

1 contracts through which he purchased Interplexus and Diagnos-Techs. The relevant contracts in
2 this case do not, however, provide for the requested attorney’s fees. The Stock Purchase
3 Agreements for the sale of Interplexus and Diagnos-Techs do not contemplate attorney’s fees.
4 Dkt. # 21 at 11-20 (Diagnos-Techs Stock Purchase Agreement); Trial Ex. # 33 (Interplexus
5 Stock Purchase Agreement). Although the Stock Pledge Agreements for both companies contain
6 identical attorney’s fees provisions, the provisions do not apply in this case. The relevant
7 section reads:

8 7. Attorney’s Fees and Legal Expenses. To pay if this Agreement or any
9 obligation secured by it is referred to an attorney for collection or realization, all
10 reasonable expenses, including, but not limited to attorney’s fees and actual
11 expenses and costs.

12 Dkt. # 21 at 53, 60. The Court interprets the provision to apply in the case of default on payment
13 or a failure to perform under the contract. Since defendant’s attorney’s fees do not relate to a
14 default or a failure to perform, the Stock Pledge Agreements are not applicable. Similarly, the
15 attorney’s fees provision in the Promissory Note also provides for fees only after a default.²
16 Defendant’s motion therefore does not provide a statutory or contractual basis for the Court to
17 award attorney’s fees. Moreover, defendant does not state a recognized ground in equity for an
18 award of attorney’s fees. Thus, under Washington law, defendant’s motion for attorney’s fees
19 and costs fails.

20 For all of the foregoing reasons, “Defendant Dr. El Khoury’s Motion for Attorney’s Fees
21 and Costs Pursuant to Fed. R. Civ. P. 54(d)(2)” is DENIED.

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25 ² “10. ATTORNEY’S FEES AND COSTS: Maker shall pay all costs incurred by Holder in
26 collecting sums due under this Note after a default, including reasonable attorneys’ fees, whether or not
 suit is brought.” Dkt. # 1-7 at 2.

Dated this 14th day of August, 2014.



Robert S. Lasnik
United States District Judge

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