# 1984

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RTC files a suit against <u>David Mayo</u> and others for use of upper level material obtained from the Denmark AO. RTC v. Scott, et al, in US District Court for the Central District of California. (Criminal Time Track: Issue III)

Clearwater passes an ordinance that officials said was designed to reduce fraud by any group claiming to be charitable. It meets strong resistance from Scientology; after an eleven-year legal battle, the church finally gets the ordinance repealed in late 1995. (Brief History of Scientology in Clearwater)

Clearwater mayor Kathy Kelly says "we are also very unhappy that such an organization, continually surrounded by controversy, is in the midst of our city." (Brief overview of Scientology's interaction with Clearwater Florida)

# 1984 (meetings with IRS)

LRH was planning for the future to ensure Scientology would be here for eternity. And we were right there seeing that it happened. Following the reorganization of the Church, we set up meetings with the IRS. This was in 1984.

Our desire was to show them how the Church operated - ensure it was in order and passed their test - and move forward into the future at peace. Believe it or not - the IRS has exact guidelines they have created that one must meet to be a real religion. As LRH said:

"One certainly couldn't contest anyone as holy as the commissioner of IRS - whom I believe gives God his orders." - LRH

The <u>IRS</u> response to our reorganization was violent. IRS officials told me to my face that they weren't interested in hearing anything I had to say, because - and I quote: "You are a Scientologist. You are a mindless robot."

... The thanks we got for cleaning up the Church and getting rid of the individuals in the G.O. that the IRS apparently found so offensive, was an assault bigger than any in history the IRS initiated what was to become the largest criminal investigation in the history of the IRS. Personally, life had become dangerous. What was it that so upset the IRS? Only years later did we find out. When we kicked out the old G.O., we had unknowingly kicked out several of the IRS's undercover operatives.

The IRS was more than happy about the way things were going in the Church in the early 80s. It looked like total destruction was imminent. Within months. And out of the blue - a bunch of young Turks showed up and foiled their plans. From the IRS way of looking at it - we were going to pay in a big way organizationally. And personally. Who were we to dare survive? To make us pay. The IRS knew they needed a group willing to sink to a whole new level of illegal activity. A group that did not let niceties, like ethics, the law and the truth get in their way and so - the IRS brought in their most vicious hit squad. The infamous Los Angeles Criminal Investigation Division of the IRS, known as the LA CID could give you my own description of these goons, but let's be objective. Here is what Congress later said about LA CID when investigating their mid-1980 activities. Congress said that the most corrupt division of the entire IRS was this Los Angeles CID. They also noted that the most corrupt individuals within that CID were people by the names of Ron Saranow, Phil Xanthos, Al Lipkin, Al Ristuccia and Dan Rocha. Well, you guessed it. Those were the very people assigned to investigate and destroy Scientology.

For the next 3 years this corrupt unit ran one illegal operation after another, in a desperate attempt to destroy the Church. We may never know the full extent of their actions, but we know these operations included illegal opening of our mail, illegal phone taps, and physical surveillance of Church leaders. That's right, they used to follow myself and others wherever we went and whenever we did. And it went on for years. They additionally tried to intimidate anybody who had any working relationship with us. They went to our banks and harangued the managers, hoping they would freeze our accounts. They went to our travel agencies and browbeat them into giving up all of our travel records. They even went to our lawyers and other groups doing business with the Church just to harass them and black PR us. The motive was obvious. Make it uncomfortable for anybody to be associated with the Church of Scientology or its people.

They also put their thief training to work. They stole briefcases from our staff and attorneys containing legal papers regarding the IRS. They broke into the trunks of our cars many times, apparently looking for papers to rip off. They never got any but the break-ins continued until I personally requested the national office of the IRS to stop these black bag jobs. You know what their response was? "That's not us - that's Los Angeles IRS!" But they apparently passed on the word as all of the break-ins stopped immediately. They even went so far as to set up an observation post on the top of the California Federal Bank building. Right across the street from the Cedars complex. That way they could watch all the activities going on at the Church. Despite all of these activities. The CID had one minor problem. They had placed Scientology under a microscope unlike any other in history and still, they could find no evidence of any wrongdoing. So what did they resort to next?

They decided that if you can't find evidence, just create it. They proceeded to send in an undercover operative on the Church. This operative was under the direct control of LA CID and reported to them daily his orders were to steal internal Church memos and use them as models to manufacture forged documents that would incriminate Church leaders. In other words, see what actual normal Church memorandums look like and then create new ones that looked just like the real thing but containing some alleged criminality. The plan even included creating false issues, like HCO PLs and Executive Directives, that would be disseminated throughout the entire Church membership.

The idea was for this operative to sneak these forgeries into Church files. Once they were there, the IRS would raid the Church, stumble upon these documents and use them to prosecute Church leaders. We of course would have said we knew nothing of these forgeries.

But with the black propaganda being spread by the US government, who would have believed us? There was one other interesting side note to this. Once Church leadership was carted off to jail, there would be a vacuum in Church management. But the IRS even had a plan for this. They promised the squirrels that if they aided in this plan, they could then assume leadership and full control of the Church. There was one proviso. They had to disavow L. Ron Hubbard as Source of Scientology. So, for those of you who remember the old squirrel groups, you now know what they were really up to.

The IRS even passed on their strategy as to how they would get away with telling such lies. Their infiltrator / informant was asked how the IRS planned on supporting their baseless allegations. The informant replied by giving the IRS policy on matters dealing with Scientology. He said:

"Just allege it. You don't have to prove a goddamned thing. Just allege it."

Don't get too depressed, we're still here. Which makes it quite obvious the IRS ran into a little snag. We found out about the plot and in conjunction with the Los Angeles Police Department managed to get their informant on video tape while he was laying out this plot. So - we in effect ran a sting on the IRS's sting operation.

Yes - we laughed last. And the stinger was stung by the stingee! But the IRS had their paws into more pies than you can imagine. They had gone around to all the judges on our civil cases just for the purpose of black PR'ing us. Don't forget, these people suing us were these same squirrels who had been promised leadership of the Church. we only found this out because judge after judge started commenting that we were under criminal investigation and yet none of the papers filed in the case by either side had ever said such a thing. So how did they find out? There were all manner of other atrocities committed by the IRS during this investigation. But apparently, nothing we did or said could stop them from pursing their goal of wiping us out. (David Miscavige's IAS speech, 8 October 1993)

#### 1984, 2.1.

As Chairman of the Board ASI, <u>Miscavige</u> invested and lost some of LRH's fortune in oil well speculation, without telling Hubbard. The oil company was <u>Highlands, Goodall, & Grear</u> located in Oklahoma. <u>The estimated loss was 50 million</u>. To recover this, Miscavige instituted the sale of "Special Properties". He created and sold "leather-bound special editions" of LRH books, telling purchasers they were an investment. (Criminal Time Track: Issue III, (8, 13, 30))

<u>Jesse Prince</u> was sitting in the office with <u>David Miscavige</u> and <u>Norman</u> <u>Starkey</u>. Both of them had mastered forging LRH's signature. David and Norman said "We'll never get him to sign this…it's like there ain't no way in hell LRH is going to sign this shit. We'll sign it." And so they did, committing not only forgery, but also fraud on the people who bought the books with "LRH's signature." (Criminal Time Track: Issue III, (40))

It's said that DM used this skill to also create fraudulent transfers, trust and testamentary instruments purportedly executed by LRH, which Miscavige then notarized despite the obvious conflict of interest. Contrary to law, he has never deposited those notary logs with the State of California and has refused to produce them in discovery in litigation. (Criminal Time Track: Issue III, (13))

#### 1984, January

<u>Shiona Fox-Ness</u> leaves the Sea Org with personal knowledge of the criminal activities of upper level management. She knows Comm Evs to be a farce, a mere going through the motions executed after someone has already been targeted for demolition and the decision taken to expel them. The findings are often invented, grossly overstated, and serve as a means to blacken the character of the targeted individual.

She has also witnessed LRH EDs, bulletins, policies, and telexes that did not originate from, <u>nor were they signed by LRH</u>.

She says much of the data in <u>RJ 38</u> Today and Tomorrow The Proof, is false. (Criminal Time Track: Issue III, (6))

Note: This tape proves that Miscavige and Broeker were feeding LRH false data.

The tape is trying to "PR" RTC's wonderful products and statistics. The data and statistics are false, here are a few examples:

The tape says there is a war against squirrels and that a preliminary injunction has been won against the California Association of Dianetic Auditors. It says this is the first victory against squirrels based on trademarks. It says the preliminary injunction shut this person down.

The truth is that a preliminary injunction is a court document that is issued simply on request, it is preliminary to any hearing of facts, and that is not a victory at all, but merely a preliminary step to a trial. If the judge heard they were advertising this as a victory he would be most displeased. Also, this person is not a squirrel group, but simply a splinter group. And, they are not shut down, as a matter of fact they are doing better than ever.

The tape says the Perth Australia squirrel group run by Eddie Mace is under attack and has been reduced to next to nothing.

The truth is the group used to be a mission. RTC went into it, ripped it up, was abrasive and rude to the people there and consequently the management of the mission decided to leave the church. Since leaving the church, they moved to larger quarters, they're now delivering the entire bridge and their statistics have increased 8 fold, just since Spring.

The statistics given in the tape are exaggerated or utterly false. Here are some examples:

Per the tape, 53 new missions started in 1983 for a total of 168. According to Scientology Missions International statistic sheets, 26 new missions started in 1983 but there were 27 missions that closed down. The total missions at the beginning of the year was 60, the total at the end of the year was 59, not 168.

The tape says the number of new starts for the year is 417,311. Dividing that into weeks the figure is 8025 per week. The class IV org statistic sheets show 1001 new starts per week. The Scientology Mission International statistic sheets show 400 new starts per week. Therefore the statistic has been inflated by 6600 new starts per week that did not happen and it is a false statistic.

The actual statistics for the entire mission network for the year are way down. Gross income is down by 70%, well done auditing hours are down 70%, student points down 50% and first service starts are down by 80%. (Criminal Time Track: Issue III, (8))

We could go on but the point has been made.

Also, John Zegel, sent a copy of RJ 38, plus RJ 36 and an earlier Hubbard tape on study methods, to two university departments, one in Canada and one in the USA, who were involved in the analysis of the Watergate tapes. Both sets of experts reported separately that in their opinion, the three tapes were made by three separate people.

Another report, published in the Phoenix journal of an independent Scientology group, declared: 'a voice-print has been done and the results prove that LRH is not the speaker on the last two "Ron's Journals". R.L. Addison of Carson Investigations, Vancouver BC, did the test.'

Check out this URL for an image:

HYPERLINK "http://www.clever.net/webwerks/veritas/mailings/voice.htm",

#### 1984, 1 March

Church of Scientology Celebrity Centre Hamburg, Germany founded.



Church of Scientology of Düsseldorf, Germany founded. (CofS)

# 1984, 12.3.

Lyman Spurlock was given a general power of attorney by LRH, as his personal employee. (Criminal Time Track: Issue III, (15))

Note: Norman Starkey and David Miscavige demonstrated that they can forge LRH's signature.

Therefore this power of attorney, wills allegedly signed by LRH, etc. are all suspect.

### 1984, April

The 1967 <u>IRS</u> decision to remove the <u>C of S of California</u> from the roster oftax exempt organizations for failing to comply with IRS rules andregulations, is upheld by the US Tax Court. The court found substantialevidence of private inurement to LRH and his family, including salaries,management fees, complete support of LRH's family, and royalty payments onLRH's writings. Additionally, the court found "covert indicia of benefit" to LRH including repayment of unspecified debts, and LRH's absolute controlover the millions of dollars resting in <u>Operation Transport</u> <u>Corporation</u>, Limited and the <u>United States Churches of Scientology Trust</u>.

<u>Operation Transport Corporation</u> is a non-charitable Panamanian corporation, found by the court to be run by the <u>Flag Banking Organization</u>. OTC was found to be a sham corporation for which FBO created financial records to give the false impression of a legitimate, independent existence.

The court found that the United States Churches of Scientology Trust and the Operation Transport Corporation were run for the private benefit of LRH and his family.

<u>David Miscavige</u> holds a meeting at ASI with <u>Jesse Prince, Vicki Aznaran,</u> <u>Marc Yaeger,</u> and <u>Lyman Spurlock</u>. Miscavige tells them that he has received word of an IRS criminal investigation with the threat of a raid on ASI. One of the main reasons for no tax-exempt status is that LRH was actually the managing agent of Scientology in disregard of the corporate structure. (Criminal Time Track: Issue III, (22, 26))

There was no doubt in the minds of the ASI staff what the IRS would find if they got the ASI documents, as the FBI had done in the 1977 raid. Such documents would show LRH running the Scientology empire via ASI and ASI's bleeding Scientology organizations for millions of dollars, most of it under the guise of "licensing agreements" drawn up by <u>Spurlock</u>, all of the money going into ASI's and then Hubbard's personal accounts. Some monies were converted to precious metals or jewels that were couriered directly to LRH.

Some was deposited into overseas banks, usually Luxemburg or Lichtenstein, that had secret accounts in Hubbard's and ASI's names. This allowed LRH to tap into them directly. Since ASI was incorporated as a for-profit company, ASI staff knew that ordering non-profits to come up with incredible sums sometimes in a matter of hours ( a \$25,000.00 licensing fee from just one organization was not unusual) was all in violation of IRS laws and it could put LRH and ASI at risk. So, ASI staff implemented Miscavige's orders to hide the evidence. (Criminal Time Track: Issue III, (26))

There was a concern that the IRS would obtain hundreds of orders from LRH in the form of "advices" to Scientology. Under orders from <u>Miscavige, Rick</u> and <u>Vicki Aznaran</u> and <u>Foster Tompkins</u> destroy evidence of LRH advices that showed that he was still the managing agent of orgs.

<u>Norman Starkey</u> ordered <u>Vicki Aznaran</u> to go to a computer facility in Los Angeles and destroy all evidence that showed LRH's involvement and control of Scientology's money.

<u>David Miscavige, Norman Starkey</u> and <u>Rick Jackson</u> placed back up copies of the advices and evidence of LRH control of Scientology money in a secret storage facility. (Criminal Time Track: Issue III, (22, 77))

The ASI staff were ordered to go through ASI files and pull all correspondence with LRH that involved his or ASI's connection to the various Churches of Scientology. Since that had been mostly what ASI had been doing for years, it was most of ASI's files. They took up about 20 4-drawer filing cabinets.

These files were then moved to a secret office and kept under 24 hour guard. (Criminal Time Track: Issue III, (30, 26))

The ASI staff worked there for a couple of months until the crisis was over.

Miscavige is worried about going to jail so he devises several schemes to flee the country. Guards are also trained to avoid service of process.

Miscavige becomes the target of an IRS-CID investigation, alleging that DM participated in a conspiracy to defraud the IRS. This investigation is ended in 1986 when LRH dies. (Criminal Time Track: Issue III, (22, 37))

#### 1984, 15.4.

Daily News: McClatohy News Service - Scientology Churches pays \$500,000 in back taxes.

#### 1984, May

Gerry Armstrong... had taken thousands of documents with him when he left Scientology - documents that *proved* the founder of Scientology was a charlatan and a liar.

For many months church attorneys had been trying to force Armstrong to return the material, having initially succeeded in having the documents placed under court seal. In May 1984, the issue went to trial at Los Angeles

Superior Court before Judge Paul G. Breckenridge. A procession of witnesses trooped into the courtroom to tell their dismal stories about life in Scientology, at the end of which the judge refused to order the return of the documents and delivered a damning verdict on Scientology: 'The organization clearly is schizophrenic and paranoid, and this bizarre combination seems to be a reflection of its founder. The evidence portrays a man who has been virtually a pathological liar when it comes to his history, background and achievements. The writings and documents in evidence additionally reflect his egoism, greed, avarice, lust for power, and vindictiveness and aggressiveness against persons perceived by him to be disloyal or hostile.

The Church of Scientology immediately appealed against the decision of the court, ensuring that the documents remained under seal and unavailable to hordes of waiting newspapermen, at least for the time being. (Miller: "Bare-faced Messiah", pg. 370)

Jesse Prince says the role of attorney <u>Sherman Lenske</u> was to give them advice to ensure LRH's authority and control over Scientology was covered up. But over time, the attorneys would limit LRH's control more and more.

The excuse was "we give you any kind of money you want, just shut up and take the money and let us run things". Miscavige just forced Ron out of existence by taking control away a little at a time. And LRH saw it.

Jesse says that he knows a big battle was going on between LRH and Miscavige because LRH thought his hands were totally tied. Ron was going to other people besides David to try to help him continue to have control over the church.

So, LRH had Jesse give David Miscavige a <u>sec check</u>. The following was found: The line for getting money to LRH was that Pat Broeker would tell David to bring cash in a briefcase. In the sec check Miscavige confessed that when he brought money, he and Pat would meet in Las Vegas and they spent thousands of dollars of LRH's money, on gambling and whores. (Criminal Time Track: Issue III, (27))

Jesse found that Miscavige was in complete disagreement with LRH and with Broeker as to what should happen and when it should happen. And he was sick of giving them money because he said they just wasted money. So, he was considering cutting them off from the money too.

Jesse gave the results to Broeker and he does not think LRH got it because he never got an acknowledgement from Ron. Quite often Ron would give a gift, like a leather jacket, for helping him, or at least, he always said "thank you."

When Jesse gave the sec check to Broeker, Broeker said "Well, I think you did a good job. The old man has a lot on his mind, and we're trying to keep this stuff off his lines." (Criminal Time Track: Issue III, (40))

Despite all of this, after last month's threat of an IRS raid, Miscavige has attorneys (Lenske) tell LRH to not run the Church at all. LRH objects.

DM says from then on, LRH went completely out of touch with any Church entities. According to DM, LRH stops all communications with church personnel. He travels around Washington and California in a motorhome, finally settling at a ranch in <u>Creston</u>, California. (Criminal Time Track: Issue III, (33, 37))

Note: At this point, read A STORY in Technical Volume 1, page 285. This is vital reading. If you don't have tech volumes, call a friend who does and have them read it to you. (Criminal Time Track: Issue III)

# 1984, 6.5.

Sacramento Bee: Maharidge, Dale - Scientology, A collapsing empire? - Church leaders say it's stronger now, while some ex-leaders say end is inevitable.

### 1984, 19.5.

OT Convention in Munich, Germany, headed by <u>Capt. Bill Robertson</u>, chaiman OTC WW. 150 Free Zone Scientologists attend the meeting. <u>Operation Phoenix</u> is one of the topics.

When the event just started <u>Kurt Weiland</u> (OSA) showed up together with a baliff to get OTC WW Secretary <u>Silvie Hermann</u> arrested.

These missions came from COST, the Church Of Spiritual Technology, which is the new alter-ego of the Church of Scientology and the RTC, the Religious Technology Center. They discovered that attending this meeting was one Silvie Herman, a former staff member from Munich, and what the missions attempted to do was to collect an affidavit from some of her former staff member associates, indicating that perhaps she had misappropriated funds or embezzled money or some such things while on staff, so that they could present criminal charges against her.

In fact, they did collect such an affidavit, they went to the German Police and the German Police came and arrested Silvie Herman and put her in jail. The Free Scientologists that were there got real real busy when this occurred, gathered up a huge amount of documentation indicating that this was a typical kind of Church activity, that they had submitted false affidavits and so forth in the past, and had this material delivered to the judge prior to the hearing.

The OT Committee, which is an association of Free Scientologists from around the world, was holding a convention in Munich, West Germany and the Church fired two missions and 10 detectives to try to disrupt that meeting.

When the hearing for Silvie took place, the judge looked through the materials and said that there was considerable question in their minds regarding this particular affidavit. As a result of that, he released Silvie on her own recognizance, but unknown to the Church Officials at that time, the State Attorney, which is the next higher level Attorney in the German legal system, had had a meeting with the judge scheduled for just 15 minutes after this trial was to be over.

The following morning at 8 am, 100 police officers arrived in front of the Munich Org and another 15 or 20 arrived at the local mission. 4500 kilograms of files were taken at the Org. Approximately 300 kilograms of files were taken at the nearby Mission, a total of nearly 5 metric tons of documents. Of those materials, no pc folders were taken.

After reviewing that information, and looking through the financial records of the Church, a hearing on the status was held and it was found that the Church of Scientology, in fact, was not a Church at all, but a trade or commercial activity, a for-profit corporation in Germany.

Scientology has lost its Church status. They now, all the staff members, have to apply for trade licenses to be Scientologists. (John Zegal Briefing 3)

#### 1984, May and later

In the early 1980s, Capt Bill and I were beginning the first OT committees and doing the first conferences - in Spain, England, then Marbella when the OTC WW was formed, and later in Germany. During these events and during this time, we received a lot of harrassment from the CofX, missionairs of the GO, and so on.

Capt Bill and I and a dozen or so other spanish individuals exercised our legal rights and we formed the Universal Church of Scientology in Spain. Although this church was never approved by the ministry of the interior, the application adhered to all legal requirements under spanish law, and the use of the name Scientology as a part of the name was and is considered a completely legitimate use of our constitutional rights under the Spanish Constitution. There was never any question about copyrights, etc. in this issue. The creation of this Church was denied due to the decision of the Ministry of the Interior because of an ongoing investigation into different sects and cults and other religions, in a country which had until recently known the Catholic Church.

In Germany, some of you will remember that Silvie was jailed on charges presented by church - right in the middle of the conference, the police walked in with Kurt Weiland and arrested her. Took a couple of days for her to be freed.

During that same conference, Bill Knight, supposedly working with Ernie Martin in California, but secretly a covert member of the GO, attempted a takeover of the OTC by coming between Capt. Bill and myself with third party and later, Knight attacking and punching me after waking me in the early morning from where I was asleep. That night, we received a telephone call stating that one of the "squirrils" had been put in jail in Spain, and that when I came back to Spain, I would find a suprise.

Capt Bill and I were followed, chased, by agents of the GO through europe, into England, where we hid out for a few days, and then I left by plane under an assumed name back to Spain.

Petrus, a guy who was running a Narcanon in Spain and who had supported Capt Bill there and was also one of the founders of the Universal Church, had been put into jail by false accusations which had been orchestrated by Kurt Weiland and other missionairs. While I had been in England, Marisa, who was at that time my wife, together with Petrus wife, managed to find a lawyer and the money necessary, and were able to have him released from prison. Since Petrus was a well known artist on the Spanish television, there was a big black PR campaign done against him by the private detectives who worked for the CofX, in all newspapers and on television.

Weiland shortly thereafter participated in what seemed at the time to be a kidnapping of someone who had decided to make an accusatory statement against the CofX in Spain, an ex-commanding officer of Iberia.

This was the first time that the spanish police were approached, and the dissapearance of this person from the Madrid airport, with three supposed "police" who were arresting him became the first pages in what would end up as more than 30,000 pages of testimony, investigation and court writings in this case.

Weiland escaped from the police investigation of that action and went off to California where he worked at harrassing David Mayo who had just set up the AAC in Santa Barbara, and continued with his dirty work, until present time, where he is now the head of the OSA - Office of Special Affairs - the new name for the GO. (Briefing on CofS attacks against the Free Zone - Spain)

J. Zegal: There was another Church caper recently in Spain. <u>John Caban</u>, who is one of the principles in the OT committee, lives in Madrid, and had arranged with <u>Peers Gartstrom</u> (sp?), a former CO of the Madrid Org, to come to Spain to speak to Spanish officials regarding alleged illegal activities of the Church in Spain in previous years.

Melissa Caban, John's wife, went to the airport to pick Peers Gartstrom up, and as he was walking up the ramp toward her, three plainclothes "officers" took Peers away. Later, Church detectives approached Melissa and said to her, "Your husband is next."

Melissa was obviously very shaken by what she had seen. She went home, she got on the phone, she called all the Spanish legal officials that she could think of, the local police, the state police, other individuals of that nature, simply trying to find out what had happened to Peers, and none of them knew anything about it at all.

Ultimately, how it turned out, was that the Church had sent private detectives to pick him up. They had identified themselves, pretending to be law enforcement individuals, had taken Peers away, apparently scared him to death saying that Interpol was after him and he was going to have to run for his life and so forth. Peers was put back on a plane and went back to Denmark or another one of the Scandinavian countries, and has not been seen or heard from since.

But what Melissa did was to go to the Spanish authorities, identified the three Church detectives that had impersonated police officers, they were arrested by Spanish authorities and charged with impersonating police officers, criminal charges. (Zegal Briefing 3)

### 1984-1987

Declaration of Vicki Aznaran concerning the RTC attacks of the Free Zone in Europe, middle of the 80's.

#### I, Vicki J. Aznaran, ...., do herewith depose and swear:

- That from the approximate dates of <u>1984 until 1987</u> I held the positions of President and Chairman of the Board of Directors in the Scientology organization called the Religious Technology Center, INC, (<u>RTC</u>) which is now the senior governing entity of the International Church of Scientology, the Church of Scientology of California, and all affiliated organizations within the U.S., as well as senior governing entity for all foreign Scientology organizations and the civil associations of Scientology such as those called Dianetica or Narconon in Spain.
- That despite efforts to cloak the fact, the true role of the <u>Religious Technology Center</u>, Inc. is that role explained above, and it holds this managerial position within the matrix of all of the interrelated organizations of Scientology: The <u>Church of Scientology</u> <u>International</u>, Inc., The <u>Church of Scientology of California</u>, Inc., The <u>Church of Spiritual Technology</u>, Inc., <u>Authors Services</u>, Inc., <u>Missions International de Scientology</u>, Inc., Religious Technology Center, Inc., <u>Authors Family Trust</u>, <u>Asociacion Civil de Dianetica</u>, <u>Asociacion Civil de Narconon</u>.
- 3. That these various organizations exist in this manner to provide an "arm's length" appearance in order to protect the current board of directors from actual legal culpability for any illegal acts committed by or through the churches of Scientology or any of their other affiliated organizations, as well as to confuse any issues, investigations or litigation which might expose the illicit actions of any individual Scientology organization or member thereof.
- 4. That as a former senior executive of this body, from 1984 until 1987, I have observed and have certain knowledge of the activities of RTC and of its finances as well as its manner of incorporation and related documents.
- 5. That during the period of my employment by the RTC I reported to <u>David Miscavige</u>, who was at that time Trustee of the corporation. Miscavige maintains absolute control over all officers and board members of this corporation, controlling these other members of the board of directors by fact of his possessing undated, signed resignations of each member, the holding of which gave and gives him complete control over each member of the board.
- 6. That also, to my certain knowledge, David Miscavige conceived, planned and ordered the implementation of the basic strategic and tactical actions of the church against those whom he considered to be causing legal or public relations conflicts against any church or against his personal and absolute control of Scientology. He also ordered the allocation of and made available funding for the financing of these actions, which included the declaring of those whom he considered to be his "enemies" as Suppressive Persons, the implementation of the policies known as "<u>Fair Game</u>" against these persons once so declared, the infiltration of private and governmental environments which he deemed hostile to his absolute control over Scientology, the

organization of vigilante groups within the organizations of Scientology to be used against those individuals whom he deemed to be his enemies.

- 7. That following Miscaviges' orders, I transferred monies to Spain, and witnessed briefings by Miscavige to <u>Heber Jentszch</u>, who was in fact the "puppet" president of the church, but who actually is a camouflage for Miscavige, concerning covert operations taking place in Spain against former Scientologists and concerning false testimony and concerning the attempt to offset a rumored investigation by the spanish authorities into the activities of Scientology in Spain, the very investigation which resulted in the surprise arrest of Jentszch himself in November of 1988. These operations included orders for investigations by the private detectives employed by the Scientology organizations to obtain information by any means possible to incarcerate the leaders of a reform movement who had not been silenced previously by Miscavige's policies and declarations, with the express intent of obtaining their incarceration.
- 8. That during this same period and as part of these same operations, a plan was formulated to destroy the reform movement in europe by completely eliminating the leaders of this reform movement, <u>William Robertson</u>, <u>John Caban</u> and others, by any means possible. This included the infiltration of the reform group in Spain by covert agents of RTC, <u>Kurt Weiland</u> and <u>William Knight</u>, continued investigation and harassment by detectives employed by the scientology organizations in Spain and by recruiting others who would help to splinter the reform movement and to render it ineffective.
- 9. That additional orders were given to institute any action necessary including false denunciations, assaults by covert agents apparently in bad standing with the church, to infiltrate, offset and attack those leaders of the reform movement who were thought to be responsible for reporting Scientology activities to the spanish authorities and undermining Miscaviges intentions.
- 10. That the policies known as "Fair Game" are, as described in the writings of L. Ron Hubbard, ethics policies, and other organizational policies are in fact continued as originally written by Hubbard, and that it is the purpose of the RTC to see that all of his policies are followed exactly as intended. It was common knowledge that the "Cancellation of Fair Game" referred only to the use of the term, since it had obtained bad public relations for Scientology, and that the same tactics and actions which referred to those so-called Suppressive Persons were and are continued in effect... (V.Aznaran affidavit, 27.1.92)

#### 1984, June

First cassette lectures by L. Ron Hubbard on the subjects of Dianetics and Scientology released in a new sound-reproduction technology-<u>Clearsound</u>. (CofS)

#### 1984, June

After this "near call" it was decided to beef up RTC to take some of the functions from ASI, thus reducing the threats. Until then, RTC was junior to ASI only because ASI was where Miscavige was working. Miscavige began spending more time at RTC. RTC could thus be the enforcement section so ASI staff did not have to implement another Mission Holders Conference and put Miscavige in the limelight.

Miscavige orders/allows the re-writing of various LRH issues: Vaughn Young says he has personal knowledge that <u>material was written and issued under</u> <u>the name L. Ron Hubbard that he did not author</u>. Vaughn personally wrote material under his name for years. This ranged from simple messages to be sent to various organizational staff on events such as Ron's birthday, to composing an entire directive that was issued under Ron's name. In these instances, they were done <u>without Ron's knowledge or consent</u>.

The directive Vaughn wrote concerned the Scientology policy of "disconnection". The order to do this came from <u>David Miscavige</u>. Miscavige said we had to reinstitute the Policy of Disconnection and ordered Vaughn to write it. Vaughn wrote it. It was not sent to LRH for his approval and was issued into the Church of Scientology.

Vaughn also wrote material that went into the body of the 10 part series of "Battlefield Earth." This was done after Ron's death and so did not have Ron 's approval. All of this was put out under Ron's name. (Criminal Time Track: Issue III, (23, 25))

Therefore, the mere presence of LRH's name on written material is no guarantee that he wrote it or even knew about it. Others may have ghosted it without Ron's knowledge or consent. The material may have also been changed considerably by others. (Criminal Time Track: Issue III, (25))

When <u>Jesse Prince</u> was number two in command, right under DM, he was on the <u>Issue Authority (IA) line</u>. A submission for IA looked like this: There would be multiple policy letters or HCOBs that had somewhat related issues concerning the issue that was being created, and maybe some advice throughout the years. And they would make a compilation issue based on all of these things, and they would put together something that had a specific theme and an idea, but it would come from many different sources. And they would <u>put LRH's name on the compilation issue</u>. This was done when he was still alive. So it would appear to a Scientologist that LRH had written the whole thing. When in fact LRH had only written a few lines of it or nothing at all.

The only way this is disclosed is you will have at the end of the issue the name L Ron Hubbard. Then you'll have someone's initials. Those initials are the initials of the person who compiled it and wrote the issue. And then beside those initials are the initials of the typist.

Jesse never saw anything that had absolutely nothing to do with anything that LRH had ever written, but he has definitely seen things come out that LRH had never seen and never knew existed. These issues were created inside the organization and they put Ron's name on it. And they copyrighted it under his name when he did not in fact create it. (Criminal Time Track: Issue III, (43))

<u>Ray Mithoff ghosted a lot of the technical material.</u> (Criminal Time Track: Issue III, (23, 39))

RTRC is in the office of the SNR C/S INT and this unit is issuing the altered tech materials.

Prince saw them issue a lot of materials wherein they were sent something by LRH that was only two or three sentences long and they would make a 2 or 3 page bulletin out of it. And then they put Ron's name on it and present it as if LRH authored it entirely.

They would also write entire HCOBs, that LRH never authored or saw and put LRH's name on it. Other HCOBs, like HCOB 18 June 1990 C/S Series

124, has LRH's name on it, says it is a compilation, but it is not a compilation, they wrote it.

Jesse says that Ray Mithoff wrote OT 8 from scraps of paper containing little notes, it was a compilation process. And yet the church issued OT 8 as if it was authored by LRH, that this was his work. The initials at the end of the HCOB are LRH/RM and whoever the typist was, just like the NOTS materials.

The church has delivered different versions of OT 8.

<u>Ray Mithoff</u> was the one who wrote the original OT VIII supposedly from LRH notes. Pat Broeker was also involved in writing it. DM said he had to see it because he was Issue Authority. (Criminal Time Track: Issue III, (38))

Then DM told Jesse Prince that what was in there was going to blow peoples minds. It was not a happy thing. He said I don't know what is going to happen when we put this out. He was hesitant. He did not want to do it.

In the first 3 and a half months they delivered the first version of OT VIII. One of the people who did the original OT VIII was a man from Europe. He said fuck Scientology and left the church. A lot of people were horribly upset and complained about it.

Jesse had a conversation with DM about it. It was like damn it, we knew it before we released it and now it has happened.

So, DM and Mithoff secretly revised it and removed the part that was upsetting people and the new version came out.

This is what is currently being done within Scientology, where Hubbard material is being altered, to delete and/or hide from public view anything that might prove to be embarrassing. At the same time the originals are kept from public view. (Criminal Time Track: Issue III, (43))

Jesse says they were once worried that a staff member in RTRC was going to go out security and blow this, that and the other. Her name was <u>Holly</u> <u>Finell</u> and her husband was Bill. DM ordered Jesse to bug their home. So, Jesse and Rick Aznaran put a lamp in their room that contained a bug and then listened to their private conversations. They knew it was illegal. (Criminal Time Track: Issue III, (38))

Note: The above is Felony Fraud on the paying Scientology public. Miscavige makes affidavits and public statements that all tech is made available in a pure, unadulterated form. He knows it is not. The paying public believes they are purchasing pure on-source LRH technology, when the truth is they are being defrauded. Miscavige has put the church at risk because a multi-billion dollar class action lawsuit could be brought on behalf of the paying public, to return all of their donations they made over the past 20 years. Stay tuned...the GOLDEN AGE OF SQUIRRELING has just begun.... (Criminal Time Track: Issue III)

A meeting is held at ASI. <u>David Miscavige, Lyman Spurlock, Vicki Aznaran,</u> <u>Norman Starkey, Marty Rathbun, attorney Earl Cooley and Jesse Prince are</u> present. Miscavige says Scientology has been court ordered to produce the pc file of <u>Larry Wollersheim</u>. His 6 foot high stack of pc folders was culled down to about 50 pages by Vicki Aznaran. Cooley then told the court that was the entire file. There was a second order to produce the entire file, so Miscavige ordered the file destroyed. (Criminal Time Track: Issue III, (22, 28))

# 1984, 5 June

False Purpose Rundown released. (CofS)

# 1984, 31 July

The <u>Way to Happiness Foundation</u> incorporated in the state of <u>California</u>. (CofS)

# 1984, August

<u>Stacy Young</u> is transferred to the PR division of OSA. She has personal knowledge that the practices formally called <u>"Fair Game"</u> continue to be employed, although the term is no longer used. These tactics are laid out in many of the key policies studied and applied by OSA staff. OSA has the old GO bureaus of Intelligence, PR, and Legal. (Criminal Time Track: Issue III, (22, 29, 39))

# 1984, September

D

Purification: An Illustrated Answer to Drugs released.

Purification Rundown Delivery Manual published. (CofS)

Flo Barnett had already attained the stated EP of SOLO NOTs in 1972.

However, she had lost the OT state and therefore tried to rehabilitate it by auditing Solo NOTs. She decided to stop auditing Solo NOTs because it was not rehabilitating the state. She was unhappy with Flag because they refused her request to rehab her former OT state and insisted she continue on Solo NOTs.

Therefore, she had Julie Mayo audit her for a few sessions. Whereupon, she was gotten back onto AOLA lines for repair auditing, which went well at first but then sour. After that, no one pursued her to fix her up. In late 1984 she was hit by a searing blinding pain in her head which is later diagnosed as an aneurysm in the left side of her head. (Criminal Time Track: Issue III, (73))

# 1984, 24.9.

Scientology loses its appeal over the IRS tax assessment for the years 1970-72. The Tax Court judge documents in detail how huge sums were moved out of Scientology accounts into those of L. Ron Hubbard during the period in question. The judgement also describes the obstructionist tactics used by Scientology to thwart the IRS - for instance, deliberately jumbling two million pages of tax-related material, so that IRS officials would have to sort it out at the cost of a great deal of time and US tax-payers' money. Ref: "A Piece of Blue Sky", Jon Atack (1992), p. 345 (Timeline of Scientology versus the IRS)

### 1984, 7.10.

Nine years and one day ago, the <u>International Association of Scientologists</u> was formed to protect and defend Scientologists and the Scientology religion. At that time, in October of 1984, we found ourselves under vicious external attack. From the media. In civil courts. And by the government. The attacks were of such intensity and velocity - so sustained in nature - that we knew our very survival could only be assured if all of us - as Scientologists - banded together to create a worldwide association. Only in this way could we gather the wherewithal to survive such attacks and hopefully expand. (David Miscavige's IAS speech, 8 October 1993)

The International Association of Scientologists (IAS) was formed at a convention held at Saint Hill Manor in East Grinstead, Sussex, England, in 1984. Delegates from around the world representing the Scientologists in their areas gathered in recognition of the need to unite all Scientologists as one international body. Its purpose is to assure the survival of the religion and guarantee that Scientology will be practiced for all time through a strong group that is composed of those who believe in the rights of man and freedom of religion. ... Each year, delegates representing Association members from all areas of the world gather at an Annual Convention of Delegates to review the accomplishments of the previous year, plan for the next and elect the board members of the Association as necessary. The Annual Convention of Delegates is held in different locations around the world, together with a large anniversary celebration. Significant accomplishments and progress toward the aims of Scientology are acknowledged and the event is broadcast to members in many countries. (Scientology Website on IAS)

#### 1984, 12.10.

<u>Capt. Bill Robertson</u> gave a lecture in Frankfurt, Germany and started the <u>Ron's Org</u> (Ron's Organization and Network for Standard tech) for the delivery of the Bridge in the Free Zone. (Capt. Bill Robertson, Technical Briefing Number 1)

The <u>International Association of Scientologists</u> (IAS) formed and the Pledge to Mankind signed at Saint Hill in England, uniting Scientologists everywhere. (CofS)

### 1984, late

The Church's new intelligence agency, the <u>Office of Special Affairs</u> (which superceded the discredited Guardian's Office), strikes back at the IRS with the creation of a front group - <u>"The National Coalition of I.R.S. Whistle-blowers"</u>. According to ex-OSA member Stacy Young, Scientology's aim was to undermine the agency's credibility. The group's president, <u>Paul J.</u> <u>DesFosses</u>, says Scientology provided substantial financing, but denies that the church ran the group, which helped fuel Congressional hearings in 1989 into accusations of corruption at the I.R.S. <u>Kendrick L. Moxon</u>, a longtime church lawyer, acknowledges that the coalition was founded by <u>Freedom</u> <u>Magazine</u>. He says its work was well known and part of a campaign by Scientology and others to "reform" the IRS. *Ref: New York Times, 9 March 1997*. (Timeline of Scientology versus the IRS)

### 1984, 8 November

<u>Celebrity Centre International</u> formed to give guidance to the network of Celebrity Centres throughout the world. (CofS)

### 1984, 29 November

Church of Scientology of Stevens Creek, San Jose, California founded. (CofS)

### 1984, December

The <u>Flag Bureaux</u> moved to <u>Los Angeles</u> to allow expansion of service delivery at the Flag Service Organization in Clearwater. (CofS)

1984, 4.12.

CO CMO INT 4 Dec 83 SPC'L OPS RUSH - URGENT RE: SMASH SQUIRRELS PJT

Marc:

I don't care how good the actor is or how much horwhich worked it over with the Fairlite - a cassette just won't cut it. First far too many people said last year's didn't sound like the old man and if they SAID it how many do you suppose THOUGHT it wasn't him?

Too goddam many. Second I don't care how good the actor is, some asshole gets the idea of a voice print and were fucked. It's got to be a VIDEO and I

don't care how long these guys have been up they work arounf the fucking clock until its DONE. Third too many public think he's dead or ill or of the lines and ONLY A VIDEO WILL convince them otherwise. Four, public are going to the Fucking AAC in droves and that bastard Prices magazine with mission stats is all over the world.

- Get the old video clips of the old man use ones where he's lips aren't facing the screen, looking away or looking down or you'l never PLS it. Thrown in some footage of him yelling.
- 2. Pat says not to edit the pix to the sound edit the sound to the pix makes it more authentic that way. Dub the SMASH THE SQUIRRELS onto the video clips (NOT the New Year message) its got to look like R's personally denouncing them.
- 3. Get tht video done and to me and Pat IMMEDIATELY and it had better be good and convincing, if anyone so much as suspects its not the old man i's your neck.
- 4. The Xmas/New Year message goes out on cassettee not video cos the suckers will believe it if they've already seen a video of him and thinks it is a PT one.
- 5. The botton line is if Mayo or any of the fucking squirrels are still in operation your ass is grass and everyone who worked on this pjt will be out for eternity and I mean for goddam EVER...Get it? (There's tapes where R says "David Mayo" - Horwich knows some so you can get all text in his voice.)

DM (Smash the Squirrls Project)

