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

12 In re:)
)
13 **TECHNOLOGY PROPERTIES LIMITED LLC,**) Case No. 13-51589-SLJ-11
fka TECHNOLOGY PROPERTIES LIMITED)
14 **INC., A CALIFORNIA CORPORATION,**) Chapter 11
fka TECHNOLOGY PROPERTIES LIMITED,)
15 **A CALIFORNIA CORPORATION,**) Date: TBD
) Time: TBD
16 Debtor.) Place: United States Bankruptcy Court
) 280 S. First Street, Room 3099
17) San Jose, CA 95113
) Judge: Honorable Stephen L. Johnson
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19 **DECLARATION OF CLIFFORD FLOWERS IN SUPPORT OF MOTION OF**
20 **CREDITORS' COMMITTEE FOR ORDERS: (1) APPOINTING A CHAPTER 11**
21 **TRUSTEE; AND (2) DIRECTING DANIEL E. LECKRONE TO APPEAR AND SHOW CAUSE**
WHY HE SHOULD NOT BE HELD IN CONTEMPT FOR VIOLATION OF THIS COURT'S ORDER

22 I, Clifford Flowers, hereby declare:

23 1. I am the Chief Executive Officer of Patriot Scientific Corporation ("Patriot"). I am
24 competent to and would testify to all matters set forth in this Declaration if called upon to do so as a
25 witness.

26 2. This Declaration is filed in support of the MOTION OF CREDITORS' COMMITTEE FOR
27 ORDERS: (1) APPOINTING A CHAPTER 11 TRUSTEE; AND (2) DIRECTING DANIEL E. LECKRONE TO
28 APPEAR AND SHOW CAUSE WHY HE SHOULD NOT BE HELD IN CONTEMPT FOR VIOLATION OF THIS

1 COURT'S ORDER (the "Order").

2 3. In July 2012, the TPL MMP Commercialization Agreement was changed by an
3 agreement of the parties that TPL would step back from being the licensing company and would
4 oversee only PDS's MMP litigation. At that time Alliacense then contracted directly with PDS to
5 perform MMP licensing and litigation support.

6 4. The relationship with Alliacense has been very strained during 2013. We have a
7 disagreement over whether TPL or Alliacense is due a licensing fee on an installment of a license
8 written before July 2012 when Alliacense began to directly contract with PDS. Our position is that
9 TPL did the work and earned the fee.

10 5. Beginning in September 2013, several of us at Patriot have had questions and
11 concerns about Alliacense's billings for certain litigation support matters. It has resisted our
12 requests for backup information and repeatedly argued it does not have to provide it. We have asked
13 to have an independent auditor consider its bills but Alliacense has declined. Alliacense has made
14 multiple litigation threats to us over this issue because we have held back payments of sums claimed
15 by Alliacense to be due until our questions are answered and the details we seek are provided.

16 6. The patent infringement trial of *Patriot, TPL, and Alliacense vs. HTC Corporation*
17 took place during the last week of September and first week of October 2013 in District Court for the
18 Northern District of California, at the San Jose Robert F. Peckham Federal Building. During the
19 course of my attendance at the trial I was in communication with Alliacense personnel regarding
20 requests made by both myself and Carlton Johnson, our representative to the Phoenix Digital
21 Solutions (PDS) Management Committee, for additional information in support of Alliacense's
22 invoices to PDS. While in the courtroom Mr. Dan Leckrone (Sr.), who was also in attendance at the
23 trial, inquired of me regarding payment status of the outstanding Alliacense invoices. I advised him
24 that despite my discussions with Alliacense personnel, we had yet to receive the information we
25 requested in support of the outstanding invoices. At that point Mr. Leckrone became extremely
26 agitated and stated that it was not necessary for us to have any additional information, that what was
27 owed was a "simple calculation," and that "someone was going to get sued." He repeated that
28 "someone was going to get sued" at least three times as he walked towards his seat while I respond

1 that I was sorry but that the supporting information had to first be provided. The discussion was
2 loud enough for others in the area to easily overhear.

3 I declare under penalty of perjury under the laws of the State of California and the United
4 States of America that the foregoing is true and correct and that this Declaration was executed in
5 Carlsbad, California on this 16th day of December, 2013.

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7 /s/ Clifford Flowers
8 Clifford Flowers
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