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10	UNITED STATES BANKRUPTCY COURT					
11	NORTHERN DISTRICT OF CALIFORNIIA					
12	SAN JOSI	E DIVISION				
13	In re:	Case No.: 13- 51589SLJ				
14	TECHNOLOGY PROPERTIES LIMITED,	Chapter 11				
15	LLC, a California limited liability company,	Date: February 26, 2014				
16 17	Debtor.	Time: 10:00 a.m. Place: Courtroom 3099				
18		280 South First Street San Jose, California				
19						
20						
21	TPL'S OPPOSITION TO MOTION FOR	ORDER GRANTING LEAVE, STANDING				
22		COMMENCE, PROSECUTE, AND SETTLE F THE ESTATE				
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28	OPPOSITION TO MOTION GRANTING LEAVE ETC. Case: 13-51589 Doc# 433 Filed: 02/12	/14 Entered: 02/12/14 15:19:39 Page 1 of 20				

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1 2	Liberty Mutual Insurance Company, Inc. v. Official Unsecured Creditor's Committee (In re Spaulding				
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The OCC<sup>1</sup> requests in its Motion<sup>2</sup> " ... authority pursuant to 11 U.S.C. §§ 105, 1103, and 1109 to investigate and prosecute actions against the Debtor's insiders and affiliate<sup>3</sup> ... so that the Derivative Actions<sup>4</sup> are thoroughly investigated and, if appropriate, vigorously pursued."<sup>5</sup> The Motion should be denied because the relief it seeks is unnecessary.

There is no risk that the Derivative Actions will go without a thorough investigation. The OCC's discovery has been ongoing for months informally and is continuing with formal discovery. Counsel for the OCC has, upon request, received or been given access to thousands of pages documents from TPL following at least ten requests from the OCC's counsel. The OCC has applied for an order for examination under Bankruptcy Rule 2004 and will, on a mutually convenient date, examine Daniel E. Leckrone under oath. The OCC's able counsel is in position to learn whatever it needs to learn about the basis for the Derivative Actions. Standing to file a complaint is not required to investigate the basis for the unsupported allegations about TPL and its management that the OCC has been making since the commencement of this case.

There is also no risk that the Derivative Actions will go unprosecuted: all four possible outcomes for this case preserve the right to prosecute claims, and no statute of limitations is

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capacity, theft, embezzlement, larceny, and conversion." Motion, 4:15-21.

<sup>5</sup> Motion, 8:9-10.

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<sup>&</sup>lt;sup>1</sup> Official Unsecured Creditors' Committee.

<sup>&</sup>lt;sup>2</sup> Motion For Order Granting Leave, Standing And Authority To Investigate, Commence, Prosecute, And Settle Actions Of The Estate (the "Motion")

Motion, 1:4-6.

 <sup>&</sup>lt;sup>4</sup> Defined by the OCC as "... actions of any nature including, without limitation, any actions pursuant to Chapter 5 of the Bankruptcy Code, and any actions based on breach of fiduciary duty, diminution of value, self-dealing, conflicts of interest, willful and malicious injury, intentional and negligent misrepresentations, intentional infliction of emotional distress, ultra vires acts, usurping corporate opportunities, fraud, defalcation while acting in a fiduciary

about to run that would hinder the OCC or a successor. The OCC Plan<sup>6</sup> imbues the Reorganized Company, under the control of a Board consisting of three members with the power to prosecute the Derivative Claims.<sup>7</sup> The OCC's Motion to Appoint Trustee<sup>8</sup> would vest those powers in a Chapter 11 trustee pre-confirmation, while conversion of the case to liquidation would immediately empower a Chapter 7 trustee to bring any litigation necessary. The TPL Plan,<sup>9</sup> if confirmed instead of the OCC Plan, transfers the power to investigate and prosecute claims and bring litigation, including but not limited to avoidance actions, against any party (not just TPL's management) to a neutral and fully-independent "Creditor Trust Trustee."<sup>10</sup>

The OCC nevertheless asserts that "[t]ime is of the essence in this matter."<sup>11</sup> This plea for immediate authority to prosecute the Derivative Claims highlights the OCC's underlying purpose in bringing the Motion: preventing unnamed claimants whom it contends are insiders from voting on any plan in any class that includes non-insider unsecured claimants.<sup>12</sup> The OCC's impression that it needs standing to prosecute the Derivative Actions in order to control which plan can receive sufficient votes to gain acceptance is flawed. The OCC can simply object to the claims it continually asserts are improper and disputed. Once these claims have been identified and challenged with objections, affected claimants can ask for temporary

Only.

<sup>&</sup>lt;sup>6</sup> Official Committee of Unsecured Creditors' Plan of Reorganization (Dated December 17, 2013)(the "OCC Plan")

<sup>&</sup>lt;sup>7</sup> OCC Plan, 24;24-28; 31:6-7; 31:12-13; 31:22-24.

<sup>&</sup>lt;sup>8</sup> Motion Of Creditors' Committee For Orders (1) Directing The Appointment Of A Chapter 11 Trustee; And (2) Directing The Debtor And Daniel E. Leckrone To Appear And Show Cause Why They Should Not Be Held In Contempt For Violation Of This Court's Order ("Trustee Motion").

<sup>&</sup>lt;sup>9</sup> TPL Plan Of Reorganization (January 21, 2014)(the "TPL Plan"). Error! Main Document

<sup>&</sup>lt;sup>10</sup> TPL Plan, ¶¶4.10, 4.11.

<sup>&</sup>lt;sup>11</sup> Motion, 8:10.

<sup>&</sup>lt;sup>12</sup> Motion. 8:18-19.

allowance, and the confirmation process can move forward while the OCC's allegations are heard and determined.

A committee does not gain derivative standing to prosecute claims of the estate without making a showing that there are colorable claims that are beneficial to the estate to prosecute that, after demand made, the debtor has unjustifiably refused to undertake. Here, the OCC made no demand. There was nothing to which TPL could respond, and there is now no way for the Court to evaluate a response from TPL that the OCC elected not to seek. Even if the Derivative Claims were directed solely to TPL's management, which they are not, the OCC's claim of excuse from the requirement of demand falls short: numerous insiders already offered in settlement negotiations to subordinate some or all of their claims. Futility offers no excuse for the OCC's failure to make a demand. Moreover, it is impossible to tell if the abbreviated facts alleged by the OCC match with the laundry list of Derivative Claims and can be viewed as colorable at all. Finally, with neither an explanation of the likely benefits or the costs of prosecuting the Derivative Actions, the OCC has failed to meet its obligation to present a costbenefit analysis showing the benefit to the estate of granting it derivative standing. The only thing that the OCC has shown by eschewing the claim objection process is that it is willing to incur high levels of administrative expense to fulfill its stated goal of confirming the OCC Plan and blocking the TPL Plan.

Finally, at the end of the Motion, comes the OCC's unrelated request to invade all confidential documents of TPL without regard to attorney-client and work-product privilege. The request should be denied. First, the OCC consciously refused to serve the 75 plus current and former professionals whose representation and property interests would be directly affected by the proposed invasion in violation of fundamental principles of due process and the Bankruptcy Local Rules. Their property rights should not be forfeited without notice, nor should

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they be compelled to seek protection through what would undoubtedly be a plethora of motions for protective orders. Some, but far from all have even learned of the Motion. At least one submits herewith a declaration explaining the breaches and violations that granting the OCC blanket access would have with regard to the hundreds of confidentiality agreements and orders of other courts to which TPL is subject that are likely a common denominator among counsel. Finally, and most importantly, the OCC has offered no cogent explanation for why the rules of privilege and discovery should now be abandoned on a wholesale basis and how its request is relevant to its request for standing to prosecute the Derivative Actions. The OCC, if granted derivative standing, should be obliged to conduct discovery like any other litigant.

#### **II. ARGUMENT**

### A. The OCC Has Standing Now To Object To Claims But Not To Bring Actions Reserved To The Trustee Without A Court Order.

The OCC requires bankruptcy court approval to commence suit on the Derivative Actions. Its citation to *In re Morpheus Lights, Inc.*, 228 B.R. 449 (Bankr. N.D. Cal. 1998) and claim to the contrary is unpersuasive. In *Morpheus Lights*, the court was faced with a motion to dismiss a suit by an individual creditor against a lender bank for equitable subordination of its claim and damages for an alleged conspiracy between the lender and debtor's president. Judge Grube did not rule in *Morpheus Lights* on the standing of a committee that had filed suit; he simply ruled that the individual plaintiff who had sued did not have standing. *Id.* at 457. The court's observation about committee standing, made in reliance on a footnote from another case in which the point was essentially allowed to pass without argument, is *dicta* unsupported by any persuasive analysis and should be disregarded

> **B.** The OCC Is Not Entitled To Derivative Standing Under The Showing It Has Made And Under The Particular Facts Of This Case.

1. Legal Analysis Of Comparative Legal Approaches Among Circuits

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"The exclusive power to commence avoidance actions vested in trustees and debtors-inpossession is permissive rather than mandatory ...." *In re Curry and Sorensen, Inc.*, 57 B.R. 824, 828 (9th Cir. B.A.P. 1986). There are nevertheless circumstances when an official committee of creditors may be granted derivative standing to prosecute avoidance and other estate causes of action. *Biltmore Assoc., LLC v. Twin City Fire Ins. Co.*, 572 F.3d 663, 674 n. 41 (9th Cir.2009).

The most thorough analysis of appellate case law from the Ninth Circuit on when derivative standing for creditors' committees may be granted appears in *In re Catholic Bishop Of Northern Alaska*, 2009 WL 8412174 (Bankr. D. Alaska 2009) ("*Catholic Bishop*"). In that case the issues were (1) whether the court could grant the committee standing to assert the debtor's avoidance actions and possible claims against the Holy See, or was there a blanket prohibition against such standing in the Ninth Circuit, absent the consent of the debtor, and (2) if the court could grant the committee derivative standing, under what circumstances should it be permitted.

In *Catholic Bishop*, Bankruptcy Judge Donald MacDonald first found that the right to bring a derivative action upon entry of a court order exists under binding Ninth Circuit precedent. The court then conducted an exhaustive analysis of appellate cases to ascertain the circumstances under which it would be permissible. The court concluded that, unlike the Second, Fifth, and Sixth Circuits, the Ninth Circuit "... hasn't adopted a definitive standard for evaluating when a creditors' committee should be granted derivative standing." *Id. at \*5*. The court analyzed the *Spaulding Composites*<sup>13</sup> and *Curry and Sorenson*<sup>14</sup> cases from the Bankruptcy Appellate Panel in detail and concluded that these cases indicate that a " . . . court should consider whether the proposed litigation is 'necessary and beneficial' or the failure of the debtor

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 <sup>&</sup>lt;sup>13</sup> Liberty Mutual Insurance Company, Inc. v. Official Unsecured Creditor's Committee (In re Spaulding Composites Co.) 207 B.R. 899 (B.A.P. 9th Cir.1997) ("Spaulding Composites")
 <sup>14</sup> Hansen v. Finn (In re Curry and Sorensen, Inc.). 57 B.R. 824 (B.A.P. 9th Cir.1986) ("Curry and Sorenson")

1	in possession to act is 'unjustifiable' when making this determination." <i>Catholic Bishop</i> at *5.			
2	The court went on to note that "the Ninth Circuit has indicated that derivative standing is			
3	appropriate where the debtor in possession's failure to bring a suit 'does not adequately protect			
4	the creditor's interests or the chose in action is of inconsequential value to the estate'," citing to			
5	Biltmore Assoc., LLC v. Twin City Fire Ins. Co., 572 F.3d 663, 674 n. 41 (9th Cir. 2009).			
6 7	Judge MacDonald then compared the "more specific" approaches used by the Fifth, Sixth			
8	and Second Circuits in determining whether to grant the committee in the case before him			
9	derivative standing:			
10	The Fifth Circuit has stated that bankruptcy courts generally require "that the			
11	claim be colorable, that the debtor-in-possession [has] refused unjustifiably to pursue the claim, and that the committee first receive leave to sue from the			
12	bankruptcy court." [citing Louisiana World Expo. v. Fed. Ins. Co., 858 F.2d 233, 247 (5th Cir.1988); Louisiana World Expo., Inc., v. Fed. Ins. Co. (In re Louisiana			
13	World Expo., Inc.)] These criteria have been endorsed by other courts and by			
14	<i>Collier</i> . (7 <i>Collier on Bankruptcy</i> ¶ 1103.05[6][a] at 1103–36–1103–37 (15th ed. revised 2009), and cases cited therein).			
15				
16	The Sixth Circuit has adopted a somewhat different test to determine whether derivative standing should be granted:			
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18	[A] creditor or creditors' committee may have derivative standing to initiate an avoidance action where: 1) a demand has been made upon the			
19	statutorily authorized party to take action; 2) the demand is declined; 3) a			
20	colorable claim that would benefit the estate if successful exists, based upon a cost-benefit analysis performed by the court, and 4) the inaction is			
21	an abuse of discretion ("unjustified") in light of the debtor-in-possession's			
22	duties in a Chapter 11 case [citing Canadian Pac. Forest Prod. Ltd. v. J.D. Irving, Ltd. (In re The Gibson Group, Inc.), 66 F.3d 1436, 1446 (6th			
23	Cir.1995)].			
24	The Second Circuit has also indicated that the court should conduct a cost-benefit			
25	analysis when determining whether derivative standing should be allowed. [citing <i>Unsecured Creditors Comm. v. Noyes (In re STN Enterprises)</i> , 779 F.2d 901, 905			
26	(2d Cir.1985)].			
27				
28	ດຍອອການສະອັນສອງດາ ເວັດເອັດສຸດສາຍເພື່ອເມັນ 20 Entered: 02/12/14 15:19:39 Pagage 10 o 20	f		

In re Catholic Bishop Of Northern Alaska, supra, 2009 WL 8412174 \*5-\*7.

## 2. No Circuit Level or Appellate Panel Case From The Ninth Circuit **Endorses the Four-Part Test**

Reliance on *Curry and Sorenson* for the proposition that the Bankruptcy Appellate Panel of the Ninth Circuit endorses the four-part test for derivative standing would be error<sup>15</sup> because that case does not even mention the four-part test, let alone suggest that it is law in the Ninth Circuit. Judge Bufford's analysis from the bankruptcy court level case of *In re First Capital* Holdings Corp., 146 B.R. 7, 11 (Bankr. C.D. Cal. 1992) does set forth the four-part test, but the court in that case failed to cite any Ninth Circuit authority.<sup>16</sup>

### C. Even if the Four-Part Test is Applicable, the OCC Failed To Satisfy Its **Requirements or Prove Benefit to the Estate.**

To the extent that the four-part test applies, the Motion, coupled with the absence of a declaration to support it or a cost-benefit analysis, offers neither sufficient legal nor evidentiary support to justify awarding the OCC derivative standing to sue on estate causes of action. The reasons are as follows:

> 1. The OCC Made No Demand Upon TPL To Prosecute The Derivative Actions.

The OCC admits that it never made a demand upon TPL to prosecute any of the claims and causes of action loosely described as the Derivative Actions. It never even identified specifically who the Derivative Action Defendants are beyond Daniel E. Leckrone himself.<sup>17</sup>

<sup>&</sup>lt;sup>15</sup> Motion. 6:20-28.

<sup>&</sup>lt;sup>16</sup> Citing the Fifth Circuit case *Louisiana World Expo*. as well as a Florida bankruptcy court case, In re Prime Motor Inns, Inc.), 135 B.R. 917, 919 (Bankr.S.D.Fla.1992).

<sup>&</sup>lt;sup>17</sup> In the Motion the OCC defines the "Derivative Action Defendants" as Daniel E. Leckrone and "all of the Debtor's affiliates including, without limitation, all entities wholly-owned or partially

<sup>28</sup> Entered: 02/12/14 15:19:39 Page 11 of GREGETTIDE-EOLEOSON EORO#DEBORANTINECLEOSE12/14

The Hwang Declaration on which the OCC relies as proof of notification to TPL of the claims the OCC demands is brought fails to allege that any information about the Derivative Claims was conveyed at all. Mr. Hwang seems to have testified to a conversation to which he was not a party.<sup>18</sup> He declares only that "[o]n January 8, 2014, Committee's counsel advised Debtor's counsel of its intent to file the Motion and also requested that the Debtor agree to shortened time as requested in the Ex Parte Motion."<sup>19</sup>

Having failed to make the required demand, the OCC's asks the Court to excuse its strategic choice to forego doing so by claiming that "... the conflicts of interest between the Debtor, Leckrone, and all Derivative Action Defendants are so profound that any demand would be futile."<sup>20</sup> This falsity of this contention is shown through examination of who the Derivative Action Defendants are. The term's definition in the Motion lists only Daniel E. Leckrone by name. It is so broad that it includes some members of the OCC, but it is so imprecise that it excludes non-insider employees with incentive compensation claims who the OCC undoubtedly wishes to sue. Neither the OCC nor TPL can know, without more information as to the Derivative Actions themselves, what aspect of the Derivative Actions TPL might be able to act upon or, in the alternative, might consent to allow the OCC to prosecute.

The three cases that the OCC cited to support its excuse for not making a demand to which TPL could respond are all distinguishable. First, in *Louisiana World Expo*. the court had found that "[t]he Committee *did* ask LWE to bring an action for malfeasance against its directors

owned by Daniel Leckrone, and all insiders including, without limitation all directors, officers and senior management, past and present." Motion, 4:12-15.

<sup>18</sup> TPL objects to the quoted language from the Hwang Declaration as inadmissible hearsay not within any exception.

<sup>19</sup> Declaration of Thomas T. Hwang In Support Of Ex Parte Motion For Order Shortening Time For Hearing On Motion For Order Granting Leave, Standing, and Authority To Investigate, Prosecute, Commence, and Settle Actions of the Debtor's Estate. 3:10-12.

<sup>20</sup> Motion, 9:4-6.

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and officers. LWE refused, apparently being unable to act because of the conflict of interest
presented to its decision makers, and the bankruptcy court then granted the Committee's request
to sue the directors and officers on behalf of LWE." *Louisiana World Expo*, 832 F.2d 1391,
1397-1398 (emphasis in the original). It was only a second demand that was excused.
In *In re National Forge Co.*, 326 B.R. 532 (Bankr. W.D.Pa. 2005), the debtor had
received ample and specific notice of the OCC's legal theories and intent to prosecute certain

actions. In fact, the debtor had waived the right to prosecute them. The debtor in this case had also filed multiple pleadings showing instances of opposition by the debtor to committee action to prosecute claims that left no doubt as to the certainty of its refusal to cooperate. "Thus, the Debtor was in no way prejudiced by the Committee's failure to formally request that suit be filed." *Id.* at 544. While TPL and the OCC have disagreed frequently in the current case, TPL has never suggested it would not prosecute actions against management where a basis for dispute exists. Quite the contrary: the TPL Plan calls for an independent third party, the Claims Trust Trustee, to evaluate and bring actions as to possible actions against not only TPL's management but all holders of dispute claims.

Finally, in *In re First Capital Holdings Corp.*, 146 B.R. 7 (Bkrtcy.C.D.Cal. 1992), the committee filed a motion for leave to file a complaint, on behalf of the estate, against debtor's current and former officers and directors. The committee argued that it should be excused from making a demand on the debtor to bring the action and waiting for the debtor to respond, in the fear that the debtor might simply refuse to respond at all, leaving uncertainty as to when the committee might have a right to bring a motion before the Court for leave to file its own action. The committee further contended that there was no reasonable possibility that the debtors' officers and directors would initiate or zealously prosecute a suit against themselves and the debtors' principal shareholder. *Id.* at 10. Looking to the California Corporations Code and case

authority, Judge Bufford noted that California case law excuses such a demand if "the facts pleaded demonstrate such a demand would have been futile and that [s]uch demand is futile where the board itself is alleged to have engaged in fraudulent or illegal conduct. Judge Bufford then enunciated the unique and incorrect theory that California law applies because as "... stockholders are the equitable owners ... of a publicly held corporation, creditors are the presumptive owners of a debtor in bankruptcy ... and [t]his presumptive ownership status gives the creditors standing to assert a claim on behalf of the bankrupt debtor, in order to protect their interest in the estate." *Id.* at 13.

The facts of the case at bar are very different from the three cited by the OCC for the following reasons: first, despite the OCC's free use of unsupported allegations of misdeeds and wrongdoing through the course of this case, it elected not to make a demand upon TPL to bring specifically defined actions against specifically identified individuals. Absent a demand by the OCC, there is no fair notice to TPL of the claims the OCC wishes to bring, and no response for this Court to weigh. The OCC's choice to forego making a demand is prejudicial to TPL and should preclude any finding that its action was excusable. Second, some of those individuals whom the OCC indicates in its pleading it wishes to target (i.e., certain holders of incentive compensation claims) are not TPL employees and never have been, are not TPL management, and are not even insiders. There can be no presumption that such persons would have been free from consideration if a sufficiently strong case had been made by the OCC. In addition, those individuals are certainly not even on notice based on the definition in the OCC's Motion. Third, TPL never waived the right to sue on Derivative Actions; to the contrary, the TPL Plan specifically preserves all such claims and provides that they will be prosecuted, if at all, by an independent third party and not members of a committee whose tactics betray a personal animus toward TPL and its principal.

# 2. The OCC Offers No Analysis of Evidence To Prove That Prosecution of the Derivative Claims Would Benefit The Estate.

A claim that a committee has demanded be prosecuted that is met with an unjustifiable refusal to pursue must not only be colorable but likely to benefit the estate. *Torch Liquidating Trust ex rel. Bridge Associates L.L.C. v. Stockstill*, 561 F.3d 377, 388 (5<sup>th</sup> Cir. 2009); *In re Adelphia Communications Corp.*, 544 F.3d 420, 424 (2<sup>nd</sup> Cir. 2008); *In re Gibson Group, Inc.*, 66 F.3d 1436, 1446 (6<sup>th</sup> Cir. 1995); *In re Yellowstone Mountain Club, LLC*, Not Reported in B.R., 2009 WL 982207 at \*6 (Bkrtcy.D.Mont.,2009).

Cases from all circuits on derivative standing, including the Ninth Circuit, require proof of benefit to the estate shown through an analysis of costs as well as potential recoveries. The OCC offered no cost-benefit analysis for pursuing the Derivative Actions. The Motion states simply, without reference to costs, delay, or collectability (perhaps the most important factor of all) that "[t]he Committee understands that affirmative claims against the Derivative Defendants may be the largest, if not only asset which may realize a return to non-insider creditors."<sup>21</sup> The Court cannot independently divine what the gross or net recoveries might be, and TPL cannot respond in any meaningful way. TPL cannot therefore have "unjustifiably refused" to have brought the actions. For this reason alone, the Motion should be denied.

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## **3.** The OCC Has Failed To List Facts That Include All Required Elements To Prove That The Derivative Actions State Colorable Claims

A claim is colorable if it could survive a motion to dismiss. *Fail–Safe LLC v. A.O. Smith Corp.*, 744 F.Supp.2d 831, 855 (E.D.Wis.2010); *see also PW Enters. v. N.D. Racing Comm'n (In re Racing Servs.)*, 540 F.3d 892, 900 (8th Cir.2008) ("[A] creditor's claims are colorable if they would survive a motion to dismiss."). The Supreme Court explained the standard for evaluating whether a claim survives a motion to dismiss in *Ashcroft v. Iqbal, 556 U.S. 662, 678–79, 129 S.Ct. 1937, 173 L.Ed.2d 868 (2009)* (internal citations and quotations omitted):

<sup>21</sup> Motion, 8:14-16.

To survive a motion to dismiss, a complaint must contain sufficient factual matter, accepted as true, to state a claim to relief that is plausible on its face.... The plausibility standard is not akin to a probability requirement, but it asks for more than a sheer possibility that a defendant has acted unlawfully. Where a complaint pleads facts that are merely consistent with a defendant's liability, it stops short of the line between possibility and plausibility of entitlement to relief.... Determining whether a complaint states a plausible claim for relief will, as the Court of Appeals observed, be a context-specific task that requires the reviewing court to draw on its judicial experience and common sense. But where the well-pleaded facts do not permit the court to infer more than the mere possibility of misconduct, the complaint has alleged—but it has not show[n]—that the pleader is entitled to relief.

Further, in ascertaining whether a plaintiff has stated a cognizable claim, the court also examines the facts as alleged by the plaintiff for any dispositive affirmative defenses. *Griesenbeck v. Am. Tobacco Co.*, 897 F.Supp. 815, 820 (D.N.J.1995). A complaint may be subject to dismissal for the failure to state a legally cognizable claim when an affirmative defense appears on its face. *ALA, Inc. v. CCAIR, Inc.*, 29 F.3d 855, 859 (3d Cir.1994). Although a motion to dismiss normally invites an inquiry into the legal sufficiency of the complaint, not an analysis of potential defenses to the claims set forth therein, dismissal nevertheless is appropriate when the face of the complaint clearly reveals the existence of a meritorious affirmative defense. *Brooks v. City of Winston–Salem*, 85 F.3d 178, 181 (4th Cir.1996) (citation omitted); *see generally* 5A CHARLES A. WRIGHT & ARTHUR R. MILLER, FEDERAL PRACTICE AND PROCEDURE § 1357 (2d ed. 1990) ("A complaint showing that the statute of limitations has run on the claim is the most common situation in which the affirmative defense appears on the face of the pleading," rendering dismissal appropriate).

In re Archdiocese of Milwaukee, 483 B.R. 855, 858-859 (Bkrtcy.E.D.Wis., 2012.)

Because the Committee has elected in defining what the Derivative Actions are to offer a

non-exclusive list of potential theories<sup>22</sup>, many of which are not actual causes of action, and not

to match facts with the elements of actions it does assert, there is no way to tell if it has made

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<sup>&</sup>lt;sup>22</sup> For example, the Committee states that it wishes to investigate and commence actions of any nature, including, without limitation, "any actions pursuant to Chapter 5 of the Bankruptcy Code" and "any actions based on theories of breach of fiduciary duty, diminution of value, selfdealing, conflicts of interest, willful an malicious injury, intentional and negligent misrepresentations, intentional infliction of emotional distress, ultra vires acts, usurping corporation opportunities, fraud, defalcation while acting in a fiduciary capacity, theft, embezzlement, larceny and conversion…"

colorable claims at all. Moreover, since the Committee has failed to identify the allegedly injured party under each claim, it is impossible for TPL much less the Court to weigh whether, assuming all alleged facts are true, any viable cause of action exists.

For example, the Committee's list of claims includes "intentional infliction of emotional distress" but fails to identify who has suffered emotional distress. The Committee lists "intentional and negligent misrepresentations," but the injured party and how that could be a generalized claim beneficial to the estate, as opposed to an individual, is unexplained. The Committee lists claims for "diminution in value," "conflicts of interest," "self-dealing," "ultra vires acts" but supplies no elements or other legal support for such causes of action.

More fundamentally, the "facts" alleged by the Committee in paragraph 9 do not support the non-exclusive laundry list of claims listed by the Committee. The Derivative Actions the Committee seeks standing to bring are based on the following five allegations in paragraph 9 of the Motion: (a) alleged transfers to insiders, (b) the fact Debtor has scheduled debts to insiders, (c) alleged invalid assignment agreements with insiders<sup>23</sup>, (d) Leckrone's common ownership of Debtor and Alliacense, and (e) non-payment of certain creditors. None of these facts touch at all upon the reserved Derivative Actions for intentional infliction of emotional distress, intentional and negligent misrepresentation, defalcation, or larceny.

There is also a complete defense to at least one of the fact patterns on its face. The OCC asserts as follows: "[t]he Debtor has scheduled debts to insiders based on compensation agreements between these insiders and Alliacense or "oral agreements" with these insiders."<sup>24</sup> California Civil Code section 1622 provides that a contract need not be in writing to be

As Debtor has noted on prior occasions, a court has already found the assignment agreements in question to be valid.
 <sup>24</sup> Motion, 3:18-4:7.

enforceable: "[a]ll contracts may be oral, except such as are specially required by statute to be in writing." *See also*, CACI 304 Oral or Written Contract Terms [Contracts may be written or oral. Oral contracts are just as valid as written contracts;]; Cal. Jury Inst. 10.57 [A contract may be oral, written, or partly oral and partly written. An oral, or a partly oral and partly written contract, is as valid and enforceable as a written contract.]

# **D.** The OCC's Unique Effort To Invade Confidentiality and Privilege Should Be Denied

No authority is cited for OCC's argument that it has or should be entitled to full, "unfettered" access to all TPL's documents, confidential or otherwise. Bankruptcy Code section 105(a) does not provide independent grounds for a committee to be granted full and unfettered access to all of a debtor's documents, both privileged and non-privileged. The OCC has cited no cases in which 105(a) was used by a court to permit a party full and unfettered access to the entire universe of a company's documents, including trade secrets and attorney-client communications, much less to serve as a substitute for discovery under the Federal Rules

Federal Rule of Evidence 502(d) – states that a court *may* order that privilege is not
waived by disclosure, but it does not require it. Neither the Rule nor any case citing it that TPL
located provides an independent basis to grant a party full and unfettered access to all documents
of a company, both privileged and non-privileged.

The *Whitaker* case cited (*Whitaker Chalk, Swindle & Sawyer, LLP v. Dart Oil & Gas Corp.,* 2009 U.S. Dist. LEXIS 15901 (N.D. Tex. Feb. 23. 2009)) simply holds what 502(d) states - that a court may order that privilege or protection is not waived by disclose in a case. The case does not hold or stand for the proposition that a party in a bankruptcy has a right to all documents of a debtor, both privileged and non-privileged. *Whitaker* was a case in which a law firm sued its former client for fees, arose in the context of Rule 26 disclosures (not a motion for access to all of a company's documents), and is an unreported case that was filed in state court and removed to federal court and involved and applied Texas privilege law. In short, Whitaker

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simply holds that 502(d) states. It does not provide any authority for the Committee's request for access to all of Debtor's documents, privileged and non-privileged alike.

TPL is subject to hundreds of confidentiality agreements. *See* Declaration Of Jeffrey R. Bragalone, Special Litigation Counsel To The Estate, In Support Of TPL's Opposition To Motion For Order Granting Leave, Standing And Authority To Investigate, Commence, Prosecute, and And Settle Actions Of The Estate. These include every license, likely orders in other courts in pending litigation, possible non-disclosure agreements with parties it is currently negotiating with, and potentially other third parties. The granting of unfettered access to the entire universe of TPL documents would be a gross violation of all of these agreements and orders and could have catastrophic implications, including lawsuits from third parties and sanctions from other courts. If the Committee were granted full and unfettered access to all TPL documents, no prospective license would communicate with TPL for fear of having everything said become subject to scrutiny and/or public disclosure. This would effectively shut down licensing and TPL.

502(d) applies to non-waiver of the attorney-client and work-product privilege. The work product privilege is held by the attorney. *Bozzuto v. Cox, Castle & Nicholson, LLP*, 255 F.R.D. 673, 678 (C.D. Cal. 2009); *Doubleday v. Ruh*, 149 F.R.D. 601, 607 (E.D. Cal. 1993), some 75 firms that have not received notice of the Motion. Basic and fundamental due process dictates that all counsel that at any time represented TPL, past and present, be notified and given ample opportunity to object.

Finally, it should not be overlooked that the OCC's chairman, Chet Brown, is in active litigation over the appeal of a judgment rendered in his favor. The Motion, by its terms, would hand confidential information about TPL's litigation with Brown to him. The conflict of interest that this presents for the OCC is obvious.

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### **III. CONCLUSION**

TPL respectfully submits that at the hearing on February 26<sup>th</sup>, consideration of approval of approval of disclosure statements regarding both the OCC Plan and TPL Plan should be taken up first. If approved, TPL expects that a schedule for voting and trial setting conference for confirmation will then be discussed. Neither the issue of derivative standing for the OCC nor the timing of prosecution of the Derivative Actions (and the estimated nine months the OCC asserts is needed to reach a resolution) should affect that schedule. If the OCC wishes to object to claims, then a deadline for it to do so and a time frame for motions and hearings on temporary allowance should be set.

The Motion distract, unnecessarily, for the choice that creditors face with competing plans. The OCC has no need of the relief it seeks and, having failed to meet the case law requirements for approval or shown the benefit to the estate from being granted standing now, the Motion should be denied.

Dated: February 12, 2014

#### BINDER & MALTER, LLP

By: <u>/s/ Robert G. Harris</u> Robert G. Harris Attorneys for Debtor and Debtor-in-Possession Technology Properties Limited

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7					
8 9	Attorneys for Debtor and Debtor-in-Possession TECHNOLOGY PROPERTIES LIMITED LLO				
10	UNITED STATES B	ANKRUPTCY COURT			
11	NORTHERN DISTRICT OF CALIFONRIA				
12	SAN JOSE DIVISION				
13					
14	In re:	Case No.: 13- 51589SLJ			
15	TECHNOLOGY PROPERTIES LIMITED, LLC, a California limited liability company,	Chapter 11			
16	Debtor.	Date: February 26, 2014 Time: 2:00 p.m.			
17		Place: Courtroom 3099 280 South First Street			
18		San Jose, California			
19					
20 21					
22		LONE, SPECIAL LITIGATION COUNSEL			
23	GRANTING LEAVE, STANDING A	<b>PS OPPOSITION TO MOTION FOR ORDER ND AUTHORITY TO INVESTIGATE,</b>			
24	COMMENCE, PROSECUTE, AND	SETTLE ACTIONS OF THE ESTATE			
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I, Jeffrey R. Bragalone, declare as follows:

1. I have personal knowledge of the matters stated in this Declaration, and if called as a witness could competently testify with regard to these matters.

2. I am a member of the State Bar of Texas in good standing. I am one of the founding attorneys of Bragalone Conroy PC ("BCPC"). BCPC is a law firm headquartered in Dallas Texas, whose attorneys have significant experience handling contingent fee patent infringement litigation. Though BCPC is a relatively small firm, our attorneys have, collectively, over fifty years of experience handling patent infringement litigation. BCPC is involved on a daily basis in preparing cases for trial. As part of this daily litigation work, BCPC is entrusted with significant amounts of confidential and proprietary information.

3. BCPC is counsel for debtor and debtor in possession Technology Properties Limited, LLC ("TPL") in the matter styled *HSM Portfolio LLC and Technology Properties Limited, LLC, v. Fujitsu Limited, et al.*, Cause No. 1:11-cv-00770-RGA, in the United States District Court for the District of Delaware (hereafter, the "Fast Logic Litigation"). The Fast Logic Litigation is a complex patent litigation action. When initiated, the Fast Logic Litigation had over twenty defendants in numerous defendant groups. Of the Defendants, the following major technology companies produced significant amounts of confidential and proprietary information in the Fast Logic Litigation: Advanced Micro Devices, Inc.; Micron Technology, Inc.; Qualcomm, Inc.; Toshiba Corporation, Toshiba America, Inc. and Toshiba America Electronic Components, Inc.; Marvell Semiconductor, Inc.; Sony Corporation, Sony Corporation of America, Sony Electronics, Inc., Sony Computer Entertainment, Inc., and Sony Computer Entertainment America LLC; Hynix Semiconductor, Inc.; Zoran Corporation; Fujitsu Limited,

Fujitsu America, Inc., and Fujitsu Semiconductor America, Inc.; SanDisk Corporation; Elpida Memory, Inc. and Elpida Memory (USA), Inc.; ON Semiconductor Corporation; Promos Technologies, Inc.; STMicroelectronics Inc. and STMicroelectronics, N.V. In addition to the foregoing Defendants, numerous third parties, including other technology companies such as Spansion LLC, have also produced confidential information to BCPC as counsel for TPL.

2. I have read the Motion For Order Granting Leave, Standing And Authority To Investigate, Commence, Prosecute, And Settle Actions Of The Estate (the "Motion") filed by the Official Unsecured Creditors' Committee (the "OCC") in this case. At page 10 of the Motion, the OCC makes the remarkable demand that it should be provided with "unfettered access to all the books, records, and other documents in the possession, custody, or control of the Debtor, or in which the Debtor has an interest as property of the estate, *whether or not the documents are subject of a claim of privilege or confidentiality*...." (emphasis added).

3. Collectively, Defendants and third parties in the Fast Logic Litigation have produced to BCPC over 160 GB of CONFIDENTIAL, HIGHLY CONFIDENTIAL – OUTSIDE ATTORNEYS' EYES ONLY, and HIGHLY CONFIDENTIAL – SOURCE CODE materials under the applicable Protective Order. *See HSM Portfolio LLC, et al. v. Fujitsu Limited, et al.*, Case No. 1:11-cv-00770-RGA (D. Del.), ECF No. 314 ¶¶ 1(c), 1(g), 1(h), a copy of which is attached to this Declaration as Exhibit A.

4. Significantly, these productions include the underlying design documents for the accused products, including both native and PDF circuit schematics, which Defendants consider to be among their "crown jewels." *See id.*, ECF No. 293 ("These native design files are among defendants' most sensitive intellectual property—their crown jewels."). Certain Defendants have also made available for inspection selected design documents for the accused products, including

GDSII files, in a highly secured and restricted review environments. The Protective Order places heightened access restrictions on these materials because the Defendants allege that they could be readily used to fabricate copies of the accused products. While BCPC does not have possession of Defendants' Source Code Materials, these Defendants have produced paper and electronic printouts of their Source Code Materials to BCPC, which BCPC cannot even copy electronically without Defendants' permission.

5. In certain circumstances, BCPC has received permission to share selected confidential information of Defendants – such as Defendants' sales figures and internal financial information – with employees of TPL and select employees of Alliacense.

6. If TPL, Alliacense, or BCPC were to disclose any of the above materials to unauthorized third parties, such as members of the Official Creditors' Committee, TPL, Alliacense, and/or BCPC would be in violation of the Protective Order. *See, e.g., id.*, ECF No. 314 ¶ 5 ("Except upon consent of the designating party or upon order of the Court, all CONFIDENTIAL, HIGHLY CONFIDENTIAL – OUTSIDE ATTORNEYS' EYES ONLY, or HIGHLY CONFIDENTIAL – SOURCE CODE Material produced in this action shall not be used by any Receiving Party or disclosed to anyone for any purpose other than in connection with this action and any appeals. Material designated CONFIDENTIAL, HIGHLY CONFIDENTIAL – OUTSIDE ATTORNEYS' EYES ONLY, or HIGHLY CONFIDENTIAL – SOURCE CODE shall not be disclosed by the Receiving Party to anyone other than those persons designated in paragraphs 7, 8, and 9 below consistent with the provisions therein, as the case may be, unless and until the restrictions herein are removed by order of the Court or by the Producing Party."). Such a violation could subject TPL, Alliacense, and/or BCPC to sanctions under Federal Rule of Civil Procedure 37(b)(2), such as, for example, reasonable expenses,

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including, attorney's fees, caused by the failure. *See Apple Inc. v. Samsung Elecs. Co., Ltd.*, Case No. 5:11-cv-01846-LHK (PSG) (N.D. Cal. Jan. 29, 2014) (sanctioning the Quinn Emanuel law firm "for any and all costs and fees incurred in litigating this motion and the discovery associated with it" as a result of a violation of the protective order); *see also MobileMedia Ideas LLC v. Apple Inc.*, C.A. No. 10-258-SLR/MPT, 2012 WL 5379056, at \*2-3 (D. Del. Oct. 31, 2012) (recommending a sanction of reasonable expenses against the plaintiff for violating a protective order), *adopted by* 2013 WL 5314709 (D. Del. Sept. 16, 2013).

7. Because BCPC, TPL, and Alliacense are already subject to an order from the United States District Court for the District of Delaware that precludes them from sharing with the OCC any Protected Material, BCPC cannot comply with the OCC's unprecedented demand that it be granted "unfettered access to all the books, records, and other documents in the possession, custody, or control of the Debtor … whether or not the documents are subject of a claim of privilege or confidentiality."

8. Moreover, although the identities and counsel of record for all of the Defendants and third parties who have produced Protected Materials in the Fast Logic Litigation is a matter of public record, the OCC has not made any effort to notify the Defendants or third parties of this effort to access their highly confidential and proprietary information.

9. In addition, BCPC has in its possession numerous privileged communications (including emails) and draft documents that relate to matters where BCPC has advised TPL on matters where it would be adverse to the OCC, including but not limited to TPL's Opposition To Motion Of Creditors' Committee For Orders (1) Directing The Appointment Of A Chapter 11 Trustee; And (2) Directing The Debtor And Daniel E. Leckrone To Appear And Show Cause Why They Should Not Be Held In Contempt For Violation Of This Court's Order. It would be a

violation of the existing attorney-client privilege and attorney work product privilege if BCPC were to disclose to the OCC any of these protected and privileged materials.

10. Finally, in the unlikely event that the Court would actually order BCPC to comply with an order requiring it to disgorge all documents in its possession, custody, or control irrespective of issues of privilege or confidentiality, it would be extraordinarily expensive to comply with such an order, and doing so would be highly disruptive to BCPC's ongoing efforts to prosecute the Fast Logic Litigation. At minimum, I estimate that it would take several man months and over \$300,000 to make any realistic effort to comply with the OCC's unprecedented demand.

I declare under penalty of perjury of the laws of the United States that the foregoing is true and correct. Executed on this the 12<sup>th</sup> day of February, 2014, at Dallas, Texas.

<u>/s/ Jeffrey R. Bragalone</u> Jeffrey R. Bragalone

DECLARATION OF JEFFREY R. BRAGALONE, SPECIAL LITIGATION COUNSEL Page 5 Case: 13-51589 Doc# 433-1 Filed: 02/12/14 Entered: 02/12/14 15:19:39 Page 6 of 6

1					
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8	Attomatic for Daktor and Daktor in Dessagion				
	Attorneys for Debtor and Debtor-in-Possession TECHNOLOGY PROPERTIES LIMITED LL				
9					
10	UNITED STATES B.	ANKRUPTCY COURT			
11	NORTHERN DISTRICT OF CALIFONRIA				
12	SAN JOSE DIVISION				
13					
14	In re:	Case No.: 13- 51589SLJ			
15	TECHNOLOGY PROPERTIES LIMITED,	Chapter 11			
16	LLC, a California limited liability company,	Date: February 26, 2014			
17	Debtor.	Time: 2:00 p.m.			
		Place: Courtroom 3099 280 South First Street			
18		San Jose, California			
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21					
22		AN IN SUPPORT OF AND JOINING TPL'S ER GRANTING LEAVE, STANDING AND			
23	AUTHORITY TO INVESTIGATE, CO	MMENCE, PROSECUTE, AND SETTLE			
24	ACTIONS OF	F THE ESTATE			
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28	DEASARA HARST 54-588 RY DAGATHARAR SUFFILAD: 02/	12/14 Entered: 02/12/14 15:19:39 Page 1 of 3			

- I, Larry E. Henneman, know the following matters to be true of my own, personal knowledge and, if called as a witness, could and would testify competently thereto:
- 1. I am a member in good standing of the State Bar of California and Michigan, and registered to practice before the U.S. Patent and Trademark Office as a patent attorney. My law firm (Henneman & Associates, PLC) represented debtor and debtor in possession Technology Properties Limited, LLC ("TPL") in the prosecution of various matters before the U.S. Patent and Trademark Office.

2. I have read the Motion For Order Granting Leave, Standing And Authority To Investigate, Commence, Prosecute, And Settle Actions Of The Estate (the "Motion") filed by the Official Unsecured Creditors' Committee (the "OCC") in this case. At page 10 of the Motion, the OCC requests "... unfettered access to all the books, records, and other documents in the possession, custody, or control of the Debtor, or in which the Debtor has an interest as property of the estate, whether or not the documents are subject of a claim of privilege or confidentiality ····,

3. I oppose the Motion, based upon my knowledge and experience as counsel for TPL, for the following reasons:

a. My representation of the Debtor has been almost exclusively in the realm of patent prosecution and the defense of licensed patents against reexamination requests filed with the U.S. Patent and Trademark Office by third parties.

22 b. In representing of the Debtor, I have developed significant attorney-work product related to extremely sensitive aspects of patents that Debtor reliefs on for licensing revenue. My work product includes, but is not limited to, interim opinions regarding the scope

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of claims of licensed patents, the characterization of prior art asserted against the licensed patents, and the possible infringement of claims by potential licensees.

c. The intentional or unintentional disclosure of my work product would
have a potentially devastating effect on future patent prosecutions, reexamination of defenses,
and/or licensing efforts with respect to the patents and/or applications that the Debtor relies on
for licensing revenue.

d. The nature of legal services I have provided to the Debtor (patent
prosecution and reexamination defense) are completely unrelated to any of the "Derivative
Actions" ("breach of fiduciary duty, diminution of value, self-dealing, …and conversion") the
OCC seeks to investigate and prosecute.

e. Henneman & Associates is a small firm. In addition to me, we have one patent lawyer, one engineer/draftsman, one paralegal, and two to four other secretarial/support staff at various times. We have hundreds of patent files that we have handled for TPL over the years, most of which are now inactive. An order to provide access to all documents in our possession would be devastating to our ability to maintain our day-to-day operations.

I declare under penalty of perjury of the laws of the United States that the foregoing is true and correct. Executed this 12<sup>th</sup> day of February, 2014, at Three Rivers, Michigan.

/s/ LARRY E. HENNEMAN, JR. LARRY E. HENNEMAN, JR.

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3	David B. Rao (SBN 103147)	
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	Santa Clara, CA 95050 Tel: (408) 295-1700	
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7		
8	Attorneys for Debtor and Debtor-in-Possession	
9	TECHNOLOGY PROPERTIES LIMITED LLO	
10	UNITED STATES B.	ANKRUPTCY COURT
11	NORTHERN DISTR	ICT OF CALIFONRIA
12	SAN IOSI	E DIVISION
13	SAN JOSI	
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17	Debtor.	Time: 2:00 p.m.
		Place: Courtroom 3099 280 South First Street
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20		
21	DECLARTION OF L MARK THACKE	- R IN SUPPORT OF AND JOINING TPL'S
22	OPPOSITION TO MOTION FOR ORDI	ER GRANTING LEAVE, STANDING AND
23		MMENCE, PROSECUTE, AND SETTLE F THE ESTATE
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	Case: 13-51589 Doc# 433-3 Filed: 02/3	12/14 Entered: 02/12/14 15:19:39 Page 2 of 3

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I, J. Mark Thacker, declare:

I am an attorney at law licensed to practice before the court of the State of 1. California, and am a member of the law firm Ropers, Majeski, Kohn & Bentley ("RMKB"), counsel of record for debtor and debtor in possession Technology Properties Limited, LLC ("TPL") in the following pending matters: Brown v. TPL, Santa Clara County Superior Court, Case No. 1-09-CV-159452, and a related appeal before the Court of Appeal, Sixth Appellate District, Appeal No. H040110; Leckrone v. Marcoux, Santa Clara County Superior Court, Case No. 1-09-CV-159593; and *Moore v. TPL*, Santa Clara County Superior Court, Case No. 1-10-CV-183613. I am the attorney primarily responsible for handling these matters. Additionally, RMKB was counsel of record for TPL in Patriot v. TPL, Santa Clara County Superior Court, Case No. 1-10-CV-169836, which has been dismissed. Further, RMKB has been consulted on behalf of TPL on numerous occasions concerning matters that have not involved pending or past litigation.

2. I know the matters stated herein to be true of my own, personal knowledge and, if called as a witness, I could and would testify competently thereto.

3. I have read the Motion For Order Granting Leave, Standing And Authority To Investigate, Commence, Prosecute, And Settle Actions Of The Estate (the "Motion") filed by the Official Unsecured Creditors' Committee (the "OCC") in this case. At page 10 of the Motion, the OCC requests "unfettered access to all the books, records, and other documents in the possession, custody, or control of the Debtor, or in which the Debtor has an interest as property of the estate, whether or not the documents are subject of a claim of privilege or confidentiality ...." [Emphasis added.] RMKB objects to the Motion on the grounds stated below and joins in TPL's opposition to the Motion.

Page 1

of 3

4. The Motion seeks, among other things, the disclosure of attorney work product materials. Under California law, RMKB is exclusively the "holder" of this protection with respect to such materials developed during the course of several matters in which it has represented TPL. [*E.g., State Compensation Insurance Fund v. Superior Court* (2001) 91 Cal.4<sup>th</sup> 1080, 1091-1092.] However, the OCC or its counsel did not notify my firm of this Motion, and therefore, my firm has not had a fair opportunity to respond or object to the OCC's efforts to set aside a fundamental protection for attorneys and their clients.

5. The Motion seeks "unfettered" access to confidential and privileged information directly and indirectly related to pending actions in which my firm represents TPL. In two of these pending actions (i.e., *Brown v. TPL* and *Leckrone v. Marcoux*) certain members of the OCC are adverse to TPL. Consequently, permitting the OCC any access to such information will likely result in substantial prejudice to TPL, and substantially interfere with my firm's ability to represent TPL effectively.

6. Finally, RMKB also represented additional entities and individuals in the actions identified above. Thus, as a practical matter, disclosure as requested by the Motion may necessarily result in the disclosure of communications and information that would prejudice the interests of others. The Motion does not address this issue.

I declare under penalty of perjury of the laws of the United States and the State of California that the foregoing is true and correct.

Page 2

of 3

Doc# 433-3 Filed: 02/12/14

Executed this 12<sup>th</sup> day of February, 2014, at San Jose, California.

By: <u>/s/ J. Mark Thacker</u> J. Mark Thacker

DECLARATION OF J. MARK THACKER

Case: 13-51589

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1					
2	Heinz Binder (SBN 87908) Robert G. Harris (SBN 124678)				
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8	Attorneys for Debtor and Debtor In Possession Technology Properties Limited, LL	.C			
9					
10	UNITED STATES BA	ANKRUPTCY COURT			
11	NORTHERN DISTRICT OF CALIFORNIA				
12	SAN JOSH	E DIVISION			
13	In re:	Case No: 13-51589 SLJ			
14	TECHNOLOGY PROPERTIES LIMITED,	Chapter 11			
15	LLC,	Date: February 26, 2014			
16	Debtor.	Time: 2:00 p.m. Place: Courtroom 3099			
17		280 South First Street San Jose, California			
18		Judge: Honorable Stephen L. Johnson			
19	CERTIFICAT	E OF SERVICE			
20	I, Brandy Garrison, declare:				
21					
22	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,				
23					
24	Santa Clara, California 95050. On February 12, 2014, I served a true and correct copy of the following document(s):				
25	On reordary 12, 2014, 1 served a true an	a contect copy of the following document(s).			
26					
27					
28					
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2		ON FOR ORDER GRANTING LEAVE, TO INVESTIGATE, COMMENCE,
3	PROSECUTE, AND SETTLE AC	
4		IENNEMAN IN SUPPORT OF AND JOINING ON FOR ORDER GRANTING LEAVE,
5		TO INVESTIGATE, COMMENCE,
6		
7		HACKER IN SUPPORT OF AND JOINING ON FOR ORDER GRANTING LEAVE,
8	STANDING AND AUTHORITY PROSECUTE, AND SETTLE AC	TO INVESTIGATE, COMMENCE, CTIONS OF THE ESTATE; and
9		BRAGALONE IN SUPPORT OF AND
10	LEAVE, STANDING AND AUT	TO MOTION FOR ORDER GRANTING HORITY TO INVESTIGATE, COMMENCE,
11	PROSECUTE, AND SETTLE AC	
12	by sending via electronic transmission or v	ia the Court's CM/ECF Noticing systems to
13	those parties registered to receive notice as	addressed as follows:
	<u>U.S. Trustee</u>	Special Notice
14	John Wesolowski, Esq. United States Trustee	Peter C. Califano, Esq.
15	Office of the U.S. Trustee	Cooper, White & Cooper LLP 201 California Street, 17th Floor
15	280 So. First St., Room 268	San Francisco, California 94111
16	San Jose, CA 95113	E-Mail: <u>pcalifano@cwclaw.com</u>
	Email: john.wesolowski@usdoj.gov	-
17		Attorney for Fujitsu Limited
	Unsecured Creditors Committee Attorney	G. LARRY ENGEL
18	c/o John Walshe Murray, Esq. c/o Robert Franklin, Esq.	KRISTIN A. HIENSCH Morrison & Foerster LLP
	c/o Thomas Hwang, Esq.	425 Market Street
19	Dorsey & Whitney LLP	San Francisco, California 94105-2482
	305 Lytton Avenue	E-mail: Lengel@mofo.com
20	Palo Alto, CA 94301	E-mail: Khiensch@mofo.com
	Email: <u>murray.john@dorsey.com</u>	
21	Email: <u>franklin.robert@dorsey.com</u> Email: <u>hwang.thomas@dorsey.com</u>	Attorney for Creditors Chester A. Brown, Jr. and Marcie Brown
	Email: <u>inwang.utomas@dorsey.com</u>	Randy Michelson
22	Special Notice	Michelson Law Group
	Patriot Scientific Corp.	220 Montgomery Street, Suite 2100
23	c/o Gregory J. Charles, Esq.	San Francisco, CA 94104
24	Law Offices of Gregory Charles 2131 The Alameda Suite C-2	Email: <u>randy.michelson@michelsonlawgroup.com</u>
24	San Jose, CA 95126	Sallie Kim
25	Email: greg@gregcharleslaw.com	GCA Law Partners LLP
		2570 W. El Camino Real, Suite 510 Mountain View, CA 94040
26		Email: <u>skim@gcalaw.com</u>
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17			<u></u>	
10	Cupertino City Center Buildings c/o Christopher H. Hart, Esq.			
18	Schnader Harrison Segal & Lewis LLP			
19	One Montgomery Street, Suite 2200			
	San Francisco, CA 94104 Email: chart@schnader.com			
20	Email: chart@scimader.com			
21				
	I declare under penalty of pe	erjury that the foreg	going is true and correct, and that	
22	this Declaration was avaluated on E	hm	t Sonto Clara, California	
23	this Declaration was executed on Fe	eoruary 12, 2014, a	t Santa Clara, Camornia.	
20				
24				
25			/s/ Brandy Garrison	
20			Brandy Garrison	
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27				
27				
28				
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