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

11 In re:	)	Cases Substantively Consolidated
)	
12 ATI LIQUIDATING, INC.,	)	Case No. 09-54511-SLJ-11
formerly known as)	
13 Aviza Technology, Inc.,)	
Employer's Tax ID No.: 20-1979646)	
14)	
AI LIQUIDATING, INC.,	)	Case No. 09-54514-SLJ-11
formerly known as Aviza, Inc.,)	
15 Employer's Tax ID No.: 20-0249205)	
16)	
TTI LIQUIDATING, INC.,	)	Case No. 09-54515-SLJ-11
formerly known as)	
17 Trikon Technologies, Inc.,)	
18 Employer's Tax ID No.: 95-4054321	)	Date: May 13, 2015
	)	Time: 2:00 p.m.
	)	Place: United States Bankruptcy Court
19 Reorganized Debtors.	)	280 S. First Street, Room 3099
	)	San Jose, CA 95113
20 440 Kings Village Road	)	Judge: Honorable Stephen L. Johnson
21 Scotts Valley, CA 95066)	

22 **DECLARATION OF PATRICK C. O'CONNOR IN SUPPORT OF REORGANIZED DEBTORS' OPPOSITION**
23 **TO MOTION BY SHAREHOLDERS PURSUANT TO 11 U.S.C. §§ 105(A) AND 1142 AND BANKRUPTCY**
24 **RULE 3020(D), FOR AN ORDER IN AID OF IMPLEMENTATION OF CONFIRMED CHAPTER 11 PLAN**
REGARDING DISTRIBUTIONS TO BENEFICIAL OWNERS OF PUBLICLY TRADED STOCK

25 I, Patrick C. O'Connor, declare:

26 1. I am the Chief Restructuring Officer and Chairman of the Board of Directors of ATI
27 Liquidating, Inc., formerly known as Aviza Technology, Inc., AI Liquidating, Inc., formerly known
28 as Aviza, Inc. and TTI Liquidating, Inc., formerly known as Trikon Technologies, Inc. (collectively,

1 the “Reorganized Debtors”) and the Responsible Person for the Reorganized Debtors. I have
2 personal knowledge of the matters stated herein except as to those matters stated on information and
3 belief, and as to those matters I am informed and believe them to be true. If called as a witness, I
4 could and would testify competently as to those facts.

5 2. I make this declaration in support of the REORGANIZED DEBTORS’ OPPOSITION TO
6 MOTION BY SHAREHOLDERS PURSUANT TO 11 U.S.C. §§ 105(A) AND 1142 AND BANKRUPTCY RULE
7 3020(D), FOR AN ORDER IN AID OF IMPLEMENTATION OF CONFIRMED CHAPTER 11 PLAN REGARDING
8 DISTRIBUTIONS TO BENEFICIAL OWNERS OF PUBLICLY TRADED STOCK (the “Opposition”).

9 3. In 2009 prior to the commencement of the bankruptcy cases, ATI¹ cooperated with
10 NASDAQ in delisting its stock from the NASDAQ Global Market, the only market on which ATI
11 was registered for trading. The company issued a press release providing notice that it did not plan
12 to comply with NASDAQ listing requirements as it intended to delist its shares from the public
13 market. Subsequently during 2009, the company filed the appropriate documents with the SEC and
14 NASDAQ to delist the Company.” The company took no steps to facilitate any subsequent trading.
15 In order to establish a demarcation with respect to stockholders for the administration of the Plan,
16 the Reorganized Debtors included language in the Plan requiring the closing of the company’s stock
17 register as of the Record Date and prohibiting further transfers on the records of the company after
18 that date.

19 4. After confirmation of the Plan, and due to the language in the Plan which ceased all
20 transfers of ATI’s stock, the Reorganized Debtors were not aware that stock continued to trade until
21 on or around March 2012, when Dvir Weinberg contacted me to inquire about, among other things,
22 the Quarterly Reports filed in the cases, the company’s financial information and the estimated
23 timing and amount of distributions. During the course of our communications, I advised Mr.
24 Weinberg to review the Plan and noted that the Plan provided for distributions only to stockholders
25 as of the Record Date and that subsequent trading would place him “at risk.”

26 5. After responding to Mr. Weinberg’s inquiries on several occasions, I became
27

28 ¹ Capitalized terms not separately defined herein have the meanings ascribed to them in the
Opposition.

1 concerned that Mr. Weinberg was attempting to obtain and exploit information received from me in
2 order to facilitate trading of ATI's stock, and in or around June 2012, I began to limit my
3 communications and the information I provided to Mr. Weinberg.

4 6. On or around September 6, 2012, the SEC contacted me and informed me that they
5 detected trading activity of ATI's stock on the "pink sheets" and that they were concerned that the
6 stock could be "manipulated" in that market. In response to the SEC's request that I assist it to cease
7 trading, on or around September 12, 2012, I, on behalf of ATI, executed a consent agreement
8 permitting the SEC to institute proceedings, make findings and revoke the registration of the
9 securities.

10 7. The Reorganized Debtors' ongoing liquidation efforts enabled them to make a
11 distribution to holders of Allowed Interests in accordance with the Plan on or around November 13,
12 2013. The Reorganized Debtors, as the disbursing agent under the Plan, sent distribution payments
13 to the names and addresses identified on the stock registers received from the company's transfer
14 agent, which did not include DTC or Cede. Instead, the Reorganized Debtors passed over DTC as
15 the custodian and made the distribution directly to the broker-nominees for which DTC was the
16 nominee, and, in some instances, to NOBOs, which were identified on their stock registers. Such
17 broker-nominees included, among others, TD Ameritrade. Since being contacted by the Weinbergs
18 and learning of their allegations that distributions should have been directed first to DTC and
19 ultimately, to them, I have engaged in discussions with the majority of the broker-nominees in order
20 to ensure distributions had been sent accurately to each Record Date stockholder. In this regard, I
21 have reconciled shares and Record Date stockholders with several of the broker-nominees
22 confirming that distributions have in fact been accurately made in each such instance with a single
23 exception. With respect to that single instance, the Reorganized Debtors are awaiting further contact
24 from the broker-nominee in the instance it requires additional assistance in reconciling/identifying
25 the remaining owner(s). During my discussions with the broker-nominees, several have informed
26 me that distribution payments can be made directly to them as opposed to DTC which ultimately
27 would transmit the payments to the broker-nominees as well, with the same result.

28 8. Mr. Weinberg contacted me on numerous occasions, and cautioned him several times

1 of the Plan's terms to make distributions only to those holders of stock as of the Record Date.

2 9. During Mr. Weinberg's discussions with me, he inquired on multiple times about the
3 financial condition of the Reorganized Debtors, including requesting information which I eventually
4 became concerned that Mr. Weinberg could exploit to facilitate his trading of ATI stock.

5 10. The Reorganized Debtors were not monitoring or aware of any trading activity until
6 initially contacted by Mr. Weinberg at which time I advised him of the Plan's terms requiring
7 payments to record stockholders. After the SEC indicated to the Reorganized Debtors that it had
8 detected trading activity, they immediately cooperated with the SEC to assist it in stopping trading of
9 the stock.

10 I declare under penalty of perjury under the laws of the State of California and the United
11 States of America that the foregoing is true and correct to the best of my knowledge, information and
12 belief, and that this Declaration was executed on April 29, 2015, at Scotts Valley, California.

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14 /s/ Patrick C. O'Connor
Patrick C. O'Connor