

18CF 8718

Rough
Arrest
Only

ADMINISTRATION		ARREST / NOTICE TO APPEAR Juvenile Referral Report		1. Arrest 3. Request for Warrant 2. N.T.A. 4. Request for Capias		3		Juvenile		N	
OBTS Number		Agency ORI Number FL0500000		Agency Name PALM BEACH COUNTY SHERIFF'S OFFICE		Agency Report Number 06-18-111286					
Charge Type: Check as many as apply.		☒ 1. Felony ☐ 2. Traffic Felony		☐ 3. Misdemeanor ☐ 4. Traffic Misdemeanor		☐ 5. Ordinance ☐ 6. Other		Weapon Seized/Type 1. Yes 2. No 2		Multiple Clearance Indicator 1	
Location of Arrest (Including Name of Business)				Location of Offense (Business Name, Address) 2234 W ATLANTIC AVE, DELRAY BEACH, FL 33445							
Date of Arrest		Time of Arrest		Booking Date		Booking Time		Jail Date		Jail Time	
Jail Location		Time of Arrest		Booking Date		Booking Time		Jail Date		Jail Time	
Name (Last, First, Middle) REMLAND, DAVID S.		Alias (Name, DOB, Soc. Sec. #, Etc.)									
Race W - White B - Black O - Oriental/Asian W		Sex M		Date of Birth 09/05/1964		Height 5'11		Weight 165		Eye Color BRN	
Hair Color BRN		Complexion MED		Build MED		Marital Status UNKNOWN		Religion UNKNOWN		Indication of: Alcohol Influence ☐ Y ☒ N ☐ Unk. Drug Influence ☐ Y ☒ N ☐ Unk.	
Scars, Marks, Tattoos, Unique Physical Features (Location, Type, Description)				Residence Type 1. City 3. Florida 2. County 4. Out of State 3		Address Source		Occupation			
Local Address (Street, Apt. Number) 6471 LAS FLORES DR		(City) BOCA RATON		(State) FL		(Zip) 33433		Phone () () ()			
Permanent Address (Street, Apt. Number)		(City)		(State)		(Zip)		Phone			
Business Address (Street, Apt. Number)		(City)		(State)		(Zip)		Phone			
D/L Number, State R545-177-64-325-0		Soc. Sec. Number		INS Number		Place of Birth NY		Citizenship USA			
Co-Defendant Name (Last, First, Middle)		Race		Sex		Date of Birth		☐ 1. Arrested ☐ 3. Felony ☐ 5. Juvenile ☐ 2. At Large ☐ 4. Misdemeanor			
Co-Defendant Name (Last, First, Middle)		Race		Sex		Date of Birth		☐ 1. Arrested ☐ 3. Felony ☐ 5. Juvenile ☐ 2. At Large ☐ 4. Misdemeanor			
☐ Parent ☐ Legal Custodian ☐ Other		Name (Last)		(First)		(Middle)		Residence Phone			
Address (Street, Apt. Number)		(City)		(State)		(Zip)		Business Phone			
Notified by: (Name)		Date		Time		Juvenile Disposition 1. Handled/Processed Within Dept. and Released		TOT HRS/CYF Incarcerated			
Released To: (Name)		Relationship		FCIC/NCIC		Date		Time			
The above address was provided by defendant and/or defendant's parents. The child and/or parent was told to keep the Juvenile Court Clerk's Office informed of any change of address: ☐ Yes, by: (Name) ☐ No: (Reason)								School Attended		Grade	
Recovery Information 0. N/A 1. Voluntary 2. Located Not Returned 3. Hospitalized 4. HRS Custody 5. Law Enforcement Custody 6. Returned to Parent 7. Released 8. Other											
Drug Activity S. Sell N. N/A P. Possess		R. Smuggle B. Buy T. Traffic		K. Dispense/ D. Deliver E. Use		M. Manufacture/ Produce/ Cultivate		Z. Other		Drug Type N. N/A A. Amphetamine	
B. Barbituate C. Cocaine E. Heroin		H. Hallucinogen M. Marijuana O. Opium/Deer		P. Paraphernalia/ Equipment S. Synthetic		U. Unknown Z. Other					
Charge Description PATIENT BROKERING		Counts 3		Domestic Violence ☐ Yes ☒ No		Statute Violation Number 817.505(1)(a)		Violation of ORD #			
Drug Activity N		Drug Type N		Amount/Unit \$100,000		Offense # 06-18-		Warrant/Capias Number		Bond	
Charge Description CONSPIRACY TO COMMIT PATIENT BROKERING		Counts 1		Domestic Violence ☐ Yes ☒ No		Statute Violation Number 777.04(3)		Violation of ORD #			
Drug Activity N		Drug Type N		Amount/Unit \$100,000		Offense # 06-18-		Warrant/Capias Number		Bond	
Charge Description		Counts		Domestic Violence ☐ Yes ☐ No		Statute Violation Number		Violation of ORD #			
Drug Activity		Drug Type		Amount/Unit		Offense #		Warrant/Capias Number		Bond	
Charge Description		Counts		Domestic Violence ☐ Yes ☐ No		Statute Violation Number		Violation of ORD #			
Drug Activity		Drug Type		Amount/Unit		Offense #		Warrant/Capias Number		Bond	
Charge Description		Counts		Domestic Violence ☐ Yes ☐ No		Statute Violation Number		Violation of ORD #			
Drug Activity		Drug Type		Amount/Unit		Offense #		Warrant/Capias Number		Bond	
Instruction No. 1 Mandatory Appearance in Court		Location (Court, Room Number, Address)									
Instruction No. 2 You need not appear in Court but must Comply with instructions on reverse side.		Court Date and Time Month Day Year Time A.M. P.M.									
I AGREE TO APPEAR AT THE TIME AND PLACE DESIGNATED TO ANSWER THE OFFENSE CHARGED OR TO PAY THE FINE SUBSCRIBED. I UNDERSTAND THAT SHOULD I WILLFULLY FAIL TO APPEAR BEFORE THE COURT AS REQUIRED BY THIS NOTICE TO APPEAR, THAT I MAY BE HELD IN CONTEMPT OF COURT AND A WARRANT FOR MY ARREST SHALL BE ISSUED.											
Signature of Defendant (or Juvenile and Parent/Custodian)						Date Signed					
HOLD for other Agency Name:		Signature of Arresting Officer X		Name Verification (Printed by Arrestee) (PRINT)		I.D. # 15527		Agency PBSO		PAGE 1 OF 1	
☐ Dangerous ☐ Suicidal		☐ Resisted Arrest ☐ Other:		Name of Arresting Officer (Print) DET. M. BEREY		I.D. # 15527		Agency PBSO		Witness here is subject signed with an "X".	
Intake Deputy I.D. #		Pouch #		Transporting Officer I.D. #		Agency PBSO		Witness here is subject signed with an "X".		PAGE 1 OF 1	

OBTS Number		PROBABLE CAUSE AFFIDAVIT				3	
		1. Arrest 2. N.T.A. 3. Request for Warrant 4. Request for Capias					Juvenile
Agency ORI Number FLO 5 0 0 0 0 0		Agency Name PALM BEACH COUNTY SHERIFF'S OFFICE			Agency Report Number 06 - 18-111286		
Charge Type: ☒ 1. Felony ☐ 3. Misdemeanor ☐ 5. Ordinance Check as many ☐ 2. Traffic Felony ☐ 4. Traffic Misdemeanor ☐ 6. Other as apply.					Special Notes:		
Defendant's Name (Last, First, Middle) REMLAND, DAVID, S.					Race W	Sex M	Date of Birth 09/05/1964
Charge Description PATIENT BROKERING-OFFERING/PAYING KICKBACKS				Charge Description CONSPIRACY TO COMMIT PATIENT BROKERING			
Charge Description				Charge Description			
Victim's Name (Last, First, Middle) STATE OF FLORIDA					Race	Sex	Date of Birth
Victim's Local Address (Street, Apt. Number) (City) (State) (Zip)				Phone		Address Source	
Victim's Business Address (Name, Street) (City) (State) (Zip)				Phone		Occupation	
The undersigned certifies and swears that he/she has just and reasonable grounds to believe, and does believe that the above named Defendant committed the following violation of law. The Person taken into custody... ☐ committed the below acts in my presence. ☐ confessed to _____ admitting to the below facts. ☐ was observed by _____ who told _____ that he/she saw the arrested person commit the below acts. ☒ was found to have committed the below acts, resulting from my (described) investigation.							
On the 21 st day of August, 20018 at 11:00 ☒ A.M. ☐ P.M. (Specifically include facts constituting cause for arrest).							

NARRATIVE:

In early 2017, I participated in the investigation of a clinical lab called Impact Q Testing, LLC ("Impact Q" or "IQ") that was suspected of committing Patient Brokering under Fla. Stat. § 817.505(1)(a) (2016) by offering or paying kickbacks to individuals for the referral of patients or patronage to Impact Q for urinalysis (UA) testing. To date, the owners of Impact Q (Daniel Kandler, Mark Desimone, and David Remland) have all been charged with Patient Brokering in multiple cases which are currently pending.

During the initial investigation of Impact Q, I received the Bank of America ("BOA") account records of Impact Q (for the account ending in [REDACTED]). In these records I identified three (3) checks made payable to "PTK Enterprises" in the following amounts:

Check #	Date	Amount
1213	11/21/16	\$25,000
1263	12/19/16	\$25,000
1306	1/19/17	\$50,000

Check #1213 appeared to be endorsed by Patrick Kilkeny. The Department of State records showed that PTK Enterprise, Inc. ("PTK") was incorporated by Patrick Kilkeny on 2/28/06. The records also showed that Kilkeny, as the President and Registered Agent of the company, filed the most recent docs for the company on 1/19/16

NARRATIVE CONTINUATION

On August 8, 2017, Kilkenny appeared at the State Attorney's Office under subpoena where he was questioned under oath with his attorney present. At this meeting was myself, ASA Justin Chapman, Analyst Sue Pentecost, Patrick Kilkenny, and his attorney, Robert Nicolson. During this meeting, Kilkenny explained that he was in the business of selling, marketing, and distributing furniture. He had been doing so for many years. PTK was his marketing company for furniture. However, he used that same company for a marketing agreement he had with Impact Q.

Kilkenny was first introduced to Impact Q by his friend Chris Barnett in the last few months of 2016. Kilkenny knew Barnett from being in recovery together and Barnett had been working for Smart Lab, another clinical lab, as a marketer. Barnett explained to Kilkenny that he wanted to refer a treatment center called Gatehouse Treatment ("Gatehouse") to Impact Q, but Barnett couldn't do it under his name because of a non-compete agreement that he had with his current employer, Smart Lab. Kilkenny met David Remland, who introduced himself as the owner of Impact Q. Kilkenny said he met Remland at IQ's office in Delray Beach, and then met Remland at his Boca Raton home about a month later. He said he signed a marketing contract with IQ to bring on lab accounts, and he was to get \$50k per month for a year. He said he was immediately bringing on an account from New Hampshire called GateHouse Treatment.

New Hampshire corporation records show Gatehouse Treatment as an entity owned by Recovering Life Services, LLC ("RLS"). The registered agent for RLS is Nathaniel ("Nathan") Irvine. Kilkenny said this account was "pre-arranged. My friend, Chris Barnett... was trying to get around a non-compete with his employer here in the state of Florida." He said Barnett wanted to put the account with a different lab. He said GateHouse had 20 clients getting UA tested 2-3 times per week. Kilkenny said Barnett told him "do me a favor, I want to stick this over here... sit over this account for a little while and in the future maybe I can bring you in on some of these accounts." He said his deal with Barnett was he would keep 2% of the receipts from IQ and he would give the other 98% to Barnett.

Kilkenny said he had several phone conversations with Remland before he met him at IQ. Over the phone they discussed the logistics of getting the UA samples to the lab. He said Barnett and Remland had worked out the financial aspects of the GateHouse deal before this call, and Kilkenny never discussed the deal economics with Remland.

Kilkenny admitted that Remland did not background check or get a resume from him before signing him to a 12 month \$50k/month contract. He also admitted that he never in his career was retained for a sum near the amount of this contract. And he admitted

NARRATIVE CONTINUATION

that he was going to service the account for his 2% share, and Barnett was not going to do anything other than bring in this account to start.

Kilkenny said he got 3 checks totaling \$100k from IQ. I showed him the 3 checks identified above, and he confirmed that he received and deposited each of these 3 checks into his Wells Fargo bank account.

Kilkenny said that the first 2 checks were for the first month, and the third check was for the second month. He said he never brought in any other accounts, and the only account brought in under this agreement was GateHouse. He said the checks stopped when Remland was arrested and Remland stopped returning phone calls. He said he picked up the first 2 checks from Remland at IQ in Delray Beach, FL, and he picked up the last check from Remland at Remland's home in Boca Raton, FL. He said he wired 98% of the funds to Chris Barnett a day or so after depositing the checks.

When I said that Chris Barnett was getting what he thought he deserved, which was 98% of the payments from IQ for bringing in the GateHouse account, Kilkenny said "right."

Kilkenny explained that his role "didn't seem like an incredible amount of work" under this agreement. Kilkenny said he only worked "a couple of hours each week" on the account under this contract, which equates to about \$6,250.00 per hour based on the \$50k per month contract.

About 200 UA samples came in each month from GateHouse. Kilkenny admitted that Barnett was doing no work each week on the GateHouse account.

I asked Kilkenny what he thought would happen if, after the first week of this contract, GateHouse stopped using IQ as their lab. He said "I think the contract would have ended." Kilkenny said he signed the contract with IQ within 2 weeks before he received the first check.

On January 2, 2018 I received the Wells Fargo Bank certified account records of PTK pursuant to Subpoena No. 17-1884 served on 11/29/17. Those records showed that:

1) On 11/22/16 Kilkenny deposited check #1213 from IQ for \$25,000 into his PTK account ending in [REDACTED]. On 11/28/16 Kilkenny wire transferred \$24,500 to the JPMorgan Chase Bank account of CMB Capital Holdings LLC. A search of Florida Department of State records showed that CMB Capital Holdings, LLC was incorporated on 8/18/15. Those records also showed that Christopher Barnett filed, as registered agent and Member, a 2016 corporation annual report on 12/19/16.

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2) On 12/21/16 Kilkenny deposited check #1263 from IQ for \$25,000 into his PTK account ending in [REDACTED]. On 12/23/16 Kilkenny wire transferred \$24,500 to the JPMorgan Chase Bank account of CMB Capital Holdings LLC.

3) On 1/19/17 Kilkenny deposited check #1306 from IQ for \$50,000 into his PTK account ending in [REDACTED]. On 1/23/17 Kilkenny wire transferred \$39,000 to the JPMorgan Chase Bank account of CMB Capital Holdings LLC. (An 8/15/17 email from Attorney Nicholson to me explained that Kilkenny was owed \$10,000 from Barnett, and Kilkenny deducted the debt from the \$49,000 that he would have wired to Barnett on 1/23/16.)

The above noted transactions show that Kilkenny remitted, to Barnett's CMB Holdings account at Chase Bank, exactly 98% of proceeds received from IQ to PTK (adjusting for a debt repayment) within days of receiving the funds from IQ.

On 10/24/17 I received the JPMorgan Chase Bank certified account records of Chris Barnett and CMB Capital Holdings, LLC. Those records confirm that CMB Capital Holding, LLC received the above 3 wire transfers from Kilkenny. The records also show that CMB Capital Holdings remitted more than \$80,000 to NTI Marketing, LLC. New Hampshire Department of State records show that NTI Marketing is owned by Nathan Irvine. Irvine is also listed by the New Hampshire Department of State as the owner of Gatehouse Treatment (through his Recovering Life Services, LLC entity.) On 12/29/16, 6 days after receiving a \$24,500 wire from Kilkenny, CMB wire transferred \$15,000 to NTI Marketing.

On 6/21/18 SHTF member S. Pentecost, ASA A. Ackerman, and I met with Chris Barnett and his attorney, Scott Richardson. Barnett said that he has been Director of Business development for Smart lab for about the past 3 years.

Barnett said that Andrzej Szygiel introduced him to David Remland of Impact Q Testing ("IQ") in August or September, 2016. At that time Andrzej was working part-time for Barnett at Smart lab. Remland told Barnett that he was trying to grow his IQ business, and Barnett had a treatment center account that he wanted to refer to a lab other than Smart lab. Andrzej told Barnett that he already had accounts at IQ and they were paying him for those account referrals. Barnett said he met Remland in Boca Raton, fl. at a cigar bar.

Barnett said that in or about October, 2016 he called Remland and discussed working with IQ. Barnett said Remland invited him to IQ's lab in Delray Beach, FL, and he toured the lab and met Mark Desimone and Daniel Kandler at that time. Barnett said he and Remland subsequently (within a week) went back to the cigar bar and discussed his New Hampshire treatment center account, RLS/Gatehouse. Barnett

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said he proposed a \$50,000 per month "consulting" fee in exchange for bringing his account to IQ, and he told Remland that this account would send 450-480 UA samples per month to IQ for testing. Remland said ok to Barnett's proposal. Barnett said "my first check wasn't until samples started coming in" from Gatehouse to IQ.

Barnett said he had a non-compete agreement with Smart lab, and because of this, he asked his friend, Patrick Kilkenny, to enter into the \$50,000/mth agreement with IQ using his (Kilkenny's) LLC. Barnett offered Kilkenny 2% of the monthly fee for acting as his intermediary, and the remaining 98% would be passed on to Barnett. Barnett said Kilkenny did not negotiate the terms of this agreement that he entered into in November, 2016. Barnett said he spoke with Kilkenny before Kilkenny signed it. Barnett said he understood that the monthly payments were not guaranteed for a long period of time, and he said he read the agreement, including the provision that IQ could terminate the agreement at any time. Barnett also said that he assumed they would re-evaluate the monthly fee at the end of the year based on the volume of UA's that he was referring to IQ. Barnett also said that it was his expectation that IQ would cancel the contract after several months if his Gatehouse account was significantly under-performing the 450-480 UA's per month estimate. Barnett said he (and Kilkenny) never delivered any other accounts to IQ under this agreement.

With regard to the agreement with IQ under which Barnett confirmed that he received 98% of the fees paid by IQ, Barnett said that he did not:

- Develop any marketing campaigns for IQ
- Design and coordinate marketing promotions
- Prepare or distribute marketing materials
- Participate in any speaking engagements on behalf of IQ
- Coordinate any promotional events
- Conduct any targeted marketing research

He also said that, to his knowledge, Kilkenny did not do any of these things either.

I read to Barnett the sentence in the "Compensation" section of the November 21, 2016 agreement between IQ and PTK Enterprises in section 4(d):

"Representative's compensation is not and has not been determined in a manner that takes into account the volume or value of any referrals or business otherwise generated for or with respect to IQ..." I asked Barnett if he thought this representation in the agreement was accurate, and he said, "No, my anticipation is that, that would not be accurate."

Barnett discussed the termination of the agreement with IQ. He said that he spoke with Remland by phone, and Remland said they were going to stop paying the fees

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under this agreement based on the search warrant that had been executed on IQ's affiliate, Chapters treatment center.

Barnett said that he did not share his receipts from the IQ agreement with the owner of Gatehouse, Nathan Irvine, however, Barnett said that Nathan introduced him to Andrzej, so he "paid him for making introductions to Andrzej, on accounts that Andrzej had brought in" to Smart lab. Barnett said he paid Nathan out of his 15% override on Andrzej's UA lab accounts.

In a follow-up question regarding the IQ agreement with PTK, Barnett said that Remland was familiar with the agreement that actually appeared to be signed by Daniel Kandler for IQ. Barnett said Remland knew that Barnett was the primary party responsible for referring Gatehouse UA's to IQ, even though Kilkenny signed the agreement with IQ. He said he knew that Remland met with Kilkenny to deliver the first check to Kilkenny.

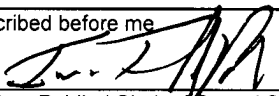
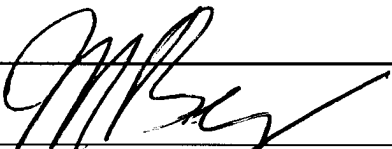
On 11/16/17 ASA J. Chapman, Analyst S. Pentecost, and I met with John Rizzo and his attorney, Tama Kudman. Rizzo worked as a "Marketer" for IQ from mid-2016 through early 2017. Rizzo said he interacted with Dave Remland, who Rizzo said was "overseeing 95% of all the lab work" at IQ. Certified Bank of America records for the account of IQ referenced above show that from 8/16 thru 2/17, Remland received total payments of \$355,795.17 from IQ. These payments were made to "David Remland," David S. Remland, Inc., and "DSR Management."

In summary, David Remland:

1. On or about three (3) separate occasions (November 21, 2016, December 19, 2016, and January 19, 2017, all in Palm Beach County, FL, directly handed payments totaling \$100,000 to Patrick Kilkenny of PTK for UA referrals from Gatehouse to Impact Q in violation of F.S.S. 817.505(1)(a).
2. From at least October, 2016 through January, 2017, in Palm Beach County, FL, conspired with Christopher Barnett to commit patient brokering in violation of FSS 777.04(3).

Based on all of the above, probable cause exists for the arrest of David Remland on 3 counts of Patient Brokering in violation of FSS 817.505(1)(a) and 1 count of conspiracy to commit patient brokering in violation of FSS 777.04(3).

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Sworn and Subscribed before me	
	
Signature Notary Public / Clerk of Court / Officer (F.S.S 117.10)	Signature of Arresting / Investigating Officer
Inv. Ted Padich	Det. MARK BEREY #15527
Name of Notary Public / Clerk of Court / Officer (F.S.S 117.10)	Name of Officer (Please Print)
8/21/18	8/21/18
Date	Date

NOT A CERTIFIED COPY