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The following constitutes
the order of the court. Signed November 20, 2014

Stephen L. Johnson
U.S. Bankruptcy Judge

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, a California limited liability company,

Debtor.

Case No.: 13- 51589SLJ

Chapter 11

Date: November 19, 2014

Time: 2:00 p.m.

Place: Courtroom 3099
280 South First Street
San Jose, California

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

The Fifth Motion To Approve Stipulation For Use Of Cash Collateral (FRBP 4001(b),
(d)), as modified by that Amended Stipulation For Use Of Cash Collateral (FRBP 4001(b))
(collectively, the “Motion”) brought by debtor and debtor in possession Technology Properties
Limited LLC (“TPL”) and signed by secured claimants Cupertino City Center Buildings, A
California Limited Partnership (“CCC”), Swamy Venkidu (“Venkidu”), and Daniel E. Leckrone

1 (collectively with CCC and Venkidu, the “Secured Claimants”) came on for hearing on
2 November 19, 2014. Robert G. Harris, Esq. of Binder & Malter, LLP appeared for TPL, and
3 Robert A. Franklin of Dorsey & Whitney, LLP appeared for the Official Unsecured Creditors
4 Committee (the “Committee”). Other appearances were noted on the record.

5 After considering the arguments of counsel, all objections be and hereby are
6 OVERRULED, and the Motion be and hereby is GRANTED.

7 IT IS THEREFORE ORDERED that

8
9 1. TPL is authorized to distribute \$503,939.00 in operating expenses and adequate
10 protection as requested in the Motion.

11 2. As to all further requests by TPL to use cash collateral, TPL be and hereby is
12 authorized to submit and serve upon to the Secured Claimants and Committee a budget without
13 filing a further motion to approve use of cash collateral. The budget shall also be filed with the
14 Court. Filing and service shall take place at least five or, at TPL’s sole option, more calendar
15 days prior to the end of calendar month. The budget shall, if no timely objection is filed and
16 served upon counsel for TPL and the Committee by the end of the fifth day after service, be
17 deemed approved and the use of cash collateral authorized without further order of the Court. If
18 an objection is filed, then TPL shall set a hearing on not less than one business days’ notice to
19 the objecting party.

20 3. TPL is not authorized Order to pay any employee for commissions or incentive
21 compensation.

22 4. TPL shall not pay Daniel E. Leckrone any adequate protection payment pending
23 further order of this Court.

24
25 4. All three Secured Claimants, CCC, Venkidu, and Daniel E. Leckrone, are granted
26 a replacement lien on collateral with a back-up super-priority claim to the extent that adequate

1 protection proves inadequate measured by a decline from liquidation value of their collateral as
2 of the filing date. The replacement liens shall attach only to the collateral of the kind and
3 character to which the respective lienholders' lien would have attached pre-petition, and there
4 shall be no cross-collateralization with other collateral except as specified below as to Venkidu.
5 These replacement liens are subordinate to the compensation and expense reimbursement
6 allowed to any future-appointed trustee in the case. Venkidu will receive a replacement lien as to
7 the CF portfolio and a back-up super-priority claim as set forth in paragraph 5 below.
8

9 5. To the extent TPL uses proceeds from the CF portfolio to fund operations,
10 Venkidu will be granted a replacement lien on future proceeds generated. To the extent those
11 proceeds are inadequate to fully pay Venkidu's allowed secured claim, Venkidu is granted an
12 administrative claim with priority over all other administrative claims (including professionals'
13 fees). The replacement lien and superpriority claim are valid only to the extent, validity and
14 priority of the pre-petition lien. If however Venkidu's pre-petition lien in the CF portfolio is
15 avoided or is determined to be invalid, then the replacement lien in the post-petition proceeds of
16 the CF portfolio shall be deemed avoided and vacated as of the date of this Order and no
17 superpriority claim will be allowed. If the value of the CF portfolio is less than the amount of
18 the claim, the replacement lien is valid only to the extent of that value of the collateral.
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20 6. To the extent TPL uses proceeds from the CF portfolio to fund operations,
21 Venkidu receives a junior replacement lien in the MMP and FastLogic portfolio proceeds as
22 further adequate protection only to the same extent, validity and priority of Venkidu's lien in the
23 CF portfolio. Thus, to the extent Venkidu is not paid from the CF portfolio, he will have a junior
24 lien on these other portfolios. However, if Venkidu's pre-petition lien in the CF portfolio is
25 avoided or is determined to be invalid, then there is no replacement lien in the MMP and
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1 FastLogic portfolios and shall be deemed avoided and vacated as of the date of this Order, and
2 no superpriority claim shall be allowed. And, if the value of the CF collateral is less than the
3 amount of Venkidu's allowed, secured claim, the replacement lien in the MMP and FastLogic
4 portfolios is valid only to the extent of the value of the collateral.

5
6 7. The Committee shall be deemed to have reserved the right, on behalf of the estate,
7 to recover all adequate protection payments in the event the Court finds that there is no
8 enforceable security interest in TPL's assets.

9
10 8. The Committee reserves all rights including, but not limited to, the right to
11 investigate and challenge (a) the validity, extent, priority and/or enforceability of all alleged liens
12 (including motions to equitably subordinate and adversary proceedings to avoid liens), (b)
13 employee compensation, (c) payments to Alliacense, (d) the adequacy of proposed budgets, and
14 (e) the adequacy of proposed carve outs / retainers for Committee professionals.

15
16 9. To the extent that recoveries in litigation and licensing results in larger payments
17 being owed to contingency counsel according to the terms of their court-approved terms of
18 employment than TPL has projected, the approved contingency shall control, subject to final
19 approval by this Court under 11 U.S.C. section 328(a).

20 10. The terms of this Stipulation are binding on any subsequently appointed trustee.

21
22 11. As a condition of consent by Venkidu to the cash use, Daniel E. Leckrone shall
23 continue to subordinate his lien to that of Venkidu in the CF portfolio.

24 ***** END OF ORDER *****

COURT SERVICE LIST

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None required.