

EXHIBIT B

08:45:14	1	IN THE STATE COURT OF DEKALB COUNTY	
08:45:14	2	STATE OF GEORGIA	
08:45:14	3		
08:45:14	4		
08:45:14	5	PATRICK C. DESMOND AND MARY C.)	
		DESMOND, INDIVIDUALLY, AND)	
08:45:14	6	MARY C. DESMOND, AS)	CIVIL ACTION
		ADMINISTRATRIX OF THE ESTATE)	NO. 10A28641-2
08:45:14	7	OF PATRICK W. DESMOND,)	
)	
08:45:14	8	PLAINTIFFS,)	
)	
08:45:14	9	VS.)	
)	
08:45:14	10	NARCONON OF GEORGIA, INC.,)	
		DELGADO DEVELOPMENT, INC.,)	
08:45:14	11	SOVEREIGN PLACE LLC, SOVEREIGN)	
		PLACE APARTMENT MANAGEMENT, INC.,)	
08:45:14	12	LISA CAROLINA ROBBINS, M.D.,)	
		THE ROBBINS GROUP, INC., AND)	
08:45:14	13	NARCONON INTERNATIONAL,)	
)	
08:45:14	14	DEFENDANTS.)	
)	
08:45:14	15		
08:45:14	16		
08:45:14	17		
08:45:14	18	DEPOSITION OF CLARK ROBERT NIXDORF CARR	
		WEDNESDAY, JULY 11, 2012	
08:45:14	19		
08:45:14	20		
08:45:14	21		
08:45:14	22		R. LEONARD, C.S.R., INC.
08:45:14	23	REPORTED BY:	CERTIFIED SHORTHAND REPORTERS
		ROBIN LEONARD	4142 MEADOW RIDGE PLACE
08:45:14	24	CSR NO. 3334	ENCINO, CALIFORNIA 91436
			(818) 995-2449
			FILE NO.: 37159
	25		

	1	THAT NARCONON INTERNATIONAL PURSUANT TO THIS AGREEMENT
	2	ARE SUPPOSED TO DO, RIGHT?
09:53:00	3	A YES. THESE ALL ARE WITHIN THE TRADEMARK
	4	LICENSE.
09:53:02	5	Q I'M NOT ASKING YOU, SIR, ABOUT THE TRADEMARK
	6	LICENSE. I'M ASKING YOU ABOUT THIS AGREEMENT.
09:53:05	7	A YES.
09:53:09	8	Q AND THIS AGREEMENT PROVIDES AN ATTACHMENT A,
	9	CERTAIN RESPONSIBILITIES THAT NARCONON INTERNATIONAL
	10	AGREES CONTRACTUALLY TO PROVIDE, DOES IT NOT?
09:53:24	11	A YES.
09:53:27	12	Q AND NARCONON INTERNATIONAL WITH RESPECT TO
	13	NARCONON OF GEORGIA HAS AGREED TO, FIRST, CONDUCT ONSITE
	14	HEALTH AND SAFETY INSPECTIONS, CORRECT?
09:53:35	15	A UH-HUH.
09:53:39	16	Q IT HAS AGREED TO REVIEW NARCONON OF GEORGIA'S
	17	CASE FOLDERS OF ITS CLIENTS TO VERIFY STANDARDS OF
	18	TECHNOLOGY AND THE APPLICATION THEREOF, CORRECT?
09:53:47	19	A YES.
09:53:50	20	Q IT'S AGREED TO REVIEW THE PERSONNEL FILES OF
	21	THE FACILITY'S PERSONNEL AND TRAINEES TO VERIFY ALL THE
	22	REQUIRED TRAINING HAS BEEN COMPLETED AND OTHER LEGAL
	23	REQUIREMENTS, CORRECT?
09:53:59	24	A YES.
09:54:02	25	Q AND IT HAS AGREED TO CORRECT FACILITY PERSONNEL

Deposition of Clark Robert Nixdorf Carr

Desmond vs. Narconon

1 REGARDS ANY, QUOTE, "NONOPTIMUM SITUATIONS THAT ARE
2 DETERMINED TO EXIST," CORRECT?

09:54:07 3 A YES.

09:54:10 4 Q AND THEN IT HAS AGREED TO IMPLEMENT PROGRAMS TO
5 INCREASE PROGRAM DELIVERY AND THE QUALITY OF CARE,
6 CORRECT?

09:54:14 7 A UH-HUH.

09:54:17 8 Q AND THIS AGREEMENT WAS IN EFFECT AT THE TIME OF
9 PATRICK DESMOND'S DEATH, WAS IT NOT, SIR?

09:54:22 10 A YES, IT WAS.

09:54:28 11 Q WERE THERE ANY NONOPTIMUM SITUATIONS PRESENT AT
12 NARCONON OF GEORGIA?

09:54:35 13 A NARCONON EASTERN US WAS IN COMMUNICATION WITH
14 THEM AND I BELIEVE AT TIMES VISITING THEIR CENTER, AND I
15 HAVE SEEN DOCUMENTS THAT HAVE BEEN GIVEN TO YOU THAT
16 WHEN THERE WERE INSPECTIONS DONE THERE WERE SOME
17 NONOPTIMUM SITUATIONS THAT WERE, IN TERMS OF STAFF
18 PERFORMANCE, THAT WERE, YOU KNOW, AND DELIVERY TO THE
19 STUDENTS THAT WERE CORRECTED.

09:55:05 20 Q ALL RIGHT.

09:55:08 21 THERE WAS A BOARD OF INVESTIGATION WHICH WAS
22 CONDUCTED BY NARCONON OF GEORGIA THAT NARCONON
23 INTERNATIONAL WAS AWARE OF, RIGHT?

09:55:17 24 A TO MY KNOWLEDGE, THAT BOARD OF
25 INVESTIGATION -- WE WERE AWARE THAT ONE WAS BEING HELD.

11:27:32 1 A HAVING MENTIONED THIS TO ME TODAY, I WILL ASK
2 OUR DIRECTOR OF LEGAL AFFAIRS WHAT ARE THE FACTS WITH
3 REGARD TO THIS.

11:27:39 4 Q SO YOU'RE GOING TO LOOK INTO THIS TO DETERMINE
5 WHETHER OR NOT THERE'S ANY FACTUAL BASIS FOR IT?

11:27:44 6 A BASED ON WHAT YOU SAID I WOULD BE INTERESTED TO
7 KNOW THAT, YES.

11:27:47 8 Q OKAY.

11:27:53 9 NOW, YOU WOULD ALSO AGREE WITH ME THAT IF
10 NARCONON OF GEORGIA IS HOLDING ITSELF OUT AS A
11 RESIDENTIAL FACILITY WHEN IT DOESN'T HAVE A DHR LICENSE
12 TO DO THAT, THAT THAT WOULD BE A NONOPTIMUM SITUATION?

11:28:10 13 A WELL, IT WOULD BE A VIOLATION OF THE LAW.

11:28:11 14 Q WHICH IS --

11:28:13 15 A THAT WOULD BE A NONOPTIMUM SITUATION, YES.

11:28:16 16 Q SORT OF THE BIGGEST OF THE NONOPTIMUM
17 SITUATIONS, RIGHT?

11:28:22 18 A YES.

11:28:28 19 Q PRIOR TO PATRICK DESMOND'S DEATH, HOW MANY
20 ONSITE HEALTH AND SAFETY INSPECTIONS DID NARCONON
21 INTERNATIONAL CONDUCT OF THE NARCONON OF GEORGIA
22 FACILITY?

11:28:45 23 A I KNOW WE DID ONE AND THEN I'M NOT -- I DON'T
24 KNOW HOW MANY NARCONON EASTERN US DID.

11:28:49 25 Q SO YOU'RE SAYING THAT NARCONON INTERNATIONAL

Deposition of Clark Robert Nixdorf Carr

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1 ONLY DID ONE INSPECTION OF NARCONON OF GEORGIA BEFORE
2 PATRICK DIED?

11:29:00 3 A FULL TECHNICAL INSPECTION, YES.

11:29:03 4 Q AND WHEN WAS THAT?

11:29:04 5 A I DON'T RECALL THE DATE.

11:29:05 6 Q WHY NOT?

11:29:11 7 A I'M SORRY. I DON'T RECALL. I THINK IT WAS
8 2007. I'M NOT SURE. THERE MAY HAVE BEEN A LEGAL
9 RUDIMENTS INSPECTION THAT WE DID BEFORE.

11:29:20 10 Q WELL, NO. 22, "SITE VISITS, AND THE RESULTS
11 OBTAINED THEREFROM, BY PERSONS FROM NARCONON
12 INTERNATIONAL OR SENT ON BEHALF OF NARCONON
13 INTERNATIONAL TO NARCONON OF GEORGIA."

11:29:28 14 DID YOU DO, DID NARCONON INTERNATIONAL DO ANY
15 SITE VISITS TO NARCONON OF GEORGIA?

11:29:34 16 A AS I RECALL NOW, AGAIN, HAVING JUST REMEMBERED,
17 THERE WAS A LEGAL RUDIMENTS INSPECTION THAT CLAUDIA DID
18 PRIOR TO A FINAL LICENSING INSPECTION THAT WAS GOING TO
19 BE DONE BY THE DEPARTMENT OF HEALTH AND -- OR DHR.

11:29:55 20 Q ALL RIGHT.

11:29:58 21 SO THERE WAS A LEGAL RUDIMENTS INSPECTION.
22 THERE WAS A TECH INSPECTION, AS WELL?

11:30:03 23 A I'M NOT SURE IF THERE WAS A TECH INSPECTION. I
24 KNOW THERE WAS ONE AFTER MR. DESMOND'S DEATH. I DON'T
25 KNOW ABOUT BEFORE. I KNOW THAT THERE WAS THE CONTINUING

Deposition of Clark Robert Nixdorf Carr

Desmond vs. Narconon

	1	FLOW OF COMMUNICATION AND STATISTICS AND REPORTS FROM
	2	MARY VIA NARCONON EASTERN UNITED STATES TO NARCONON
	3	INTERNATIONAL.
11:30:26	4	Q EXHIBIT NO. 15.
11:30:26	5	A UH-HUH.
11:30:31	6	Q SORRY.
11:30:36	7	IS EXHIBIT NO. 15, IS THAT THE INSPECTION THAT
	8	YOU WERE REFERRING TO?
11:30:44	9	A YES.
11:30:44	10	Q ALL RIGHT.
11:30:52	11	SO NARCONON INTERNATIONAL DID AN ONSITE
	12	INSPECTION OF NARCONON OF GEORGIA BEFORE PATRICK
	13	DESMOND'S DEATH, CORRECT?
11:31:01	14	A YES.
11:31:04	15	Q AND THE PURPOSE OF THAT INSPECTION WAS TO DO A
	16	THOROUGH INSPECTION OF NARCONON OF GEORGIA PRIOR TO
	17	FINAL LICENSURE TO THE LICENSURE INSPECTION BY THE
	18	GEORGIA DHR --
11:31:14	19	A UH-HUH.
11:31:18	20	Q -- TO ENSURE THAT ALL INSPECTION, PRIOR
	21	INSPECTION DEFICIENCIES HAVE BEEN ADDRESSED AND TO
	22	ENSURE THAT THE CENTER IS IN 100 PERCENT COMPLIANCE WITH
	23	ALL DHR STANDARDS.
11:31:27	24	A YES.
11:31:30	25	Q AND THAT WOULD INCLUDE THE ISSUE THAT YOU AND I

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11:34:11 1 A I DID NOT LOOK AT THAT PARTICULAR POINT.

11:34:15 2 Q YOU WOULD AGREE WITH ME THAT IT FALLS UNDER
3 CATEGORY NO. 22 HERE WHERE WE'RE ASKING YOU ABOUT SITE
4 VISITS BY NARCONON INTERNATIONAL OF NARCONON OF GEORGIA?

11:34:22 5 A YES.

11:34:24 6 Q WHY DIDN'T YOU LOOK INTO WHETHER OR NOT THERE
7 WERE SITE VISITS AND --

11:34:28 8 A WELL, THE SITE VISITS WOULD BE PER OUR
9 TRADEMARK LICENSE WHICH WOULD BE THE CENTER ITSELF. I
10 SEE THAT IT IS WRITTEN ON THIS THING HERE.

11:34:34 11 Q RIGHT. IT SAYS --

11:34:37 12 A ON THIS. I DID NOT SEE THAT PARTICULAR POINT
13 AND I SEE YOU'RE OUTLINING IT TO ME. I DON'T KNOW, IN
14 FACT, WHETHER THERE WAS A --

11:34:47 15 Q AND YOU KEEP TALKING ABOUT YOUR LICENSE
16 AGREEMENT BUT, MR. CARR, IT SAYS NO. 1 ON YOUR BUSINESS
17 ASSOCIATE DUTIES AND RESPONSIBILITIES FOR THE BUSINESS
18 ASSOCIATE AGREEMENT THAT NARCONON INTERNATIONAL IS GOING
19 TO CONDUCT ONSITE HEALTH AND SAFETY INSPECTIONS, DOES IT
20 NOT, SIR?

11:35:07 21 A YES. AND THAT WOULD BE OF THE PURVIEW WHERE
22 NARCONON INTERNATIONAL HAS AUTHORITY WHICH WAS OVER THE
23 ACTUAL DELIVERY PROGRAM WHICH ARE THE OFFICES OF
24 NARCONON OF GEORGIA ITSELF.

11:35:14 25 Q ALL RIGHT.

11:37:38 1 Q WHAT'S THE PURPOSE OF NARCONON EAST US?

11:37:39 2 A NARCONON INTERNATIONAL IS OVER ALL OF THE
3 CENTERS AROUND THE WORLD AND OUR PRINCIPAL INTEREST IS
4 IN LONG TERM TRENDS OF WHAT'S GOING ON AND SO FORTH. WE
5 HAVE CONTINENTAL OFFICES THAT HAVE FEWER CENTERS UNDER
6 THEIR PURVIEW AND THEY BASICALLY PERFORM THE SAME
7 EXTERNAL FUNCTION OF MONITORING THE TRADEMARK DELIVERY
8 BUT AT A CLOSER LEVEL. BECAUSE THERE ARE TOO MANY
9 CENTERS FOR JUST NARCONON INTERNATIONAL SO NARCONON
10 EASTERN US ESSENTIALLY PERFORMS THE SAME AND HAS THE
11 SAME RELATION TO NARCONON OF GEORGIA THAT WE DO. IT'S
12 TO MONITOR THE QUALITY AND DELIVERY OF THE NARCONON
13 MATERIALS.

11:38:22 14 Q IT SAYS IN THIS ATTACHMENT A THAT WE'VE BEEN
15 TALKING ABOUT THAT NARCONON INTERNATIONAL SHALL PROVIDE
16 PERIODIC ONSITE INSPECTIONS OF THE FACILITY'S DRUG REHAB
17 SERVICES.

11:38:32 18 A UH-HUH.

11:38:32 19 Q OKAY.

11:38:37 20 YOU'VE TOLD ME ABOUT ONE, ONE INSPECTION.

11:38:37 21 A RIGHT.

11:38:41 22 Q WHAT OTHER PERIODIC INSPECTIONS, IF ANY,
23 PURSUANT TO THIS AGREEMENT WERE CONDUCTED BY
24 INTERNATIONAL?

11:38:54 25 A BY NARCONON INTERNATIONAL? I'M AWARE OF THE