

1 David V. Jafari, SBN: 207881
2 djafari@jafarilawgroup.com
3 Saul Acherman, SBN: 288036
4 sacherman@jafarilawgroup.com
5 JAFARI LAW GROUP, INC.
6 120 Vantis Drive, Suite 430
7 Aliso Viejo, California, 92656
8 Telephone: (949) 362-0100
9 Facsimile: (949) 362-0101

10 Attorneys for Plaintiff
11 BRIAN GAREY.

CONFORMED COPY
ORIGINAL FILED
Superior Court of California
County of Los Angeles

OCT 08 2014

Sherri R. Carter, Executive Officer/Clerk
By Anabella Figueroa, Deputy

12 SUPERIOR COURT OF CALIFORNIA, COUNTY OF LOS ANGELES
13 111 NORTH HILL ST., LOS ANGELES, CA 90012

14 BRIAN GAREY, an individual,
15 Plaintiffs,

16 vs.

17 KAT CONWAY, an individual, d/b/a THE
18 SCOTT, and DOES ONE through TEN
19 inclusive.
20 Defendant.

Case No.: 14K13340

LIMITED CIVIL CASE

VERIFIED COMPLAINT FOR:

1) FRAUDULENT MISREPRESENTATION
(Relief Based on Rescission)

2) RESCISSION

3) CONSUMERS LEGAL REMEDIES ACT

4) CONVERSION

5) UNFAIR & DECEPTIVE BUSINESS
PRACTICES IN VIOLATION OF CAL. BUS.
& PROF. CODE § 17200

BY FAX

Amount demanded exceeds \$10,000

21
22
23 1. Plaintiff Brian Garey (Mr. Garey), is an individual living and residing at 5055 Otters Den
24 Trail, Sanford, Florida 32771. Mr. Garey owns his own business, which he manages from home.

25 2. On information and belief, Defendant Kat Conway (Defendant), is an individual that
26 owns and operates a facility in the State of California, claiming to be a treatment and rehabilitation
27 facility, with a purported address at 3309 Santa Monica Blvd., Beverly Hills, California 90212.

28 3. On information and belief, Defendant runs her business as "The Scott LLC" although no

1 records of a limited liability company by that name exists in the State of California. On at least one
2 document provided by Ms. Conway to Mr. Garey, it is implied that “The Scott” is an LLC formed in the
3 State of Hawaii, however no such entity exists in that State either.

4 4. Defendant advertises her business as a “luxury treatment center” that focuses on treating
5 addiction, pain management, and medical detox in the United States and in Europe.

6 5. On or about January of 2014, Mr. Garey had a pending legal proceeding in Florida. On
7 advice from his counsel, Mr. Garey contacted Defendant in order to enquire about their services;
8 particularly, Mr. Garey was looking for a facility that would allow him to continue to run his business
9 via the internet and that would improve his chances of receiving a more favorable outcome with regard
10 to the pending legal matter in Florida—local treatment facilities did not permit this flexibility. In email
11 and telephone communications with Defendant, Mr. Garey explained that while he hoped he would not
12 have to attend Defendant’s facility, his attorney had advised him to be proactive in setting up his
13 enrollment with any treatment, in order to demonstrate his willingness to cooperate with
14 recommendations of the court in the pending legal matter.

15 6. On or about January 11, 2014, Defendant contacted Mr. Garey and offered her services
16 via e-mail. In the e-mail, Defendant identified herself as “CEO & Director of Business Affairs” of “The
17 Scott,” and stated that Mr. Garey is “an ideal candidate for our Treatment Home Healthcare Plan,”
18 “adopted from the US Medical Boards” and offered Mr. Garey several options. Defendant offered to
19 provide the court with multiple letters, on behalf of Mr. Garey, from “professionals” presumably
20 working for “[her] company.”

21 7. In the e-mail, Defendant stated “I will have you do an assessment [with the purported
22 professionals] before we write the letter,” that they would recommend at-home treatment for Mr. Garey,
23 which would “better [his] chance[s] of receiving a favorable outcome.” If the judge disagreed with the
24 recommendations, her company would be able to check him in at her facility in California, or “set up
25 close to [Mr. Garey’s] location” as “this is what [they] specialize in.” In order to draft these letters and
26 provide the recommended treatment to the court, Defendant required “an assessment” via telephone, a
27 \$25,000 deposit to an account in California under the name The Scott LLC, and to sign the terms of a
28 “Medical Treatment and Financial Agreement” (the Agreement).

1 8. On or about January 15, 2014, Mr. Garey wire transferred \$25,000 to Defendant's bank
2 account and requested Defendant to conduct the assessment. Mr. Garey also signed and faxed a copy of
3 the Agreement to Defendant. Defendant never had Mr. Garey conduct an assessment with the
4 professionals. Instead, Mr. Garey spoke to a "counselor" named Denise for 30 to 45 minutes over the
5 phone. During this conversation, Denise did most of the talking and Mr. Garey provided her with
6 personal information.

7 9. The date of Mr. Garey's hearing came and the court never received the recommendations
8 regarding treatment at Defendant's facility. The court never received a single recommendation or letter
9 from any professional, Ms. Conway, or any other individual purporting to be working for Defendant or
10 under the fictitious name, The Scott. In fact, there is no record of any documents being sent to the court.
11 Instead, Mr. Garey's attorney was able to challenge the validity of the proceeding against Mr. Garey,
12 and therefore, there was no need for the court in that case to address whether Mr. Garey required
13 enrollment for any kind of treatment.

14 10. On or about May 22, 2014, after Mr. Garey tried to contact Defendant and request return
15 of his deposit, Defendant's attorney emailed Mr. Garey and notified Mr. Garey that his deposit would
16 not be returned, citing a no refund provision in the Agreement.

17 11. The Agreement, attached to this complaint as **Exhibit A**, does not mention a price for
18 treatment, nor a deposit. While an ambiguous no-refund provision states that "treatment cost is not
19 refundable," there is no definition or description of treatment other than a broad statement that treatment
20 may include "laboratory procedures, examinations, and medical recovery procedures all off-site." Mr.
21 Garey never received any "treatment." Defendant never informed Mr. Garey as to how treatment costs
22 would be deducted from the \$25,000 deposit.

23 12. To this day, Defendant has been uncooperative and has not explained the basis for
24 keeping a deposit of \$25,000 even though Defendant failed to perform per any prior communications
25 with Mr. Garey, and was not required to admit Mr. Garey to her facilities for treatment.

26 //

27 //

28 //

1 **JURISDICTION AND VENUE**

2 13. Plaintiff Brian Garey is informed and believes and thereupon alleges that Defendant Kat
3 Conway is an individual and owner of the facility doing business as The Scott.

4 14. The true names and capacities of Defendants Does One through Ten, which are fictitious
5 names, are unknown to Mr. Garey, and Mr. Garey will seek leave of court to amend this complaint to
6 allege such names and capacities as soon as they are ascertained.

7 15. Mr. Garey is informed and believes and thereupon alleges that Defendant resides in
8 California, does business in the State of California, and thus has such minimum contacts such that this
9 court can exercise personal jurisdiction over Defendant.

10 16. Mr. Garey is informed and believes that venue is proper in Los Angeles County in the
11 State of California, as Defendant resides in this county, or payment was due and paid in this county.

12 17. Per the requirements for standing under the Consumers Legal Remedies Act, Mr. Garey
13 has provided a 30 day notice to Defendant, Ms. Conway, who has been uncooperative and has failed to
14 correct, repair, replace, or remedy the harm.

15
16 **FIRST CAUSE OF ACTION: FRAUDULENT MISREPRESENTATION**

17 18. Plaintiff incorporates by this reference each and all of the allegations contained above in this
18 complaint, as fully as though set forth at length herein.

19 19. On or about January 11, 2014, Defendant knowing the representation to be false and with the
20 intent to deceive plaintiff and to induce him to enter into the contract, falsely and fraudulently
21 represented to plaintiff that she would offer to provide the court with multiple letters from
22 “professionals” presumably working for “her company,” that “[Defendant] will have [Mr. Garey] do an
23 assessment” before writing the “letter,” which would “better [his] chance[s] of receiving a favorable
24 outcome.”

25 20. The representations made by Defendant were in fact false. The true facts were that Defendant did
26 not intend to have professionals conduct an assessment with Plaintiff nor did Defendant intend to
27 provide Plaintiff with letters drafted by the alleged professionals. Even if one presumes that a telephone
28 conversation is enough to write a professional letter of recommendation, such letters were never

1 received by the court.

2 21. Mr. Garey, at the time these representations were made by the Defendant and at the time Mr.
3 Garey transferred the funds to Defendant, was ignorant of the falsity of the defendant's representations
4 and believed them to be true. In reliance on these representations, Mr. Garey was induced to wire a
5 \$25,000 deposit to Defendant. Had the plaintiff known the actual facts, he would not have taken such
6 action. Mr. Garey's reliance on the defendant's representations was justified because Defendant
7 represented herself as "CEO & Director of Business Affairs" of "The Scott" and represented Mr. Garey
8 as "an ideal candidate for [the] Treatment Home Healthcare Plan," that she alleged to be "adopted from
9 the US Medical Boards" in which they "specialize in," and will "better his chance of receiving a
10 favorable outcome."

11 22. The aforementioned conduct of Defendant was an intentional misrepresentation, deceit, or
12 concealment of a material fact known to Defendant with the intention on the part of the Defendant of
13 thereby depriving Mr. Garey of property or legal rights or otherwise causing injury, and was despicable
14 conduct that subjected Mr. Garey to a cruel and unjust hardship in conscious disregard of his rights, so
15 as to justify an award of exemplary and punitive damages.

16 23. As a proximate result of Defendant's fraud and deceit and the facts herein alleged, plaintiff's
17 deposit in the amount of \$25,000 has been withheld by the Defendant.

18
19 **SECOND CAUSE OF ACTION: RESCISSION**

20 24. Plaintiff incorporates by this reference each and all of the allegations contained above in this
21 complaint, as fully as though set forth at length herein.

22 25. The ground for rescission of the contract is that at the time the contract was made, Defendant
23 misrepresented material facts concerning the contract with intent to induce Mr. Garey to enter into the
24 contract. Specifically, even though Defendant knew at the time that her statements are false, she stated
25 that professionals working for her company would conduct assessments with Mr. Garey, who would
26 thereafter write letters of recommendations to the court, when in fact no professionals conducted an
27 assessment, except "counselor" Denise, and no letters of recommendations were sent to the court.

1 Garey, citing the Agreement.

2 31. The aforementioned violations of the Civil Code by Defendant were willful and oppressive.
3 Plaintiff is therefore entitled to punitive damages.

4
5 **FOURTH CAUSE OF ACTION: CONVERSION**

6 32. Plaintiff incorporates by reference each and all of the allegations contained above in this
7 complaint, as fully as though set forth at length herein.

8 33. At all times herein mentioned, and in particular on or about January 15, 2014, plaintiff was, and
9 still is, the owner and was, and still is, entitled to the possession of the following personal property,
10 namely: \$25,000.

11 34. On or about January 15, 2014, and at Los Angeles, Los Angeles County, California, the property
12 described above had a value of \$25,000.

13 35. On or about January 15, 2014, Defendant took the property described above from plaintiff's
14 possession and converted the same to her own use.

15 36. On or about May 22, 2014, Plaintiff by email demanded the immediate return of the above-
16 mentioned property but Defendant failed and refused, and continues to fail and refuse, to return the
17 property to plaintiff. (A copy of the Plaintiff's written demand for return of the property is attached
18 hereto as **Exhibit B** and made a part hereof).

19 37. The Defendant's acts alleged above were willful, wanton, malicious, and oppressive, [were
20 undertaken with the intent to defraud,] and justify the awarding of exemplary and punitive damages.

21
22 **FIFTH CAUSE OF ACTION: CAL. BUS. & PROF. CODE § 17200**

23 38. As of January 15, 2012, Defendant has committed acts of unfair competition, as defined by
24 Business and Professions Code section 17200 in that Defendant duped Mr. Garey into depositing
25 \$25,000 into Defendant's bank account with the understanding that she would provide "professional
26 assessments" and "letters of recommendations" that will "better [his] chance[s] of receiving a favorable
27 outcome."

28 39. Defendant's fraudulent misrepresentation, as described in paragraphs 19 through 21 above,

1 violate Business and Professions Code section 17200 in the following respects:

2 40. Defendant unlawfully, unfairly, and fraudulently withheld \$25,000 based on an ambiguous
3 provision in an agreement, which states that “treatment cost is not refundable,” despite the fact that
4 Defendant did not provide Mr. Garey with any treatment. This constitutes a fraudulent business act or
5 practice within the meaning of Business and Professions Code section 17200.

6 **PRAYER FOR RELIEF**

7 WHEREFORE, Plaintiff prays for judgment against Defendant as follows:

- 8 1. That Defendant be required to make restitution to Plaintiff of any and all money paid by the
9 Plaintiff.
- 10 2. For interest at the legal rate on the foregoing sum pursuant to Section 3287(a) of the Civil Code,
11 from and after May 22, 2014.
- 12 3. For costs of suit herein, including reasonable attorney fees.
- 13 4. For punitive damages.
- 14 5. For such other and further relief as to the court may deem proper.

15 Dated: October 7, 2014

JAFARI LAW GROUP, INC.

17 

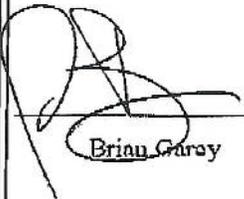
20 _____
David Jafari, Attorney

21 I, Brian Garey, declare:

- 22 1. I am the plaintiff in this action.
- 23 2. I declare that the complaint therein is being filed concurrently with the filing of this declaration
24 in a proper place for the trial thereof, which is in the County of Los Angeles, California.
- 25 3. I have read the forgoing complaint and know the contents thereof. The same is true of my
26 knowledge, except as to those matters which are therein alleged on information and belief, and as to
27 those matters, I believe it to be true.
- 28

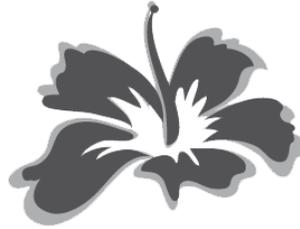
1 4. I declare under penalty of perjury under the laws of the State of California that the foregoing is true
2 and correct.

3
4 Dated: 10-6-14

5 
6
7 Brian Garay

8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

EXHIBIT A



THE SCOTT

— TREATMENT DES CIERGES —

THE SCOTT TREATMENT DES CIERGES

www.the-scott.com

info@the-scott.com

888.827.7736

Member of NAATP & WAATME

MEDICAL TREATMENT AND FINANCIAL AGREEMENT

Thank you for choosing The Scott. We are committed to providing you with quality and medical care and recovery off-site. We ask that you read, sign and return this form to us prior to your admission into recovery.

CONSENT FOR MEDICAL TREATMENT:

Guest, or Guest's legal representative, agrees to the following terms of recovery:

I, the Guest or authorized representative, consent to any examination, evaluation and treatment regarding any illness, injury and/or other health concern affecting me at any time I am present at The Scott for recovery. These services may include, but are not limited

to, laboratory procedures, examinations, and medical and/or recovery or procedures all off-site.

FINANCIAL POLICY:

- All guests must provide to The Scott accurate and complete personal information prior to admission.
- Payment is required prior to admission and may be in the form of wire transfer for IRS purposes. The Scott may disclose all or part of a Guest's medical or financial records (including information related to alcohol and drug abuse, mental health diagnosis and recovery, HIV related or other communicable disease related information) to third parties to obtain payment for services provided to you, the Guest.
- Treatment Cost is non-refundable
- In all cases we require the guarantor, the person who is financially responsible, to be personally liable for all balances.
- The Scott believes the fees associated with its services are reasonable and customary fees for our region and specialty. If your insurance provider uses a different fee schedule, you may be responsible for any remaining balance(s).
- The Scott may charge reasonable fees for services related to your account including, but not limited to, returned check fees, interest on unpaid accounts and copies of medical or recovery records.
- Should The Scott find it necessary to forward an account balance to a collection agency, the guarantor, the person who is financially responsible for all charges incurred from the said agency. If sent to collections do to lack of payment you will be charged a minimum of 45% in addition to the balance owed as well as all other collection fee(s). Once sent to collections we will no longer be able to make payment arrangements it will have to be done through the collection agency assigned to your case.
- Your personal information will be confirmed prior to discharge to verify the information currently on file is correct.

I understand this medical treatment agreement and financial agreement will be valid for all services provided at The Scott from the date signed forward. I have read and understand the medical recovery and financial agreement and agree to follow the terms as provided within.

Also, by signing this form states I have read and received a copy of the Notice of Privacy Practices.

I am the Guest, the parent of a minor child, or the legally authorized representative of the Guest and am duly authorized to act on behalf of the Guest and to sign this agreement.

Name: _____

Signature: _____

Date: _____

Printed Name Witness:

Witness Signature: _____

Date: _____

THE SCOTT TREATMENT DES CIERGES
Notice of Privacy Practices
(Health Insurance Portability and Accountability Act Provisions)

THIS NOTICE DESCRIBES HOW MEDICAL INFORMATION ABOUT YOU MAY BE USED AND DISCLOSED AND HOW YOU CAN GET ACCESS TO THIS INFORMATION. PLEASE REVIEW IT CAREFULLY.

Protecting your privacy...

Psychologists have always managed psychological records with great concern for privacy and confidentiality. Although the security of psychological records has continuously been addressed by Psychology Codes of Ethics as well as State and Federal laws, the rules have been considerably strengthened by the provisions of the Health Insurance Portability and Accountability Act (HIPAA). The following information provides details about the provisions of the HIPAA and your rights concerning privacy and your psychological records.

Who will observe these rules?

The following individuals are required by HIPAA to comply with the privacy rules:

- Your treating psychologist. This includes The Scott and/or anyone else with whom you consult for regular appointments.
 - 1 • Any administrative assistant or office staff who may have some access to your identifying information (such as your name, address, telephone number, etc.).
 - 2 • Any billing agency or collection agency that handles information about you (name, address, diagnostic codes, recovery codes, consultation dates, but not actual clinical records).

Your Rights Regarding Medical Information About You

You have the following rights regarding your medical information:

The right to inspect and obtain a copy of your medical record:

Professional records constitute an important part of the therapy process and help with the continuity of care over time. According to the rules of HIPAA, your consultations are documented in two ways: 1) The *clinical record* (required) may include the date of your consultations, your reasons for seeking therapy, diagnosis, therapeutic goals, recovery plan, progress, medical and social history, recovery history, functional status, any past records from other providers, as well as any reports to your insurance carrier; 2) *Psychotherapy notes* (optional), consisting of the specific content or analysis of therapy conversations, how they impact the therapy (including sensitive information that you may reveal that is not required to be included in your clinical record), and notes of your therapist that may assist in recovery. Psychotherapy notes are kept separately from your clinical record in order to maximize privacy and security.

You have the right to inspect and obtain a copy of your *clinical record*. Viewing the record is best done during a professional consultation in order to clarify any questions that you might have at the time.

You may be charged a nominal fee for accessing and photocopying the record. *Psychotherapy notes*, however, if they are created, are not disclosed to third parties, HMOs, insurance companies, billing agencies, clients, or anyone else. They are for the use of a treating therapist in tracking the many details of the consultations that are far too specific to be entered into the clinical record.

The right to request a correction or add and addendum to your psychological record

If you believe that there is an inaccuracy in your clinical record you may request a correction. If the information is accurate, however, or if it has been provided by a third party (previous therapist, primary care physician, etc), it may remain unchanged, and the request may be denied. In this case you will receive an explanation in writing with a full description of the rationale. You also have the right to make an addition to your record if you think it is incomplete.

The right to an accounting of disclosures of your psychological information to third parties

You have the right to know if, when, and to whom your psychological information has been disclosed (exclusive of recovery, payment, and health care operations). However, you likely would already be aware of this, as you would have signed consent forms allowing such disclosures (e.g., disclosures to other psychotherapists, primary care physicians, specialists, etc.). This accounting must extend back for a period of six years.

The right to request restrictions on how your information is used

You have the right to request restrictions on certain uses or disclosures of your psychological information. These requests must be in writing. These requests will most likely be honored, although in some cases they may be denied. The Scott does not use or release your protected health information for marketing purposes or any other purpose aside from recovery, payment, healthcare operations, and other exceptions specified in this notice.

The right to request confidential communications

You have the right to request that your therapist communicate with you about your recovery in a certain way or at a certain location. For example, you may prefer to be contacted at work instead of at home to schedule or cancel an appointment, or you may wish to receive billing statements at a post office box rather than your home address.

The right to receive a copy of this notice upon request

You have the right to have a copy of this Notice of Privacy Practices.

The right to file a complaint

You have the right to file a complaint if you believe your privacy rights have been violated. You must do so in writing. Your complaint may be addressed to the Secretary of the Department of Health and Human Services.

How I May Use and Disclose Psychological Information about You

For recovery

I will use psychological information about you to assist in the continuity of recovery and services. This information will not be shared with other health care professionals, however, unless you specifically request or agree to it and sign a consent form to that effect.

For payment

I may use and disclose psychological information about you for billing purposes. This is generally restricted to your name and other personal identifiers (address, and other relevant information such as social security number or Medicare number, or other needed information), diagnostic and recovery codes, dates of services, and similar information.

For health care operations

I may share basic identifying information with an administrative assistant or other office staff to assist in scheduling or other recovery procedures. This would not normally include the contents of your psychological record.

As required by law

It is possible (but unlikely) that the Department of Health and Human Services may review how I comply with the regulations of HIPAA. In such a case, your personal health information could be revealed as a part of providing evidence of compliance.

Business associates

I may contract with a billing agency or attorneys to attend to business aspects on an as-needed basis. In this case, there will be a written contract in place with the agency requiring that it maintain the security of your information, in compliance with the rules of HIPAA.

Changes to this Notice

Please note that this privacy notice may be revised from time to time. You will be notified of changes in the laws concerning privacy or your rights as I become aware of them. In the meantime, please do not hesitate to raise any questions or concerns about confidentiality with me at any time.

I have read and have received a copy of this document: Health Insurance Portability and Accountability Act Provisions.

Name

Date

**THE SCOTT TREATMENT DES CIERGES
Authorization for Release of Information**

I, _____ hereby authorize The Scott to release the clinical records and information pertaining to my mental health history, recovery, and services rendered to:

I understand that this authorization will become effective immediately and will remain in effect until termination of therapy with The Scott unless I request otherwise. I may withdraw this consent at any time. If withdrawn, I understand that The Scott may not further use or disclose the medical information unless another authorization is obtained from me or unless such use or disclosure is specifically required or permitted by law.

I also agree to pay any fees, if applicable, associated with copying, reviewing, faxing and mailing of records.

Printed Name: _____

Date: _____

Signature _____

Additional Release of Information

Complete to allow your other provider(s) to consult with me, if applicable.

In addition, I authorize _____ to release clinical records and information pertaining to my mental

_____ health history, recovery, and services rendered to The Scott

Signature:

Printed Name: _____

Date_____

Additional Release of Information

Complete to allow your other provider(s) to consult with me, if applicable.

In addition, I authorize _____ to release clinical records

_____ and information pertaining to my mental health history, recovery, and services rendered to The Scott.

Signature:

_____ Date_____

Printed Name: _____

Guest Agreement and Conditions of Admission

The Guest or his/her representative agrees to the following terms and conditions upon admission to The Scott

1. Medical Consent: The Guest is under the care of his/her attending medical providers. I consent to any laboratory procedures, medical recovery or facility services rendered under the general and special instructions of the medical providers. I further acknowledge that some of the recovery may be rendered by supervised interns, Physician Assistants, Nurse Practitioners and students under appropriate supervision of the Medical Director.

The facility is not liable for any act or omission in following the instructions of physicians who are not employees or Independent Contractors of THE SCOTT.

2. Consent to recovery and services provided. I understand that I will be treated using an interdisciplinary approach to recovery and services including, where indicated, medicine, psychiatry, psychology, individual and group psychotherapy, exercise and fitness therapy, nutrition, various expressive modalities (e.g., anger, grief and trauma work and spiritual components).

3. Transfer Agreement: In the event of a psychiatric or medical emergency, I grant permission for THE SCOTT to transfer me to another facility at the discretion of the Medical Director, including the release of all pertinent medical information. (This includes transportation via ambulance.)

4. Personal Search Consent: I grant permission for THE SCOTT personnel to inspect my personal belongings at any time, and to remove any chemicals or other dangerous inappropriate clothing, substances or objects. In addition I grant permission to THE SCOTT to conduct random drug screens during my recovery.

5. Personal Valuables: It is understood and agreed that THE SCOTT maintains a safe for the safekeeping of money and valuables. THE SCOTT shall not be liable for the loss or damage to any money, jewelry, glasses dentures, documents, or other articles of unusual value unless placed therein, and shall not be liable for loss or damage to any other personal property, unless deposited within the facility for safekeeping.

Personal belongings placed in safe Use of safe is declined at this time. _____ (Guest/representative initials)

6. Photograph: I hereby grant permission for THE SCOTT to take my photograph for identification purposes.

7. Guest Rights, Responsibilities and Behavior: I acknowledge I have read and received a copy of the Guest Rights and Responsibilities Code and understand the information regarding rights, responsibilities and behavior as a Guest. I further acknowledge that violations of Guest responsibilities and applicable rules governing THE SCOTT may result in my discharge prior to completion of the program.

8. Property Damage: I acknowledge that I am financially and legally responsible for any personal injuries, economic damages or property damages caused by me during my stay at THE SCOTT.

9. Guarantee and Responsibility for Payment: I agree that consideration of the services to be rendered to me, I shall pay my account with THE SCOTT in full in accordance with regular rates and terms of THE SCOTT. Should my account be referred to collections, I agree to pay THE SCOTT reasonable attorney's fee and collection expenses.

10. Assignment of Insurance Benefits or Employee Benefit Plan Benefits: If my account is unpaid, I hereby assign THE SCOTT any benefit or monies payable by my insurance company or employee benefit plan.

11. Fees assessed for Services: Prevailing fees for services are published in the current fee schedule and are subject to change.

12. Payment Provisions/Action to Collect: I understand that although THE SCOTT may file my insurance or employee benefit claim on my behalf, payment to THE SCOTT remains my responsibility. I understand that THE SCOTT may obtain my credit report for purposes of collecting this debt. I further understand that if I default on my obligation to pay THE SCOTT, this action may result in a collection item and/or judgment against me and will be reported as such to the appropriate credit agencies.

13. Refund Policy: It is not the policy of the THE SCOTT to grant refunds under any circumstances.

14. Privacy Practices (HIPAA Disclosure): I hereby acknowledge that I have been offered a copy and have been given the opportunity to read THE SCOTT's Notice of Privacy Practices. I understand that if I have questions regarding the Privacy Notice or my privacy rights, I may contact the Privacy Officer.

Guest declines a copy of the Notice _____ (Guest/representative initials) Copy of Notice given to Guest.

15. Temporary Authorization to Release Health Information: The following person(s) may be notified during the next 48 hours of: a.) my admission to THE SCOTT; b.) an emergency/medical situation; c.) should I decide to leave recovery within the next 48 hours

_____	_____	_____
Family Member/Significant Other	Relationship	Phone Number
_____	_____	_____
Family Member/Significant Other	Relationship	Phone Number
_____	_____	_____
Referring Health Care Professional	Relationship	Phone Number

16. Those actions, circumstances or conditions which may result in resident eviction from facility. I understand that violence or threats of violence against me, other residents or staff; Relapse and consumption of alcohol and/or non health sustaining drugs or any violation of THE SCOTT's Policy and Procedures may result in my eviction from the facility.

17. Relapses and consumption of alcohol and/or non health sustaining drugs: I understand that should I relapse while in recovery, and or consume alcohol and/or non health sustaining drugs the status of my recovery will be reviewed and my include a recovery contract, referral to another facility, administrative discharge or a combination thereof.

18. Grievance procedure: It is the policy of THE SCOTT to provide access to a grievance procedure to all clients and family members to include grievances to The Scott facility and Residential Programs Compliance Branch.

I certify that I have read and received a copy of this document and am the Guest, or am authorized by the Guest's representative to execute the above and accept its terms.

Guest: _____

Guest's Representative: _____ Relationship to Guest: _____

Time of Signing: _____, 20 ____, Hour ____ M. ____

Witness: _____

This agreement shall in all respects be interpreted, enforced and governed by the laws in the State of Hawaii. In the event that any dispute arises hereunder, the Guest and/or representative party agrees that such dispute shall be heard in the State of Hawaii/ Superior Court, and the Guest and/or representative party further agrees that the foregoing Court shall have personal jurisdiction over them with respect to such matters.

EXHIBIT B

August 15, 2014

VIA CERTIFIED MAIL & EMAIL:
rosenblitlawyer@gmail.com

Kathleen Marie Conway
d/b/a The Scott
Attn: Joseph Rosenblit, Esq.
1370 N. Brea Blvd., Suite 245,
Fullerton, CA 92835

**RE: NOTICE OF VIOLATION OF CALIFORNIA CONSUMERS LEGAL
REMEDIES ACT AND 30 DAY RIGHT TO CURE UNDER SECTION 1782.**

Dear Mr. Rosenblit,

PLEASE TAKE NOTICE that the above referenced party, your client, is in violation of the California Consumers Legal Remedies Act (California Civil Code Section 1750 et seq. hereinafter "the ACT"). This letter constitutes notice under the ACT, pursuant to Civil Code section 1782, hereby notifying Kathleen Conway, d/b/a The Scott, of violations of the ACT and of Brian Garey's demand that your client remedy such violation within thirty (30) calendar days from your receipt of this letter.

Specifically, your client is hereby notified that starting on or about January of 2014, in carrying out the terms of a transaction your client entered with Mr. Garey, namely an agreement for services advertised as addiction and alcohol treatment including drafting of letters of recommendation from healthcare professionals, your client violated the provisions of the California Consumers Legal Remedies Act by, among other acts, refusing to return a \$25,000 deposit despite having rendered no services.

Please be advised that your client's unfair methods of competitions or unfair or deceptive acts or practices in violation of the CLRA include, but are not limited to:

- 1) Misrepresenting the affiliation, connection, or association with, or certification by, another;
- 2) Representing that goods or services have sponsorship, approval, or characteristics, which they do not have;
- 3) Advertising services with intent not to provide them as advertised;
- 4) Representing that the subject of a transaction has been supplied in accordance with a previous representation when it has not; and
- 5) Inserting an unconscionable provision in the contract.

Despite repeated attempts for a resolution, none has been forth coming; Kathleen Conway has failed to honor her costumer protection obligations and has failed to refund Mr. Garey's money as requested.

Your client should be aware that the court will award court costs and attorney's fees to a prevailing plaintiff pursuant to Civ. Code Sec. 1780. Furthermore, this section of the code states that "[a]ny consumer who suffers any damage as a result of the use or employment by any person of a method, act, or practice declared to be unlawful by Section 1770 may bring an action against that person to recover or obtain... actual damages... restitution... [and] punitive damages."

If your client decides to remedy said violations please contact our office at the number and address indicated above prior to expiration of 30 days from the day of receipt of this letter.

Respectfully,

A handwritten signature in blue ink, appearing to read 'Saul Acherman', with a long horizontal flourish extending to the right.

Saul Acherman