

prevents JOHNSON from disseminating confidential and proprietary information of ALCOR to third-parties. A certified copy of that Judgment is attached as Exhibit A.

3. JOHNSON attempted in the past -- and continues his attempts today -- to thwart the confidentiality agreements entered into with ALCOR and the Judgment entered by a vested Arizona judge.

4. Specifically, JOHNSON recently attempted to violate the aforementioned documents and Judgment by working with BALDYGA and VANGUARD to author, publish, sell and disseminate a book initially called, "*Project Y*" by "John Doe." The book was intended to be sold by JOHNSON, BALDYGA and VANGUARD in New York and elsewhere.

5. JOHNSON, BALDYGA and VANGUARD recently and surreptitiously changed the working title of the book from "*Project Y*" to "*Frozen: My Journey into the World of Cryonics, Deception, and Death* by Larry Johnson and Scott Baldyga" (hereinafter referred to as "*Frozen*.")

6. VANGUARD is a publishing company with its principal place of business in New York County, New York. When ALCOR learned of the upcoming book and the *per se* violation of both the confidentiality agreements and Judgment, ALCOR sent to VANGUARD via Arizona counsel an initial "Cease and Desist" letter.

7. For reasons unknown, VANGUARD ignored the initial Cease and Desist letter for approximately two weeks.

8. On September 29, 2009, New York counsel for ALCOR hand delivered

a second Cease and Desist letter to VANGUARD.

9. That same day, VANGUARD replied to Arizona counsel for ALCOR advising that they intended to go forward with the publication and sale of *Frozen* notwithstanding the prior confidentiality agreements and Judgment entered by an Arizona judge. VANGUARD (and by association JOHNSON and BALDYGA) made it clear they had no respect for the confidentiality agreements and Judgment of a court of competent jurisdiction. Rather than challenge the validity of the agreements and/or Judgment, VANGUARD believed they could aid, abet and assist with a blatant violation of a court-entered Judgment.

10. BALDYGA is, upon information and belief, also a resident of Clark County, Nevada. BALDYGA does business in New York County, New York and elsewhere by engaging in the profession of authorship, commercial relations with VANGUARD in New York County, New York. BALDYGA also purposefully availing himself of the financial benefits of New York by working with a New York-based publishing company and offering for sale in New York and elsewhere the book called *Frozen*.

11. Jurisdiction exists over this action pursuant to N.Y. Civ. Prac. Law and Rules ("CPLR") §§ 301 and 302, in that VANGUARD regularly conducts business in this state and because Defendants have committed, and will continue to commit, the alleged wrongful actions within the County and State of New York.

12. Venue is proper in this County pursuant to CPLR § 503 because the principal place of business of VANGUARD is located in New York County, New

York.

Factual Background

13. ALCOR is a pioneer in medical research and business of cryonic suspension of human beings who have passed through their first life cycle and who desire to give their bodies to science for the purpose of to cryonic preservation, medical research and the possible extension of their life cycle through progressive cryonic procedures.

14. As such, its patient medical information, its membership information, medical research, scientific findings, methods of cryonic preservation, day-to-day operations, financial agreements with members, body preservation procedures, scientific experiments, synthesized data, communications with members, methods of doing business, future offerings to members, and internal policies are highly confidential, trade secrets and proprietary to ALCOR.

15. JOHNSON was employed by ALCOR commencing in January 2003. Prior to becoming employed by ALCOR as a “standby team member” and assistant to the Director of Clinical Services, JOHNSON had no information about ALCOR except that it was a cryonics facility.

16. As a condition of employment, JOHNSON was required to acknowledge receipt of the ALCOR Employee Handbook.

17. JOHNSON signed and acknowledged receipt of the Employee Handbook on January 16, 2003, just a few days before his employment started.

18. JOHNSON not only signed the document acknowledging receipt of

the Employee Handbook, but also admitted to having read the document and being “bound by the policies contained in this handbook.”

19. JOHNSON also conceded under oath that the Employee Handbook contained the affirmation and understanding that “[T]he protection of confidential business information and trade secrets is vital to the interest and the success of AER and AER’s Client Company [ALCOR].”

20. JOHNSON was further informed through the Employee Handbook that “Employees who improperly use or disclose trade secrets or confidential business information, either of AER or of the Client Company -- meaning ALCOR -- to which you are assigned, will be subject to disciplinary action, up to and including termination of employment and legal action.”

21. JOHNSON understood and accepted these terms of employment with ALCOR.

22. JOHNSON accepted employment upon the terms and conditions of the Employee Handbook, and knowing full well that he would have access to confidential business information about ALCOR, its patients and its members:

Q. ...[D]id you understand after interviewing with ALCOR and gathering whatever knowledge and information you had as of, we’ll say, January 16, 2003 that you would have access to confidential business information about ALCOR, its patients and its members?

A. Did I have an understanding that I would have access?

Q. Yes.

A. Yes.

23. JOHNSON also acknowledged under oath that he was not permitted to disclose such information.

Q. And did you have an understanding that that's information the unless, for example a patient would permit disclosure, that is should not be disclosed to the general public.

A. Yes. That was the general, you know, thought.

24. Based on this, JOHNSON knew he was not permitted to disclose business information about ALCOR or its operations. In point of fact, JOHNSON came into even more responsibilities and more critical and confidential information when he was promoted to first the Director of Clinical Services and then the Chief Operating Officer for ALCOR. JOHNSON assumed a role of trust and confidence above and beyond just his written agreement to keep information about ALCOR confidential.

25. Indeed, in connection with his employment, JOHNSON was given access to significant amounts of confidential and proprietary Alcor information and documentation, including medical procedures, membership information, scientific research, developing technologies, methodologies and operational procedures of ALCOR.

26. Upon termination of employment, JOHNSON was required by the Employee Handbook to return all confidential information and all property of

ALCOR -- "RETURN OF PROPERTY....Employees must return all AER, or the Assigned Client Company's property immediately upon request or termination of employment."

27. While JOHNSON testified that he does not specifically recall executing a Confidentiality and Non-Disclosure Agreement ("NDA"), his supervisor at the time, Charles Platt, unequivocally recalls that all employees were required to execute the standard NDA document before starting work at ALCOR. Upon information and belief, JOHNSON stole the executed copy of his NDA from ALCOR's premises.

28. The NDA merely codified for a second time the requirement that ALCOR employee maintain the confidentiality of information obtained while working at ALCOR.

29. Pursuant to the Agreement, JOHNSON agreed to refrain from, *inter alia*, disclosing proprietary and confidential information from ALCOR to any person, partnership, company or governmental agency without the express written permission of ALCOR.

30. Proprietary ALCOR information is defined in the Agreement to include, but not be limited to, information regarding techniques, procedures, and medications used by ALCOR, and the names and other personal information concerning patients and members of ALCOR.

31. On August 12, 2003, JOHNSON abandoned his job with ALCOR by sending a letter and certain material by certified mail. However, JOHNSON

intentionally took and kept without the permission of ALCOR various documents, memoranda, photographs, a laptop computer (with highly sensitive information) and other proprietary and confidential information of ALCOR. This conduct was a direct violation of the confidentiality agreements and the employee handbook, which required the return of **all** ALCOR property.

32. In the same exact month, JOHNSON then registered and published a website called "www.FreeTed.com" in which JOHNSON charged the public at large \$20.00 to view private and confidential information of ALCOR, including photographs of the deceased baseball player Ted Williams. Doing so was in direct violation of the confidentiality agreements and employee handbook, which required the return of **all** ALCOR property.

33. During that same time, JOHNSON provided to various publications, including *Sports Illustrated*, with confidential information of ALCOR, private photographs which were the property of ALCOR, and tape recordings which were surreptitiously made of fellow ALCOR employees discussing private ALCOR business activities. Doing so was in direct violation of the confidentiality agreements and employee handbook, which required the return of **all** ALCOR property.

34. As a result of this unabashedly wrongful conduct, ALCOR filed suit against JOHNSON in the Maricopa County Superior Court of Arizona, Case Number 2003-016139 ("2003 Litigation").

35. In connection with mediation of the 2003 Litigation, the parties entered

into a Settlement Agreement dated August 18, 2004.

36. Pursuant to the Settlement Agreement, the parties agreed:

* * *

2. To make no comments to any third parties about each other in the future, unless required to do so by law. The specifics of this provision to be worked out in a final agreement. Any disagreement to be resolved by [the mediator]. Any violation subject to injunction in Maricopa County, Arizona Court, and agreement to contain consent to jurisdiction and acceptance by counsel.
3. All Alcor documents [are] to be returned by Johnson.

* * *

37. JOHNSON signed the settlement agreement and was obviously bound by its terms. This was now the **third** written document which prevented JOHNSON from disclosing the confidential and proprietary information of ALCOR.

38. Pursuant to plain terms of the Settlement Agreement, counsel for the parties prepared the formal, typed Settlement Agreement. There were minor disputes concerning the final version of the typed document. As such, and pursuant to the terms of the signed Settlement Agreement, the disputes were submitted to the mediator, and the disputes were resolved by the mediator -- as expressly authorized by the Settlement Agreement.

39. The Settlement Agreement was revised to reflect the mediator's final

rulings. For reasons unknown, JOHNSON refused to sign the typed agreement. Regardless, the typed agreement was still a binding agreement because it was the final form of the agreement prepared and finalized in accordance with the plain terms of the signed Settlement Agreement.

40. Subsequently, ALCOR learned that JOHNSON was attempting to publish a book based upon the confidential and proprietary information he blatantly took in violation of the Employee Handbook, the Confidentiality Agreement and the Settlement Agreement.

41. As a result, on January 26, 2009, ALCOR brought an action in the Maricopa County Superior Court of Arizona to, *inter alia*, enjoin JOHNSON's wrongful conduct and the would-be publication of a book which contained confidential and proprietary information of ALCOR ("2009 Litigation").

42. After JOHNSON failed to appear in the 2009 Litigation, a Default Judgment was entered in July 2009 against JOHNSON.

43. The Default Judgment, *inter alia*, barred JOHNSON from: "publishing or communicating any information about Alcor to third parties, including but not limited to, any and all information which disparages ALCOR in any way."

44. In September 2009, it came to the attention of ALCOR that JOHNSON and BALDYGA were again intent on publishing a book about ALCOR, this time through VANGUARD. This is true despite three written documents and a court-entered Judgment preventing the dissemination of such information. Needless to say, this shows contemptuous disregard for written agreements and court orders

by JOHNSON, and his apparent willingness to solicit BALDYGA and VANGUARD to aid and abet JOHNSON to violate such agreements and orders.

45. As the following description of "*Frozen*" provided on Amazon.com makes plain, that book is based upon confidential and proprietary information obtained by Mr. Johnson during the course of his employment for Alcor:

At first, the job as clinical director at Alcor Life Extension Foundation was an exciting change for veteran paramedic Larry Johnson: a well-funded research facility pushing the limits of modern biotech. But as he gained the trust of his eccentric coworkers and was promoted to acting COO, Larry was thrust into a nightmare world of scandalous controversy, gruesome practices, and deadly secrets. One secret Larry unearthed was the full, tragic, never-before-heard story of what truly happened to the body of baseball icon and American hero Ted Williams. Compelled by this and other horrific discoveries, Larry began copying documents, taking secret pictures, and ultimately wearing a wire every day at Alcor. He started living two lives--"Alcorian" by day, whistleblower by night.

46. On September 29, 2009, counsel for ALCOR received a letter counsel for VANGUARD which made clear the intention of VANGUARD to move forward with the October 6, 2009 release date of the book -- despite knowing about the Arizona Judgment which prevents JOHNSON from facilitating himself or through third-parties the dissemination of confirmation information of ALCOR.

47. Upon information and belief, VANGUARD has already distributed copies of the book to vendors, including Amazon and Borders, as well as others. However, VANGUARD knows to whom the books were distributed and has the

ability to contact those vendors.

FIRST CAUSE OF ACTION - AGAINST DEFENDANT JOHNSON

48. ALCOR repeats and realleges the allegations contained in paragraphs 1 through 47 hereof as if the contents thereof were fully set forth herein.

49. JOHNSON's unauthorized transmission of confidential ALCOR information, as detailed above, and intended publication of that information through VANGUARD, constitute breaches of the Employee Handbook, the Confidentiality Agreement and the Settlement Agreement, for which JOHNSON is liable in damages, in an amount to be determined at trial.

50. Since JOHNSON's conduct suggests that he has used confidential ALCOR information in violation of the Agreement, which use will irreparably harm ALCOR, ALCOR is entitled to an injunction barring JOHNSON from authorizing the release of the book, or otherwise from using or disclosing any confidential ALCOR information.

SECOND CAUSE OF ACTION - AGAINST DEFENDANT JOHNSON

51. ALCOR repeats and realleges the allegations contained in paragraphs 1 through 50 hereof as if the contents thereof were fully set forth herein.

52. JOHNSON's unauthorized transmission of confidential ALCOR information, as detailed above, and intended publication of that information

through VANGUARD, constitute breaches of JOHNSON's fiduciary duty to ALCOR.

53. Since JOHNSON's conduct suggests that he has used confidential ALCOR information in violation of his fiduciary duty, which use will irreparably harm ALCOR, ALCOR is entitled to an injunction barring JOHNSON from authorizing the release of the book, or otherwise from using or disclosing any confidential ALCOR information.

THIRD CAUSE OF ACTION - AGAINST DEFENDANT JOHNSON

54. ALCOR repeats and realleges the allegations contained in paragraphs 1 through 53 hereof as if the contents thereof were fully set forth herein.

55. Johnson's unauthorized transmission of confidential ALCOR information, as detailed above, and intended publication of that information through VANGUARD, constitute misuse of ALCOR trade secrets, for which JOHNSON is liable in damages.

56. Since JOHNSON's conduct suggests that he has used confidential ALCOR information in violation of his common law obligations, which use will irreparably harm ALCOR, ALCOR is entitled to an injunction barring Johnson from authorizing the release of the book, or otherwise from using or disclosing any confidential ALCOR information.

FOURTH CAUSE OF ACTION - AGAINST VANGUARD AND BALDYGA

57. ALCOR repeats and realleges the allegations contained in paragraphs 1 through 56 hereof as if the contents thereof were fully set forth herein.

58. As set forth above, VANGUARD is fully aware of the existence of the Confidentiality Agreement, the Settlement Agreement, and the Default Judgment. Upon information and belief, BALDYGA also was and is aware of the existence of those agreements and that judgment. Notwithstanding that knowledge, BALDYGA has written and authorized the publication of, and VANGUARD has disseminated, and intends to widely publish and distribute, *Frozen*, in direct violation of those agreements and that judgment.

59. Said actions constitute tortious interference with contract, as well as: concerted action misappropriation and misuse of ALCOR trade secrets; concerted action breach of JOHNSON's fiduciary duty to ALCOR; civil conspiracy to commit the tort of conversion of confidential and proprietary ALCOR information, documents and pictures; and aiding and abetting the violation of a court order, for which BALDYGA and VANGUARD are liable in damages.

60. Since Defendants have plainly violated their common law obligations, as well as JOHNSON's contractual obligations, and clearly intend to continue doing so, which violations use will irreparably harm ALCOR, ALCOR is entitled to an injunction barring Defendants from authorizing the release of the

book, or otherwise from using or disclosing any confidential ALCOR information.

WHEREFORE, ALCOR requests the following relief:

1. Damages in an amount to be determined at trial;
2. An order enjoining Defendants publishing *Frozen*, or from otherwise using or disclosing any confidential ALCOR information;
3. An order directing Defendants to take all necessary steps to prevent the sale or other dissemination of *Frozen*;
4. An order directing Defendants to make immediate and best efforts to retrieve all copies of *Frozen* which were sent to third-parties and advise such third-parties that *Frozen* cannot be sold or given away in any format (written, electronic, or otherwise) and further directing Defendants to return to ALCOR any information in their possession about ALCOR.
5. Alternatively, an order directing Defendants to place in a trust account any and all monies received or to be received by any of the Defendants in connection with the publication of *Frozen*; and
6. An award of punitive damages against all Defendants, as well as the costs and attorneys' fees of this action;

7. An order domesticating the Default Judgment, and such other and further relief as this Court may deem just and proper.

Dated: New York, New York
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_s/

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