1982

1982

<u>Vicki Aznaran</u> sees <u>David Miscavige</u> hit another Sea Org member, <u>John</u> <u>Axel</u>, in the mouth. She says he also uses photographs of staff members who have fallen into disregard for targets for pistol shooting. (Criminal Time Track: Issue III, (22))

Jesse Prince sees DM hitting <u>Marty Rathbun</u> in the face and body as hard as he could. He saw Miscavige throw two women into the wall, making them cry. These were <u>Terry Gamboa</u> and <u>Marion Bender</u>. He also saw times of guards holding someone by the arms while Miscavige spit in the persons face and punched them in the body. <u>John Ward</u> was one of these. Miscavige did a lot of spitting in people's face. (Criminal Time Track: Issue III, (40))

The City Commission of Clearwater holds hearings about Scientology, concerned about complaints that the church was a cult. Over 500 people signed petitions in support of the hearings. The Scientologists sue to block the hearings and lose. Scientology lawyer Paul B. Johnson walks out of these meetings without presenting his church's side. (Brief History of Scientology in Clearwater)

The <u>City Commission of Clearwater</u> holds hearings about Scientology, concerned about complaints that the church was a cult. Over 500 people signed petitions in support of the hearings. The Scientologists sue to block the hearings and lose. Scientology lawyer <u>Paul B. Johnson</u> walks out of these meetings without presenting his church's side. <u>Casey Kelly</u>, former Scientology financial officer, says Scientology brings in up to \$2.3 million per week in Clearwater. (Brief overview of Scientology's interaction with Clearwater Florida)

An alleged plot by Scientology to set up Judge Krentzman on a yacht with prostitutes and hidden cameras is revealed. (Brief overview of Scientology's interaction with Clearwater Florida)

The six-month check line for people on OT 7 is started.

A BFO written by RTRC I/C Int in 1996, says: "....in 1982 LRH was consulted regarding a situation with SOLO NOTS auditors at the time, to which LRH responded " get them in, get them cleaned up, and keep them cleaned up". Thus, the six month check line was born......".

A BFO is a Base Flag Order. LRH's ADVICE, was for THOSE SOLO NOTS AUDITORS AT THAT TIME "Get them in, get them cleaned up, and keep them cleaned up" (Virginia McClaughry: "My Story")

1980's, early

Mike Rinder's newborn baby dies and he asks for time off. David Miscavige responded that time off was "bullshit" and Rinder needed to work as his statistics were down. (Criminal Time Track: Issue III, (22))

1982, January

David Mayo: In January '82, some very heavy despatches came down from LRH regarding these Msn Hldr meetings, about "mutiny", "attempted takeovers", "infiltration by enemy agents" and references to Purcell and attempted mutinies in the early '50s. Thus, although I never saw what reports went to LRH regarding the Dec '81 Msn Hldr meetings, I did ascertain that the reports came from "Special Unit" (which contained David Miscavige, Steve Marlowe, Norman Starkey, etc., and which later became "ASI" - Author Services Incorporated, and "RTC" - Religious Technology Center). From the LRH despatches, it was obvious that someone had briefed LRH with some very alarming and false data concerning the Msn Hldr meetings at Flag. Yet. what was somewhat deceptive about this was that in conversation with me, David Miscavige appeared to regard the Msn Hldr meetings as having some basis in fact, in actual injustices and in a breakdown or failure in communication between Top Management (meaning CMO INT) and the execs on staff and the field. All of which seemed valid to me. Again, some months later, I learned that wasn't Miscavige's attitude at all - he apparently was humouring me! (David Mayo, 8.12.83)

Peter Green: Whilst I was at Flag in January, <u>Bill Franks</u> was removed covertly and secretly and the shore-story was put out that he was on a dental cycle and was on an R and R because of a medical cycle he needed. And the word came out at the second meeting at Westwood at Peter Crundall's mission that Bill Franks had been removed. So had <u>Jan Logan</u> and several others. A BPL came out, written by the WDC published for the Board of Directors, stating that, in fact, the CMO and WDC were Bill Franks seniors and that they had had the right to remove him.

Bill Franks' removal was causing considerable upset in the field because he was a stable datum. He was the ED Int and his removal, which had been covered up by a shore-story resulting in rumours that he was on post, off post, just on a leave, caused a lot of confusion. So there was an Urgent Directive issued by the <u>Watch Dog Committee</u> which suspended Bill Franks from post.

Now, an Urgent Directive denies the person the right of Comm Ev first and removes them without Comm Ev. Policy is you can't remove them without a Comm Ev, except with this Urgent Directive policy that states where the stats are crashing and there's a crisis and a situation. You can remove the person and suspend them temporarily with pay, and then you can have an investigation and if they're found innocent, restore them with full pay.

<u>Dean Stokes</u> at that time started to get very vociferous and started to put out communications and maybe went a little overboard. <u>Brown McKee</u> quit and went to the press. <u>Jane Kember</u> wrote up a report on the Westwood meeting about <u>Jack Horner</u> being there. The reform movement was smashed. (Peter Green debrief, 23.6.1982)

Peter Green: And now we come to <u>Dick Storey</u>. Between the time that I was declared suppressive on the 20th of January and the time that I got expelled, there was a special briefing for West Coast Mission Holders attended by <u>Martin Samuels, Mark Silver, Kingsley Wimbush, John Woodruff, Peter</u> <u>Crundall, Bent Corydon, Jerry Simmonds</u> etc. etc. They were taken in, some of them separately in different groups, dependent upon their degree of antagonism and were given a special inside briefing by <u>Dick Storey</u> who was <u>Mo Budlong's</u> deputy. He was head of B1 Europe, 11 years in the G.O. at Worldwide, and from New Zealand.

His explanation for this sudden spate of declares was something as follows: You see, there was the enemy getting upset because we handled some of the court cases. He omitted the fact that we handled some of the court cases because of the first Mission Holders meeting and the Board of Review on the Kemps which started getting people into comm and seeing that there could be justice.

So we started to handle the court cases and the enemy got upset. They set up a conspiracy and sent in some FBI agents and had plants within the Church and some of these plants are - we've really got a cancer. Storey was saying that there was a cancer within the body of the Church and that some of it was malignant and some of it was benign, the malignant cancers were the enemy, the actual enemy, and benign cancers were unwitting pawns such as <u>Dean Stokes</u>. He was an upstat Scientologist and he certainly wasn't malignant, but he was doing the enemy's work unknowingly.

The story that he told was that <u>Bill Franks</u>' telephone had been tapped and they knew that he was having an out-2D with <u>Cathy Wasserman</u> who was giving him blow-jobs under the table because they had recordings and that she was an F.B.I. plant who had been sent in to subvert loyal officer Bill Franks through 2D and to P.D.H. him. And because of his dental work, he was PDH'd under the guise of dentistry and that had turned Bill Franks into a real weirdo and he had fomented and led this revolution using real enemies such as Alan Walter who had been working for the IRS for years.

I should say here that <u>Alan Walter</u> has a judgement against him of \$100,000 by the I.R.S. and has been the victim of attacks for a long time, so this is a chronic 180 degree vector.

That <u>Cathy Wasserman</u> and <u>Alan Walter</u> had worked <u>Bill Franks</u> over and created this schism between management and the body of the Church, in order to allow the enemy to take advantage, is a precedent used in the Worldwide Church of God a couple of years ago when the membership of the Worldwide Church of God asked the Attorney General to put their Church

into receivership because they didn't trust the Board of Directors anymore. This was done.

And so, Storey's briefing was that this was the real reason for the reform movement, was to create dissatisfaction with our management so that the Attorney General or the powers that be, Federal or other agencies, could step in and take over the Church. And he more or less boasted that he, Storey, was the one that had shown the CMO the truth on the matter, because they had no intelligence-gathering capability and he had shown them that the G.O. knew things they didn't know. And that they were very foolish to ignore the expertise of the Bureau One people because he had undertaken to handle this whole rebellion and stamp it out.

And the policy that he was using was the 1 March '66 that established the Guardian, in which Ron talks about wearing his heavy Hussar Hat, and was stamping out the rebellion. Doran wants to say that that policy, if you follow it, says that the guardian may not delegate her powers whatsoever. Dick Storey was not the guardian, so he was off-policy in quoting that policy.

Then Storey gave a briefing to the Sea Org crew, a mandatory briefing, which was secret and told them the policy he was operating off of was THE INDICATORS OF ORGS. This is where, for the good of the Org and to protect the group, you put heads on pikes regardless of whether these people are necessarily good or bad. You put a few prominent heads on pikes to calm the whole scene down.

And he said there probably have been some mistakes and injustices and these people have recourse and we can clear them up in due course. Dick Storey, although the orders were issued under the signature of the International Justice Chief, did tell some of these Mission Holders that the expulsion orders were already written and that if we did not hastily ask for a Comm Ev or do A to E these expulsions would be issued. And he implied that he had written them.

The fact is that <u>Alan Walter</u> asked for a Comm Ev at Flag, his terminal being the Flag MAA. The response he received was an expulsion. I asked my alleged terminal, the Continental Justice Chief, one <u>Melanie Herrick</u> to gather all the reports so that I could confront them, per the policy 16 May 1980 Issue II and so they could be used for a Comm Ev here on the West Coast and the only response I received was an expulsion order.

Apparently, the only acceptable thing was to do A to E. <u>Bob Flat</u> told me that he requested a Comm Ev and asked for the reports so that he could confront the reports that were put in on him and he was told that there were no reports. However, he had been declared on the basis of these reports.

I would at this point say that one of the reasons for the concern on the part of old-time Scientologists, on the part of the Mission Holders at the meeting was because of some statistics given to us by <u>Gordon Cook</u>, by the people in SMI, and by <u>Bill Franks</u>. The statistics that were stated and confirmed by <u>Alan Starkey</u> and the CMO when they came to the meeting was that the Church was spending \$750 - \$800,000 a month in lawyer's fees. This is

money that- if we had not created the enemies and created the lawsuits could be used for the expansion of Scientology and to pay S.O. staff and to be used for theta purposes.

We were told that there were 180 lawsuits against the Church and \$800,000 a month being spent on defending them or prosecuting them. We were given a list of some of the Scientologists who were engaged in actions and lawsuits and asked to get in touch with them and let them know about the Board of Appeals or the Board of Review and there was, at that time, a limited amnesty for litigants against the Church, inviting them to come in and take advantage of the reform, the renaissance and the new mood of justice.

Effectively, by wiping out Franks, by declaring the people who were somewhat active in this movement, the reform was stopped and the B1 files were reinstated - were no longer available. And our investigations have led us to believe that much of the false reports came from the U.S. G.O.

<u>Vicki Aznaran</u>, who started the attack on the first Mission Holders meeting and who was very antagonistic to the Westwood meetings, for your information, is Dean Stokes ex-wife, who left him in Treason some years ago and joined the Sea Org. And she was in close comm with Jane Kember and other people who were loyal Kemberites in the G.O.

The apparency is that the war between the G.O. and the S.O. has swayed back and forth. The S.O. won when they busted Jane, Mo, Herbie, David etc., and then through the G.O. U.S., the G.O. has reasserted its power. Dick Storey, who is from W.W., has effectively persuaded the CMO and the W.D.C. that they still need the old G.O. personnel and this is behind the stamping-out of the Franks' led reform.

Currently, <u>Dick Storey</u> is the AG Flag working hand-in-glove with <u>Kerry</u> <u>Gleason</u>, who was Bill Franks' lieutenant and who took over Franks' post and whose testimony was used in the SP declare on Lieutenant Commander Bill Franks. (Peter Green debrief, 23.6.1982)

1982, 1.1.

Attorney Sherman Lenske incorporates Religious Technology Center (RTC).

Miscavige is a Trustee of RTC, giving him the power to appoint and remove Directors.



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Warren McShane is President.

Steve Marlow is Inspector General. (Criminal Time Track: Issue III, (51))

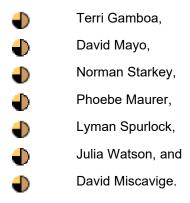
Later, Miscavige replaces Marlow with <u>Vicki Aznaran</u> and then replaces Vicki with <u>Greg Wilhere</u>. Miscavige maintains absolute control over all officers and board members of RTC by possessing undated, signed resignations of each member. (Criminal Time Track: Issue III, (28, 39))

RTC licenses all other Scientology organizations to sell Dianetics and Scientology.

This gives it command control over every Scientology corporation and Scientologist, (except the later formed Church of Spiritual Technology).

RTC's Articles of Incorporation state:

It is formed by



The corporate affairs shall be regulated by a Board of 7 persons who shall be designated Trustees, which Board shall have and exercise all powers given to "Directors" by California nonprofit corporate law.

This corporation is organized and shall be operated for the primary purpose of ensuring and maintaining the purity and integrity of the religion of Scientology by acting as a vehicle for guaranteeing the ethical propagation, worship, and administration of the religious faith, doctrines and practice of Scientology, to regulate and conduct religious services for its congregation, to foster and enhance the spiritual welfare of the followers of Scientology, to espouse such evidence of the Supreme Being and human spirit as may be knowable to man and by their use to bring greater tranquility, order and survival to man in the external world, and to propagate and disseminate the Church Creed in accordance with the religious faith of Scientology as laid down by the Founder, LRH and as set forth in the by-laws.

Article VII:

- a. To act as Trustee under any trust incidental to the principle objects of this corporation, to receive and expend funds and property subject to such trust, subject always to the terms and provisions of the instrument by which such trust is created.
- b. The corporation is to have power and authority of a head organization, to create subordinate corporations, to issue charters to such subordinate corporations and have the articles of subordinate corporations require the dissolution of such subordinate corporations whenever the charter issued by this corporation is taken away from it. Also, the assets of the subordinate corporation go to RTC upon dissolution of the subordinate corporation.

The corporation has no members.

No part of its assets shall ever inure to the benefit of any private party or individual.

If the corporation is dissolved, its assets shall be distributed to one or more nonprofit funds, foundations, trusts or corporations which are organized and operated exclusively for religious purposes and which are entitled to tax exempt status. (Criminal Time Track: Issue III, (51))

Note: In an affidavit later <u>David Miscavige</u> says the following about <u>RTC</u>:

RTC is not part of Church management, nor is it involved in the daily affairs of various Church of Scientology organizations. RTC exists to see that Dianetics and Scientology technology is safeguarded, is in good hands, and is properly used. RTC was formed with the specific purpose of seeing that the religion of Scientology was kept pure and true to the source materials of the religion.

The authority of RTC stems from the ownership of the trademarks of Dianetics and Scientology. In brief, RTC's maintenance of these trademarks is threefold:

- 1. ensuring that when something is represented as Dianetics or Scientology, that it actually is.
- 2. Seeing that any organization representing itself as Dianetics or Scientology, while actually being something different, is prevented from doing so.
- 3. Seeing that anyone offering Scientology, but calling it something else, is prevented from doing so.

As Chairman of the Board he is interested in the standard application of the Scripture of Scientology as detailed in HCOP/Ls and HCOBs and the spoken words of LRH in tapes and films. He inspects and corrects departures from the standard application of the Scripture of the religion. I also ensure that any attempted perversion of the technology of Dianetics and Scientology is rapidly dealt with, to keep the religion pure so that all people may benefit from the application of Mr. Hubbard's breakthroughs in the fields of the mind, spirit and life.

He also oversees the affairs of RTC in its function of verifying that the source writings of the religion are kept pure. This specifically includes the verification that the materials representing themselves as being Dianetics and Scientology are in fact that, and that they honestly reflect the source writings of the religion by L. Ron Hubbard. (Criminal Time Track: Issue III, (33, 37))

1982, 7 January

Church of Scientology, Celebrity Centre Paris founded. (CofS)

1982, 20.1.

Peter Green: Shortly after I got back from Flag I was declared a suppressive person. So was <u>Brown McKee</u> so was <u>Alan Walter</u>. So was <u>Dean Stokes</u> who had been the Chairman of the second Mission Holders meeting, and <u>Ray</u> and <u>Pam Kemp</u> were re-declared suppressive. Most of these SP declares contained false reports such as that Kemp was setting up the Reform Church of Scientology. He'd never even heard of it.

The Mission Holders meeting which had led to field meetings had led to another meeting in Westwood which I'd helped <u>Peter Crundall</u> conduct and false reports were put in about that and were used in my declare.

I have a document which is a report I wrote to the C.M.O. before I had any idea I was to be declared or was in any kind of trouble and it is to <u>Ron Pook</u> of CMO Int 12 Jan 1982. It's a seven page report which I won't read but which is available.

The spate of declares that came down were on all the people who were very active in this reform movement. Franks was declared and anyone who had been associated with him in trying to get this thing going was also declared. The B1 files were closed and here's additional data.

Between the Mission Holders meeting and my return to Flag Dec 24th, Jane Kember was at a cocktail party in L.A. before Xmas where she was publicly attacking the Westwood Mission meetings and stated that <u>Peter Green</u> and <u>Peter Crundall</u> were running Squirrel-group engrams meetings. And that phrase has occurred ever since in the declares. <u>Stacey Young</u>, who is married to <u>Vaughan Young</u>, told a staff member of mine that Jane Kember was not, in fact, in disgrace but that it was simply a ploy to handle the press and the public. In fact, she was still in good standing. It was just a PR move to publicly disgrace her.

When we phoned trying to get our B1 files, guess who answered the telephone in B1? Jane Kember, exactly. I raised a fuss about this with <u>Gordon Cook, David Miscavige</u> got upset about it and there was an order from the WDC on Kember and Co. saying that she had no status in Scientology and that she was not allowed into B1 except with an escort. (Peter Green debrief, 23.6.1982)

1982, early-mid

David Mayo: During early 1982, <u>David Miscavige</u> and <u>Shelley Miscavige</u> ran an "Offload Project" during which a large number of SO members, including several members of the CMO were "found unfit" and thrown out of the SO. This project was directly under <u>Pat Broeker</u>. The majority of those persons that Pat Broeker and David Miscavige didn't like were gotten rid of, including <u>Anne Taskett, Donna Robinson, Melanie Murray, Dede Voegeding, Gale</u> <u>Irwin, Lois Reisdorf</u> (all CMO), plus other crew.

Also during this time period of early to mid 1982, I became more and more outspoken on other than purely technical matters - I made my objections to high and rising prices of Scn services, to the rashes of incorrect and unjust

ethics and justice actions and numerous other matters very well kown to WDC and other senior execs in an effort to get these points corrected.

I also started to become progressively more and more outspoken on the subject of what I considered to be enormous financial waste. (For example, at Gilman Hot Springs some locals were hired to weed the gardens and as I saw these mainly sitting around in the gardens doing very little, I inquired and was told that this was not to be questioned as they had heen hired by Shelly (Michelle) Miscavige, but I was also told that they were paid \$38,000. Another example is the monstrosity that was built around the swimming pool at Gilman Hot Springs - a ship mock-up complete with masts and rigging at a cost of approx. half a million dollars.) While these extravagances were occurring, the crew were being told that finances were tight and that everybody needed to tighten their belts to keep expenses down, crew pay was cut and food and medical allocations were cut!

I was not the only person raising a voice on these and other matters of mismanagement; John Nelson (then CO CMO), Kerry Gleeson (then ED INT), Alan Buchanan (then Deputy ED INT) and various other staff at CMO INT, at Flag and in the FOLOs and orgs were also stating the same or similar during this period (end '81 thru mid-'82). (David Mayo, 8.12.83)

1982, February

<u>Vaughn Young</u> is invited by Miscavige to join "<u>Special Project</u>" to head up the PR section.

The idea was forwarded to LRH who approved Vaughn's appointment in mid-February. Vaughn was then informed that "Special Project" (and Miscavige was Special Project i/c) was in reality <u>ASI</u> but they could not admit it yet.

ASI was formed as a for-profit corporation on the guise that it was Hubbard's literary agency. While it had that function, its actual function was to be LRH's contact point back into the Scientology organization. (He was gone from the ship and had no viable command channels because he was in hiding.)

The staff of ASI reported to LRH and LRH issued orders to the staff, which they then issued down into the organization, thus making ASI the senior entitity in the Scientology hierarchy. This did not come easy because LRH was prevented from saying that ASI was his replacement for Flag because that would have defeated the entire purpose and linked him back to the nonprofit churches. So, there was considerable arm-twisting and threats and demotions as Miscavige and ASI consolidated its power over the very Sea Org units that had been in control. (Criminal Time Track: Issue III, (26))

All ASI staff had to write a weekly report to LRH. Miscavige repeatedly rejected their reports, until they were perfectly worded to appear that Miscavige had everything fully under control. No one could send anything to LRH without being edited by Miscavige. This meant that LRH effectively did not know what was really going on from 1981 until his death.

It was during this time until Ron's death, that Miscavige began systematically replacing LRH as the head of Scientology. (Criminal Time Track: Issue III, (29))

Because ASI was at the top of the Scientology empire, it was often the site of meetings with various officers from different Scientology organizations.

They had come to learn that ASI staff were now Hubbard's personal representatives and spoke for him so the ASI boardroom became the site of clandestine meetings of various corporations so LRH's orders could be issued. Of course, this was all quite illegal since ASI was a for-profit corporation and we were issuing orders to non-profit entities. They had simply replaced the earlier structure and disregarded corporate lines as they had always disregarded corporate lines. The difference was that the power was no longer distributed between the GO and the SO but held in one place: Miscavige and the ASI he controlled.

ASI was the site of meetings (often chaired by Miscavige) that directed legal strategies, telling different corporations and their attorneys what to do, what to sell and how much money should come to ASI, which was then funneled into Hubbard's personal accounts. If anyone disagreed they were removed and replaced with someone who complied.

Throughout this period LRH issued his orders as "advices", rather than "orders", and attempts were made to make him a "consultant". In truth, LRH was fully in command as much as he had been when he was on the ship Apollo.

Miscavige was in charge of ASI and he had assumed the title of Chairman of the Board of ASI so he could claim that he was not the Executive Director or an officer of ASI. This was done to give him an "arm's length" protection, just like LRH, to avoid any litigation. But, titles aside, there was never any question in the minds of the Scientology hierarchy who was in charge, Miscavige. (Criminal Time Track: Issue III, (26, 77))

1982, 2 February

Church of Scientology of Torino, Italy founded. (CofS)

1982,10 February

Church of Scientology of Verona, Italy founded. (CofS)

1982, beg./March

FACT: Up to this time there was only one major splinter group delivering the bridge -- including the OT levels -- to the public. That group is small and has always been small and has operated for 7-8 years. That group is run by Larry West, a Class 8. It is located in San Diego.

FACT: In March 1982 a series of <u>Declares</u> started.

First, each of the leaders running the rehabilitation meetings was declared -- unless they stopped.

Second, those people in management, including the ED Int., who were in comm with the

✓field

field were declared.

Third, the GO was declared almost totally as a whole group.

FACT: After this date and consistently over this past year, splinter groups have been forming practically by the week. They are delivering the OT levels and NOTs.

In short, the top management, the top field auditors, the top tech persons and the GO were all declared with one fall swoop. And for the first time ever, many were illegally declared, i.e. no Comm Ev, no proof, no verification and often completely surprising those declared because there was no prior notice or discussion. Others had Comm Evs AFTER being declared. When something was printed up about these declared persons, it was done in such generalities that it wasn't possible to tell what these persons were supposed to have done -- no time, place, form, or event -- no specifics. All the hundreds of people in the process of coming back on lines, went back off lines. All the recently rehabbed Class 8s and lower-level auditors went back off lines. Generally, the attitude in this group was "I told you so....". They had been convinced it was going to work, just started to believe it, and then the people helping them were DECLARED. Not only did this affect those recently rehabbed persons, but it affected everyone because the declared people were the leaders of the orgs, the leaders of the tech, and the leaders of the field. Therefore, other splinter groups formed; formed by persons who had not previously even considered such an action. They decided to get away from the confusion so they could "audit and train in peace".

... There are now over 20 major splinter groups in the US and several dozen more forming. I do not have the stats outside this country. At least seven of these groups offer the full bridge and are run by highly trained Class 8s through 12s. The prices for OT levels range from 1000 to 5000 dollars and NOTs prices vary. Also, some accept barter and some accept payments while you are there doing the service. No one is making a lot of profit but the production is high. This progression of splinter groups started right after the first sweep of declares.

For awhile, in 1982, there was no apparent management in Scn because the past LEADERS were wiped out. There was a lot of confusion. However, -- AND THIS IS ONE BIG POINT OF THIS DISSERTATION -- the TRUTH is:

"There was a management the whole time before, during, and after these events, and it was and still is ENTIRELY HIDDEN FROM US ALL." (Dave Tops Debrief)

1982, March

Between March and November 1982, LRH, <u>Pat Broeker, David Miscavige,</u> <u>Lyman Spurlock</u> and others illegally transfer over 30 million dollars of Church of Scientology funds to the bank accounts of ASI and LRH in Liechtenstein and Luxembourg. These transfers are based on exaggerated billings by ASI to the Churches of Scientology.

Attorney <u>Sherman Lenske</u> represents ASI, RTC, CST, and LRH in the fraudulent transfer of money, property and assets from various Scientology corporations to LRH personally. Lenske also acted as the probate attorney who prepared wills and trusts on behalf of LRH.

In violation of their charters, the Board of Directors of each Scientology corporation were illegally controlled by LRH, Broeker, David Miscavige and ASI. The goal of this management technique, was to optimize LRH's personal income in violation of prohibition against personal inurement imposed on institutions seeking tax exempt status under IRC Section 501(c)(3). This management maze permits money to be shifted among entities to hide their profit-making reality and to avoid taxes and judgements.

These funds were then within the estate of LRH so they came to be in the possession, custody and control of Norman Starkey, executor of LRH's estate.

It is alleged these funds were then illegally seized and stolen by David Miscavige in a fraud perpetrated on LRH's heirs. (Criminal Time Track: Issue III, (13, 45))

1982, 4 March

Church of Scientology of <u>Clermont-Ferrand</u>, France founded. (CofS)

1982, 11 March



Church of Scientology of Tampa, Florida founded.



Church of Scientology of Lyon, France founded. (CofS)

1982, April

LRH becomes concerned about his own passing away and writes a letter to <u>David Mayo</u>.

The truth of this letter was confirmed by two RTC missionaires:

LRH did some reminiscing concerning his long term association with <u>Mayo</u> and Mayo's extensive experience with the tech. LRH said he expected to live for 2 years longer at the most and he wanted Mayo to take over all of his technical hats, including research.

LRH gave Mayo responsibility for the tech for the next 20-25 years, at which time LRH would return and reassume his tech hats. (Criminal Time Track: Issue III, (34))

LRH said that Mayo should have a separate corporation to do this work, apart from Scientology management. LRH also wrote to Lyman Spurlock

concerning setting up this separate corporation for Mayo and his technical research.

LRH was sending almost daily comm to the SNR C/S INT office, praising their work and assigning them new projects to do.

Note: David Miscavige has always maintained a "holier than thou" attitude towards the criminal acts of the Guardian's Office. In his 15 October 1999 affidavit he says this about the GO:

"What the GO did was illegal. No real Scientologist would ever condone or even consider such conduct. When we became aware of the GO's activities we were even more outraged than law enforcement officials and others outside the Church."

<u>Merill Mayo</u>: "In April 82, there was a letter to David from LRH which I read, in which LRH talked about his expectancy of leaving his body in the not-toodistant future. He said that the responsibility for the tech and for his technical hats for the next 20 to 25 years would be David's." (Merill Mayo's open letter)

David Mayo: I received the despatch from LRH asigning to me the hat of technical responsibility for the next 20-25 years and in which LRH stated that he didn't expect to live long - he said a few month at least, a couple of years at the most. This despatch was quite long (some 20 pages typed) and included in it as one of the points that I should re-organize my unit, possibly even becoming corporately separate, so that I could fulfill the duties, functions and responsibilities regarding these technical hats. (I mention the separate corporation possibility here because that is, in fact, what I later suggested/proposed after consultation with others such as Lyman Spurlock, David Miscavige, and Pat Broeker and others, and as this separate corporation was part of the reason for my removal.)

One of the main difficulties that I had encountered on the post of Senior C/S International was when technical purity or technical integrity encountered disagreement from certain management execs whose main interest and concern was statistics - not that such disagreements were continuous but when there was trouble, one of the fundamental points was the question of technical integrity versus immediate stats. Although hard to believe, an example of this is that <u>Pat Broeker</u> came to me with a suggestion that I should put out a false "OT VIII". It was to consist of simply having the solo auditor fly his own ruds once a week! I refused to have anything to do with it. Pat had lots of well-sounding reasons as to why he had suggested it, but at the bottom of all these was that his idea was to solve a financial problem. This, in part, led to my conclusion that in order to carry out the technical responsibilities in full during the next 20 - 25, years that my office would need to be separate and independent corporately and financially from current management.

Another difficulty that I had encountered on the post of Senior C/S International was that of financing to cover the expences of running my office and of financing the piloting and export of various new technical developments. I would receive orders from LRH regarding piloting of new rundowns and their release (such as Solo NOTs, Happiness Rundown, etc). Depending on current FP (Financial Planning), the expenses would either be approved or cut. From my point of view, I couldn't allow this to interfere with matters of the importance of the release of Solo NOTS, etc. So, on many occasions during the period from 1980 - 1981, I had paid these expenses out of my own pocket, a total of approximately \$5,000 during that 2 year period. My solution to this for the future was to set up my office independent of the changing circumstances of FP; the idea was that my office and the piloting and export of new tech would be supported by income generated by my office. This financing was discussed with various executives at CMO INT and in the "special Unit" (including people like Marc Yager, Mark Ingber, Wendell Reynolds, Lyman Spurlock, Vicki Aznaran, David Miscavige, Pat Broeker and others). The solution suggested to me and which I agreed to was that my office should charge for services such as handling pc folders for other orgs, doing events for other orgs, and courses sold that I was directly overseeing (such as the pilot of the new dissemination course at that time). And again, the idea was put forward that my office belonged, not under CSI (Church of Scientology International) but, under a separate corporation. In the interim, I was to start collecting money per above, and a bank account was to be set up (the account was to be called Church of Scientology International Snr C/S Int account).

The above and other matters necessary to the re-organization of the Senior C/S Int office were put into a proposal and sent to LRH. (David Mayo, 8.12.83)

David Mayo: In April of 1982, I received a long and detailed letter from LRH. It assigned me the full responsibility for the tech and for his technical hats for the next 20 to 25 years. (After the passage of this 20-25 years, he stated that he would return in his next lifetime to reassume his tech hats). As I sought to carry out this assigned responsibility for the tech, it became increasingly obvious that there were points that must be corrected in the area of International Management of the Church of Scientology so that the purity of the tech could be safeguarded. Indeed, correction was mandatory to even keep the tech in existence at all! My efforts to bring about these corrections of Management resulted in hostilities and the cutting of my communication line to LRH. This severance of my line to LRH was done covertly by others. This was in August of 1982. Ultimately, these hostilities culminated in my removal from post by others who had established themselves in a position of control over LRH's comm lines. This was a period of shock, horror and very real atrocity not only for me, but for many, many high calibre, long-standing Scientology executives of proven ability. There were literally hundreds removed during this lengthy political purge. (David Mayo, Open Letter)

<u>David Miscavige</u> orders payment of \$250,000.00 to set up US District Judge <u>Ben Krentzman</u> in a black operation to frame him with drugs and prostitutes.

A private investigator, <u>Dick Bast</u>, secured a yacht and attempted to lure the judge on board in order to film him under compromising circumstances. The judge declined the invitation.

At the same time David Miscavige orders thousands of dollars be given to attorney <u>Dan Warren</u> in Daytona, Florida to pay off State Circuit Judge <u>James Durden</u> who was sitting as Justice on a Scientology case. (Criminal Time Track: Issue III, (13))

1982, 1 April

Church of Scientology of Orlando, Florida founded. (CofS)

1982, 27.4.

Capt. Bill Robertson issues the Sector Operations Bulletins.

1982, May

LRH executes a new will, a mere few days after the corporate restructuring had taken place. He names <u>Pat Broeker</u> as Executor. (However, in the 1986 last minute will, the day before his death, <u>Norman Starkey</u> is named as Executor).

According to a 29 June 1992 United States Claims Court document (CST vs. United States), as part of LRH's estate planning, LRH made <u>3 gifts</u> to Scientology. The first two were inter vivos, and a third was testamentary.

All three transfers were made, or in the case of the will, designated, in May 1982.

First, LRH gave use of the Advanced Technology and religious marks to RTC.

These Scientology religious marks include the terms Dianetics and Scientology and Mr. Hubbard's name, initials and signature. RTC is charged with the duty to oversee lower-ranking churches to ensure they practice Scientology in an orthodox manner. RTC gave CSI a license to use the marks with any Scientology services sold by CSI on condition that CSI recognize RTC as the final word on matters of theological orthodoxy. As required by Mr Hubbard's gifts, RTC delegates rights to use the Advanced Technology and religious marks to qualified churches in the ecclesiastical hierarchy and then supervises their activities to ensure compliance with Scriptural requirements. In exchange for use of the marks, churches that minister the Advanced Technology pay RTC six percent of the contributions they receive.

Although orthodoxy is not clearly defined in the records, the court notes it has at least the result of requiring all churches to buy materials licensed

through CSI, the current mother church. All of LRH's works are copyrighted with formal licensing arrangements made between LRH and the distributing churches.

LRH's gift to RTC was conditioned on RTC obtaining exemption under I.R.C. @ 501 (c)(3).

Thus far, RTC has been found non-exempt by the Commissioner.

CST was created in 1982 in order to receive the second gift. LRH gave CST two options over the marks and technology which he had given to RTC. The first option is



to take control of the trademarks on published LRH works and the insignia of various organizations.

The second option is over the Advanced Technology. CST has the option, exercisable at its sole discretion, to take over use and authority of the Advanced Technology from RTC if RTC allows their use in an unorthodox manner.

The third gift was designated in LRH's will of 1982. In it, CST was made the conditional beneficiary of the remainder interest of LRH's personal estate, after certain bequests to family members. The CST bequest included the copyrights to LRH" Scientology works, and certain limited rights over the marks and technology that he had retained at the time of his gift to RTC. It also included all of LRH's non-Scientology works of fiction which continue to produce royalties.

The publishing rights and copyrights alone carry with them the rights to receive the substantial royalties which flow from sales of Scientology books and tapes to the public. These rights will provide CST with a sizeable annual income, but only if it achieves tax exempt status. These assets have not yet been distributed to CST, and they are accumulation income as part of the residual estate, which is being held by a pour-over trust.

The following copyrighted materials were included in LRH's bequest to CST:

- a. HCO Policy Letters;
- b. HCO Bulletins:
- c. Miscellaneous directives and orders concerning ecclesiastical matters;
- d. Tapes of lectures on Scientology and the rendering of Scientology services;
- e. Instructional films on Scientology.

As part of LRH's estate planning, <u>CST</u> was founded in 1982 by <u>Lyman</u> Spurlock, Meade Emory, Leon Misterek and Sherman Lenske.

One of CST's specific duties, unique among Scientology churches, is to create and maintain an archive of scriptures for future generations. The other stated purpose behind CST was to provide LRH, then still living, with a depository for the bulk of his testamentary estate, as explained above.

CST's founders wanted to accomplish "the creation of an organization to which Mr. Hubbard would be willing to (and did) bequeath the bulk of his

estate, and most importantly his copyrights and patents (which include copyrights to scriptures of the religion and patents on the E-Meter)."

The four <u>Special Directors</u>, with the exception of Spurlock, are non-Scientologists. They must be lawyers to ensure that CST takes no action to jeopardize its tax exempt status.

The General Directors and staff of CST must be Sea Org members in good standing. The Trustees are required to have been Scientologists for at least 8 years and must be highly trained in Scientology. They must be actively involved in giving and receiving Scientology services and train for 12 and half hours per week.

Three of the four Trustees worked previously for Church of Scientology of California which was dismantled in 1981. <u>Terri Gamboa</u> is a Trustee of CST.

She was at the same time a Director, the President, and a shareholder of Author Services, Inc. <u>Greg Wilhere</u>, a Trustee of CST, was formerly an employee of the Founding Church of Scientology, CSC, and the Church of Scientology Flag Service Organization.

<u>Marion Meisler</u> is a Trustee of CST. She was at the same time an employee of ASI. <u>Lyman Spurlock</u> is President of CST, one of its Directors, and one of its Trustees. He is also a Trustee of RTC. As Trustee, <u>Spurlock</u> has the authority to elect and remove Directors who run RTC. Thus Spurlock has the ability to influence RTC's activities.

<u>Dan Przybylski</u> is Vice President of CST and one of its Directors. He has been an employee of CSC, CSI, and RTC. <u>Leo Johnson</u> is Secretary and <u>Nancy O' Meara</u> is Treasurer of CST.

CST is in the process of <u>archiving Scientology scriptures</u>. It has purchased several large parcels of land. Its administrative offices and main preservation facility is in San Bernardino, California. There is a 6,000 square foot preservation building and another facility will be built to house original Scientology scriptures.

CST has purchased other sites for storage facilities. CST has archive sites in Northern California and New Mexico and has plans to acquire additional sites. Vault construction in New Mexico was begun in 1986 after construction of staff living quarters, access roads and water supply. Underground tunnels are being dug at the New Mexico site. Vault construction at San Bernardino and Northern California is predicted to cost over 5 million.

CST intends to preserve Scientology scriptures in all of the forms in which they currently exist, printed page, taped lecture and films. CST is also involved in developing new E-Meter technology.

The stages of archiving are elaborate. First, CST must obtain the original Scientology work. Originals have been found in the possession of individuals in many different countries. In most cases, the possessors of the documents donated them to CST for preservation. CST also obtains originals from RTC.

There are 42 LRH films and over 6500 original audio tapes to be archived. CSI is to provide a transcript of each tape to CST. (Criminal Time Track: Issue III, (15))

1982, 16 May

<u>Religious Technology Center</u> (RTC) incorporated. L. Ron Hubbard donated all trademarks of Dianetics and Scientology to RTC. (CofS)

1982, 28 May

Attorney <u>Sherman Lenske</u> incorporates <u>Church of Spiritual Technology</u> (CST) dba L. Ron Hubbard Library.

The articles of incorporation state:

Specifically its purpose is to espouse, present, propagate, practice, ensure, and maintain the purity and integrity of the religion of Scientology, as the same has been developed and may be further developed by LRH to the end that any person wishing to, and participating in Scientology may derive the greatest possible good of the spiritual awareness of his Beingness, Doingness and Knowingness.

Its purpose is to protect and preserve the religion of Scientology through establishment of religious scholarship funds, museums, librarys and such other institutions which will ensure the benefits of Scientology to future generations. More particularly, the corporation is formed for the accomplishment, without limitation, of the following more specific purposes:

a. To serve as a means of promulgating, preserving and administering the religious faith of Scientology throughout the world.

The corporation is dedicated to religious purposes and no part of the income or assets shall inure to the benefit of any private party.

The corporation has no members.

If the corporation is dissolved, its assets shall be distributed to one or more nonprofit funds, foundations, trusts or corporations which are organized and operated exclusively for religious purposes and which are entitled to tax exempt status.

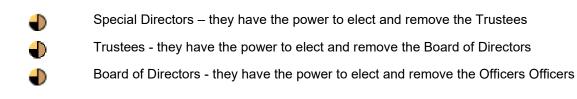
The articles can only be changed by a unanimous vote of all Directors. (Criminal Time Track: Issue III, (51))

<u>Lyman Spurlock</u> directed the creation of all the Scientology new corporations in 1981 & 82. He is one of the four co-founders of CST and he is the only Scientologist among them.

CST is unique in that it is the only Scientology corporation known to have <u>"Special Directors"</u>. It is a secret who these people are.

The reason why nobody knows who these "Special Directors" are, has to do with California corporate law and IRS codes. In California, only members of a religious corporation can have access to the corporate records that name the special directors, trustees, directors and officers. And the CST was set up specifically to have no members. So it was the founders of CST who made sure that the identities of the people running it would be forever protected.

At the top of the CST corporate structure are the "Special Directors". The command line:



A 1992 United States Claims Court case says <u>Sherman Lenske</u> is one of the "Special Directors". His brother <u>Stephen Lenske</u> and law partner <u>Lawrence</u> <u>Heller</u> are also.

The same Court case says that there are 4 co-founders for CST:

<u>Sherman Lenske, Meade Emory, Leon Misterek</u> - all tax attorneys & non-Scientologists <u>Lyman Spurlock</u> – a CPA who is a Sea Org member.

Sherman Lenske:

He was instrumental in the corporate restructuring of all of Scientology. He also drafted the new last minute will that LRH allegedly signed the day before his death, giving all of the copyrights to CST. Because of this CST has control over RTC, ASI, CSI and all Scientology entities. (It is said that the last minute will was notarized by David Miscavige and a handwriting expert said LRH's signature is a forgery. We will verify this.)

Meade Emory:

He was Assistant to the Commissioner of the IRS from 1975-1977. This was when Gerald Wolfe was caught stealing IRS documents for the Guardian's Office. As a result, the FBI raided, leading to the overthrow of MSH and dissolution of the <u>Guardian's Office</u>, by David Miscavige. Then, less than a year later, Emory is a co-founder of CST. And, CST ends up in control of everything that MSH and the Guardian's Office previously controlled. (Criminal Time Track: Issue III, (15, 16, 59))

Lyman Spurlock:

He is the only co-founder who is a Scientologist. As a cofounder, he apparently appointed himself as one of the Trustees. Then as a Trustee he elected himself as a Director and then as President (corporate officer).

Later, in 1996 he also holds the post of Tax Compliance Officer in RTC. (Per the secret agreement that Miscavige made with the IRS in 1993 – this makes him an IRS agent too.)

Leon Misterek:

Little is known about this Seattle attorney. The only comment he would give about being a CST co-founder was that he did it when he was a law partner with Meade Emory. (Criminal Time Track: Issue III, (59))

How CST grabbed the copyrights:

The day before his death, <u>LRH's will</u> is changed, handing over control of his estate to <u>Norman Starkey</u>. Starkey's duties mainly concern transferring about 8,000 copyrighted titles that were left in trust by LRH, to CST.

After Ron's death, Norman Starkey gathers up every LRH copyright in sight for the next 7 years. Then, on 29 November 1993, right after Miscavige made the secret agreement with the IRS, he transfers them to CST. (Criminal Time Track: Issue III, (59))

Through a complex series of assignments and agreements, CST owns all of the copyrights to all works by LRH and all "based on the works of LRH" or "derived from the works of LRH". In addition to owning and licensing all copyrights, it possesses the right to seize all Dianetic and Scientology trademarks and all of Scientology's Advanced Technology.

"CST has the power to dismantle RTC by taking over the religious trademarks and use of the Advanced Technology, thereby gaining direct control over all Scientology Organizations..." Church of Spiritual Technology v. United States, 26b CL Ct.713 afff.991 F.2d (sic) (1992). (Criminal Time Track: Issue III, (13))

Thus, CST has ultimate power over the entire domain of all Scientologyrelated entities, including RTC. (Criminal Time Track: Issue III, (15, 13))

Jesse Prince says that the attorneys, Lenske and Heller, are also key players. If you talk about somebody that is running Scientology besides Miscavige then you look at those attorneys.

HCOPL 14 June 1965 Politics, Freedom From: "... the United States government and the efforts of that government since 1955, stepped up since 1963, TO SEIZE SCIENTOLOGY RATHER THAN FORBID OR STOP IT..."

Jesse says they have a secret corporation as a back up in case anything happens to CST. (Criminal Time Track: Issue III, (43, 76))

So if something happened in the U.S. to CST then the foreign corporation would take over the assets and say they really owned them. (http://www.clever.net/webwerks/veritas/secret/index.htm)

1982, June

<u>Pat Broeker and David Miscavige</u> resign their positions in the Sea Org and are now full time non-Sea Org members running <u>RTC</u> and <u>Author</u> <u>Services</u>. (Criminal Time Track: Issue III, (8))

1982, 1 June

<u>Heber Jentzsch</u>, President of CSI, files restated articles of incorporation for Church of Scientology International.

Its purpose is to act as the mother Church, which is the ultimate ecclesiastical authority of Scientology. It has no members.

If the corporation is dissolved, its assets shall be distributed to one or more nonprofit funds, foundations, trusts or corporations which are organized and operated exclusively for religious purposes and which are entitled to tax exempt status. (Criminal Time Track: Issue III, (51))

1982, 17 June



Church of Scientology of Lisbon, Portugal founded.

Church of Scientology of Kansas City, Missouri founded. (CofS)

1982, 18.6.

Sector Operations Bulletin No. 12 "Models and Scenarios" is released by Capt. Bill Robertson aka Astar.

He basically describes the 7 Scenarios run against LRH and Scientology. These scenarios were run from 7 to 1.

- 1. S1-INFILTRATE TAKEOVER TEAM
- 2. S2-INFILTRATE PDH SUBJECTS
- 3. S3-DOCTOR CONTROL
- 4. S4-AGENT PROVOCATEUR
- 5. S5-LEGAL LOSS
- 6. S6-MONEY MASH
- 7. S7-BLACK PR

Quote from S1:

Finally, the Key Scenario, the one which all the others cover, confuse, and make seem incredible. A rough quote from an FBI memorandum obtained through the Freedom of Information Act in 1978 will state it very well:

"To infiltrate the Church and move our agents up to Board of Director positions. We must also prevent the spread of Scientology to China and Japan as it is so similar to Bhuddism it would spread like wildfire".

1982, July and August

Broeker and Miscavige engage in a political purge. Virtually every senior church executive, except those that are under their influence, are pulled off post, comm-eved, and for the most part, declared and expelled.

Here is a partial list of these execs:

- John Nelson CO CMO INT
- Kerry Gleason ED INT
- Allen Buchanan Deputy ED INT
- Moe Samuels CO CMO SU
- John Axel SMI
- Roger Barnes ED SMI
- Pat Hunter LRH Comm INT
- Bess Sullivan CO FOLO
- Emil Gilbert CO FOLO Canada
- Chris Stevens CO SU
- Peter Warren Div 6 INT
- Jay Horowitz FEBC Supervisor
- Julie Gilespie SNR C/S INT staff
- David Mayo SNR C/S INT

In addition, the Commanding Officer of every FOLO and every org in the U.S.

Some of them were told they could receive no services for 20 years and they had to get 2,000 people into Scientology before being allowed back. (Criminal Time Track: Issue III, (8))

1982, 11 July

The <u>International Network of Computer Organized Management</u> (INCOMM) was formed within the Church of Scientology International to establish and operate a major international management computer system which assists in the standard application of Scientology policy and technology and as a result facilitates rapid expansion. (CofS)

INCOMM was created to be the computer data base for Scientology. Foster Thompkins was put in charge of the setup. It was to serve as a repository for all LRH writings so they could be word searched. (That was "SIR" or Source Information Retrieval). Routing forms were to go into the computer base. Time machine programs were to run the programs, automatically ordering the person to do the step. And there was email. (Financial recods and other were to be added later, he said.)

Foster said there were basically three elements that INCOMM was to be protected against. The first was internal personnel gaining unauthorized access to files or mail.

The second was external hackers. For a long time this was to not be a problem as there was no modem hookup. There was no way one could dial into the INCOMM data base. But Foster knew it would come and various firewalls had to be put into place to ensure that no hacker could gain entry. He promised INCOMM would be "hacker proof." (Some initial off-site connections were made via microwave and, he said, a double encryption process.)

INCOMM was located in the room where the old Intelligence Bureau had been when it was raided in 1977. It was on the ground (and slightly subground) floor under the front of the Cedars complex. There were no windows. Access was only through several specially secured doors. (Robert Vaughn Young Posts to ARS)

There was another aspect to INCOMM that was and has been held confidential for a long period of time. INCOMM was set up by LRH in the early 1980's.

There are about 12 confidential communications concerning INCOMM from LRH to Foster Tompkins and vice versa. The 12 or so communications between LRH and Foster are referred to as 'advices' and are rather like email. This project was held highly confidential.

At first the INCOMM project I refer to was completely independent of the RTC. The International Org Board in 1985 shows INCOMM parallel to RTC on the first charts, and shortly later in a revision, it shows up below the RTC and off-center without a direct line to the RTC.

The INCOMM computer program based on the e-mail messages of LRH to Foster Tompkins (later, Ronnie Miscavige was included in the program) in which LRH describes a planet CHUG that was computer controlled. INCOMM is about implementing the CHUG concept. This was their 100% purpose. Within security areas its purpose was clearly labelled 'space opera stuff'. LRH said that in one of the confidential e-mail messages to Tompkins. There was a special computer in B-area that contained nothing but those 12 messages.

One had to have an 'B' security clearance to read any of the advices/emails.

This computer was _off-limits_ even for the RTC missions that came into INCOMM in '85. BTW, CHUG, and everything regarding this required a \$500,000 bond.

It was several times mentioned that computerization would be paramount for exporting the tech. This was a quite normal assumption and not specifically secret.

Putting all the pieces together, it appeared that they were researching the basics for a space org. Their mission goal was so confidential that there was no possible clearance for it. Tompkins reported _only_ to LRH until the official death of LRH early '86. As an aside, after LRH's death, Dr. Chuck Prenner took over the INCOMM project from Foster Thompkins and Ronnie Miscavige.

Space Org Projects - Spatia Lingua - Language Database and Learning Program

The project was to form a combined data base/language trainer/future translator for _every possible_ language, whether currently existing or not.

Those that had studied the Pali dialect were recruited. Pali is not just a Sanskrit dialect. It is (besides the alleged language of the Buddha) the language that is, according to LRH, the closest to 'Spatia Lingua', the language that supposedly is the official diplomatic language in this sector. (As a side note, LRH also mentioned Pali in Battlefield Earth.)

Those involved in the project were to 'test' the language data base by inputting 'German' and Pali'. The concept was that the data base would be filled with expressions while the person was learning the very language.

This excludes any language for which native speakers already exist. The other function of the program connected to that data base, was to generate 'tutorial's' for the language that is being entered, again while the language is being entered (not just afterwards). This is quite an odd concept, unless one is not dealing with a completely alien language. (Robert Vaughn Young Posts to ARS)

1982, 29 July

Church of Scientology New Haven, Connecticut founded. (CofS)

1982, August

<u>Mayo</u> says he was trying to correct current upper level management, which resulted in hostilities and the covert cutting of his comm line to LRH. He and <u>Julie Mayo</u> were attempting to cause some reforms while they were within the Church. He is one of hundreds of long standing Scientology execs removed in this political purge. (Criminal Time Track: Issue III, (8, 34))

Miscavige assigns Julie Mayo to the RPF. She says that information had been sent to LRH that made him upset with the Mayo's and several others and they were never given an opportunity to correct that information. She spends the next few months running around a tree, 12 hours a day, 7 days a week. There was no time off, even to do her laundry. (Criminal Time Track: Issue III, (18, 36))

1982, 5 August

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Church of Scientology of Brisbane, Australia founded.

Church of Scientology of Brighton, England founded. (CofS)

1982, 12 August

Church of Scientology of Ann Arbor, Michigan founded. (CofS)

1982, 29.8.

David Mayo: On the morning of 29 August 82, I was removed from post by David Miscavige and Steve Marlowe in the presence of Marc Yager for being "anti-management". It was also stated by Miscavige that I had been responsible for getting rid of messengers and he named John Nelson, Dede Voegeding, Gale Irvin, Anne Taskett, Donna Robinson, Lois Reisdorf, etc., all persons whom David Miscavige and Pat Broeker had had removed from post and later had offloaded. The four staff who had worked with me and another person (who had C/Sed my folder) were also removed from post and put onto heavy MEST work and/or assigned to the RPF at the same time. I was placed under 24-hour guard and subsequently various other atrocities occured to myself and others. Within a week, Kerry Gleeson, Alan Buchanan and other key execs (a total of about 18) were also removed from post by Miscavige, Vicki Aznaran and Steve Marlowe. About a month later, a Comm Ev was convened which contained as a main charge being "antimanagement" and numerous other accusations of "crimes" and "high crimes". About a month after my removal, David Miscavige told me that he was going to destroy my technical reputation in case I didn't "come around" to their way of thinking as too many people considered me to be an opinion leader. Various technical "investigations" were done by Gelda Mithoff, Ray Mithoff, Jesse Prince and Mike Eldridge to that end. Similarly, the idea of orgs or FOLOs or missions having any degree of initiative were viewed as efforts to be "autonomous" and "riding the enemy line", as were matters relating to prices, comm between management and Scns, etc etc.

During this period, the idea of prosecuting Scientologists (by RTC) - both staff members and public Scientologists- and the "policy" of "Excommunication" and debarrment from OT levels and from any auditing and training forever were also introduced. Much more could be said on such subjects and the events which occurred during the period from 29 Aug 82 when I was removed, to 14 February 1983 when I left, but these matters confirmed my conclusion that

- a. what was occurring in top management of Scientology was not Scientology, and
- b. that it was not possible for me to bring about a constructive change or reformation "from within" the organization and
- c. that I should no longer support or condone what was occurring by my continued presence at CMO INT or in the Sea Org, as to stay on under those circumstances would have been a betrayal of Scn and everything we stood for.

Note: The allegation that I had "embezzled" money was a fabrication concerning the money collected from the dissemination course pilot

(mentioned above). I did not, in fact, personally receive any of that money and the cheques were made out to a C of S account. A private investigator was even called in and spent some hours questioning me regarding this matter in the presence of Geoff Shervell, as well as investigating the accounting etc., and finally told me that he had found nothing to substantiate the allegations and had been "misbriefed" on the matter. (David Mayo, 8.12.83)

1982, September

LRH gave an order to bring the best cramming officer to the secret international management base in Hemet, Ca. He was needed there to do correction on upper level management execs because they had no clue how to manage international Scientology. <u>Jesse Prince</u> was Cramming Officer at Flag and he was selected.

Jesse Prince attends bi-weekly meetings at Author Services Inc. over the next 5 years.

Jesse then learns that <u>David Mayo</u> had fallen from graces because LRH thought he had been bought off by Scientology mission holders and was either a dupe or a plant. Mayo is accused of squirreling the tech. (Criminal Time Track: Issue II)

<u>Stacy Young</u> is assigned to the RPF because she is openly critical of Miscavige's coercive and degrading treatment of staff members. His style of management was screaming profanities and terrorizing the staff. The ASI offices were on the 9th floor, yet people could hear Miscavige screaming down on the street a block away.

One day he gave Stacy an insight into why he acted this way. He said "You think I yell loudly, but you've never heard anyone yell until you've heard LRH. I'll never be able to scream the way he does. But Stacy, that's the only way to get compliance." Stacy realized then that Miscavige was trying to be like LRH in preparation for taking Ron's place when he died.

Anyone who disagreed with Miscavige or challenged his authority in any way was branded a traitor who was out to destroy Scientology. This is why <u>David</u> <u>Mayo</u> was ousted and replaced with <u>Ray Mithoff</u>. Many others were thrown out in 1981 & 1982 and replaced with people who would obey Miscavige orders unquestionably. <u>John Nelson</u>, head of CMO is removed by Miscavige and replaced with Miscavige loyal follower, <u>Marc Yaeger</u>.

<u>Jim Isaacson</u> was in charge of investing Ron's money and he was expected to show a profit every week. Miscavige would scream mercilessly at Jim every day. One day Miscavige found Jim lost a large amount of money by investing incorrectly in the gold market. Miscavige and Starkey literally dragged Jim into a conference room. For the next 3½ hours Miscavige yelled at Jim, demanding who sent him to destroy Scientology. Miscavige then told Stacy to get the information from Jim and to not let him leave until he confessed everything.

When Stacy went in the conference room she found Jim collapsed on the table.

His eyes were glazed and he was shaking uncontrollably. She told him to go home and get some sleep. Jim was sent to the RPF a few days later. His wife, <u>Joyce Isaacson</u>, was already in the RPF for refusing to go along with Miscavige's brutal treatment of staff.

The RPF filled up with people who tried to stand up to Miscavige. Any staff who were critical of Miscavige were sent to the RPF. He surrounded himself with people who were willing to do whatever he ordered.

One of Miscavige's tactics to control people on staff was to separate husband and wives.

One day Stacy told another staff member that Miscavige was a brutal, tyrannical bully. That night security body routed her to the RPF.

Her stay in the RPF started with a gang bang sec check. <u>Andre Tabayoyon</u> and <u>Rick Aznaran</u> screamed at her and interrogated her for hours at a time.

Miscavige ordered that she do the "running program" as part of her requirements for getting off of the RPF. This was running around a large pole for 12 hours a day. This was to be done until she had a realization of what was wrong with her, whereupon she would stop being critical of Miscavige.

At one point he ordered Stacy to Florida to separate her from her husband.

Because of a foot injury, she could not go and so she was kept in Los Angeles, locked on the seventh floor and kept there under guard, so she could not escape and reach her husband. (Criminal Time Track: Issue III, (29))

1982, 17.10.

The corporate structure of the Church of Scientology and associated entities undergoes radical restructuring. At a <u>Mission Holders' Conference</u> held in San Francisco, Warrant Officer <u>Lyman Spurlock</u> is introduced as the "Corporate Affairs Director of the Church". Spurlock starts his speech by saying "Prior to the end of 1981, a few of us from the CMO got together and took a look at the corporate structure of the Church with the view in mind of making it more defensible and more regular and particularly not understandable by the traditional enemies of the Church such as the IRS, and to make an overall improvement" [my underlining]. The phrases in italics are omitted in the transcript, but exist in the tape of the Conference. Ref: Tape recording of the Mission Holders' Conference, San Francisco, 1982 (Timeline of Scientology versus the IRS)

A "Committee of Evidence" is convened on <u>Julie Mayo</u> and 15 other executives.

This Comm Ev had apparently already found them guilty of ridiculously outrageous things, before the Committee was ever convened. It was based on a secret investigation by Gelda Mithoff who was also a member of the Comm Ev.

The Chairman of the Comm Ev was <u>Ray Mithoff</u>. The secret investigation had resulted in the removal of David and Julie Mayo from SNR C/S INT and they were replaced by Mithoff. Miscavige had ordered the Comm Ev and his wife Shelly was also a member.

One night she and the 15 others were woken at 3AM and sec checked individually by RTC execs Vicky Aznaran, Jesse Prince and Geoff Shervell. In Julie's sec check they said that unless she confessed that she was working for the IRS, FBI or other government agency, she would be sent to jail, be banned from tech lines forever and lose her eternity.

When Julie said she did not work for any government agency they said they would go easier on her if she confessed to supplying Alan Walters with a mailing list. Julie said she did not do that either, so they sent her to go think about it and write her confession.

Julie was not allowed to defend herself at the Comm Ev. She was not allowed to see the investigation reports and was given no opportunity to present her side of the story. The Comm Ev did not have any evidence against her. When she was called before the Committee for the last time, there was a sign in front of Ray Mithoff which said "You could be sent to the pokey for two years."

Julie asked on what grounds she could be sent to the pokey and Ray said for out tech. Julie then CSWed to leave. By this time there were security fences around Gilman Hot Springs and the security office was now full of guns that had not been there before. Julie was kept under constant guard. Her CSW to leave was not answered so she decided to try to escape. (Criminal Time Track: Issue III, (18, 36))

<u>Flo Barnett</u> is an old St. Hill class VI auditor. Her daughter, Michelle, is married to <u>David Miscavige</u>. When she got a transcript of the Mission Holders Meeting from the org she was upset by what went on at this meeting. She told her friend, <u>Joyce Stephenson</u>, that the people running RTC are mentally sick or worse still, SP. (Seven months later she tells Joyce that the C of S has been taken over by the enemy and all of the good people have been kicked out. Joyce heard there are more Class XIIs in the field than at orgs.) (Criminal Time Track: Issue III, (73))

By this time, Miscavige had established ASI, RTC, CSI and CST, and obtained control over all Scientology corporate bank accounts.

The second Mission Holders meeting is held in San Francisco, with 400 mission holders attending. Miscavige gathered staff from ASI and they put on SO uniforms and took over control and terrorized the Mission Holder's' Conference.

The other Sea Org members assisting Miscavige:

- Lyman Spurlock as Corporate Affairs Director, ASI
- Norman Starkey, Legal Affairs Director ASI
- Ray Mithoff, Snr C/S Int
- Marc Yager CO CMO Int
- Guillaume Lesevre, ED Int
- Steve Marlow, IG RTC
- Wendell Reynolds, Finance Dictator Int (Head of International Finance Police.)

David Miscavige informs the mission holders that <u>he and RTC had taken</u> <u>over all Scientology organizations</u>. He says that LRH donated the vast majority of the trademarks to RTC. He tells them that every franchise holder would be required to sign a new agreement with RTC and if they did not do so they would be fined or thrown into jail.

Individuals who objected to the ASI, RTC take over of the assets were locked into rooms and interrogated on the e-meter and were either forced to sign the new agreements or removed from their positions and deprived of their business, property and possessions.

Several Mission holders were expelled on the spot for being unhappy about what they were hearing. Miscavige orders the mission holders to pay large sums of money for a promo campaign for DMSMH, under threat of being investigated for crimes against Scientology and losing their businesses if they refused. As a result, millions of dollars are paid to CSI and RTC accounts.

Six Hundred people are declared Suppressive and expelled from Scientology at this time.

All people who criticized Miscavige or refused to obey his orders were subject to expulsion.

It was a show of brute Sea Org strength and was touted in the Sea Org Expansion News, entitled "The Sea Org Moves In". It was done under the guise of "protecting the tech" and "getting people on source" when it really was nothing more than a consolidation of power. Vaughn heard the brags of Miscavige, Starkey and Spurlock when they returned to ASI, boasting how they terrorized people and how successful their "raid" was. (Criminal Time Track: Issue III, (13, 26, 29))

HCOPL 7 August 1965 Suppressive Persons, Main Characteristics Of – Good staff members are a prime target for SPs. In one org where an SP got a foothold, 60% of the staff was gotten rid of AN SP WILL SEEK TO UPSET AND GET RID OF THE BEST STAFF MEMBERS.

HCOPL 5 April 1965 Academies Relation To HCO Justice... Here's "Whee, kill everybody!" in person. Here also is the possible government agent, the AMA BMA stooge. Here is the guy who plans to "squirrel" and "grab Scientology".

Note: Coupled with all of this, prices are raised considerably, making services easily affordable to only about 10% of the people with sufficient incomes.

The amount of people on courses drops and thereafter, orgs look like morgues compared to the way they were in the 1970s.

Thus, more of the group engram was laid in. The group got serious, not fun.

The tone level of the group drops to fear. These fears exist to this day:

- fear of Miscavige
 fear of RTC
 fear of the RPF
 fear of OSA
 fear of being denied eligibility to the OT levels
 fear to speak out
- fear to apply KSW etc.

The outpoint is wrong direction on the tone scale for the group (down instead of up) – thanks to these Merchants of Fear: David Miscavige & his closest aides, and their - - REIGN OF TERROR - Science of Survival:

- "An auditor is not trying to cure anything. He is simply raising tone."
- The whole idea of Scientology is to raise beings on the tone scale:
- Around tone 4 you reach a state called clear.
- Around tone 8 you reach a state called theta clear.
- Around tone 20 you reach a state called cleared theta clear aka OT.
- Going down to fear on the tone scale is not Scientology it is suppression.

1982, November

From then to the present, the Church of Scientology pays millions to lawyers. These attorney fees are used as a money-laundering scheme to pay private investigators for covert black intelligence operations against enemies. (Criminal Time Track: Issue III, (13, 22, 30, 38))

If the target is a Scientologist, one of the things done is to turn the person's preclear folders over to the non-Scientologist PIs. The person's confessional data is pulled for blackmail, extortion or a black PR campaign to assassinate

his character and ruin the person's reputation with his friends, relatives and employers with the intention of ruining his life.

Staff members in OSA's intelligence unit would also go through the folders looking for buttons, such as fears, what the person is trying to protect, etc. and these would be used to design black intelligence operations against the person. (Criminal Time Track: Issue III, (14, 22))

Note: This includes black operations on DM's imagined enemies – all of the truly dedicated Scientologists he has had expelled simply because they dared to challenge his psychotic leadership or squirreling. They had no actual crime against Scientology, loved LRH and the tech enough to apply KSW and stand up to him. So, he got rid of them, not because they were any threat to Scientology, but only because he imagined them to be a threat to him.

1982 (end) ... 1983

A recent AOSH posting announced there were <u>over 600 declared</u> in the past recent months. Many of these were declared BEFORE Comm Ev. Some were declared for opposing management opinion about how things should be done. Others for unproven or unidentified points. Most list completely generalized charges with no specific accounting of what the person did. It has even gone so far as to list sexual behavior such as "adultery" as part of the reason this person is now considered to be a suppressive person, deserving of being expelled from the Church.

Over 50 SO field auditors, CSes and whole field groups in LA have terminated their practice in the last six months because their delivery lines were shut down by the new unwritten policies and by policies written by someone other than Ron. Specifically, in one week, all field ethics delivery and admin scale delivery was forbidden and still is -- all done verbally. Those who questioned it were placed under immediate ethics investigations, so everyone else shut up. All Volunteer ministers actions have been verbally forbidden to the field and the policy that the field could set its own rates for these actions was verbally canceled. Any credit or barter (formerly OK for V.M. and Book I) was also forbidden. Plus, Book I auditing was now supposed to be sold in intensives. In addition, the field auditors (like the Missions: See Mission Holders Conference S.F. late 82) were fined \$10,000 for every PC they had done actions on after the person had reached Clear. The field (like the Mission Holders) were told if they'd done this they were criminals and were guilty of the crime of having ripped off the orgs of their rightful public. As none of this was clearly written, communicated or defined prior, most missions and field auditors had inadvertently become criminals. Prosecution was threatened for anyone who didn't pay up. Frightened, auditors and missions called their people and dropped them in the middle of admin scales, repairs, ethics, grades, etc. Thus, thousands of public ARCxs occurred on losing their terminals. So the field went into the woodwork and the missions went frantic trying to dig up funds already dispersed for services already delivered. The field auditors were to be charged \$10,000 per Clear, even if the amount accepted from a Clear was only \$10. (See Mission

Holders Conference S.F. 7. Nov. 82/SOED 2104). Plus, the missions were to pay for any SO missions at the rate of \$15,000 per day if the SO deemed it necessary to investigate them -- whether they were found guilty of anything or not. The small number of auditors left in the field were forced to turn away half of their clients and income (see above).

Simultaneously, a 10% tax was demanded of their remaining income and thus field groups were driven out of activity. Several have just moved out of town. Some long-standing high volume producers have been declared suppressive without Comm Ev -- one is <u>Troy Lotz</u>. Some have notified the Church they are leaving but will continue to deliver standard Scn. tech (<u>L. and T. Greenberg</u>). Others, no longer able to make a living delivering tech, changed professions and stayed in the Church.

A survey has turned up the overwhelming reality that Missions and field auditors felt they had a choice of staying in the Church but having to give up their professional Scn. careers, or of leaving the Church so they could afford to deliver Scn., secure in knowing they could count on being able to continue to deliver it. In fact, they felt more secure facing a potential suit from the Church than they did in the Church -- knowing their certs could be instantly suspended with no ethics protection of proper on-policy procedures. Now there is a pitifully small number of field auditors remaining and they've joined "<u>I HELP</u>".

It is not only the field that has been unmocked from these non-LRH policies and orders. Last year, hundreds of SO and non-SO personnel holding org posts in the PAC area alone were offloaded simultaneously with no provisions for qualified replacements. This included our most important tech posts such as the Class 8 Course Sup and lower-org internship sups. All non-SO staff working for some pay were offloaded with no replacement provision. Now, one year later, key posts remain unmanned. Not only was the Class 8 Course Sup offloaded with no replacement, even the Class 8 confidential courseroom became used for sessions and the students on the confidential course were ordered to study their confidential packs in the nonconfidental courserooms. ARCxn complaining students were sent to ethics if they didn't go along with it. Naturally, some students blew. This is just one of the many unmocked areas that occurred in the spring and summer 1982 during the wholesale offloading of staff. The Class 8 Sup, by the way, was a good sup and offloaded only because she wasn't S.O. As the non-S.O. staff were paid salaries, this offloading was supposed to be a cost-cutter, so money was actually the whole issue in point; such an issue, in fact, that it took precedence over keeping the major courses of the orgs intact at all. These days the S.O. (many S.O. were also offloaded) is hurting for staff and going into heavy-handed recruitments. They have also been forced to hire back some non-S.O. staff, particularly tech staff, as tech has been one of the more heavily Comm-Ev'd areas for the S.O.

Over 10 missions and orgs have openly left Scientology because they could not afford to pay fines levied on them at the S.F. Mission Holders Conference of Nov. 7., 1982. (You must read this to understand fully what has happened.) Other missions have left because they were unwilling to continue under a management that used threats and force to control them and which accused them of being criminals. Reading a copy of this meeting will make it plain why there is a large and growing exodus from the Church.

The leaders, and even the new Senior C/S Int, have been influenced away from the most fundamental concepts and principles of Scientology, influenced by someone into actually believing that force, threats, and punishment drive mechanisms will create a product . This non-Scientology technique has created a reaction of recoil away from the Church and that reaction is in proportion to the out-of-ARC force that was used. (Dave Tops Debrief)