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FILED
SUPERIOR COURT OF CALIFORNIA
COUNTY OF RIVERSIDE
MAY 19 2009
A. Sanchez

CDH
MAY 19 2009
LF

Attorneys for Plaintiffs
ROBERT K. MEGARGEL and NICHOLAS MEGARGEL

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF RIVERSIDE**

ROBERT K. MEGARGEL, an individual and
California resident; and NICHOLAS
MEGARGEL, an individual and foreign
resident;

v.

NARCONON SOUTHERN CALIFORNIA, a
California corporation; and DOES 1
THROUGH 50,
Defendants.

CASE NO. **RIC 526927**

COMPLAINT FOR:

- 1. NEGLIGENCE
- 2. BREACH OF CONTRACT
- 3. RESCISSION
- 4. RESTITUTION
- 5. QUANTUM MERUIT
- 6. DECLARATORY RELIEF

Plaintiffs Robert K. Megargel and Nicholas Megargel, by and through their attorneys,
Walsh & Furcolo LLP, allege as follows:

GENERAL ALLEGATIONS

- 1. Plaintiff Robert Megargel is an individual whose domicile is the state of California, and is a resident of Riverside County, California.
- 2. Plaintiff Nicholas Megargel is an individual whose domicile is the state of Washington.
- 3. Narconon of Southern California (Narconon) is a California corporation with its principal place of business located at 41743 Enterprise Circle North in Temecula, California.
- 4. The true names and capacities whether individual, corporate, associate or

1 otherwise, of defendants DOES 1 through 50 inclusive, are unknown to plaintiffs at this time.
2 Accordingly, plaintiffs sue the aforementioned defendants by such fictitious names, and will
3 request leave of court to amend this complaint to show the true names and capacities when the
4 same have been ascertained.

5 5. Plaintiffs are informed and believe and herein allege that each of the defendants
6 designated herein as a DOE are responsible in some manner for the events and happenings herein
7 referred to and which proximately caused damages to plaintiffs, as hereinafter alleged.

8 6. On May 6, 2008, plaintiff Robert Megargel and Narconon entered into a written
9 agreement styled as an Admission Agreement executed by the parties on May 6, 2008 (appended
10 hereto as Exhibit A). The purpose of the agreement was for Narconon to provide drug
11 rehabilitation to plaintiff Nicholas Megargel in consideration for plaintiff Robert Megargel to
12 pay \$29,000.00, which was tendered in full to Narconon.

13 7. Plaintiff Nicholas Megargel's substance addiction developed in part during the
14 time he was engaged in a personal relationship with one Barbara Meyer. Plaintiffs are informed
15 and believe and herein allege that Barbara Meyer and/or someone acting on her behalf also
16 entered into a written agreement with defendant Narconon for the purpose of obtaining drug
17 rehabilitation.

18 8. It was represented to and understood by plaintiff Robert Megargel that plaintiff
19 Nicholas Megargel would be admitted and housed in the Narconon facility at Fort Collins,
20 Colorado; while Barbara Meyer would be admitted and housed at a separate Narconon facility in
21 another state due to the nature of their personal relationship and their joint development of a
22 substance-abuse condition, in accordance with the standard of care applicable to a drug-treatment
23 and remediation center.

24 9. On or about May 5, 2008, plaintiff Nicholas Megargel entered the Narconon
25 facility located at 1225 Redwood Street in Fort Collins, Colorado. On about the same date,
26 Barbara Meyer also entered the Narconon facility located at 1225 Redwood Street in Fort
27 Collins, Colorado.

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1 rehabilitation to plaintiff Nicholas Megargel at a cost to plaintiff Robert Megargel of \$29,000.00.
2 Implied in the contract was an obligation that plaintiff Nicholas Megargel and Barbara Meyer,
3 whose drug-abuse habits were jointly developed as a result of a personal relationship, would not
4 be admitted to and housed concurrently at the same Narconon drug-rehabilitation facility in Fort
5 Collins, Colorado.

6 24. The consideration received from defendants failed in whole or in part through the
7 fault of the party against whom plaintiff Robert Megargel rescinds because the consideration —
8 namely admitting and housing plaintiff Nicholas Megargel and Barbara Meyer in separate
9 Narconon drug-rehabilitation facilities in different states — did not take place. On the contrary,
10 plaintiff Nicholas Megargel and Barbara Meyer shared the Narconon facility, in violation of the
11 standard of care applicable to a drug-rehabilitation institution.

12 25. The joint admission and concurrent housing of plaintiff Nicholas Megargel and
13 Barbara Meyer in the same Narconon facility by defendants and each of them frustrated the
14 whole purpose of the written contract.

15 26. Because plaintiff Robert Megargel's performance was conditioned on defendants'
16 housing plaintiff Nicholas Megargel and Barbara Meyer in separate facilities located in different
17 states, plaintiff Robert Megargel is entitled to rescind the contract based on defendants' failure of
18 consideration.

19 27. Through the filing of this lawsuit, plaintiff Robert Megargel hereby provides to
20 defendants notice of rescission of the written contract.

21 **FOURTH CAUSE OF ACTION**

22 **Restitution**

23 **(As Against All Defendants by Plaintiff Robert Megargel)**

24 28. Plaintiffs hereby incorporate all previous paragraphs of this complaint as though
25 fully set forth herein.

26 29. Defendants received \$29,000.00 from plaintiff Robert Megargel, pursuant to the
27 written contract. Plaintiff Robert Megargel, however, through this complaint has provided notice
28 of rescission of the contract.

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that the written contract at bench is rescinded due to failure of consideration, and that plaintiff Robert Megargel is entitled to restitution of \$29,000.00 from defendants; or alternatively restitution of \$29,000.00 subtracting any amount due to defendants based on *quantum meruit*.

6. For cost of suit incurred herein.

7. For such other and further relief as the court deems proper and appropriate by the court.

DATED: May 15, 2009

WALSH & FURCOLO LLP

By: James T. Derfler
John H. Walsh, Esq.
James T. Derfler, Esq.
Attorneys for Plaintiffs
ROBERT K. MEGARGEL and NICHOLAS
MEGARGEL