HEAL REPORT: NEW LEAF ACADEMY

2075 N. Rugby Rd, Hendersonville, NC 28791

INTRODUCTION

On May 4th, 2010, HEAL received a copy of the enrollment agreement (contract) and other papers relating to New Leaf Academy of North Carolina (an Aspen Education Group program). This contract and its terms contain a number of unconscionable and/or illegal terms which will be discussed in detail in the following report.

The contract/enrollment papers, from which, we are drawing information for this report, were provided confidentially by a dissatisfied client of New Leaf Academy. The agreement was initialized in the Winter of 2009 and the information discussed in this report is accurate as of that timeframe.

This report does not constitute legal advice and is for information purposes only.

NEW LEAF ACADEMY ENROLLMENT AGREEMENT

On Page 1, New Leaf Academy claims to be a licensed program in Hendersonville, North Carolina. However, on Page 7 of the enrollment agreement (contract), it states that California law, NOT North Carolina law is to apply to the contract and transaction. This is a serious concern. New Leaf Academy claims to be a "Delaware Corporation", doing business in North Carolina, and governed by California contract law. It seems as if the contract itself is written, in part, to intimidate and confuse prospective clients.

In addition, HEAL has received reports that New Leaf Academy is not licensed as a mental health service provider as they advertise themselves to be (i.e. a "therapeutic boarding school" as is described by the letter from the director on the New Leaf Academy website—See: http://www.newleafnorthcarolina.com/letter.html (April 29th, 2010)) and seems to be operating what most would consider to be an unlicensed residential program.

New Leaf Academy refers to itself as "the program" (page 1 of contract and throughout). It does not refer to itself as a traditional boarding school and does not advertise itself as an educational facility, but, as a residential treatment program for pre-teens and teens. With state officials, New Leaf Academy refers to itself as a private boarding school and thereby avoids much needed oversight as would be required for a legitimate residential or mental health care provider. We believe that the director's letter is, in the least, misleading to families and

coupled with the contract suggests false advertising and deceptive marketing regarding its practices.

Parents are required by New Leaf Academy to sign over custody of their child(ren) to the program for a minimum of 18 to 24 months. (Page 1, Section 3) Since New Leaf Academy takes children under the age of 10 years, this required separation from community and family appears to be excessive and cruel. New Leaf Academy requires a minimum stay of 18 months and states they will not release your child unless it is on the program's terms or the child reaches the age of majority. Institutionalizing a child from family and community for an extended period of time is damaging to the child and his/her family. Unnecessary institutionalization of children is considered child abuse in the state of New Jersey.

Since New Leaf Academy is not a licensed medical or mental health care provider, their tuition is excessive. In 2008 in North Carolina, the median income of individuals was \$46,574 per year. Also, in 2008 in North Carolina, 14.6% of documented population lived at/or below the poverty (http://quickfacts.census.gov/qfd/states/37000.html --May 4th. 2010). Hendersonville, foreclosed homes in good condition are selling for less than \$60,000 (http://www.househunt.com/NC/Hendersonville/ -- May 4th, 2010). Yet, New Leaf Academy, while guaranteeing nothing and providing services of a highly questionable nature, charges families over \$6,000 per month for "tuition". Also, New Leaf Academy charges a \$750 uniform fee for clothing that a parent could provide at much less expense. (Page 2, Section A) It is HEAL's experience that these "uniforms" normally consist of sweatsuits and t-shirts. These are not "uniforms" that would cost nearly \$1000 to provide to each student. New Leaf Academy also charges an enrollment fee of \$2,500 to parents which New Leaf states is a non-refundable expense/charge regardless if they decide against the program prior to attendance by their child(ren). This seems a bit outrageous given the issues and legitimate concerns that arise once parents become aware of what is happening at New Leaf Academy and/or Aspen Education Group programs. New Leaf Academy also alerts families to the fact that it plans to increase fees on an annual basis regardless of necessity or income. If a parent is late in paying, a \$50 late fee accrues and is charged by New Leaf Academy. New Leaf also withholds medical and student records unless the family's account is paid in full. (Page 2, Sections B & C)

Another issue that arises is that New Leaf Academy refers to "discharge papers" as opposed to "graduation/diploma" papers. In using a medical term (discharge) to describe what they claim is a primarily educational/academic achievement, it is seemingly intending to imply a medical/mental health service/program. Since New Leaf Academy is not a licensed medical/mental health facility, this again creates an impression of deceptive marketing practices. (Page 2, Section C, Part 4)

In regards to refunds, those are given at the sole discretion of New Leaf Academy per the "agreement". And, New Leaf claims the right to hold any refund due, just in case parents change their mind, and that money is held supposedly in "trust" unless and until the child is returned to New Leaf Academy at which time the non-refunded money will be put towards the child's tuition and fees. (Page 3, Section D)

Any mental health service provided by a qualified psychiatrist, psychologist, or other healthcare professional is billed separately to the parents (or their insurance carriers). Mental health services performed by unqualified and/or unlicensed personnel at New Leaf Academy is impliedly included in the overly expensive monthly tuition costs. It seems New Leaf would be using some of the extravagant expenses charged as tuition to cover basic licensed therapists or professionals since it claims to be a "therapeutic" program. So, these additional charges raise a concern regarding the legitimacy of the high tuition costs applied to parents and/or their insurance carriers. (Page 3, Section F)

Another issue with New Leaf Academy is that it recommends and utilizes or asks parents to utilize paid kidnappers (aka "escorts"). Reynolds Holding, writing for The San Francisco Chronicle on June 22, 1994, reported the following statement by Elvoyce Hooper, Deputy District Attorney in Fresno County:

"Whenever you use force or fraud to take someone, that can be a kidnapping case, even against a parent." (From: "When Parents OK Abduction", by Reynolds Holding, The San Francisco Chronicle)

In suggesting parents use escorts to take their children across state lines as an alleged result of fraud (i.e. fraudulent misrepresentation, deceptive marketing, etc.), New Leaf Academy is virtually entering into a conspiracy to kidnap the child(ren) involved. The co-conspirators would necessarily include: New Leaf Academy, the escort company, and the contracting parents. Most children are unaware of their rights and therefore do not know how to demand their enforcement. But, this is not an excuse for parents or programs to violate the rights of children in their care/custody. And, given the support of prosecutors such as Elvoyce Hooper, children could turn in all violating parties and press charges for kidnapping. Of course, New Leaf Academy denies the children contact with the outside world so such reports or requests for investigation or help will never reach the authorities in a timely manner. (Page 3, Section F)

New Leaf Academy accepts no responsibility regarding the safety and/or security of participants and their property. The lack of professional responsibility in regards to physical and psychological well-being of participants in the New Leaf program is discussed in an upcoming part of this report. It is a serious concern that a child or family's personal property and belongings are not protected by New Leaf Academy while said property is under the complete control of New Leaf Academy. This appears to be an unconscionable term. New Leaf Academy

accepts no responsibility, even if it is at fault, for loss or damage to the personal property of program participants. At other programs, expensive or keepsake items have gone missing and these programs deny any responsibility or accountability for the loss or damage to these family heirlooms (including irreplaceable photos and jewelry). (Page 3, Section I)

New Leaf Academy uses subcontractors that are not employed or properly screened by New Leaf Academy personnel and accepts no responsibility for any injury that may occur as a result of the actions of subcontractors. Since New Leaf Academy holds itself out as a "therapeutic" program, providing legitimate therapeutic services is an implied service provided by New Leaf Academy. New Leaf Academy advertises itself as having special skill and knowledge in regards to providing a "therapeutic" environment for its clients. And, given this reported "expertise", it is reasonable for a parent to trust the judgment of New Leaf Academy in selecting subcontractors. New Leaf Academy should not be able to discount any failure on its part to properly select subcontractors providing implied services required for the "successful" completion of the program. However, that is exactly what New Leaf Academy does. (Pages 3 & 4, Section J)

In fact, New Leaf Academy does not provide any direct mental health services to children in its care. According to the contract, "All clinicians furnishing services to the Student, including any psychiatrists, psychologists, mental health professionals, or internists or the like, are independent contractors with the client and are not employees of New Leaf. The Student is under the care and supervision of his/her attending clinician, and it is the responsibility of the Student's clinician to obtain Sponsor's informed consent." (Page 4, Section J)

So, if your child is abused, misdiagnosed, drugged, or confined in isolation by New Leaf Academy under direction of the subcontractor, any resulting harm will, according to New Leaf, be attributable only to the subcontractor. This is regardless of the legal responsibility New Leaf would impliedly have to protect participants in its program. As readers will see below, New Leaf Academy accepts no responsibility for any wrongs committed by it or its employees including those resulting from negligent or intentional acts that result in serious bodily injury and/or death. This is a serious concern. (Page 4, Section J)

If a child requires additional medical care, New Leaf Academy accepts no responsibility in seeing that such medical care is given to the child. According to the contract, "New Leaf shall in no way be responsible for failure to provide the same and is hereby released from any and all liability arising from the fact that Student is not provided with such additional care." (Page 4, Section K) Much of the language of the contract (i.e. discharge, etc.) suggests a medical or mental health care environment. However, in each event where a medical or residential care facility would be held legally liable for action or inaction, New Leaf denies any responsibility or accountability for any resulting harm to participants. This appears to be an illegal and/or unconscionable contract.

The following section is quoted from the contract. It addresses the lack of accountability at New Leaf Academy in regards to the safety and well-being of participants of the program:

5. ASSUMPTION OF RISKS; RELEASES AND INDEMNITIES. Sponsor acknowledges serious hazards and dangers, known and unknown, inherent in the Program, including but not limited to, agricultural and vocational activities, emotional and physical injuries, illness or death that may arise from strenuous hiking, climbing and camping in a natural environment, exposure to the elements, plants and animals, running away from the Program, "acts of God" (nature), the ropes course, kayaking, water sports, stress, involvement with other students, self-inflicted injuries, and transportation to and from the Program's field location(s). Sponsor understands that in participating in the Programs Student will be in locations and using facilities where many hazards exist and is aware of and appreciates the risks which may result. Sponsor understands that accidents occur during such activities due to the negligence of others which may result in death or serious injury. Sponsor and Student are voluntarily participating in the Programs with knowledge of the dangers involved and agree to accept any and all risks.

In consideration for being permitted to participate in the Programs, Sponsor agrees to not sue, to assume all risks and to release, hold harmless and indemnify New Leaf and any and all of its predecessors, successors, officers, directors, trustees, insurers, employees, managers, agents, volunteers, community organizations, administrators, heirs, attorneys, executors, assigns and/or related or affiliated business entities including, but not limited to, Aspen Education Group, Inc. (collectively all of the above persons and entities shall be referred to as the "Released Parties" hereafter) who, through negligence, carelessness or any other cause, might otherwise be liable to Sponsor or Student under theories of contract or tort law.

Sponsor intends by this Waiver and Release to release, in advance, and to waive his or her rights and discharge each and everyone of the Released Parties, from any and all claims for damages for death, personal injury or property damage which Sponsor may have, or which may hereafter accrue as a result of Student's participation in any aspect of the Programs, even though that liability may arise from negligence or carelessness on the part of the persons or entities being released, from dangerous or defective property or equipment owned, maintained or controlled by them or because of their possible liability without fault. Additionally, Sponsor covenants not to sue any of the Released Parties based upon their breach of any duty owed to Sponsor or Student as a result of their participation in any aspect of the Programs. Sponsor understands and agrees that this Waiver and Release is binding on his or her heirs, assigns and legal representatives and legal representatives.

The above excerpt is taken from the New Leaf Academy Enrollment Agreement. Page 4, Section 5) Portions of the text appear below as well to emphasize the unconscionable and/or illegal terms included.

"Assumption of Risks; Releases And Indemnities. Sponsor (parent) acknowledges serious hazards and dangers, known and unknown, inherent in the Program, including but not limited to, agricultural and vocational activities, emotional and physical injuries, illness or death that may arise from strenuous hiking, climbing, and camping in a natural environment, exposure to the elements, plants and animals, running away from the Program, "acts of God" (nature), the ropes course, kayaking, water sports, stress, involvement with other students, self-inflicted injuries, and transportation to and from the Program's field

location(s)...Sponsor (parent) understands that accidents occur during such activities due to the negligence of others which may result in death or serious injury. Sponsor and Student are voluntarily participating in the Programs with knowledge of the dangers involved and agree to accept any and all risks...

In consideration for being permitted to participate in the Programs, Sponsor agrees to not sue, to assume all risks and to release, hold harmless and indemnify New Leaf and any and all of its predecessors, successors, officers, directors, trustees, insurers, employees, managers, agents, volunteers, community organizations, administrators, heirs, attorneys, executors, assigns and/or related or affiliated business entities including, but not limited to, Aspen Education Group, Inc. (collectively all of the above persons and entities shall be referred to as the "Released Parties" hereafter) who, through negligence, carelessness or any other cause, might otherwise be liable to Sponsor or Student under theories of contract or tort law."

It is a serious concern that New Leaf guarantees nothing and requires complete blamelessness in the event of its own negligent or intentional wrongs resulting in psychological/emotional harm, serious physical injury, and death. HEAL believes that it is in this demand of indemnity that parents begin to see that New Leaf is likely a scam. New Leaf is likely aware that many of their practices are harmful to children in their care. In fact, they say emotional harm is inherent in their program. Inherent means it is built-in or an essential part of the program. (http://www.merriam-webster.com/dictionary/inherent -- May 4th, 2010) For New Leaf to openly state that physical and psychological harm is an essential component of their program, this suggests a malicious intent for the children in its care. And, HEAL finds this a disturbing trend in self-aggrandized residential programs aimed at struggling families. (Page 4, Section 5)

New Leaf repeatedly denies any responsibility or accountability for the welfare and safety of children in its care. The contract states, "Sponsor [parent] alone, is solely responsible for Student's personal health and safety." Even though, as stated above, New Leaf requires legal parental custody/rights to be transferred to it at time of enrollment and throughout the duration of the program, it refuses to be held at all responsible for any harm caused to participants and lays that burden solely on the parent. HEAL imagines a smart attorney would argue that "Sponsor" (meaning legal guardian) could impliedly be applied to New Leaf once legal custody is transferred to the program and thereby would arguably be held liable for any harm caused to the child. There are plenty grounds for challenging many portions of this very unconscionable "agreement".

Furthermore, the New Leaf contract states, "Sponsor agrees that this Release extends to all claims of every nature and kind whatsoever, and hereby expressly waives all rights...Sponsor agrees to indemnify the Released Parties from any and all actions, causes of action, claims, demands, damages, costs (including

attorneys' fees), expenses, liabilities and charges, known or unknown (the "Liabilities") arising out of or in connection with claims and/or actions relating to or brought by or on behalf of Student, including, without limitation, claims related to or arising out of the Minor's participation in the Program." This section is important. If a child is harmed and pursues legal action, this portion of the contract makes the sole party to be sued the parent/sponsor. So, if a family spends their savings institutionalizing their minor relative at New Leaf and the minor is harmed and seeks redress through the courts, the families may be on the hook for all or the majority of damages arising out of participation in the program. This is a serious concern. In the case of Taylor v. Provo Canyon School, the court found the contracting mother 75% liable for the damages to her Provo Canyon School's result of actions (www.healonline.org/provocases.htm). The court found that the mother knew or should have known of the likelihood of harm to her son at Provo Canyon School and decided it was more her negligence in placing him in the care of Provo Canyon School than the direct damage caused by Provo Canyon's actions and practices that created the circumstances in which her son was harmed. Families need to understand that programs like New Leaf Academy are publicly believed to be frauds and scams and that no child should be placed in such an unregulated environment. The contract should read in bold print "Enter at your own risk". Because, New Leaf will (if they intended the proper meaning of "inherent" to be applied to their use of it) harm your child psychologically and/or physically. Based on this, don't put your child in New Leaf Academy. (Page 5, Section 5)

It was recently decided that schools cannot perform strip-searches of students without probable cause. New Leaf requires parents to authorize New Leaf staff to strip-search children at any time upon reasonable suspicion. It is HEAL's experience that these programs suspect all children of drug abuse and sexual improprieties and treat them as having such problems, even if never previously exhibited or diagnosed. HEAL is aware that the medical records of at least one child attending New Leaf showed no history of drug abuse. coordinators have personally experienced being strip-searched at other programs without just cause. For instance, Angela Smith, HEAL HQ Coordinator, was strip-searched upon entry into Provo Canyon School. Ms. Smith had no history of drug abuse and was seeking help for depression only. However, the program treated all children as reasonably likely to bring in contraband or to have contraband on their person(s). So, what would be considered an unreasonable search by most authorities and individuals, is considered "reasonable" by programs in this industry. In addition, New Leaf repeats that it has the right to dispose of the personal property of any Student without consulting the family or rightful owner of said property. (Page 5, Section 7) This promotes an atmosphere of disrespect and theft by staff.

In addition, the contract calls for parents/sponsors to authorize New Leaf Academy to have complete physical control and permission to allegedly unlawfully detain for an indiscriminate length of time. The contract states,

"Sponsor [parent] hereby authorizes New Leaf personnel to physically control and detain the student." (Page 5, Section 8) This is a violation of the child's due process rights and likely actionable as such. A parent cannot legally restrain and lock up their child in their own home without risk of arrest for child abuse. A program cannot legally do what a parent could not legally do to their own child at home. This appears to be an unconscionable term.

What is more disturbing is the fact that the contract calls for permission to experiment on children in the program. The contract states, "Sponsor hereby authorizes New Leaf to use data from the Student's records, tests, and assessments for purposes of ongoing research, provided that the Student's name and identity will be kept confidential and not used in any published materials." This portion is expanded on further in this report where recipients of research data are identified and discussed. (Page 6, Section 9)

New Leaf Academy also requires unquestioning/full cooperation with the program by parents and this includes parents' attendance of workshops/seminars. This is a concern. Often parents have concerns and raise valid questions addressed to program personnel. These same parents are often treated poorly and/or intimidated by program personnel for not cooperating per contract/agreement. This creates an environment in which the employer, here the parent(s), is being intimidated by program personnel into silence and compliance with practices the parents find questionable and/or disturbing. When protecting our children, we must enforce our own standards with those in whom we place trust. This certainly includes any residential facility. (Page 6, Section 11)

Beyond the indemnification for New Leaf Academy's own actions or failures to act, New Leaf Academy refuses any responsibility for harm arising out of the "escorting" of a child by paid "escorts", even when New Leaf refers to and/or recommends said escorts. The problem here is that New Leaf takes no professional responsibility or accountability for its own practices and recommendations. This suggests a lack of faith in New Leaf Academy's own judgment and certainly raises concerns regarding the efforts they employ in choosing services. (Page 6, Section 12)

Dr. Peter Breggin and others have repeatedly shown that recovery and/or mental health treatment must be voluntary to be effective. (www.heal-online.org/ebook.pdf) New Leaf Academy is an involuntary program and does not warn parents of the probable illegality of placement in the New Leaf program save for the following, "Sponsor warrants that the Student is a minor, both by age and as a matter of law, that the Student does not qualify under the law as an "emancipated minor," and that the laws of the Student's state of residence permit Sponsor to place the Student in the Program without the Student's consent." (Page 6, Section 14) The problem here is obvious. Any "treatment" that is conducted under force and duress is ineffective and harmful. Involuntary

confinement in an institutional and controlled setting is a violation of children's civil rights. And, overall, it is not a good decision to leave children in the hands of strangers who promise no reasonable efforts of comfort and safety for children in their care. New Jersey and many other states have laws that prevent and/or punish parents who wrongfully institutionalize their children. Parents should really research the laws in their state and others before ignorantly and/or illegally institutionalizing their children.

New Leaf Academy may be preparing for closure if and when the laws catch up with the industry. In preparing for "acts of federal, state, or local governments, agencies, or courts...or, unavoidable shut-down of necessary facilities...", New Leaf states all performances from all parties to the contract will be suspended. (Page 6-7, Section 15) In the event that HR 911 is strengthened and passes the Senate, New Leaf Academy may be closed due to new and enforced regulations.

While New Leaf Academy is located in Hendersonville, NC, the legal complaint office for New Leaf is located at: NEW LEAF, 17777 Center Court Dr, Suite 300, Cerritos, CA 90703. It is disconcerting that families living around the country or closer in vicinity to North Carolina than California would be forced to resolve legal problems in a state from which neither party originates. The law governing the New Leaf Contract, according New Leaf Academy, are the California Courts in Los Angeles County, California. This is very upsetting as most families would expect their originating state or North Carolina to have jurisdiction, not California. Such a clause would necessarily deter families from pursuing legitimate claims against New Leaf Academy. (Page 7, Sections 17, 18, and 22)

New Leaf Academy requires parents sign a waiver stating that no oral statements or statements/advertising/sales pitches will be considered part of the contract and that the contract is whole and complete. Further, it states, "New Leaf gives no warranties of any kind, express or implies, to either the Sponsor or the Student concerning the Program; and Sponsor acknowledges that Sponsor is not relying on any warranties or representations of any kind other than the express commitments of New Leaf set forth herein." New Leaf makes absolutely no promises or guarantees anywhere in the contract. On its face, the contract is horribly one-sided and would likely be deemed illegal and/or unconscionable by a court of law. (Page 8, Section 25)

New Leaf Academy also makes no guarantees to respect the privacy of you or your child and takes no responsibility for any transmission errors resulting in your private information being distributed to an unintended third-party. This also appears to be an unconscionable term. (Page 8, Section 27)

ANNUAL PHYSICAL EXAMINATIONS [FORM]

Dr. Herbert (no first name given) is the attending pediatrician at New Leaf Academy. HEAL reminds readers that this does not mean that Dr. Herbert is

employed by New Leaf. Dr. Herbert, per the contract terms, would necessarily be a subcontractor and New Leaf does not guarantee the competence of subcontractors used by absorbing any responsibility for wrongs committed by subcontractors.

NOTICE OF PRIVACY POLICY [FORM]

"Use or Disclosures of Your Personal Health Information Without Your Consent"

New Leaf Academy states it is allowed to share your private information and/or your child's without your consent. One of the most disturbing portions of this section is that it includes disclosure without your consent for research purposes and/or military purposes. (Page 2, items (g), (i), and (j)) It is a point of wonder why a boarding school would need to conduct research and/or share information about school children with the military. What kind of research and why is the military mentioned and/or involved?

New Leaf also warns that it will withhold information if it believes such information can and/or will be used in a civil or criminal investigation/lawsuit. What are they afraid of? What do they do? (Page 3, Right To Inspect...)

In addition, New Leaf requires all complaints to be filed with New Leaf and/or the Secretary of DHHS within 180 days of when complainant knew or should have known that the act or omission complained of occurred. This is troublesome because six months may not reveal a problem and the program can argue negligence on the part of the parent as was seen in the Taylor case mentioned above. If open communication were allowed (this is addressed below), this would not be an issue. But, since calls and letters are censored/monitored by the Program, it becomes a serious issue in regards to when the problem becomes known to the parent as opposed to the 6 month timeframe imposed by this section. (Page 4, Complaints)

New Leaf also reserves "the right to revise or amend this Privacy Policy at any time" and gives itself 60 days to notify participants of any such changes. This leaves a 2 month window in which New Leaf could arguably violate its own Privacy Policy without concern because of this "agreed" upon stipulation of the contract. (Page 4, Amendments...)

THIS NOTICE DESCRIBES HOW MEDICAL INFORMATION ABOUT YOU MAY BE USED... [FORM]

"Uses And Disclosures For Other Reasons Without Permission", include:

- "...uses or disclosures for health related research"
- "...uses or disclosures for specialized government functions, such as for the protection of the president or high ranking government officials, for lawful national intelligence activities; for military

- purposes, or for the evaluation and health of members of the foreign service;"
- "...disclosures of a "limited data set" for research purposes, public health, or health care operations"
- "...Unless you object, we will also share relevant information about your care with your family or friends..."

New Leaf also states that you can ask for restrictions on their "rights" to share your private information without your consent, but, they reserve the right to say "no". Keep that in mind. (Page 2)

Parents in Georgia should be forewarned that Cynthia R. Montalvo of Alphanetta highly recommends New Leaf Academy for children. There is likely a material incentive for her recommendation of Aspen Education Group programs. Any individual who refers to or recommends Aspen Education Group programs is likely ill-informed and has not done even a rudimentary investigation into the problems and practices at Aspen programs. A quick review of the New Leaf Academy contract would startle any reasonable person into avoiding doing business with them since they state harm is inherent to their program.

POWER OF ATTORNEY

Even more disturbing are the rights parents are asked to sign over to New Leaf Academy in the "Power of Attorney" form they require parents to sign giving absolute right and control over the child in violation of the child's rights (see: www.heal-online.org/legalarguments.htm). Below is a portion of that form:

. I/we hereby execute this Power of Attorney for the purpose of providing custodial care, educational services and those services described in the program materials in connection with New Leaf Academy of North Carolina I (hereinafter known as the "Program").

Without limiting or qualifying the general Power of Attorney granted and delegated by Sponsor to New Leaf Academy of North Carolina in the foregoing paragraph, Sponsor specifically grants to New Leaf Academy of North Carolina the following powers:

- To provide or obtain all medical, dental, psychiatric treatment and hospital care, and to authorize a physician to perform any and all procedures that may appear to be medically necessary for the well being of the Student;
- To guide and discipline the Student as deemed necessary and reasonable by New Leaf Academy of North Carolina (but not to include physical punishment);
- 3. To physically restrain the Student should he/she become a danger to himself/herself or to anyone else, as deemed necessary by New Leaf Academy of North Carolina:
- To allow the Student to participate in all activities that may risk physical injury or illness, as outline in the New Leaf Academy of North Carolina Enrollment
 Agreement and Program Description, and
- 5. To search the person and personal effects of the Student at any time as New Leaf Academy of North Carolina in its discretion deems appropriate, and seize and confiscate any items deemed by New Leaf Academy of North Carolina to be contraband or counterproductive to the —student's successful completion of the Program. The search of the Student's —person may require Student to change all of his or her clothing in the presence of a staff member, in which contraband may be hidden.
- To restrict the Student's access to telephone calls, visitors and delivered materials.

There are many problems with this "Power of Attorney". The most outrageous is authorizing New Leaf to physically restrain a child. Or, the most outrageous may be that it is for the "purpose to provide custodial care" while the rest of the contract denies responsibility for providing such care. It is certainly disturbing that a child can be strip-searched and/or have his/her belongings searched and confiscated at any time at the discretion of the staff. And, it is a violation of the child's civil rights to restrict his/her access to telephone calls, visitors, and delivered materials. That portion is a nice way of describing a blatant privacy right. (See: Milonas and Rice v. Provo Canyon School — www.heal-online.org/provocases.htm) Overall, the Power of Attorney seems to be an unconscionable and/or illegal document granting powers to New Leaf that the parent cannot grant without directly violating their child's rights. This is a cause for concern.

New Leaf also contracts with Biltmore Associates in Psychiatry and Psychology, 7 Yorkshire St, Ste 201 in Asheville, NC. And, New Leaf contracts with Park Ridge Pediatrics, 50 Hospital Drive, Ste 5D in Hendersonville, NC.

PHOTOGRAPH RELEASE OF LIABILITY [FORM]

New Leaf also asks that parents endorse the program and allow photos of their minor children to be used in advertising while the child is enrolled in the program. This is unconscionable on its face. For one, how is a treatment program respecting confidentiality and privacy of minors if they post the minors photos online and in promotional materials exposing said minors to public embarrassment and ridicule. Parents are asked to waive their children's privacy rights for the sake of promoting and advertising New Leaf prior to enrollment or satisfaction on the part of the family in regards to services rendered by New Leaf. This is unconscionable and should not be asked of families seeking help.

New Leaf Academy and Aspen Education Group are affiliated with FamilyIQ and request/require participation in FamilyIQ while the family is considered a participant(s) in the Program. (FamilyIQ Consent Form)