

COPY FOR  
CERTIFICATION

FILED  
FEB 26 2002 100PM  
MICHAEL K. JEANES, Clerk  
By Chaus  
Deputy

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6 Attorneys for Plaintiffs/Counterdefendants

7 **SUPERIOR COURT OF ARIZONA**

8 **MARICOPA COUNTY**

9 ALLAN WACHTER, M.D., an individual and  
on behalf of his marital community; SETH  
10 CHEMICALS, INC., a Nevada corporation;  
NATHAN M. TECHNOLOGIES LIMITED  
11 PARTNERSHIP, a Nevada limited  
partnership,

No. CV 99-09334

12 Plaintiffs,

**ORDER**

13 v.

14 JOHN LEZDEY and NOREEN LEZDEY,  
husband and wife; DARREN LEZDEY, an  
15 individual; JARETT LEZDEY, an individual;  
J & D SCIENCE, INC., a Nevada  
16 corporation; J.L. TECHNOLOGY LIMITED  
PARTNERSHIP, a Nevada limited  
17 partnership; SONORAN DESERT  
CHEMICALS LIMITED LIABILITY  
18 COMPANY, a Nevada limited liability  
company; PROTEASE SCIENCES, INC., a  
19 Nevada corporation; JOHN DOES 1 THRU  
20 100,

(Assigned to the Honorable  
Edward O. Burke)

21 Defendants.

22 PROTEASE SCIENCES, INC., a Nevada  
23 corporation; and JOHN LEZDEY,

24 Counterclaimants,

25 v.

26 ALAN M. WACHTER and SUSAN  
WACHTER, husband and wife,

27 Counterdefendants.  
28

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1 Pursuant to counsel for Plaintiffs urging their April 6, 2001 "Second Application  
2 for Contempt Against Lezdeys" at the December 15, 2001 Scheduling Conference and  
3 the January 9, 2002 Pretrial Conference, the April 6, 2001 Second Contempt Application  
4 having gone uncontested by John Lezdey (and Darren and Jarett Lezdey having already  
5 been sanctioned on December 15, 2001, Judgment signed January 9, 2002, for their  
6 failure to appear for their depositions, which had been raised in the April 6, 2001 Second  
7 Contempt Application), this Court has considered John Lezdey's contacts with the  
8 European Court of Patent Appeals in his March 28, 2001 letter (Exhibit B to the April 6,  
9 2001 Second Contempt Application). These contacts are set out in paragraph (f) of the  
10 Second Contempt Application and in Exhibit B thereto, as well as in the Declaration of  
11 Dr. Allan Wachter, Exhibit C to the Second Contempt Application, paragraphs 3 and 4 in  
12 particular.

13 It appears to the Court that actions of John Lezdey (purporting to speak  
14 unilaterally for Protease Science, Inc. and seeking to undo and destroy the success in  
15 those European Patent Court proceedings, which had cost AlphaOne / Arriva (the  
16 licensee of Protease) in excess of \$250,000, were in willful violation of the February 2,  
17 2000 Preliminary Injunction as amended on November 27, 2000. The actions of John  
18 Lezdey constitute contempt of this Court's Preliminary Injunction, as amended, and are  
19 the second unmistakable clear and convincing proof of John Lezdey's refusals to comply  
20 with this Court's Orders, the first being his continuing failure to pay the \$32,500 in legal  
21 fees, which he was ordered to pay on October 12, 2000, and has failed to pay.

22 NOW, THEREFORE, IT IS ORDERED that:

23 (A) John Lezdey's failure to pay the \$32,500 sanction related to the first  
24 contempt merits a doubling of that sanction. John Lezdey is hereby ordered  
25 to pay the Clerk of the Superior Court for Maricopa County \$75,000 as an  
26 amplified sanction for his first contempt (entered on October 12, 2000),  
27 with such payment to be made on or before ~~February~~ <sup>MARCH</sup> 15, 2002.

28 . . .

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(B) John Lezdey's failure to have paid the sanction by ~~February~~<sup>MARCH</sup> 15, 2002 will constitute a further contempt and the sanction sum shall be increased by ~~\$5,000~~<sup>\$1,000.00</sup> each calendar month thereafter until the contempt has been purged in full. No interest shall accrue on the sanction.

(C) This Order shall constitute a final Judgment as to the amplified sanction for the First Contempt under the Arizona Rules of Civil Procedure, and this Court expressly finds that there is no just reason for delay, and thus directs the Clerk of the Court to enter this Judgment forthwith.

(D) Regarding the never-contested Second Contempt Application, the Court finds that an indirect (out of the Court's presence) civil contempt has occurred related to John Lezdey's contacts with the European Court of Patent Appeals and fines John Lezdey ~~Two Hundred~~ Fifty Thousand and No/100 Dollars (~~\$250,000.00~~<sup>\$50,000.00</sup>) to be paid to the Clerk of the Superior Court for Maricopa County on or before ~~February~~<sup>MARCH</sup> 15, 2002.

(E) John Lezdey's failure to have paid the ~~\$250,000~~<sup>\$50,000</sup> fine by ~~February~~<sup>MARCH</sup> 15, 2002 will constitute a further contempt, and the sanction sum shall be increased by ~~\$10,000~~<sup>\$500.00</sup> each calendar month thereafter until the contempt has been purged in full. No interest shall accrue on the sanction.

(F) This Order shall constitute a final Judgment as to the amplified sanction for the First Contempt under the Arizona Rules of Civil Procedure, and this Court expressly finds that there is no just reason for delay, and thus directs the Clerk of the Court to enter this Judgment forthwith.

DATED this 12 day of February 2002.

  
Hon. Edward O. Burke