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IN THE UNITED STATES DISTRICT COURT

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FOR THE DISTRICT OF ARIZONA

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AQUA-AEROBIC SYSTEMS, INC.,

Case No. 2:07-cv-1251-PHX-FJM

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Plaintiff,

Hon. Frederick J Martone

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v.

FINAL

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FIVE STAR FILTRATION, LLC and
JOHNSON UTILITIES, LLC,**CONSENT JUDGMENT ORDER
AND PERMANENT INJUNCTION**

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Defendants.

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The court has before it the “Joint Motion for Entry of Consent Judgment Order and Permanent Injunction” (doc. 37) through which it has been represented to the Court that Plaintiff, Aqua-Aerobic Systems, Inc. (“Aqua-Aerobic”), and Defendants, Five Star Filtration, LLC (“Five Star”) and Johnson Utilities, LLC (“Johnson”) (collectively “Defendants”), have entered into a Settlement Agreement and have agreed to a final resolution of this case on the terms and conditions set forth below:

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Accordingly, IT IS ORDERED GRANTING the Joint Motion (doc. 37).

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IT IS FURTHER ORDERED, ADJUDGED AND DECREED AS FOLLOWS:

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1 1. This is a claim for patent infringement arising under the patent laws of the
2 United States, Title 35 of the United States Code.

3 2. The Court has jurisdiction over the parties and the subject matter of this
4 action.

5 3. Aqua-Aerobic is the exclusive licensee of United States Patent No.
6 6,103,132 (the "'132 patent"), entitled "Filter Cloth, Filtering Process, and Filtering
7 Device for Liquid Filtration," which issued on August 15, 2000. Aqua-Aerobic has the
8 exclusive right to license and enforce the '132 patent, has standing to sue for
9 infringement of the '132 patent and has the right to collect damages for past infringement
10 of the '132 patent.

11 4. Defendants agree, and the Court therefore finds, that the '132 patent is
12 valid and enforceable.

13 5. Defendants agree, and the Court therefore finds, that Defendants have
14 directly and/or indirectly infringed the '132 patent through the manufacture, offer for
15 sale, sale, assembly, installation, and/or use of the wastewater filtration system as
16 originally installed at the Pecan Creek Subdivision in Queen Creek, Arizona ("Pecan
17 Creek").

18 6. Five Star agrees, and the Court therefore finds, that Five Star has
19 redesigned certain aspects of the Five Star Disk Filter System, and that the redesigned
20 wastewater filtration system (as modified, the "Redesigned System"), as represented by
21 Five Star, does not infringe the '132 patent. More specifically, in the Redesigned
22 System, the backwash header and/or backwash shoe does not at any time come into

1 contact with the cloth filter media (or the pile threads of the cloth filter media) or in any
2 way act mechanically upon the cloth filter media or the pile threads of the cloth filter
3 media.

4 7. Aqua-Aerobics agrees, and the Court therefore finds, that the Redesigned
5 System, as represented by Five Star, does not infringe the '132 patent.

6 8. In agreeing to enter into the Settlement Agreement, and in consenting to
7 this Order, Aqua-Aerobic and the Court have relied on the representations made by
8 Defendants about the Redesigned System which will be installed at Pecan Creek.

9 9. Five Star has represented and agreed, and the Court therefore finds, that
10 Five Star will refrain from all acts of infringement of the '132 patent, and will
11 immediately discontinue the manufacture, use, sale and/or offer to sell the Five Star Disk
12 Filter System, as originally designed and installed at Pecan Creek. Defendants will
13 replace the existing Five Star Disk Filter System at Pecan Creek with the Redesigned
14 System no later than twenty-one (21) days after the effective date of the parties'
15 Settlement Agreement.

16 10. Effective as of the date of this Order, Defendants, jointly and severally,
17 and their respective affiliates, subsidiaries, distributors, officers, directors, agents,
18 successors and assigns, and all those persons in active concert or participation with
19 them, are hereby permanently restrained and enjoined, for the life of the '132 patent,
20 from making, using, selling, importing and/or offering to sell the wastewater filtration
21 system accused of infringement in this lawsuit, as well as any other product or process
22 that falls within the scope of any claim of any of the patents in suit, or otherwise

1 infringing, contributorily infringing and/or inducing the infringement of the '132 patent
2 in suit without a license from Aqua-Aerobic.

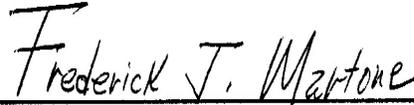
3 11. This Order represents a final adjudication of all claims, counterclaims and
4 defenses which were or could have been made in this action and will bar Defendants
5 from litigating the defenses of unenforceability and/or invalidity of the '132 patent, even
6 as to different devices charged with infringement of the patent in suit in any future
7 proceedings. Further, Defendants agree to and hereby waive and relinquish the right to
8 ever contest the validity and/or enforceability of the '132 patent in suit or any of the
9 claims of the patents in suit, whether such assertion of invalidity and/or unenforceability
10 would be made in a court proceeding or Patent Office proceeding, and whether or not
11 such assertion is in relationship to the infringing devices in this action or in connection
12 with any other devices made, used and/or sold by Defendants. It is the intent of this
13 provision that to the fullest and broadest extent permitted by law, Defendants are
14 precluded from challenging the validity and/or enforceability of the '132 patent in suit or
15 any of the claims of the patent in suit, and that such preclusion is acknowledged and
16 intended to be broader than the prohibition on such challenges arising from the doctrine
17 of res judicata and/or collateral estoppel.

18 12. Each party shall bear its own costs and attorneys fees.

19 13. This Order represents a final adjudication of all claims, counterclaims and
20 defenses which were or could have been made in this action between Plaintiff and
21 Defendants with respect to the '132 patent in suit and the Five Star Disk Filter System as
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1 it was installed and used at Pecan Creek. All such claims are hereby dismissed with
2 prejudice.

3 Dated this 3rd day of April, 2008.

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Frederick J. Martone
8 United States District Judge
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