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FILED
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DISTRICT OF UTAH
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UNITED STATES DISTRICT COURT
DISTRICT OF UTAH
CENTRAL DIVISION

Plaintiff,

v.

TEEN HELP, a partnership; TEEN HELP
BRIGHTWAY at ST. GEORGE; NARVIN
LICHFIELD; ROBERT LICHFIELD and
DANIEL PEART, individuals; MAJESTIC
RANCH INC. and MAJESTIC RANCH
ACADEMY, INC. corporations,

Defendants.

No.

2:02CV-00816

COMPLAINT

PARTIES AND JURISDICTION

1. Plaintiff _____ is a 21 year old resident of the State of Washington, born January 31, 1980, who for about five months in 1992 lived in Utah at Teen Help Brightway and Majestic Ranch for Boys.

2. Defendant Majestic Ranch Inc., doing business as Majestic Ranch for Boys, is a now dissolved corporation, succeeded by Majestic Ranch Academy, Inc. under the direction of defendant Dan Peart and located in Randolph, Utah. At the time _____ was at Majestic Ranch for Boys, it was operated as a residential treatment center under the laws of the State of Utah. Majestic Ranch Inc. is currently a defendant in an action brought by the

1 plaintiff in the State of Washington, King County Cause No. 00-2-02854-7KNT. Majestic
2 Ranch Inc. contests jurisdiction of the Washington courts.

3 3. "Teen Help" is a non-profit corporation organized under laws of the State of
4 Utah with its principal place of business in St. George, Utah. Teen Help represents itself as
5 an umbrella agency to help parents of at-risk teenagers connect with appropriate treatment
6 centers and placement for their troubled children. It is also the marketing arm of the various
7 at-risk youth enterprises owned by the other defendants, specifically Majestic Ranch Inc.
8 owned by defendant Peart.
9

10 4. "Teen Help Brightway at St. George" (hereinafter "Teen Help Brightway")
11 was apparently a separate entity with its principal place of business in St. George, Utah. The
12 entity represented itself as an in-patient adolescent hospital which, by use of psychological
13 evaluations, screened Teen Help candidates for appropriate placement in other facilities such
14 as Majestic Ranch for Boys.
15

16 5. Daniel Peart was an officer of Majestic Ranch Inc. and along with his wife,
17 Donna Peart, is one of only two shareholders of the successor corporation Majestic Ranch
18 Academy, Inc.. The Majestic Ranch corporations are the alter-ego of defendant Peart, being
19 under the control and responsibility of the defendant Peart. Daniel Peart resides in Randolph,
20 Utah.
21

22 6. Narvin Lichfield was, at the time of the events that are the subject of this
23 lawsuit, a resident of Utah and carried the title enrollment director for Teen Help Brightway.
24 He dispensed the payments received from plaintiff between Teen Help and Majestic Ranch
25 Inc. He is the brother-in-law of Daniel Peart and brother of Robert Lichfield.
26

1 7. Robert Lichfield was, at the time of the events that are the subject of this
2 lawsuit, a resident of Utah, and at all times material, an owner, partner, shareholder or director
3 of Teen Help and Teen Help Brightway. The entity defendants were and are the alter egos of
4 the Lichfields and Peart such that the individual defendants coordinated, controlled, directed,
5 and oversaw the activities of the entity defendants and operated and profited from them as
6 sole proprietorships without the requisite independent oversight or accountability of bona fide
7 entity defendants. Adherence to the fiction of the separate existence of the entity defendants
8 and the named individual defendants would permit an abuse of the entity privilege and would
9 sanction fraud and promote injustice by shielding the individual defendants from
10 accountability to the plaintiffs and responsibility for the acts and conduct of the entity
11 defendants, which are purposeful facades without assets, and thus unable to respond in
12 damages for wrongdoing or liability.
13

14
15 8. This court has jurisdiction pursuant to 28 U.S.C. §1331 and 28 U.S.C.
16 §1332(a) because the plaintiff is a resident of the State of Washington, the defendants are
17 residents of the State of Utah and the amount in controversy exceeds \$75,000, exclusive of
18 fees and costs.

19 **FACTS**

20
21 9. In 1992, plaintiff ██████████'s natural father and mother had recently
22 and acrimoniously divorced, causing plaintiff significant stress and turmoil. His mother,
23 Christy Raschke, saw an advertisement for Majestic Ranch for Boys in Randolph, Utah,
24 which purported to offer a ranch living experience to troubled teens. Ms. Raschke contacted
25 the Ranch and was advised that entry to Majestic Ranch Inc. should be facilitated through
26 Teen Help in order to qualify for insurance coverage. Ms. Raschke was directed to contact

1 Narvin Lichfield, brother-in-law of Daniel Peart, to make arrangements to apply for
2 admission to Teen Help Brightway, represented as a hospital.

3 10. Although termed a hospital, Teen Help Brightway was more accurately
4 described as a locked detention facility. It was closed by the State of Utah for numerous
5 licensing violations in about 1998. Plaintiff was placed at Teen Help Brightway for six
6 weeks, during which time he received minimal evaluation and therapy. The insurance policy
7 covering his care was charged a base rate of \$695 per day for room and board; additional
8 money was required for "therapy". Plaintiff was diagnosed as bi-polar and put on medication.

9
10 11. On March 19, 1992, [REDACTED] was transported to Majestic Ranch Inc. for
11 follow-up care. Majestic Ranch was paid through Teen Help. Contrary to representations by
12 defendant Peart in a phone conversation with plaintiff and a video sent to [REDACTED]
13 and his mother, plaintiff did not live on the Ranch but rather in a group of apartment buildings
14 in the town of Randolph, Utah. Other conditions of the Ranch were also misrepresented by
15 defendant Peart. Plaintiff was actually taken to the Ranch depicted in promotional materials
16 on only two occasions, for a few hours each time. Plaintiff's parents paid in excess of \$5,000
17 of their own money for plaintiff's care, in addition to the in excess of \$25,000 paid on
18 plaintiff's behalf by their insurer.

19
20 12. While staying at the Ranch, plaintiff [REDACTED] was repeatedly sexually
21 assaulted by a staff member, Larry Jensen. Defendant Peart had been warned by other staff
22 members about Jensen's inappropriate conduct with boys. Jensen was subsequently fired
23 after confessing to the sexual abuse of two other boys at the Ranch.

24
25 13. Upon plaintiff [REDACTED]'s return to the State of Washington in June 1992, he
26 was in a extremely weakened emotional state from both the unnecessary mental

1 hospitalization that subjected him to ridicule, humiliation and disbelief, and from the sexual
2 abuse by Jensen. He was then sexually abused by two residents in the State of Washington
3 for over a year. Those individuals have subsequently been imprisoned in the State of
4 Washington.

5 6 CAUSES OF ACTION

7 14. **First Cause of Action – Negligence:** The defendants' operation of Teen Help
8 and Majestic Ranch Inc. failed to take reasonable steps to protect plaintiff from injury.

9 15. **Second Cause of Action – Breach of Fiduciary:** The defendants and each of
10 them, by acting in concert to obtain physical custody of [REDACTED], undertook a
11 fiduciary duty toward plaintiff to his health, safety and welfare. Defendants breached their
12 fiduciary duty which proximately caused plaintiff to sustain pain, suffering, injury, mental and
13 emotional distress.

14 16. **Third Cause of Action – Negligent Misrepresentation:** As a part of a
15 scheme to obtain substantial fees from plaintiff's insurance company, the defendants acting in
16 concert misrepresented the nature and purposes of their services, and misrepresented that the
17 program was safe, wholesome, caring and beneficial. Defendants specifically misrepresented
18 the living situations in which they would keep plaintiff. The excessive amount charged by
19 "Teen Help" was deceptive in advancing the ruse that Teen Help Brightway and Majestic
20 Ranch Inc. were providing therapeutic, social, and educational experiences. These
21 misrepresentations were relied upon by plaintiff in his decision to go to Utah.

22 17. **Fourth Cause of Action – Negligent Infliction of Emotional Distress:**
23 Defendants had a duty not to injure plaintiff [REDACTED] either physically or psychologically but
24 rather to instruct, educate and promote his physical and psychological well being. The
25
26

1 defendants, to further their own monetary interests, placed him in an environment – to wit,
2 Brightway “hospital” – where he would be labeled seriously mentally ill and not worthy of
3 belief. This conduct recklessly and negligently caused severe emotional distress to plaintiff.

4 18. **Fifth Cause of Action – Tort of Outrage:** Inducing plaintiff to attend
5 Majestic Ranch for Boys by misrepresenting the conditions there and at Teen Help Brightway
6 and labeling him mentally ill to obtain insurance money is outrageous conduct, outside the
7 bounds of common decency.

9 19. **Sixth Cause of Action – Negligent Supervision and Retention:** Defendant
10 Majestic Ranch Inc., now existing as Majestic Ranch Academy and defendant Peart owed
11 plaintiff a duty to employ and engage professionals qualified to address the needs which
12 justified [REDACTED] induction and retention in their programs. Defendant failed to
13 use ordinary care or caution in the hiring, supervision and retention of Larry Jensen.

15 20. **Seventh Cause of Action – RICO:** The intentional and deliberate
16 misrepresentation of material facts in telephone conversations, letters, through the use of the
17 mail, constitutes a violation of 18 U.S.C. §1342 relating to wire fraud and 18 U.S.C. §1341
18 relating to mail fraud and such acts constitute racketeering activity as that term is described in
19 18 U.S.C. §1961.

20 21. **Eighth Cause of Action – Civil Conspiracy:** Defendants Peart and Lichfield,
21 along with the entities they managed and directed, defendants Teen Help and Majestic Ranch
22 Inc., conspired together to deceive plaintiff, his family and his parents’ insurers to wrongfully
23 obtain custody of plaintiff, and money from his family and others, by deceptively describing
24 the purpose, plans, and conditions of his care and custody. This conspiracy caused great
25 damage to plaintiff.
26

1 CAUSATION

2 22. As a direct result of the above-alleged negligence, breach of fiduciary duty and
3 conspiracy, plaintiff [REDACTED] has suffered disabling personal injury, requiring significant
4 medical attention.

5 23. As a result of medical attention above stated, plaintiff has incurred medical
6 expenses to date in excess of the sum of \$20,000, and future medical expenses will exceed
7 \$20,000, all for which defendants are liable.

8 24. As a further and direct result of plaintiff's stated injuries, he has suffered future
9 loss of income and permanent impairment of earning capacity, all for which defendants are
10 liable.

11 25. As a direct result of defendants' conduct, plaintiff has suffered severe and
12 extreme emotional distress, at times requiring hospitalization.

13 26. As a further and direct result of defendants' conduct, plaintiff's ability to enjoy
14 life, earn income, and attend to his usual activities has been greatly diminished.

15 27. As a further and direct result of plaintiff's above-stated injury, plaintiff has
16 suffered general damages in a sum to be determined by the Court and for which defendants
17 are liable.

18 DAMAGES

19 WHEREFORE, plaintiff prays for judgment against the defendants for damages
20 suffered as follows:

21 (a) All medical and miscellaneous expenses incurred, plus any and all additional
22 sums required for expenses to be incurred as a result of said injury;

1 (b) Loss of income and future loss of income in an amount to be determined by the
2 Court;

3 (c) An amount to be determined by the Court for permanent impaired earning
4 capacity;

5 (d) Punitive damages in an amount to be determined by the Court; and


6
7 (d) General damages in a sum to be determined by the Court, but in excess of
8 SEVENTY-FIVE THOUSAND DOLLARS (\$75,000.00), and for other further relief as to the
9 Court appears fair and equitable in the premises including interest as provided on personal
10 injury judgments under Utah Law.

11
12 DATED this 30th day of January, 2002.

13 SCHROETER, GOLDMARK & BENDER

14 
15 REBECCA J. ROE, WSBA #7560
16 Counsel for Plaintiff

17 HILLYARD, ANDERSON & OLSEN, P.C.

18 
19 Herm Olsen, Utah Bar # 2463
20 Co-Counsel for Plaintiff
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FILED
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DISTRICT OF UTAH
DEPUTY CLERK

IN THE UNITED STATES COURT FOR THE DISTRICT OF UTAH
CENTRAL DIVISION

[REDACTED]

Plaintiff,

vs.

TEEN HELP, a partnership; TEEN HELP
BRIGHTWAY at ST. GEORGE; NARVIN
LICHFIELD; ROBERT LICHFIELD and
DANIEL PEART, individuals, MAJESTIC
RANCH INC. and MAJESTIC RANCH
ACADEMY, INC., corporations

Defendant(s).

ORDER DENYING DEFAULT
JUDGMENT

Case No. 2:02-CV-00081PGC

On June 4, 2003, the court ordered plaintiff [REDACTED] to show cause why unserved defendant Narvin Lichfield should not be dismissed from this case. On June 25, 2003 the court granted plaintiff 60 days to complete service on Narvin Lichfield, pursuant to Rule 4(f) of the Federal Rules of Civil Procedure. Service was apparently effectuated on August 16, 2003 by leaving a copy of the complaint and summons at the dwelling house of Narvin Lichfield with one Harold Dabel, presumably a person of suitable age and discretion residing therein. However, this court was not notified that service of process had been completed until October 15, 2003. Thus, the case was dismissed without prejudice on September 24, 2003 and the clerk of the court

was directed to close the case. The case has been closed for ten months now without any filings from the plaintiff. Therefore, the court denies plaintiff's motion for default judgment as untimely. Since the case was initially dismissed without prejudice, Plaintiff may be free to refile the Complaint against Narvin Lichfield and proceed again with service of process.

DATED this 26th day of July, 2004.

BY THE COURT:



Paul G. Cassell
United States District Judge

tsh

United States District Court
for the
District of Utah
July 27, 2004

* * CERTIFICATE OF SERVICE OF CLERK * *

Re: 2:02-cv-00081

True and correct copies of the attached were either mailed, faxed or e-mailed by the clerk to the following:

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