

## **Married to Misery**

The devastating impact of my marriage's third divorce trial had not gone unnoticed by my, and Audre's many enemies. Ten years after first splitting the significant proceeds from my medical company that I had earned prior to my wedding in 1982, my ex-wife had won during a third trial in January, a supplemental award of \$11M, plus 2 million shares of Audre stock. Not bad for someone who was only married to me for 3 years (really 2.5 years before we decided to separate) and who did not even own a car, and was living in an apartment when I first met her.

My first mistake was marrying her. The second mistake was placing a third of my entire sole and separate estate into community property based upon her agreement to enter into a nuptial contract. My medical company had done very well without me, getting sold for half a billion dollars in 1982, and then quickly growing to \$2 billion in revenues while employing 5,000 people. In an astonishing achievement, Caremark was sold to CVS in March 2007 for more than \$26 billion! Let me correct my earlier rankings by stating that my first error was selling almost all my Home Health Care of America stock when it first went public. My fourth error was continuing to operate Audre in California, although my home was in Arizona, technically establishing residency and therefore allowing her to ply the courts of la la land with her fabricated fantasies.

One would think she would have been happy to walk away with a third of my estate after our first trial, per the terms of the nuptial agreement, especially when she insisted in writing that she only wanted cash, a considerable amount of jewelry and a majority of our furniture, art and Persian rugs. She was so adamant to get tangible assets that I was not only forced to sell my Frank Lloyd Wright Foundation designed house in Scottsdale for the liquidity, which I purchased prior to my marriage, she also refused to take any of the "worthless" Audre stock that I owned. As I have already described, 1985 was a bad year for Audre with the demise of Three Rivers Computer, and I was not very confident about the prospects for the company either. I attempted to split everything proportionately, maintaining some security by retaining a reasonable amount of my cash and investments outside of Audre, but reasonableness had nothing to do with it.

To get rid of her, I was not only required to sell the home of my childhood dreams, but I also had to hand over to her all of my money in return for

millions of shares in what anyone would think was a worthless company. Not only was there no liquidity in the shares, the company was virtually out of funds and it did not appear any investors would underwrite the time and expense of porting an unproven software to a new platform. Given the most optimistic of forecasts, it would be years before we could make any tangible sales and I was getting forced into becoming entirely dependent on my salary to survive. It was quite a turn of circumstances to be the consequence of fewer than thirty-six months of hardly marital bliss.

After paying off her settlement in a very speedy ten days, because after all, divorces are expensive because they are worth it, she then turns around the very next year and sues me again for more. The second time we went to trial, however, not only was there nothing new to discuss, it turned out she had not reciprocated my promptness, and in fact had never transferred to me virtually any of my property. None of my clothes, my underwater photography collection, world class tropical fish collection, a multitude of book outlines I had hoped to turn into science fiction novels, personal jewelry, art, Siamese cats, or even one of my cars, the last Triumph ever made, a gold TR-8 in mint condition.

Apparently, no one cared about any of it, especially the court, with the exception of the car. I do not think it was the fact that it was the last year ever manufactured, or that it was one of only two V-8 models Triumph ever made, or even that it was a beautiful convertible, rather the court was angry that she had not only defied the order to deliver it to me, she drove it out into the desert and abandoned it. In a joke of a ruling on behalf of fairness, they assessed her for \$5,700, a fraction of the car's value. I thank my luck stars that my Pantera and Mercedes were at my house in California at the time she bushwhacked me with a preemptive restraining order that prevented me from ever setting foot into my Scottsdale home again. The good news was that she did not intend to ever pay the fine and despite my upset about not ever enjoying my Triumph again, I figured it was worth not seeing it or the money so long as I never had to deal with her again.

It turned out that it would take more than that to repel her. Lo and behold, ten years after our separation and based upon the news that Audre had suddenly catapulted to become a top gainer on the stock market, she retains an attorney on contingency and files suit for the third time. As unbelievable as it would seem, he makes claim to have incurred \$3.4M in legal fees and expenses during the first twelve months in ultimately convincing a

predisposed judge that I breached my “fiduciary duty” to her when I did not force her during our first settlement to take stock in Audre! Despite her adamant written refusal to accept any stock and the fact that I was desperate to give her as much as she wanted at the time in return for my getting some cash, all our prior documentation was completely ignored by the judge. Now that it was worth tens of millions, I was deemed to have known the outcome all along, and was judged guilty of defrauding her.

Apparently, she had blown through all the cash she had originally gotten, and from her living expense statement it appeared she was spending more on spa treatments, manicures and new clothes each month than the gross national product of most third world countries. Despite Audre’s stock not ever gaining in value until late in 1991, six years after our separation, the judge ruled that I had always been successful, and “people like me” know in advance that it was going to be worth millions and therefore she was deprived of her just deserts, and apparently the ability to stay fresh and fashionable. So, for a marriage that lasted less than three years and with my estate having been established years before my marriage, his supplemental award to my original settlement cumulatively granted her the equivalent of \$100,000 per week for every week we were married. Not bad work if you are so dishonest, despicable, and demented to believe you deserve it. Oh yeah, it would have been worse if not for the nuptial agreement. The judge stated that he regretted that he was limited to awarding her only 1/3 of what he determined to be my estate, but in a magnanimous gesture, he credited me the \$5,700 for the Triumph.

The judge justified it because he reasoned I always knew, despite years of the stock being worthless, that it would all pay off one day and besides, I had too much money for any one person, and no one should be that rich. Obviously, he knew little about the risks, challenges or anything about what it was like to create a new company and benefit thousands of people. Setting aside his regrets at not being able to conceive of a way to deprive me of more of my earnest property, he then focused his malicious intention against Audre. Having previously frozen all of my assets pending the outcome of the trial, the “judge” then went on to determine that despite Audre being a public company with 10,000 shareholders, it was “my” company because I had been involved in starting it, and had always been its Chairman and operated it as CEO and President. He then banged the gavel, making his ruling a preliminary judgment, sole and separate upon myself and Audre, pending final arguments set to be heard in October. Let me say that again,

the judge made a public company party to a personal divorce proceeding. To the knowledge of all involved, it was an unbelievable miscarriage of blind justice.

Not to be outdone having exhausted all of that judicial wisdom, this person then appoints a receiver to operate the public company pending its final disposition in the fall when he would make formal his ruling. Restating that beauty in the simplest of terms, some completely unqualified Bozo that hangs around a divorce court licking other people's scraps gets appointed to run one of America's highest technology companies, whose customer base is the Congress of the United States and the Department of Defense. Not to be shortsighted about giving the company's stock a chance to survive all of his savagery, he also orders that my security holdings in the company be immediately liquidated and held in escrow to an amount sufficient to provide full payment, pending finalization of his decision. Given that the stock market is essentially a public auction, not only had he saddled the company with a totally unjustified and massive liability, but he also then completely massacres the share price by forcing the instantaneous sale of millions of shares.

OK, this fight continues for years and gets so crazy, it is worthy of another book. After all, the truth is stranger than fiction. Suffice it to say that I will admit that I had a lot on my mind and was antagonistic to the judge about even having to deal with this greedy bitch in court for a third time, but nothing could or has ever justified his decision. In fact, six years later it was revealed that she had committed perjury by forging documents to falsify evidence. Nothing, however, ever changed the fact that I walked into court worth \$45M and walked out looking for a bankruptcy lawyer. As incredibly bad as it was for me, to make Audre part of it was beyond belief. Everyone knew a public company was not private property to be granted to someone in a divorce settlement. There is no question in my mind that the judge was jealous of my success, maliciously motivated by his own lack of material assets, and obscenely intent on making the consequences as severe as he could possibly contrive, despite the fact his ruling had absolutely no justification given the evidence or legal conventions.

That assessment of his motives became clear to everyone as he spoke openly in court before going on the record about how he was someone who had never even owned a single share of stock, had never made investments, or accumulated any money throughout his careers as an enlisted

serviceman, public defender and then judge for juvenile crime. He even offered that he did not know what really distinguished a private company from a public one. But now that he was a Family Law judge, presiding over a court of equity which he claimed gave him great legal latitude; he was going to destroy the investments and savings of thousands of completely innocent people simply because he could, even if there was no prior precedence for his verdict. Judicial power trumped money, and he left little doubt in my mind that he was determined to prove it. Of course, as he reminded me when freezing my assets, if I did not like his decision or believed he was misconstruing the law, everyone was entitled to their day in court, and I could appeal his rulings any time I would like. In fact, with a big smile etched across his grotesque face, he invited me to do so.

One thing that never seems to get mentioned as judges and lawyers recite dogma about the fairness of our judicial system, is the critical fact that money judgments require a 1.5 times cash bond before an appeal can be lodged. When all was taken into consideration, both Audre and I each had to come up with \$22.5M in cash, not collateral, to become entitled to file our appeals. And for all of that money, you got the privilege of paying more lawyers to prepare the appellate case and then settled in to make yourself comfortable while enjoying a wait that averaged five years in Orange County before your appeal even got heard. Now, there was no question the judge knew I ordinarily would have been able to sell or margin a portion of my stock and thereby raise the money needed to appeal his decision, so there is no doubt in my mind that his sole motive in including Audre as a judgment debtor and forcing the immediate sale of my stock was to thwart my overturning his outrageous ruling by preventing us from ever being able to post a bond and put forward an appeal.

True to his intentions, the news of the judgment and the appointment of the receiver to run the company headlined the front page of the papers and immediately destroyed the value of the stock. Similar to shouting fire in a crowded movie theater, people stampeded as they rushed to sell. Fortunately, Audre had ample cash on hand; not nearly \$22.5M to appeal with, but enough to continue operating through the next year even if we never made another sale of our software during that time. In another bit of good tidings, the receiver evidently knew all too well that he was completely unqualified for the responsibilities he was granted, so he just hung around to collect his fees and stayed out of my way.

To say the least, getting the order from the Department of Defense took on new urgency. If we realized anything close to the \$ 20M that had just been funded to employ Audre's software to realize significant savings within existing programs based upon the FY '94 test results, we had a chance to pull together enough money to put forward the company's appeal. It didn't take Sun Tzu to tell our competitors and enemies that their strategy for success was for them to do anything and everything possible to prevent us from getting that order placed. Wait it out, stall at every opportunity and Audre will collapse from the severity of the divorce decision and the ensuing chaos. Unlike the zero chance they had to defeat us technologically, it was entirely realizable to get the government to do what it does best - nothing.

I would have to say that by this time I had my fill of Karpovich and Barnes. As predicted, rather than implement the purchase of Audre systems from the existing ADMAPS contract as was intended by the language in the 1995 Defense Appropriation bill, they decided to spend most of the money "studying" the subject further, while spinning off as much ongoing conversion work to Tomahawk as they could pull off. Of course, like a flock of vultures circling overhead, what they were really doing was waiting for Audre and me to dry up and die. This amounted to nothing more than raw revenge and a selfish perpetuation of an endless procurement cycle that kept vendors continually currying for their favors. It was also a blatant scheme to profit off their illicit options in Tomahawk. All it took was throwing me, Audre, and even the Defense Printing Service under the keel. What was there for them not to like?