## SEVERANCE AND CONSULTATION AGREEMENT

In consideration of the mutual promises and agreements in this agreement, KATHLEEN J. WICKSTROM (the "Employee")) and NARCONON STONE HAWK REHABILITATION CENTER, INC., a Michigan non-profit corporation (the "Employer") have entered into this Severance and Consultation Agreement (the "Agreement") and agree as follows:

- Resignation. Each of the parties acknowledge that the Employee has voluntarily resigned from her position with the Employer effective January 15, 2008.
- Severance Benefits. The Employer will provide the Employee with the following severance benefits:
  - a. A total of Six (6) months severance pay in the gross amount of Two Hundred 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) Dollars, commencing with the date hereof;
  - Employee shall be entitled to remove her own personal property and possessions, including, without limitation, those items identified on Exhibit "A", from Employer's premises and from the residence located at 248 Vydarney, Battle Creek, Michigan;
- c. Employer and Employer's President, Per A. Wickstrom, individually, jointly and severally, shall indemnify, protect, release, hold forever harmless, and defend Employee from and against any and all liabilities, losses, claims, demands, payments, actions, suits, legal or administrative proceedings, judgments, costs (including reasonable attorneys fees), and expenses of whatsoever kind, nature or description, whether arising before, during or after Employee's employment with Employer, in connection with, resulting from, or in any way relating to the operation of the Employer including, but not limited to notes, trade payables, contracts, personal guarantees and commitments. Provided, however, this section shall not pertain to (i) taxes accruing prior to closing that result in Employer or Employee liability; and (ii) the amount of any judgment or settlement of the E. Niccum lawsuit, provided (a) Employee has the right to unfettered access to candid discussions with and assessments of defense counsel (b) Employee must approve any settlement if such settlement is over Fifty Thousand (\$50,000.00) Dollars; and (c) Per A. Wickstrom individually or on behalf of Employer pays fifty percent (50%) of such settlement or judgment. This indemnity shall in no way require Employee to indemnify Narconon International, ABLE International or their affiliates.
  - d. Employer and Employer's President, Per A. Wickstrom, individually, jointly and severally shall take whatever actions necessary to release, discharge and remove Employee from any and all instruments in which Employee has personally guaranteed the debts, obligations or performance of the Employer; and

- e. The Employer and Per A. Wickstrom shall irrevocably direct the Employer's computer consultant, Safety Net, to segregate, isolate and restrict all access (except that may be granted to Employee) to any and all computer related files, emails and other data created or received by Employee during the term of her employment.,
- 3. Consultation. In consideration of the payment of the severance benefits provided in this Agreement, the Employee agrees, as an independent contractor engaged by Seller commencing with the date hereof, to provide to Employer on an as-needed basis (as mutually determined by Employer and Employee) consultation, general assistance, and informational services pertaining to the operation of Employer, for a period commencing on the date hereof and terminating July 15, 2008. Notwithstanding the foregoing, at no time shall Employee be required to provide such services more than 40 hours per month. Employee shall be entitled to reimbursement for reasonable and customary expenses incurred in the performance of such services.
- 4. Non-Competition; Non-Solicitation. In consideration of mutual promises contained in this Agreement: (i) Employee 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 and Employer's Vice President, Per A. Wickstrom, individually, jointly and severally agree not to own, operate or have any 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.

It is expressly understood and agreed that although the Employee and the Employer consider the restrictions contained in the foregoing paragraph to be reasonable, if the aforesaid restrictive covenant is found by any court having jurisdiction to be invalid or unreasonable because it is overly broad in any extent, then the restrictions contained in this Agreement shall nevertheless remain effective, but shall be deemed amended as may be considered to be reasonable by such court, and as so amended shall be enforced. This paragraph shall survive termination of the Employment Agreement and employment.

- 5. Return of Materials. Prior to the termination of Employee's consulting services as set forth herein, the Employee agrees to return all materials acquired during her term of employment with the Employer, except those items identified on Exhibit "A" which shall be deemed property of Employee and remain in Employee's possession.
- Financial Obligations. The performance and payment of Employer's financial obligations to Employee as set forth herein shall be personally guaranteed by Per A. Wickstrom.
- 7. Entire Agreement. This Agreement, the Stock Purchase Agreement and all documents referenced therein executed contemporaneously herewith, constitutes the entire agreement between the Employer and the Employee and supersedes all prior written or oral communications with respect to its subject matter. This Agreement shall be binding upon and inure to the benefit of the parties and their respective heirs, successors and assigns.

- 8. 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.
- Savings Clause. In the event that any provision of the Agreement is found to be invalid by any court of competent jurisdiction, the remaining provisions shall remain in full force and effect.

In Witness hereof, the Parties hereto have made this Agreement as of the date set forth above.

EMPLOYER:

NARCONON STONE HAWK REHABILITATION CENTER, INC.

Per A. Wickstrom Its: Vice President

Per A. Wickstrom individually

**EMPLOYE**É

Kathleen J. Wickstrom