

STATE OF MICHIGAN  
IN THE 13<sup>TH</sup> CIRCUIT COURT FOR THE COUNTY OF GRAND TRAVERSE

KATHLEEN J. WICKSTROM,  
  
Plaintiff,

26654  
Case No. 08- -CZ  
Hon.

v

PER A. WICKSTROM, Individually,  
TIA CORPORATION, a Michigan corporation,  
NARCONON STONE HAWK REHABILITATION  
CENTER, INC., a Michigan non-profit corporation, and  
NARCONON INTERNATIONAL, a foreign non-profit corporation,

Jointly and Severally as Co-Defendants.



---

Joseph E. Quandt (P49739)  
Gregory J. Donahue (P54232)  
Mattis D. Nordfjord (P69780)  
Zimmerman, Kuhn, Darling,  
Boyd, Quandt, and Phelps, PLC  
Attorneys for Plaintiff  
412 South Union Street, P.O. Box 987  
Traverse City, MI 49685-0987  
(231) 947-7900

---

COMPLAINT

THERE IS NO OTHER PENDING OR RESOLVED CIVIL ACTION  
ARISING OUT OF THE TRANSACTION OR OCCURRENCE  
ALLEGED IN THE COMPLAINT.

NOW COMES Plaintiff, KATHLEEN J. WICKSTROM an individual, by and  
through her attorneys Zimmerman, Kuhn, Darling, Boyd, Quandt & Phelps, PLC, for her  
Complaint against the Defendants, PER A. WICKSTROM an individual, TIA  
CORPORATION a Michigan corporation, NARCONON STONE HAWK  
REHABILITATION CENTER, INC. a Michigan non-profit corporation, and  
NARCONON INTERNATIONAL a foreign non-profit corporation, state the following:

### INTRODUCTION

1. This action arises out of the sale of Plaintiff's interest in two substance abuse rehabilitation facilities to Defendant Per A. Wickstrom (hereinafter "Per Wickstrom"). Defendant Per Wickstrom has defaulted in his obligations under the Agreements with Plaintiff; further, Per Wickstrom's related corporations have also defaulted in their obligations to Plaintiff (TIA Corporation (hereinafter "TIA") and Narconon Stone Hawk Rehabilitation Center, Inc., (hereinafter "Stone Hawk")). Finally, Defendant Narconon International (hereinafter "Narconon"), a licensor of the rehabilitation facilities, has upon information and belief, conspired with Defendant Per Wickstrom in the several, respective breaches of Defendants Per Wickstrom, TIA and Stone Hawk.

### JURISDICTION AND VENUE

2. Plaintiff, Kathleen J. Wickstrom (hereinafter "Kathleen Wickstrom"), is a Michigan resident.
3. Upon information and belief, Defendant Per Wickstrom resides at 6721 N.W. Torch Lake Drive, Kewadin, Antrim County, Michigan.
4. Upon information and belief Defendant TIA is a Michigan corporation doing business at 6721 N.W. Torch Lake Drive, Kewadin, Michigan.
5. Upon information and belief Stone Hawk is a Michigan non-profit corporation with its registered place of business at 216 St. Mary's Lake Rd., Battle Creek, Michigan and is doing business at 809 W. Erie Street, Albion, Michigan.

6. Upon information and belief, Defendant Narconon is a California non-profit corporation having a place of business at 4652 Hollywood Blvd, Los Angeles, California and conducts business in Michigan.
7. Venue is proper in this Court, pursuant to MCL 600.1621 and by the express contractual agreement in the terms of the Escrow and Security Agreement and the Severance and Consultation Agreement; both effective on January 15, 2008 and which state, respectively:

**Governing Law.** This Agreement shall be subject to and governed by the laws of the State of Michigan, without regard to its conflict-of-laws principles. Venue for any action arising out of this agreement shall lie in Grand Traverse County, Michigan (Escrow and Security Agreement, Section 18, attached hereto as **Exhibit "1"**).

**Choice of Law and Forum.** This Agreement will be governed by and interpreted in accordance with the laws of the State of Michigan. Any action arising out of this Agreement or the relationship between the parties established shall be brought only in Grand Traverse County (Severance and Consultation Agreement, Section 8, attached hereto as **Exhibit "2"**).

8. Jurisdiction is proper pursuant to MCL§600.605; as the amount in controversy exceeds Twenty-five Thousand Dollars (\$25,000.00).

#### GENERAL ALLEGATIONS

9. The Plaintiff repeats and realleges all allegations contained in paragraphs 1 through 8 of the Complaint as if fully restated herein.
10. The Plaintiff and Per Wickstrom were parties to a Stock Purchase Agreement, initially executed on December 13, 2007 (attached hereto as **Exhibit "3"**) and further clarified and expanded at the Closing between the parties in transactional

agreements executed on January 15, 2008.

11. Pursuant to the Stock Purchase Agreement, Plaintiff promised to sell and Per Wickstrom promised to purchase Thirty Thousand (30,000) shares of Stock in TIA. The consideration for the sale of Stock is outlined in paragraph 2 of this Agreement, which states:

**Purchase Price.** The consideration for the sale of the Stock is (i) One Million (1,000,000.00) Dollars; (ii) and an in-kind distribution of the Company's [TIA] interest in that certain real estate located in Manistee, Michigan; (iii) Purchaser and/or Company shall assume and pay when due on behalf of Seller that certain indebtedness owed by Seller to Alden State Bank in the amount of approximately Ten Thousand (\$10,000.00) Dollars; and (iv) an earnest money deposit to be paid by Purchaser to Seller in the amount of Ten Thousand (\$10,000.00) Dollars on or before Tuesday, December 18, 2007 (*see* Exhibit "3").

12. That part (C), paragraph 2 of the Stock Purchase Agreement referenced above required the Assignment of Land Contract to the Plaintiff, specifically:

**Assignment of Land Contract.** At Closing, the Company shall execute and deliver to Seller (or an entity named by Seller) an Assignment of Land Contract, upon the terms and conditions and substantially in the form of Exhibit "E" attached hereto (the "Assignment of Land Contract) relating to the Company's interest in that certain Land Contract dated January 19, 2007 between Company and Tendercare (Michigan) Inc. and Manistee Heights Care Center Inc., relating to certain improved real property in the City of Manistee and Township of Filer, Manistee County, Michigan (the "Land Contract")... (*see* Exhibit "3").

13. That in accordance with the Stock Purchase Agreement the Assignment of Land Contract was executed at the Closing on January 15, 2008 (Assignment and Assumption of Purchaser's Interest in Land Contract attached hereto as **Exhibit "4"**).
14. Additional consideration for the sale of stock in the Stock Purchase Agreement



was that:

Purchaser [Per Wickstrom] shall cause: (i) Narconon Stone Hawk Rehabilitation Center, Inc. ("Stone Hawk") to enter into a *Severance and Consultation Agreement with the Seller* [emphasis added] upon the terms and conditions and substantially in the form of Exhibit "F" attached hereto; (ii) Stone Hawk to continue Seller's salary of Eight Thousand (\$8,000.00) Dollars per week until the date of closing; (iii) Company shall pay Seller on Monday December 17, 2007 an amount equal to Ten Thousand (\$10,000.00) Dollars; (iv) Stone Hawk to remove Seller's name from any licenses or permit associated with the operation of Stone Hawk, including, without limitation, any licenses from the State of Michigan or With Narconon International; and (v) Stone Hawk shall maintain the operational status quo until the date of closing...(see Exhibit "3").

15. That part of the consideration provided for the Severance and Consultation Agreement (hereafter "Severance Agreement") included a non-compete and non-solicitation provision:

**Non-Competition; Non-Solicitation.** In consideration of mutual promises contained in this agreement: (i) Employee [Plaintiff] agrees not to open for a period of five (5) years from the date hereof, a NARCONON facility, or any rehabilitation center affiliated with the technology of LRH; (ii) Employer [Stone Hawk] and Employer's Vice President, *Per A. Wickstrom, individually, jointly and severally agree not to own, operate or have an interest in, directly or indirectly, for a period of five (5) years from the date hereof, any rehabilitation center that employs the twelve-step method of treatment* [emphasis added] (see Exhibit "2", Section 4).

16. In accordance with the Stock Purchase Agreement, on January 15, 2008, Per Wickstrom, individually and on behalf of Stone Hawk, executed the Severance Agreement; whereby Plaintiff is to receive bi-weekly installments of Sixteen Thousand (\$16,000.00) Dollars which have not been paid.
17. In accordance with the Stock Purchase Agreement, on January 15, 2008 Per

- Wickstrom executed a Promissory Note (hereafter the "Note") in the amount of Six Hundred Seventy Four Thousand (\$674,000.00) Dollars to the order of Kathleen J. Wickstrom (Note attached hereto as **Exhibit "5"**).
18. According to the Note an installment payment of Twenty-Five Thousand Nine Hundred Twenty-Three and 07/100ths (\$25,923.07) Dollars was due on April 10, 2008 and as of the date of this filing Plaintiff has not received this payment or the subsequent payments due.
  19. That Per Wickstrom has been in default of the Note since April 30, 2008 and notice of this default was sent, along with demand for payment in a letter dated May 12, 2008, attached hereto as **Exhibit "6"**.
  20. In accordance with the Addendum to the Stock Purchase Agreement (hereafter the "Addendum") dated January 15, 2008, Per Wickstom agreed to provide Plaintiff with health insurance through July 2008 and health insurance has not been provided (Addendum attached hereto as **Exhibit "7"**).
  21. That as security for the Note and all other obligations under the Agreements, Plaintiff and Per Wickstrom executed an Escrow and Security Agreement (hereafter the "Escrow Agreement") on January 15, 2008. The Escrow Agreement placed Plaintiff's 30,000 shares of stock in TIA Corporation (the "Stock") in escrow. Under the terms of the Escrow Agreement notice was provided (*see* Exhibit "6") that Per Wickstrom's failure to cure all of the defaults under the Agreements by June 1, 2008 will result in no further right to, title to, or interest of any kind in the Stock (*see* Exhibit "1").
  22. That the terms and conditions set forth in the Agreements have been, to this date,

ignored; resulting in default.

23. That Stone Hawk is a non-profit corporation organized on a non-stock, directorship basis that operates "Narconon" drug treatment centers in Michigan (Articles of Incorporation of Stone Hawk attached hereto as **Exhibit "8"** and the Bylaws of Stone Hawk attached hereto as **Exhibit "9"**).
24. That Stone Hawk entered into a Licensing Agreement with Narconon International for the operation of a Narconon Center under the Narconon trademarks and service marks ("Marks"); License Agreement attached hereto as **Exhibit "10"**.
25. That the License Agreement was terminated in a letter dated June 6, 2008 from Narconon International (letter attached hereto as **Exhibit "11"**).
26. Upon information and belief Narconon collaborated with Per Wickstrom in an attempt to remove Plaintiff from her interest in TIA and Stone Hawk and that this was facilitated, in part, by the termination of the License Agreement referenced in the previous paragraph.
27. Plaintiff and Per Wickstrom were members of the board of directors and officers of Stone Hawk prior to January 15, 2008.
28. That as part of the Closing, Plaintiff resigned as the Executive Director of Stone Hawk on January 15, 2008 (Board Resolution for Officer/Director Resignation attached hereto as **Exhibit "12"**).
29. Upon information and belief Per Wickstrom was removed from the board of directors of Stone Hawk by Narconon and resigned as President as part of the unlawful plan to avoid, reduce or eliminate Stone Hawk's obligations to the

Plaintiff.

30. Upon information and belief Defendants consulted with and among each other at various times regarding the relationship and obligations between Plaintiff and Per Wickstrom.
31. Upon information and belief Per Wickstrom, with the assistance and direction of Narconon International, breached the Agreements with Plaintiff resulting in default; further, upon the advice and direction of Narconon, Stone Hawk failed and refuse to pay the severance payment to Plaintiff or honor its other obligations.
32. Upon information and belief TIA breached the Corporate Guaranty, executed on January 15, 2008; attached hereto as **Exhibit "13"**.
33. Upon information and belief Stone Hawk breached the Severance and Consultation Agreement, executed on January 15, 2008 (*see* Exhibit "2").

**COUNT I – BREACH OF CONTRACT, DEFENDANT PER WICKSTROM**

34. The Plaintiff repeats and realleges all allegations contained in paragraphs 1 through 33 of the Complaint as if fully restated herein.
35. That Per Wickstrom owed the following duties, pursuant to the Agreements referenced above, to the Plaintiff which include but are not limited to the following:
  - (1) Deliver payment on the Note in the amount of Six Hundred Seventy Four Thousand (\$674,000.00) Dollars to the order of Kathleen J. Wickstrom;
  - (2) Provide Plaintiff with health insurance through July 2008;
  - (3) Pay Plaintiff bi-weekly installments of Sixteen Thousand (\$16,000.00) Dollars;
  - (4) Inform the State of Michigan that Plaintiff is no longer affiliated with Stone Hawk;
  - (5) That Per Wickstrom is not to own, operate or have an interest in, directly



or indirectly, for a period of five (5) years from January 15, 2008, any rehabilitation center that employs the twelve-step method of treatment.

36. That Per Wickstrom (the "Purchaser") breached the following terms of the Addendum, which state in pertinent part:

- d. Purchaser shall pay when due Seller's health insurance premiums as provided through the Company and as presently constituted through July 2008;...
- f. Purchaser shall deliver or cause to deliver to Seller at Seller's residence, Seller's bi-weekly Stone Hawk Payroll Checks within two (2) business days of issuance (*see* Exhibit "7").

37. That Per Wickstrom (the "Debtor") breached the following terms of the Note, triggering the acceleration clause:

The principal amount hereof [\$674,000.00] shall be paid in Twenty-Six equal monthly payment of Twenty-Five Thousand Nine Hundred Twenty-Three and 07/100ths (\$25,923.07) Dollars commencing March 10<sup>th</sup>, 2008 and on the same day each month thereafter, until paid in full, but in all events shall be paid in full on or before April 10, 2010...

Any payment due hereunder which is not received by Creditor [Plaintiff] within twenty (20) days after the same shall be due shall be in default hereunder. If the Creditor shall fail to receive payment of the amount in default hereunder within twenty (20) days after the date said written notice was sent, Creditor may, without further notice to Debtor, ***accelerate the obligation hereof and demand immediate payment in full of the entire unpaid balance*** [*emphasis added*] (*see* Exhibit "5").

38. That Plaintiff as the "Creditor" referenced in the previous paragraph sent the written notice required by the terms of Note on May 12, 2008 (*see* Exhibit "6").

39. That Defendant Per Wickstrom's failure to perform the obligations cited in the previous paragraphs constitutes a breach of the clear and unambiguous terms of the Agreements referenced above.

40. Per Wickstrom's failure to perform constitutes default under the Escrow

Agreement, as such Section 3.3 of said Agreement governs:

**Rights in Escrow Shares When Default Exists.** While the Escrow shares are on deposit with the Escrow Agent and as long as Purchaser is in default (after any applicable cure period lapses), Purchaser shall have no further right to, title to, or interest of any kind in the Escrow Shares except as may otherwise be provided under Articles 8 and 9 of the Uniform Commercial Code, and Escrow Agent shall release from escrow and deliver the Escrow Shares to Seller. To the extent that the Collateral's value is less than that of the obligations of the Purchaser still outstanding, Seller shall have the right to seek any available legal remedy to recover the deficiency (*see* Exhibit "1").

41. That Per Wickstrom breached the terms of the Severance Agreement by failing to perform the following:

[Deliver and Pay] A total of Six (6) months of severance pay in the gross amount of Two Hundred and Eight Thousand (\$208,000.00) Dollars, from which withholding taxes shall be deducted. The severance pay shall be paid in Thirteen (13) consecutive bi-weekly installments of Sixteen Thousand (\$16,000.00) Dollars, commencing with the date hereof [January 15, 2008];

Not to own, operate or have an interest in, directly or indirectly, for a period of five (5) years from the date hereof, any rehabilitation center that employs the twelve-step method of treatment (*see* Exhibit "2").

42. The proximate result of Per Wickstrom's breach and default of the Agreements referenced above is that Plaintiff has been and will continue to be damaged and injured.
43. Due to Per Wickstrom's breach of the terms of the above-referenced Agreements and duties, Plaintiff is entitled to damages and specific performance.
44. As a direct and proximate result of Per Wickstrom's action and inaction, Plaintiff Kathleen Wickstrom has suffered and sustained damages in excess of \$25,000.00.

**COUNT II – BREACH OF NON-COMPETE AGREEMENT, DEFENDANT PER WICKSTROM**

45. The Plaintiff repeats and realleges all allegations contained in paragraphs 1 through 44 of the Complaint as if fully restated herein.
46. That the Severance Agreement executed on January 15, 2008 by Per Wickstrom, both Individually and as the Vice President of Stone Hawk, describes the non-competition and non-solicitation duties and obligations owed to Plaintiff.
47. That Per Wickstrom is in breach of the terms of Section 4 of the Severance Agreement which state:

**Non-Competition; Non-Solicitation.** In consideration of mutual promises contained in this agreement: (i) Employee [Plaintiff] agrees not to open for a period of five (5) years from the date hereof, a NARCONON facility, or any rehabilitation center affiliated with the technology of LRH; (ii) Employer [Stone Hawk] and Employer's Vice President, *Per A. Wickstrom, individually, jointly and severally agree not to own, operate or have an interest in, directly or indirectly, for a period of five (5) years from the date hereof, any rehabilitation center that employs the twelve-step method of treatment [emphasis added] (see Exhibit "2").*

48. Upon information and belief Per Wickstrom plans to open a rehabilitation center in Battle Creek, Michigan that will use the twelve-step method of treatment.
49. Upon information and belief Per Wickstrom contacted Greg Stone of Recovery Consulting, LLC, and either directly or indirectly asked him to work on opening or running a twelve-step facility in Battle Creek, Michigan; Mr. Stone is a well known professional in the rehabilitation field.
50. Upon information and belief Per Wickstrom posted the following ad in the Battle Creek Enquirer, "Drug and Alcohol Rehabilitation Center. Seeking all positions including Certified counselors in Calhoun County area. Please send resume to: PO Box 118, Rapid City, MI 49676" (attached hereto as Exhibit "14").

51. That Per Wickstrom has or, in the immediate future, will breach the above-stated terms of the Severance Agreement as it relates to non-competition and non-solicitation.
52. The proximate result of Per Wickstrom's breach, referenced above, is that Plaintiff has been and will continue to be damaged and injured.
53. Due to Per Wickstrom's breach, Plaintiff is entitled to damages and specific performance.
54. That in order to prevent further harm to the Plaintiff, Plaintiff requests that this Court enjoin Defendant from participating, in anyway, in the contemplated twelve-step facility as required by Defendant Per Wickstrom's previous covenants with Plaintiff.

**COUNT III – UNJUST ENRICHMENT, DEFENDANT PER WICKSTROM**

55. The Plaintiff repeats and realleges all allegations contained in paragraphs 1 through 54 of her Complaint as if fully restated herein.
56. At the Closing on January 15, 2008, Plaintiff promised to sell and Per Wickstrom promised to purchase Thirty Thousand (30,000) shares of Stock in TIA Corporation and Plaintiff also promised to provide services under the Severance Agreement. The consideration for the sale of Stock and Plaintiff's services, outlined in the Agreements and referenced in the previous paragraphs in this Complaint, was fair and reasonable.
57. That Plaintiff delivered the Stock and provided the services as promised.
58. Per Wickstrom failed to perform his obligations pursuant to the Agreements,

whereby he has been unjustly enriched and it will be otherwise inequitable if he is permitted to retain the benefit of the Stock and services provided without paying Plaintiff for their value.

59. Upon information and belief, Per Wickstrom made false representations to Plaintiff regarding his intent to perform under the Agreements.
60. Upon information and belief, Per Wickstrom knew or was negligent in not knowing that these representations were false.
61. Plaintiff reasonably believed the above-referenced representations were true.
62. Upon information and belief, Per Wickstrom intended his representations to be acted upon by Plaintiff; further, Plaintiff was justified in assuming this intent based on the clear and unambiguous representations made.
63. Plaintiff relied on the above-referenced representations to her detriment, resulting in substantial harm.
64. That by virtue of the Stock and services provided by Plaintiff, to Per Wickstrom's benefit, Plaintiff is entitled to recover the reasonable value plus costs, including attorney fees, associated with bringing this cause of action.

**COUNT IV – BREACH OF CONTRACT, DEFENDANT TIA CORPORATION**

65. The Plaintiff repeats and realleges all allegations contained in paragraphs 1 through 64 of her Complaint as if fully restated herein.
66. That TIA owed the following duties to the Plaintiff, which include but are not limited to the following:
  - (1) Extend credit to Per Wickstrom and guarantee the full and prompt payment and performance of all present and future obligations of Per



- Wickstrom to Plaintiff, including the Promissory Note (*see* Exhibit "5");
- (2) Provide Plaintiff with health insurance through July 2008;
- (3) Inform Plaintiff of changes to the Corporation

67. That TIA breached the terms of the Corporate Guaranty which states in pertinent part:

[TIA], hereby unconditionally and absolutely guarantees the full and prompt payment and performance of all present and future obligations of Debtor [Per Wickstrom] to Creditor [Plaintiff], including Promissory Note in the amount of Six Hundred Seventy-Four Thousand (\$674,000.00) Dollars dated January 15, 2008 arising from Debtor's purchase of Thirty Thousand (30,000) shares of stock in TIA Corporation from Creditor pursuant to a Stock Purchase Agreement dated December 13, 2007, from which Guarantor shall receive substantial benefits, whether such obligations are due or become due, secured or unsecured, absolute or contingent, joint or several (collectively, the "Obligations"). GUARANTOR'S OBLIGATION UNDER THIS CORPORATE GUARANTY ("GUARANTY") IS A GUARANTY OF PAYMENT AND NOT COLLECTION. SHOULD ANY PRESENT OR FUTURE OBLIGATIONS INCURRED BY DEBTOR NOT BE PAID WHEN DUE, CREDITOR MAY PROCEED AGAINST THE GUARANTOR FOR SUCH INDEBTEDNESS AT ANY TIME, WITHOUT NOTICE AND WITHOUT ANY PROCEEDING OR ACTION AGAINST DEBTOR, AND GUARANTOR HEREBY WAIVES ANY DEMAND FOR PAYMENT (*see* Exhibit "13").

68. That the direct and proximate result of TIA's breach of its duties caused and continues to cause Plaintiff's damages and injuries.
69. Due to TIA's breach of the clear and unambiguous terms of the above-referenced Agreements and duties, Plaintiff is entitled to damages and specific performance.
70. As a direct and proximate result of both TIA's action and inaction, Plaintiff Kathleen Wickstrom has suffered and sustained damages in excess of \$25,000.00.

**COUNT V – BREACH OF CONTRACT, DEFENDANT STONE HAWK**

71. The Plaintiff repeats and realleges all allegations contained in paragraphs 1

through 70 of her Complaint as if fully restated herein.

72. That Stone Hawk owed the following duties to the Plaintiff, which include but are not limited to, paying Plaintiff bi-weekly severance installments of Sixteen Thousand (\$16,000.00) Dollars and that Stone Hawk is not to own, operate or have an interest in, directly or indirectly, for a period of five (5) years from the date hereof, any rehabilitation center that employs the twelve-step method of treatment (see Exhibit "2").

73. That Stone Hawk breached the terms of the Severance and Consultation Agreement by failing to perform the following:

[Pay] A total of Six (6) months of severance pay in the gross amount of Two Hundred and Eight Thousand (\$208,000.00) Dollars, from which withholding taxes shall be deducted. The severance pay shall be paid in Thirteen (13) consecutive bi-weekly installments of Sixteen Thousand (\$16,000.00) Dollars, commencing with the date hereof [January 15, 2008]; ...

Employer [Stone Hawk] and Employer's Vice President, *Per A. Wickstrom, individually, jointly and severally agree not to own, operate or have an interest in, directly or indirectly, for a period of five (5) years from the date hereof, any rehabilitation center that employs the twelve-step method of treatment emphasis added* (see Exhibit "2").

74. The result of Stone Hawk's breach of the Agreement referenced above is that the Plaintiff has been and will continue to be damaged and injured.

75. Due to Stone Hawk's breach of the clear and unambiguous terms of the above-referenced Agreement, Plaintiff is entitled to damages and specific performance.

76. As a direct and proximate result of Stone Hawk's action and inaction, Plaintiff Kathleen Wickstrom has suffered and sustained damages in excess of \$25,000.00. Plaintiff is entitled to and requests specific performance of the Agreement through

the appropriate order preventing Defendants Per Wickstrom and Stone Hawk's participation in the their contemplated venture; a twelve-step facility in Battle Creek, Michigan.

**COUNT VI- CIVIL CONSPIRACY, ALL DEFENDANTS**

77. The Plaintiff repeats and realleges all allegations contained in paragraphs 1 through 76 of her Complaint as if fully restated herein.
78. That upon information and belief, on or about September 2007 and at various other times before and thereafter, Defendants met, joined together, planned, and conspired to remove and divest Plaintiff of her salary, benefits and interest in TIA and Stone Hawk, for the purpose of removing Plaintiff and gaining total control of these entities.
79. That upon information and belief the Defendants agreed and understood that the purpose of their meetings and agreements, included but was not limited to, the purpose articulated in the previous paragraph; further, Defendants understood that both their purpose and their methods of achieving this purpose were unlawful and would result in injury to Plaintiff, and yet they still agreed and understood that each would act in concert with the other to achieve this purpose.
80. Defendants undertook the acts necessary to execute their plan with malice and the intent to injure Plaintiff.
81. The acts were unlawful and tortious, intended to deprive Plaintiff of economic gain and eliminate her ability to control her financial interests.
82. As a direct and proximate result of Defendants' actions Plaintiff Kathleen

Wickstrom has suffered and continues to suffer and sustain damages in excess of \$25,000.00.

**COUNT VII – TORTIOUS INTERFERENCE WITH CONTRACTS  
AND ADVANTAGEOUS BUSINESS RELATIONSHIPS, DEFENDANT NARCONON**

83. The Plaintiff repeats and realleges all allegations contained in paragraphs 1 through 82 of her Complaint as if fully restated herein.
84. Beginning in 2002, Plaintiff commenced a business relationship with Per Wickstrom, which involved the creation of drug treatment facilities and real estate leasing companies.
85. Plaintiff invested substantial time and money in this effort, whereby Plaintiff had a reasonable expectation of economic gain directly related to TIA and Stone Hawk's continued growth, including but not limited to the acquisition and leasing of additional property for facilities.
86. Upon information and belief, Defendant Narconon was aware of Plaintiff's business relationship and the above-referenced Agreements Plaintiff had with Per Wickstrom, including knowledge of the terms and obligations of the Agreements.
87. Upon information and belief, on or about September 2007 and continuing through the time of this Complaint, Defendant Narconon has systematically interfered with the Plaintiff, along with the employees and operations of Stone Hawk, TIA and the above-referenced Agreements in an intentional and methodical effort to injure Plaintiff.
88. Upon information and belief, Defendant Narconon provided advice and direction to Stone Hawk causing it to fail and refuse to pay the severance payment to

Plaintiff or honor its other obligations.

89. Defendant Narconon began a course of conduct consisting of, but not limited to, misrepresentation, deception and intimidation. In engaging in this conduct, Defendant's intent was to impair and destroy Plaintiff's business relationship with Stone Hawk, TIA and Per Wickstrom; whereby destroying her reasonable expectancy of economic gain.
90. Defendant Narconon engaged in this conduct with malice toward Plaintiff, a desire to injure her economically, and with wantonness and disregard of her rights. Defendant's conduct was improper, unlawful, and unfair, in that Defendant used deceptive practices to strip Plaintiff of the valuable opportunities and relationships in which she was highly invested.
91. The conduct engaged in by Defendant Narconon was a proximate cause of the loss and impairment of Plaintiff's business relationship with Stone Hawk, TIA, Per Wickstrom and the opportunities arising therefrom; resulting in the loss of Plaintiff's expectancy of economic gain.
92. As a direct and proximate result of Defendant Narconon's actions Plaintiff Kathleen Wickstrom has suffered and continues to suffer and sustain damages in excess of \$25,000.00.

**COUNT VIII – INTENTIONAL INFLICTION OF EMOTIONAL DISTRESS – ALL DEFENDANTS**

93. The Plaintiff repeats and realleges all allegations contained in paragraphs 1 through 92 of the Complaint as if fully restated herein.
94. The Defendants' conduct described in this Complaint was so extreme, outrageous,



and of such character as to not be tolerated by civilized society.

95. The Defendants' conduct was for an ulterior purpose and motive; specifically, to injure Plaintiff by inflicting financial and emotional damage, including but not limited to, maliciously cancelling Plaintiff's health insurance coverage during her ongoing treatment for medical conditions for which the stress attributed to Defendants' conduct is a contributing factor.
96. As a direct and proximate result of Defendants' conduct, Plaintiff has and continues to suffer severe emotional distress causing damage to Plaintiff's health, personal and professional interests.

*WHEREFORE*, Plaintiff respectfully requests that this court enter judgment in her favor and against Defendants as follows:

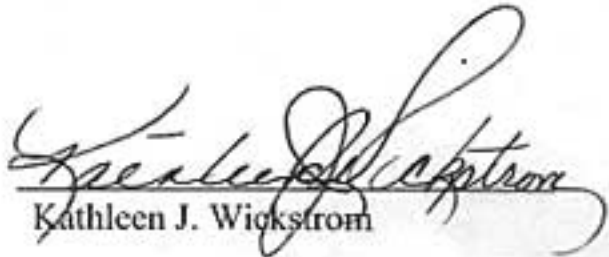
1. That this Court order specific performance of the terms in the Agreements.
2. That this Court issue a preliminary injunction restraining and enjoining Defendants Per Wickstrom, TIA, Stone Hawk, and Narconon, and all persons acting in concert with them from engaging in any activity that further limits or harms Plaintiff's interests until this action has reached a final, judicial determination or has otherwise been disposed or dismissed.
3. That this Court issue a preliminary injunction restraining and enjoining Defendant Per Wickstrom from owning, operating or have an interest in, directly or indirectly, for a period of five (5) years from January 15, 2008, any rehabilitation center that employs the twelve-step method of treatment.
4. Award Plaintiff compensatory damages equal to the amount of losses she has

sustained and will sustain.

5. Award Plaintiff exemplary damages due to Per Wickstrom's actions, and the actions arising from the Civil Conspiracy; for which actions, collectively, were intentional, malicious and have caused Plaintiff to suffer humiliation, outrage, and indignation in addition to Plaintiff's economic loss.
6. Award Plaintiff the costs and attorney fees incurred in connection with this action and any other further relief that this court may deem appropriate.

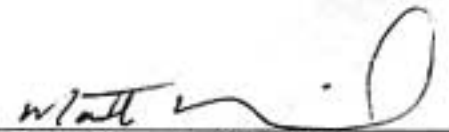
**VERIFICATION:** I do hereby verify that the factual allegations contained in this complaint herein are true to the best of my information, knowledge and belief.

Dated: July 1, 2008

  
Kathleen J. Wickstrom

ZIMMERMAN, KUHN, DARLING  
BOYD, QUANDT AND PHELPS, PLC

Dated: 7/1, 2008

  
Joseph E. Quandt (P49739)  
Gregory J. Donahue (P54232)  
Mattis D. Nordfjord (P69780)  
Attorneys for Plaintiff  
412 South Union Street, P. O. Box 987  
Traverse City, MI 49685-0987  
(231) 947-7900