Other Prof. Fees were less than anticipated.                         |
| 35             | Overall lower Operating expenses.                                    |
| 44             | High Reorganization costs continue to erode profit                   |

Technology Properties Limited LLC  
 Cash Reconciliation - 5/31/14

	<u>Cash Amount</u>
Cash Balance Bank @ 5/01/14	82,702
In Transit Item	
Beginning Balance 5/01/2014	<u>82,702</u>
Cash Deposit - DIP	4,981
Cash Deposit - Trust (Dorsey/Whitney)	68,169
Cash Disbursement	(31,419)
Cash Balance Bank @ 5/31/14	<u>124,433</u>
<u>Adjustments:</u>	
# Checks Outstanding	-
MOR Cash Receipt & Disbursement	<u>124,433</u>

Technology Properties Limited LLC

Checkbook GL Posting Source Doc Checkbook Paid ToRcv check#

None

**ATTACHMENT RE SUMMARY ITEM 11**

Officer Name	Amount Paid	Date Paid	Reason for Payment
Anhalt, S	-		terminated Mar 17 2014
	<hr/> -		
Hannah, D	-		terminated May 1, 2014
	<hr/> -		
Leckrone, D	155.68	05/01/14	Gross Wages 4/1-4/15/14
	<hr/> 155.68		Terminated May 1, 2014
Total Officers	155.68		

M&T Bank					Dorsey Trust Acct	XXXX8062	XXXX8039	XXXX8070	XXXX8088
TPL Bank Reconciliations									
Date	T#	Type	Nr.	Vendor					
5/8/14	2.0	WT	NA	M&T		\$ -	\$ (649.18)		\$ -
5/2/14	2.0	CK	101	AT&T Mobility		\$ -			\$ (620.21)
5/19/14	2.0	CK	105	CPA Global					\$ (5,990.98)
5/7/14	2.0	CK	104	AT&T Mobility					\$ (580.77)
5/2/14	2.0	CK	85	CT Corp					\$ (284.00)
5/6/14	2.0	CK	89	Hartford					\$ (2,127.00)
5/13/14	2.0	CK	87	IDT Connect					\$ (384.83)
5/1/14	2.0	CK	84	AT&T					\$ (160.15)
5/2/14	2.0	WT	99	Andrew Fulop		\$ -	\$ -		\$ (1,332.70)
5/1/14	2.0	CK	82	Stevens Creek Office Center		\$ -			\$ (9,892.85)
5/5/14	2.0	CK	103	Bill Martin			\$ -		\$ (9,396.00)
5/22/14	2.0	WT	NA	Deposit - Settlement Recovery	\$ 68,169.89				

FOR INQUIRIES CALL: MIDDLE MARKET NEW LOANS  
(302) 651-1581



[REDACTED]

[REDACTED]

P

TECHNOLOGY PROPERTIES LTD LLC  
DEBTOR IN POSSESSION  
DANIEL E LECKRONE, TRUSTEE  
20883 STEVENS CREEK BLVD  
SUITE 100  
CUPERTINO CA 95014

ACCOUNT TYPE	
COMMERCIAL CHECKING	
ACCOUNT NUMBER	STATEMENT PERIOD
[REDACTED] 8039	05/01/14 - 05/31/14
BEGINNING BALANCE	\$19,515.72
DEPOSITS & CREDITS	4,891.73
LESS CHECKS & DEBITS	0.00
LESS SERVICE CHARGES	649.18
ENDING BALANCE	\$23,758.27

ACCOUNT ACTIVITY

POSTING DATE	TRANSACTION DESCRIPTION	DEPOSITS & OTHER CREDITS (+)	WITHDRAWALS & OTHER DEBITS (-)	DAILY BALANCE
05/01/2014	BEGINNING BALANCE			\$19,515.72
05/05/2014	DEPOSIT	\$4,891.73		24,407.45
05/08/2014	SERVICE CHARGE FOR ACCOUNT 000009861318039		\$649.18	23,758.27
	NUMBER OF DEPOSITS/CHECKS PAID	1	0	

FOR INQUIRIES CALL: MIDDLE MARKET NEW LOANS  
(302) 651-1581

[REDACTED]

[REDACTED]

P



TECHNOLOGY PROPERTIES LTD LLC  
DEBTOR IN POSSESSION  
DANIEL E LECKRONE, TRUSTEE  
[REDACTED]  
20883 STEVENS CREEK BLVD SUITE 100  
CUPERTINO CA 95014

<b>ACCOUNT TYPE</b>	
COMMERCIAL CHECKING	
<b>ACCOUNT NUMBER</b>	<b>STATEMENT PERIOD</b>
[REDACTED] 8062	05/01/14 - 05/31/14
<b>BEGINNING BALANCE</b>	<b>\$1,000.00</b>
<b>DEPOSITS &amp; CREDITS</b>	<b>0.00</b>
<b>LESS CHECKS &amp; DEBITS</b>	<b>0.00</b>
<b>LESS SERVICE CHARGES</b>	<b>0.00</b>
<b>ENDING BALANCE</b>	<b>\$1,000.00</b>

**ACCOUNT ACTIVITY**

POSTING DATE	TRANSACTION DESCRIPTION	DEPOSITS & OTHER CREDITS (+)	WITHDRAWALS & OTHER DEBITS (-)	DAILY BALANCE
05/01/2014	BEGINNING BALANCE			\$1,000.00
	NUMBER OF DEPOSITS/CHECKS PAID	0	0	

[REDACTED]

FOR INQUIRIES CALL: MIDDLE MARKET NEW LOANS  
(302) 651-1581

ACCOUNT TYPE	
COMMERCIAL CHECKING	

ACCOUNT NUMBER	STATEMENT PERIOD
██████████8070	05/01/14 - 05/31/14

████████████████████

P



████████████████████

TECHNOLOGY PROPERTIES LTD LLC  
DEBTOR IN POSSESSION  
DANIEL E LECKRONE, TRUSTEE  
████████████████████  
20883 STEVENS CREEK BLVD SUITE 100  
CUPERTINO CA 95014

BEGINNING BALANCE	\$1,000.00
DEPOSITS & CREDITS	88.86
LESS CHECKS & DEBITS	0.00
LESS SERVICE CHARGES	0.00
ENDING BALANCE	\$1,088.86

ACCOUNT ACTIVITY

POSTING DATE	TRANSACTION DESCRIPTION	DEPOSITS & OTHER CREDITS (+)	WITHDRAWALS & OTHER DEBITS (-)	DAILY BALANCE
05/01/2014	BEGINNING BALANCE			\$1,000.00
05/05/2014	INCOMING FEDWIRE FUNDS TRANSFER ████████████████████	\$88.86		1,088.86
	NUMBER OF DEPOSITS/CHECKS PAID	1	0	

████████████████████



FOR INQUIRIES CALL: MIDDLE MARKET NEW LOANS  
(302) 651-1581

[REDACTED]

P



[REDACTED]

TECHNOLOGY PROPERTIES LTD LLC  
DEBTOR IN POSSESSION  
DANIEL E LECKRONE, TRUSTEE  
[REDACTED]  
20883 STEVENS CREEK BLVD SUITE 100  
CUPERTINO CA 95014

ACCOUNT TYPE	
COMMERCIAL CHECKING	
ACCOUNT NUMBER	STATEMENT PERIOD
[REDACTED] 3088	05/01/14 - 05/31/14
BEGINNING BALANCE	\$61,186.13
DEPOSITS & CREDITS	0.00
LESS CHECKS & DEBITS	30,769.49
LESS SERVICE CHARGES	0.00
ENDING BALANCE	\$30,416.64

ACCOUNT ACTIVITY

POSTING DATE	TRANSACTION DESCRIPTION	DEPOSITS & OTHER CREDITS (+)	WITHDRAWALS & OTHER DEBITS (-)	DAILY BALANCE
05/01/2014	BEGINNING BALANCE			\$61,186.13
05/01/2014	CHECK NUMBER 82		\$9,892.85	
05/01/2014	CHECK NUMBER 84		160.15	51,133.13
05/02/2014	CHECK NUMBER 85		284.00	
05/02/2014	CHECK NUMBER 99		1,332.70	
05/02/2014	CHECK NUMBER 101		620.21	48,896.22
05/05/2014	CHECK NUMBER 103		9,396.00	39,500.22
05/06/2014	CHECK NUMBER 89		2,127.00	37,373.22
05/07/2014	CHECK NUMBER 104		580.77	36,792.45
05/13/2014	CHECK NUMBER 87		384.83	36,407.62
05/19/2014	CHECK NUMBER 105		5,990.98	30,416.64
	NUMBER OF DEPOSITS/CHECKS PAID	0	10	

CHECKS PAID SUMMARY

CHECK NO.	DATE	AMOUNT	CHECK NO.	DATE	AMOUNT	CHECK NO.	DATE	AMOUNT
82	05/01/14	9,892.85	89*	05/06/14	2,127.00	103*	05/05/14	9,396.00
84*	05/01/14	160.15	99*	05/02/14	1,332.70	104	05/07/14	580.77
85	05/02/14	284.00	101*	05/02/14	620.21	105	05/19/14	5,990.98
87*	05/13/14	384.83						
* - GAP IN CHECK SEQUENCE R - CHECK RETURNED								
NUMBER OF CHECKS PAID			10					
AMOUNT OF CHECKS PAID			\$30,769.49					

1 HEINZ BINDER, #87908  
ROBERT G. HARRIS, #124678  
2 DAVID B. RAO, #103147  
ROYA SHAKOORI, #236383  
3 Binder & Malter, LLP  
2775 Park Avenue  
4 Santa Clara, CA 95050  
Telephone: (408)295-1700  
5 Facsimile: (408) 295-1531  
Email: [heinz@bindermalter.com](mailto:heinz@bindermalter.com)  
6 Email: [rob@bindermalter.com](mailto:rob@bindermalter.com)  
Email: [david@bindermalter.com](mailto:david@bindermalter.com)  
7 Email: [roya@bindermalter.com](mailto:roya@bindermalter.com)

8 Attorneys for Debtor and Debtor In  
Possession Technology Properties Limited, LLC

9  
10 **UNITED STATES BANKRUPTCY COURT**  
11 **NORTHERN DISTRICT OF CALIFORNIA, DIVISION 5**

12 In re

13 TECHNOLOGY PROPERTIES LIMITED,  
14 LLC,

15  
16 Debtor.

Case No: 13-51589 SLJ

Chapter 11

17 **CERTIFICATE OF SERVICE**

18 I, Rebecca C. Gragg, declare:

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

22 On June 23, 2014, I served a true and correct copy of the following document(s):

23 **MONTHLY OPERATING REPORT FOR PERIOD ENDING MAY 2014**

24 via electronic transmission and/or the Court's CM/ECF notification system to the parties  
25 registered to receive notice as follows:  
26  
27

1 **U.S. Trustee**

John Wesoloski  
2 United States Trustee  
Office of the U.S. Trustee  
3 280 So. First St., Room 268  
San Jose, CA 95113  
4 Email: [john.wesolowski@usdoj.gov](mailto:john.wesolowski@usdoj.gov)

5 **Unsecured Creditors Committee Attorney**

c/o John Walshe Murray, Esq.  
6 c/o Robert Franklin, Esq.  
c/o Thomas Hwang, Esq.  
7 Dorsey & Whitney LLP  
305 Lytton Avenue  
Palo Alto, CA 94301  
8 Email: [murray.john@dorsey.com](mailto:murray.john@dorsey.com)  
Email: [franklin.robert@dorsey.com](mailto:franklin.robert@dorsey.com)  
9 Email: [hwang.thomas@dorsey.com](mailto:hwang.thomas@dorsey.com)

10 **Special Notice**

Patriot Scientific Corp.  
11 c/o Gregory J. Charles, Esq.  
Law Offices of Gregory Charles  
2131 The Alameda Suite C-2  
12 San Jose, CA 95126  
Email: [greg@gregcharleslaw.com](mailto:greg@gregcharleslaw.com)

13 Arockiyaswamy Venkidu  
c/o Javed I. Ellahie  
14 Ellahie & Farooqui LLP  
12 S. First St., Suite 600  
15 San Jose, CA 95113  
Email: [javed@eflawfirm.com](mailto:javed@eflawfirm.com)

16 OneBeacon Technology Insurance  
c/o Gregg S. Kleiner, Esq.  
17 McKENNA LONG & ALDRIDGE LLP  
One Market Plaza  
18 Spear Tower, 24th Floor  
San Francisco, CA 94105  
19 Email: [gkleiner@mckennalong.com](mailto:gkleiner@mckennalong.com)

20 Chester A. Brown, Jr. and Marcie Brown  
Randy Michelson  
21 Michelson Law Group  
220 Montgomery Street, Suite 2100  
22 San Francisco, CA 94104  
Email: [randy.michelson@michelsonlawgroup.com](mailto:randy.michelson@michelsonlawgroup.com)

**Special Notice**

Charles H. Moore  
c/o Kenneth Prochnow, Esq.  
Chiles and Prochnow, LLP  
2600 El Camino Real, Suite, 412  
Palo Alto, Ca 94306  
Email: [kprochnow@chilesprolaw.com](mailto:kprochnow@chilesprolaw.com)

Phil Marcoux  
c/o William Thomas Lewis, Esq.  
Robertson & Lewis  
150 Almaden Blvd., Suite 950  
San Jose, CA 95113  
Email: [wtl@roblelaw.com](mailto:wtl@roblelaw.com)

Farella Braun + Martel LLP  
Attn: Gary M. Kaplan, Esq.  
235 Montgomery Street, 18<sup>th</sup> Floor  
San Francisco, CA 94104  
Email: [gkaplan@fbm.com](mailto:gkaplan@fbm.com)

Cupertino City Center Buildings  
c/o Christopher H. Hart, Esq.  
Schnader Harrison Segal & Lewis LLP  
One Montgomery Street, Suite 2200  
San Francisco, CA 94104  
Email: [chart@schnader.com](mailto:chart@schnader.com)

Peter C. Califano, Esq.  
Cooper, White & Cooper LLP  
201 California Street, 17th Floor  
San Francisco, California 94111  
E-Mail: [pcalifano@cwclaw.com](mailto:pcalifano@cwclaw.com)

Fujitsu Limited  
c/o G. Larry Engel, Esq.  
Kristin A. Hiensch, Esq.  
Morrison & Foerster LLP  
425 Market Street  
San Francisco, California 94105-2482  
E-mail: [Lengel@mofo.com](mailto:Lengel@mofo.com)

Sallie Kim  
GCA Law Partners LLP  
2570 W. El Camino Real, Suite 510  
Mountain View, CA 94040  
Email: [skim@gcalaw.com](mailto:skim@gcalaw.com)

**Special Notice**

Toshiba Corporation  
c/o Jon Swenson  
Baker Botts L.L.P.  
1001 Page Mill Road  
Building One, Suite 200  
Palo Alto, CA 94304  
Email: [jon.swenson@bakerbotts.com](mailto:jon.swenson@bakerbotts.com)

1 **Special Notice**

2 Apple, Inc  
3 c/o Adam A. Lewis, Esq.  
4 Vincent J. Novak, Esq.  
5 Morrison & Foerster LLP  
6 425 Market St.  
7 San Francisco, CA 94105  
8 Email: [alewis@mofo.com](mailto:alewis@mofo.com)  
9 Email: [vnovak@mofo.com](mailto:vnovak@mofo.com)

10 C. Luckey McDowell  
11 Baker Botts L.L.P.  
12 2001 Ross Avenue, Suite 600  
13 Dallas, TX 75201  
14 Email: [luckey.mcdowell@bakerbotts.com](mailto:luckey.mcdowell@bakerbotts.com)

Jessica L. Voyce, Esq  
Baker Botts L.L.P.  
2001 Ross Avenue, Suite 600  
Dallas, TX 75201  
Email: [jessica.voyce@bakerbotts.com](mailto:jessica.voyce@bakerbotts.com)

Attorneys for Sony Corporation  
Lillian Stenfeldt  
Sedgwick, LLP  
333 Bush Street, 30<sup>th</sup> Floor  
San Francisco, CA 94104  
Email: [lillian.stenfeldt@sedgwicklaw.com](mailto:lillian.stenfeldt@sedgwicklaw.com)

15 Executed on June 23, 2014, at Santa Clara, California. I certify under penalty of perjury  
16 that the foregoing is true and correct.

17 /s/ Rebecca C. Gragg  
18 Rebecca C. Gragg