January 24, 2005

To: 
From: June Rosenberry  
       Refund Coordinator  
       Nantucket Southern California

Fax: 
Fax: 323 871 8874 office  
Tel: 323 871 8644 office 
     818 781 7406 home

Regarding: Refund for [redacted] stay  
Attachments: Acknowledgement of Refund and Release

Dear Debra and James,

Please sign and return by fax to us at 323 871 8874 the attached 2-page ACKNOWLEDGEMENT OF REFUND AND RELEASE in order for us to send your refund check.

If you have any questions you can reach me at the office or at my home office at the numbers listed above.

I hope [redacted] is doing well at this time.

Sincerely,

[Signature]

June Rosenberry  
Refund Coordinator
ACKNOWLEDGEMENT OF REFUND AND RELEASE

The acknowledgement of refund and release ("Agreement") made as of January 24, 2005 between Narconon Southern California with offices located at 1810 W. Oceanfront, Newport Beach, California 92663 and [redacted] ("Claimant"). Narconon Southern California and Claimant are collectively referred to as (The Parties).

Whereas, Claimant entered into a written agreement with Narconon Southern California for alcohol and drug rehabilitation services from Narconon Southern California on or about October 27, 2004.

Whereas, pursuant to such agreement, such services were commenced on or about November 8, 2004 and continued for approximately 12 days.

Whereas, Claimant desired to terminate such services on or about November 8, 2004 and the Parties have mutually agreed to terminate such services and to refund the unused portion of the fees which Claimant paid to Narconon Southern California, on terms to which the Parties have agreed.

Whereas, The Parties desire to memorialize those terms,

Now, therefore, in consideration of $20,000 paid as follows:
$20,000 paid by Narconon Southern California on approximately January 24, 2005 and in consideration of the promises and the mutual covenants and agreements set forth herein,

The Parties hereby agree as follows:

1. Claimant agrees to be strictly bound by the obligations set forth herein and acknowledges that a breach thereof will require Claimant to repay any and all moneys refunded to him.

2. Claimant agrees not to make any disparaging or deprecating remarks about Narconon Southern California, its directors, officers, shareholders, employees, or other organizations such as but not limited to Narconon International, the Association for Better Living and Education, or L. Ron Hubbard and his Estate, nor assist any other party or organization in such activities.

3. Narconon Southern California agrees not to make any disparaging or deprecating remarks about Claimant.

4. Claimant for an in consideration of the sum of twenty thousand dollars ($20,000) the receipt of which is acknowledged or if full refund has not been received at the time of signing this agreement the full refund will become acknowledged upon Claimant ceding Narconon Southern California's check or checks, have remitted, released and forever discharged and by the execution of this instrument does for themselves, their heirs, executors, administrators, and assigns, remise, release, and forever discharge the said Narconon Southern California, Narconon International, the Association for Better Living and Education, or L. Ron Hubbard and his Estate; as well as Narconon Southern California's directors, officers, employees as well as their heirs, executors, administrators, successors, and assigns from any and all manner of action and actions, cause and causes of action, suits, debts, claims and demands whatsoever, in law or in equity, against Narconon Southern California, are or were ever possessed and more specifically any cause of action arising out of the care and treatment of Claimant at Narconon Southern California.
5. Claimant further agrees not to assist or support in any way any other party or organization in claims against Narconon Southern California, Narconon International, Association for Better Living and Education or L. Ron Hubbard or his estate.

6. Claimant further agrees that the terms of this agreement are confidential and no statement will be made to any other party concerning the fact of this agreement or of its terms.

7. This agreement is the entire agreement between The Parties and shall be governed and construed in accordance with California law.

8. Claimant waives the provision of California Civil Section 1542 which provides "A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor."

9. Claimant understands that this Agreement signifies settlement of the disputed claims and does not constitute an admission by any of the released parties of any wrongdoing and that such released parties expressly deny the validity of such claims.

10. Claimant acknowledges and affirms that we have carefully read this release and waiver and that we sign it of our own free will without duress from the released parties or anyone else.

11. In the event any provision hereof be unenforceable, such provision shall not affect the enforceability of any other provision hereof.

We declare under penalty of perjury under the laws of the State of California and, if different, under the law of the state and country in which the parties are located that the foregoing is true and correct.

This agreement may be executed in counterparts.

In witness whereof, the parties hereto have caused this Agreement to be executed by their duly authorized officers or individuals.

Narconon Southern California

By: _______________________________
Title: _______________________________
Date: _______________________________

Claimant

Printed Name

Signature

Date