DECLARATION OF STACY BROOKS YOUNG

- I, Stacy Brooks Young, declare as follows:
- I am over the age of 18 years.
- I have been retained as an expert consultant and expert 2. witness by Dr. Uwe Geertz's counsel in the case captioned Church of Scientology International v. Steven Fishman and Uwe Geertz, #CV-6426-HLH (Tx) currently pending for purposes of hearing the accompanying motion in the United States District Court, Central District of California. The statements herein are of my own personal knowledge and if called upon as a witness, I can testify competently thereto.
- This declaration is submitted in support of Defendant Dr. Geertz's motion for costs, fees, expenses and sanctions following the dismissal of this action with prejudice by the court on February 22, 1994.
- As a result of my nearly 15 years in Scientology, I am 4. qualified to discuss the policies, procedures and practices of Scientology, including the issue of "of and concerning," plaintiff CSI's assertion that it moved to dismiss this case because of "harassment" by Dr. Geertz's counsel, Scientology's hatred of psychology, Scientology's practice of harassing its critics, the treatment Steven Fishman received at the hands of this organization, and the fact that Miscavige and his lieutenants are managing agents of CSI.

My Extensive History in the Upper Echelons of Scientology Management Qualify Me as an Expert.

I was a member of the Church of Scientology for nearly 5. from January 1975 until July 1989. From October 1975 15 years,

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ر until I left, I was a member of the Sea Organization, the most dedicated group of Scientologists in the entire organization. I spent most of my time from 1978 until 1989 in a highly confidential section of Scientology management which was known as the Guardian Office until 1982 and is today called the Office of Special Affairs. This section of Scientology is responsible for dealing with all external public relations, all matters relating to civil litigation or criminal matters, all governmental relations such as the IRS, and all critics of Scientology.

- 6. During my tenure in Scientology I acquired extensive knowledge of the Scientology counseling methods known as auditing, the methods of training staff members and public Scientologists, the methods of dealing with non-Scientologists (known as "external publics"), former Scientologists and/or critics, known as enemies or suppressives, and the administrative and management procedures of the organization.
- 7. My first experience with Scientology was at the Mission of Atlanta, Georgia, where I attended a series of introductory lectures about the mind. I received some basic auditing and took several basic courses.
- 8. I joined the Sea Organization ("Sea Org," or "SO") at the Advanced Organization in Los Angeles ("AOLA") in October 1975. To become a Sea Org or SO member one must sign a billion-year contract to confirm one's dedication to Scientology and "clearing the planet" (see explanation below).
- 9. All staff members involved in delivering the confidential upper levels of Scientology auditing and all staff members involved in Scientology management must be members of

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SUITE 1200 N. FIGUEROA STREET ANGELES, CA 90012 the Sea Org. They live communally and are under the absolute authority of the Sea Org command lines 24 hours a day. I was paid \$24 per week - when I was paid.

- 10. The Sea Org has total authority over all Scientology and Scientology-related organizations, including all nonprofit and for-profit corporations. It cuts across all corporate boundaries and can take over any Scientology organization without notice. Any Scientologist who refuses to submit to Sea Org authority is declared a "suppressive person" and expelled from Scientology.
- 11. All Scientologists consider that Scientology is the only way for Mankind to go free. For a Scientologist this means getting "exterior" to the physical body ("exteriorization") and, indeed, to the entire physical universe. In fact, L. Ron Hubbard created a new category of humanity for those who go through all the levels of Scientology processing; they transcend the state of Homo Sapiens and become what he called Homo Novis (similar to Nietsche's Superman). Scientologists expect that once they have attained this state they will be free to travel throughout the galaxies, freeing others who are in the trap of the physical universe.
- 12. The route out of the physical universe trap is called "The Bridge to Total Freedom." Every Scientologist is at one stage or another on this Bridge, and they are expected to get everyone else moving on this Bridge as well. The idea is for everyone on Earth to get exterior to the physical universe. The only people who aren't included are "suppressives," meaning those who have been critical of Scientology.

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processes, an auditing process being a set of specific questions and commands. The person who asks these questions and delivers these commands is called the "auditor." The person who answers the questions and carries out the commands is the "preclear," since the first major milestone on the Bridge is called "going Clear." After one attests to the state of Clear, one moves on to the confidential upper levels of auditing known as the "Operating Thetan" or "OT levels" ("thetan" being Hubbard's term for the person without his or her body).

14. At the level of OT 3, one is allowed access to handwritten notes by Hubbard which detail a terrible disaster that happened in this sector of the universe 75 million years ago. The head of the Galactic Federation, whose name was Xenu, solved a massive overpopulation problem by rounding up billions upon billions of people and transporting them in blocks of ice to several volcanoes on Earth, which was known as Teegeeack at the time. They were dumped near the volcanoes and subjected to H-bomb explosions. At the same time, they were subjected to a series of images which were electronically driven, or "implanted," into their minds. After the "implant" was completed, these disembodied beings were transported to Hawaii and Las Palmas where they were packaged up into "clusters."

15. According to Hubbard, the OT3 implant is rigged to kill anyone who finds out about it before they have received the lower levels of Scientology processing. Needless to say, it is a major revelation to discover that one is covered from head to foot with

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these disembodied beings, called "body thetans" or "BTs" in Scientology. One has literally millions, or even billions of these BTs, and they have to be audited on very precise processes to get them to wake up and disengage themselves (or "blow") from the person's body. The idea is that once all of these BTs have been gotten rid of, one will be able to exteriorize from the body at will. These BTs can cause illness and even insanity if they become upset, so it is important to get rid of them as quickly as possible and to make sure one has done a very thorough job of it. (See Exhibit 2, "What the Church of Scientology Doesn't Want You to Know," by Jeff Jacobsen and Robert P.J. Day, and "The Total Freedom Trip," by Jon Atack, for more information about the practices of Scientology.)

I was a staff member at the Advanced Organization of ("AOLA") from October 1975 through December 1978. Los Angeles AOLA is one of a handful of organizations around the world where people can go to receive the confidential upper levels of Scientology processing. I audited hundreds of hours on public preclears as well as staff members to prepare them for their upper levels, or OT levels. (When a person begins their OT levels they no longer have an auditor. They graduate to what is called "solo auditing," a process in which they audit their own BTs.) I also did many security checks on staff members. A security check is a method of inducing a person to confess to crimes, particularly crimes against Scientology.

In 1977 I was posted as Interne Supervisor at AOLA. In this capacity I supervised auditors-in-training, known as internes, to certify them as qualified professional auditors. To

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perform this function I had to understand auditing procedures precisely, from the most basic processes to the advanced processes and procedures of Class 6 and Class 8, which are advanced levels of expertise, so that I could recognize whether or not the internes were conducting themselves as proper auditors.

- 18. As a result of my experiences at AOLA I acquired a high level of expertise as a "tech terminal," meaning one who is knowledgeable about the technical application of Scientology auditing and training methods.
- 19. At the end of 1977 I transferred to the United States Guardian's Office ("USGO") in Los Angeles. I was a staff member in the USGO from January 1978 through January 1982. The Guardian's Office was the part of Scientology that handled Public Relations, Intelligence and Legal matters for Scientology.
- Organizing Officer ("Org Officer") for the Public Relations
 Bureau and, later, as the Org Officer for the entire Guardian's
 Office. As the Org Officer my functions included the handling of
 all personnel and organizational matters, such as correcting a
 staff member who made mistakes, taking care of staff members who
 were sick or upset or in trouble, recruiting new people for
 staff, and promoting or demoting staff members as needed. I was
 also responsible for the establishment and proper administration
 of all the Guardian's Office personnel throughout the United
 States. Because the Guardian's Office oversaw certain aspects
 of the administration of all other Scientology organizations, I
 became very familiar with the overall structure of Scientology

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and how the various organizations interact with each other and with the outside world.

- 21. In early 1982 I was assigned to a unit known as Special Project as a Public Relations Assistant under my husband, Robert Vaughn Young. In this position I became familiar with the L. Ron Hubbard archives material, which was the complete collection of all of Hubbard's personal papers, including diaries, letters, and notes that he had kept from a very early age.
- Author Services, Inc. ("ASI"), a for-profit company whose ostensible purpose was to be L. Ron Hubbard's literary agency. I was taken out of public relations and made the Organizing Officer for ASI in April 1982. In this position I worked directly for David Miscavige, who was Chairman of the Board of ASI ("COB ASI"), to carry out his orders concerning the staff of ASI.
- 23. David Miscavige, known as DM, has been the head of Scientology since 1981. His loyalty to L. Ron Hubbard and Scientology is absolute, and he is utterly ruthless about maintaining his power. He moved the seat of power from ASI to the Religious Technology Center (RTC) in 1987, because it was more defensible to run Scientology from a non-profit corporation than from a for-profit corporation. At that point he appointed himself Chairman of the Board of RTC ("COB RTC"), which is his current title.
- 24. Although ASI was established as a for-profit, non-religious corporation, in reality while DM was COB ASI the staff of ASI ran the entire Scientology network. ASI had complete

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control over the management of all Scientology orgs and missions, all Office of Special Affairs activities, all transfers of funds between church accounts and LRH accounts, every aspect of life of anyone who was a Scientologist, whether staff or public. These powers were moved to RTC in 1987, as explained above.

- 25. Because of my experience in ASI I am familiar with the day-to-day activities and procedures of the highest levels of management of Scientology.
- I have firsthand knowledge of the establishment of the corporate structure of Scientology as it now exists, having worked with the staff who were responsible for creating it. The purpose of this activity was to create an impenetrable, legally defensible network of corporations such that neither the IRS nor any other legitimate agency of government could "pierce the corporate veil" of Scientology organizations, thereby freeing Scientology management to transfer funds between organizations without concern for the law.
- 27. I am also familiar with the absolute authority which the highest levels of Scientology management exercise over every aspect of Scientology and Scientology-related organizations, whether "church" or "secular," and the ruthlessness with which any sign of disloyalty or disaffection is handled.
- In September 1982 I was assigned to the Rehabilitation Project Force ("RPF"), the Scientology version of a prison camp. I was assigned to the RPF because I was openly critical of DM's coercive and degrading treatment of staff members. I was on the RPF in Los Angeles for eight months.

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SUITE 1200 N. FIGUEROA STREET ANGELES, CA 90012 (213) 250-1800 29. As a result of this experience I am familiar with the absolute control which the highest levels of Scientology management have over the behavior and thought processes of every Sea Org member. There is only one way for a good Sea Org member to behave and think, and any deviation from this is punished immediately and severely. In turn, it is the responsibility of all members of Sea Org management to bring about the same pattern of behavior and thought in all Scientologists under their authority, regardless of whether those under their authority are part of the "church" or the various "secular" arms of Scientology. This distinction means nothing within Scientology; it was created purely to facilitate dissemination of Scientology and to fend off Scientology's "enemies," such as the IRS.

July 1984 I was posted as Course Supervisor at the International Training Organization (ITO) in Los Angeles. From this position I trained hundreds of fledgling Scientology executives from all over the world on the administrative and management policies of L. Ron Hubbard known as the Organization Executive Course, or OEC. As a result of this experience I am very familiar with the administrative policy of Scientology and know that Hubbard formulated it to facilitate the establishing and organizing of his worldwide network of Scientology organizations.

31. In August 1984 I was transferred back to the PR
Division of the Guardian's Office, which by that time had been
renamed the Office of Special Affairs. My primary functions were
as a writer and editor for FREEDOM Magazine, a Scientology
publication created to serve as a vehicle for attacking

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individuals and groups who were perceived as threats to Scientology. I also wrote articles for other Scientology publications.

- 32. As a result of my experience as a writer for these different Scientology publications, I am familiar with Scientology's practice of changing its story for whatever public it is trying to manipulate. Often I rewrote the same basic story for each publication, completely changing the wording and overall thrust of the story to appeal to the different publics that were going to read it.
- 33. As a writer in OSA I was also responsible for writing rebuttals of negative stories about Scientology that were published in various newspapers across the country. I was also assigned to write rebuttals of books that were published that were negative about Hubbard and Scientology. As a result of this work I became very familiar with the policies and practices of Scientology with regard to individuals and groups that criticize the organization. I have personal knowledge that the practices which were formerly called "Fair Game" continue to be employed, although the term "Fair Game" is no longer used. These tactics are laid out in many of the key policies that are studied and applied by staff of OSA.
- 34. In July 1989 my husband and I left Scientology. We lived in San Diego from 1989 until August 1991, at which time we moved to Newport Beach. We are currently living in Corona del Mar, California, which is part of Newport Beach.

As described above, I spent nearly 13 years at the highest echelons of Scientology management. My experience includes substantial time in the Guardian's Office("GO"), its succesor, the Office of Special Affairs ("OSA"), and also at Author Services, Inc. ("ASI").

The GO/OSA branch of Scientology is responsible for 36. dealing with all matters outside the confines of the cult itself, particularly public relations, litigation, gathering of intelligence information on critics, carrying out harassment and intimidation campaigns on critics, etc. The GO/OSA branch is also responsible for maintaining the facade of corporate integrity for the benefit of the courts, the Internal Revenue Service ("IRS") and other governmental agencies.

37. ASI is a for-profit corporation with offices in Hollywood, California. ASI manages all of L. Ron Hubbard's ("Hubbard") literary affairs. ASI was first created in 1982. To this day ASI accepts only proven members of the Sea Organization ("Sea Org"), an unincorporated organization which, under the leadership of David Miscavige ("Miscavige"), actually runs all of Scientology.

- When ASI was created, it managed the entire Scientology Miscavige arrogated the corporate title of Chairman of empire. the Board of ASI ("COB ASI") to himself.
- 39. In 1987, Miscavige moved his base of operations from the ASI facility in Hollywood to the high-security Scientology compound near Hemet, California. In conjunction with this move, Miscavige gave himself the new title of Chairman of the Board of

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ANGELES, CA 90012 (213) 250-1800 Religious Technology Center ("COB RTC"). In reality, Miscavige's power is such that he can give himself whatever title he wants in whatever corporation he chooses.

I know from my personal experience in GO/OSA and in ASI that the corporate structure of Scientology is purely to obtain legal and tax advantages. When Hubbard was still alive, the complex corporate structure also served as a shield to protect Hubbard from litigation and criminal charges. The corporate integrity has certainly never been a matter of interest to anyone outside of the GO/OSA or its senior echelons, such as RTC or ASI. The corporate structure is not a matter of interest or concern within the cult itself. Most Scientologists do not think of Scientology in corporate terms at all. Instead of thinking of plaintiff Church of Scientology International ("CSI") or any other corporate entity when Scientology is mentioned, Scientologists think of all the organizations which apply the Hubbard Technology. Those organizations which apply the Hubbard Technology include the geographically located Churches of Scientology (e.g., Church of Scientology of San Francisco, Church of Scientology of Miami, etc.), the geographically located missions (e.g., Church of Scientology, Mission of Ft. Lauderdale, etc.), the management organizations (e.g., RTC and CMO Int), the public self-improvement organizations which apply the Hubbard Tech (e.g., WISE, Narconon, Sterling Management, etc.), the front groups with political action agendas (e.g., Citizens Commission for Human Rights, etc.), and the autonomous, extra-corporate organizations for administrative and money management (e.g., Sea Org and Flag Banking Office, etc.)

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41. In short, even dedicated Scientologists would not think of CSI when they read about "Scientology" or "Scientologists," such as in the two paragraphs of the May 1991 Time Magazine article which are the subject of this litigation. Additionally, even a Scientologist would not think of CSI if he or she read something about the "church" in material referring to Scientology. Certainly no one outside of the Scientology cult would think of CSI when reading about "Scientology," "Scientologists," or the "church," for the obvious reason that no one outside of Scientology is likely to have heard of CSI as distinct from Scientology as a general, generic amalgam of organizations. Indeed, since CSI was created in late 1981 and throughout my tenure at the upper echelons of Scientology, I found that only a small circle of Scientologists, in OSA and the senior management such as RTC and ASI, made reference to CSI on a regular basis. These are the persons who need to maintain the facade of corporate separateness to the outside world so as to obtain various tax and litigation advantages.

42. For CSI to claim that the words "Scientology,"

"Scientologist" and/or "the church," as they appear in that

portion of the Time Magazine article which mentions Dr. Geertz

and Mr. Fishman, are "of and concerning" CSI is disingenuous in

the extreme. Based on my education, training and experience in

Scientology, the words "Scientology," "Scientologist" and "the

church" as they appear in the Time Magazine article can only be

reasonably understood to refer to Scientology generally,

generically and without particular reference to any one of the

hundreds of Scientology corporations that have been established

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for various purposes over the years. The vast majority of the corporate entities do not appear on the Scientology command The fact that separate corporations exist on paper has no effect on the daily life of Scientologists or the operation of Scientology. The corporate boundaries are ignored.

- When I was a staff member in the GO, ASI and later OSA, it was common knowledge that the corporate structure was a contrivance created purely because of the tactical benefits it bestowed on Scientology for purposes of interfacing with the "wog" world. All Scientologists, particularly Sea Org members, regard the Sea Org as an elite group of superior beings whose job it is to get everyone else in the world into Scientology. Meanwhile, Sea Org members and Scientologists generally refer laughingly to unenlightened non-Scientologists as "wogs."
- To get along with these wogs and keep them from hindering the forward progress of Scientology, it is necessary to create the appearance that Scientology operates by the same rules as the rest of society. A large part of OSA's role is to maintain this facade through public relations and legal actions. In fact, Scientologists think it is quite funny when wogs accept the facade as real. The arrogance of Scientology's senior management, and the contempt in which it holds any court or other wog body which falls for the mascarade is astounding.
- The contempt became apparent to me in conversations I had with other staff, in comments made by Miscavige, Norman Starkey, Lyman Spurlock, Steve Marlowe, and other executives during staff meetings, and in instructions I was given about how to position certain agencies and individuals when I wrote stories

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for Scientology propaganda publications, including FREEDOM Magazine.

- 46. I was in the FREEDOM Magazine department of the public relations division of OSA US during the trial of Wollersheim v. Church of Scientology of California, in 1985. At the time, OSA US was still, for corporate purposes, part of the Church of Scientology of California ("CSC").
- 47. One afternoon, I was informed, along with the other staff members of the FREEDOM office, that our office was to be moved to another location across the street, outside the big blue Scientology complex which used to be Cedars of Lebanon Hospital at Sunset and Berendo in Hollywood, California. We were instructed to move to an office on the second floor of a building on Catalina Street. I was told that the FREEDOM office and the Treasury office of OSA US were to move out of the Scientology Complex because it looked like Lawrence Wollersheim was going to win his suit against CSC and the corporation had to be gutted of all its assets before the decision was handed down. All that would be left of CSC would be a shell consisting of a Treasury office and the FREEDOM office. When Wollersheim tried to collect from CSC, he would discover that there were no assets at all in CSC.
- 48. We did move our office to the building on Catalina. The Treasury office also moved. I was told by the Treasury Secretary, Rhea Smith, that all of the assets of CSC had been taken out of the CSC accounts. The motto of OSA US during the Wollersheim trial was "Not One Thin Dime," meaning Scientology would never pay even a dime to Lawrence Wollersheim. The OSA US

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staff were briefed on the gutting of CSC at a staff meeting, and all of the staff cheered because now Wollersheim couldn't get his hands on any money even if he won his suit.

- 49. This gutting of CSC to hide assets from a litigant and then cheering about it at a staff meeting is an example of the contempt in which the Scientology Command holds the U.S. justice system. The corporate structure of Scientology is created and re-created depending upon the convenience of the moment, as illustrated in the above example.
- 50. The idea that the remarks attributed to Fishman and Geertz in the Time Magazine article upon which CSI's claims are pruportedly based refer to CSI rather than to Scientology generally is absurd. Inside the Scientology empire no one takes the corporate structure seriously. The corporate structure is a contrivance to enable Scientology to interface to its advantage with the "wog" world. This Court should not be fooled by the corporate sleight of hand which was attempted in this case. "Scientology," "Scientologist" and "the church" refer to the overall, generic empire of Scientology, not to CSI, and no one even within Scientology would think of CSI when reading those words, much less the general public.

It is CSI That is Harassing, Not the Defendants

51. CSI asserted that this case must be dismissed to protect several Scientology celebrities who were noticed for brief depositions not to exceed two hours each. CSI claims that these celebrities were served for the express purpose of harassment and abuse. CSI asserted that it feared these celebrities would be exposed to confidential upper level

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materials if CSI allowed them to be deposed. CSI further asserted that "CSI has seen its religious tenets and scriptures assailed; it has been compelled to produce or offer for deposition the religion's most senior ecclesiastical leaders so they can be reviled; and it has endured a transparent campaign to harass CSI into default." CSI cited this as its excuse to move to dismiss this entire case.

- Nothing could be further from the truth. The CSI managing agents and the other Scientologists who have been deposed in this case have been interrogated only about the use and misuse of L. Ron Hubbard's technology ("Tech") for secular purposes. The fact that the same Tech is also used for so-called religious purposes does not make inquiry about the Tech a reviling of the Scientology belief system or its most senior members.
- Even I, who spent many years helping to create this kind of utterly hypocritical rhetoric for the Church of Scientology, am stunned at this latest fantasy concocted by CSI.
- Dr. Geertz's attorneys have never expressed in my presence any intention whatsoever to bring up Scientology's confidential upper level materials during the deposition of the Scientology celebrities. I have been advising Graham Berry and Gordon Calhoun, Dr. Geertz's attorneys, as an expert consultant on Scientology Tech matters. I would know from the type of advice and guidance they have sought from me whether they intended to inquire about the "religious" or "ecclesiastical" uses of the Tech as opposed to the secular use of the Tech. Their inquiries have been limited to secular uses of the Tech. Why should they ask these people about Scientology's confidential upper level

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materials? There would be no point in bringing up those materials. For the Scientologists to assert a concern over this is simply another example of their assuming that others will use their own harassing tactics. In fact, I advised Dr. Geertz's attorneys to depose the Scientology celebrities about the lack of corporate boundaries in Scientology. Miscavige, COB RTC, insists upon treating all the celebrities with kid gloves and personally oversees their progress in Scientology, sending RTC, Cmo Int or Gold specialists to take care of their needs regardless of any supposed corporate structure.

of CSI in accusing Dr. Geertz and his counsel of exactly those actions in which CSI regularly engages. It is not the defendants Dr. Geertz and Mr. Fishman who have been conducting an all-out campaign of harassment, assault and vilification; it is CSI that has been doing so. Indeed, the leadership of CSI has no choice but to do so. CSI's leadership is bound to do so by Scientology doctrine. CSI's leadership would be acting heretically or unorthodoxly if it did otherwise. Founder L. Ron Hubbard, whose edicts on these subjects are "sacred scripture" which must be implemented without question or reservation, gave specific instructions to harass and destroy anyone perceived as an enemy of Scientology. There are many, many policy statements by Hubbard, which bind all Scientologists, that go into this. What follows are only a few examples.

CSI Is Bound by Its Own Scripture to Harass Its Critics

56. Hubbard wrote "The Scientologist: A Manual of

Dissemination of Material" (attached as Exhibit 3, see p. 157) in

1955. He gave the following instructions for dealing with anyone who sought to compete with orthodox Scientology:

"The purpose of the suit is to harass and discourage rather than to win. The law can be used very easily to harass, and enough harassment on somebody who is simply on the thin edge anyway, well knowing that he is not authorized, will generally be sufficient to cause his professional decease. If possible, of course, ruin him utterly."

- 57. Hubbard also urged Scientologists to employ private detectives to investigate anyone who criticized Scientology. He added, in language particularly apropos to this lawsuit:
 - "... we should be very alert to sue for slander at the slightest chance so as to discourage the public press from mentioning Scientology."
- 58. In 1959 Hubbard published the "Manual of Justice" for Scientology (attached as Exhibit 4). This document instructs Scientologists as follows:

"People attack Scientology; I never forget it, always even the score....

"When we need somebody haunted we investigate.... When we investigate we do so noisily always. And usually investigation damps out the trouble even when we discover no really pertinent facts. Remember that by investigation alone we can curb pushes and crush wildcat people and unethical 'Dianetics and Scientology' organizations....

28 LEWIS. D'AMATO
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"Of twenty-one persons found attacking Dianetics and Scientology... eighteen of them under investigation were found to be members of the Communist Party or criminals, usually both. The smell of police or private detectives caused them to fly, to close down, to confess. Hire [private detectives] and damn the cost when you need to."

59. As author Jon Atack wrote in his well-researched book,
A Piece of Blue Sky: Dianetics, Scientology and L. Ron Hubbard
Exposed:

"A mood was being created in which staff members would become 'deployable agents,' as sociologist Roy Wallis called Hubbard's henchman in his excellent study of Scientology. After all, Hubbard never gave any indication of the possibility that a complaint against him or against Scientology could be justifiable. The tactic of 'noisy investigation' originated in the Manual, and came to mean harassment by defamation. Hubbard certainly did not mind if the defamation was grossly exaggerated, or even a total fabrication. If you throw enough mud, some will stick. The Manual of Justice suggests outright blackmail." (The section of the book which contains this passage is attached as Exhibit 5.)

60. In 1960 Hubbard wrote another policy called "The Department of Government Affairs" (attached as Exhibit 6), which stated, in part:

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1 N. FIGUEROA STREET 'S ANGELES, CA 90012 ". . . Only attacks resolve threats.

"In the face of danger from Govts or courts there are only two errors one can make: (a) do nothing and (b) defend. The right things to do with any threat are to (1) Find out if we want to play the offered game or not, (2) If not, derail the offered game with a feint or attack upon the most vulnerable point which can be disclosed in the enemy ranks, (3) Make enough threat or clamor to cause the enemy to quail, (4) Don't try to get any money out of it, (5) Make every attack by us also sell Scientology and (6) Win. . . .

"The goal of the department is to bring the government and hostile philosophies or societies into a state of complete compliance with the goals of Scientology. This is done by high level ability to control, and in its absence, by low level ability to overwhelm. Introvert such agencies. Control such agencies. Scientology is the only game on Earth where everybody wins. There is no overt in bringing good order."

In other words, only activities which promote the expansion of Scientology or which attack and injure its critics are good or ethical by Scientology standards. Any attack or injury to the enemies of Scientology is justified. The end, universal acceptance of the Scientology belief system, justifies the means, attacking or injuring enemies of Scientology, particularly psychiatrists, psychologists and those who have criticized Scientology.

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- 62. In another policy statement called "Attacks on Scientology (Additional Policy Letter)" (attached as Exhibit 7) Hubbard instructed Scientologists to:
 - "(1) Spot who is attacking us."
 - "(2) Start investigating them promptly for FELONIES or worse using our own professionals, not outside agencies."
 - "(3) Double curve our reply by saying we welcome an investigation of them."
 - "(4) Start feeding lurid blood, sex, crime actual evidence [sic] on the attackers to the press."
- 63. Each of the documents authored by Hubbard are still part of the Scientology doctrine today. In fact, these documents, along with many others, comprise the heart and soul of the activities of the Office of Special Affairs (formerly the Guardian's Office).
- 64. In Scientology, Hubbard's instructions must be followed exactly, with no deviation. These documents and others with similar instructions to harass have been followed in this lawsuit and all the other lawsuits in which Scientology has been involved.
- 65. The Scientologists accuse defendants Dr. Geertz and Mr. Fishman of harassing tactics. Yet it is the Scientologists who are compelled by their most fundamental scriptures to harass perceived enemies of Scientology unceasingly, including judges, defendants, their counsel and the Scientology experts retained in this case.

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66. The Hon. Ronald E. Swearinger became a target of Scientology harassment while he was presiding over the case of Larry Wollersheim v. Church of Scientology of California, #C 332 027. In the document attached as Exhibit 8, "Linda" is Linda Hamel, who was In-Charge of the "Mission Find the Crimes" ("MFTC I/C") in OSA, which was run directly by "Marty," who is Marty Rathbun, Inspector General for Ethics in RTC.

My husband Robert Vaughn Young and I have been harassed and intimidated repeatedly since we became experts in this case. Scientology operatives have stolen our trash. slandered us to former associates. They have called us at all hours of the night. High-level OSA operative Kurt Weiland sent my husband a threatening letter. We have been followed and surveilled on several occasions when we were able to spot the person following or surveilling us; we have no idea how much more surveillance we have been subjected to by operatives skilled enough to avoid being spotted. On one occasion we were followed more than 100 miles from our home by a Scientology agent. husband spotted the agent and stopped our car, at which point the agent pulled in behind us and stopped his car as well. husband walked over and asked him outright if he was a Scientologist, whereupon he admitted that he was from the highsecurity Scientology compound in Hemet and that he was following us under orders from Scientology Command.

68. These actions are imbedded in the doctrine of Scientology. Scientologists have no choice but to adhere to these policies.

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CSI is Accusing the Defendants of Its Own Criminal Activities

- 69. L. Ron Hubbard invented a name for someone who accuses others of crimes that he himself has committed. In fact, Hubbard wrote a bulletin about this, which he called "The Criminal Mind." Ironically, Hubbard described himself and his alter ego, the Sea Organization, when he wrote that "THE CRIMINAL ONLY SEES OTHERS AS HE HIMSELF IS."
- 70. The thinking behind CSI's motion to dismiss is best explained by quoting Hubbard himself:

"Apparently they add it up this way: 'If I accuse him of robbing, then it would be assumed by others that I have not robbed a bank.' By loudly voicing a condemnation of a crime, the criminal, with a crooked think, supposes people will now suppose he is above bank robbery and won't suspect him." (A copy of "The Criminal Mind" is attached as Exhibit 9.)

Scientology Doctrine Requires That Psychiatrists and Psychologists Must be Destroyed

71. There is another aspect of the Scientology doctrine which is highly relevant to this case, because Dr. Geertz is a psychologist. Scientologists are taught that psychiatrists and psychologists are the root of all evil in the world. According to Hubbard, psychiatry and psychology are behind a massive conspiracy to destroy Scientology and, with it, man's only hope for salvation. Therefore, all psychiatrists and psychologists, including Dr. Geertz, are Fair Game as far as Scientologists are concerned.

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72. Hubbard taught that the world must be protected from psychologists and psychiatrists at all costs. Hubbard wrote many, many scriptures and recorded many lectures in which he vilified, ridiculed, attacked, and blamed all the ills of the world on the mental health profession.

73. The vitriol in Hubbard's attacks has three sources. First, much to Hubbard's surprise and chagrin, the mental health profession did not embrace either Hubbard or Dianetics, Hubbard's "Science of Mental Health." Second, and even more offensive to Hubbard, was the fact that his often dangerous techniques were labeled as quackery. Third, and perhaps most important, Hubbard regarded the mental health profession as a well-established and deeply entrenched competitor for monies which might otherwise flow to him and to Scientology.

74. The following sampling makes clear the degree of Hubbard's loathing and contempt for these professions, and shows that Scientologists will stop at nothing short of total obliteration of these professions.

75. In 1970 Hubbard wrote "The Psychiatrist at Work" (attached as Exhibit 10). He attacks psychiatry as follows:

". . . psychiatry is making insane people.

"This is why the insanity statistic is soaring and why the crime statistic is on a wild climb....

"The psychiatrist has masters. His principal organization, World Federation of Mental Health, and its members, the National Associations of Mental

Health, the 'American' Psychiatric Association and the 'American' Psychological Association, are directly connected to Russia. . . .

"It goes without saying that the savagery and fraud of psychiatry must cease and that auditors must encourage in state and public and through all their connections displacing psychiatric abuses with sane auditing."

76. Obviously, psychiatrists and psychologists were evil because their services competed with Scientology auditing. In a 1971 document by Hubbard called "Confidential" (attached as Exhibit 11), he wrote:

"Policy is that we assign any case or upset in Scientology to past damage and interference with the person by medicine or psychiatry. They were sent to us after medicine or psychiatry had already destroyed them. We cannot be blamed for psychiatric or medical failures.

"By continually repeating this, make the AMA, Nats [National Associations of Mental Health], etc. very wary of using our name on these psychiatric and medical failures. Both subjects are guilty and the statement is demonstrably true. Use it often. Make it known to the enemy that this is our policy as a restraint on their fetid imaginations: 'Every time you attack us we will disclose more records of your failures.'"

77. In another 1971 document of the same date, entitled "For Public Advices" (attached as Exhibit 12), Hubbard wrote:

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"It is time we begin to label Psychiatry for what it is, the greatest failure of the Nineteenth Century. Every notorious criminal and defector of the Twentieth Century was in psychiatric hands before the crime. Burgess, MacLean, the Texas Tower murderer, Manson and all the rest were psychiatric failures first. Every infamous modern assassin was a psychiatric failure. Psychiatric victims are endless trouble to our society. We are tracing social turmoil, unrest, widespread drug addiction to psychiatry.

"We wish to issue a public warning that psychiatry kills. We in Scientology stand ready to help anyone, and help Governments rid themselves of psychiatric crime. There is urgency in this. In too many cases we are asked to repair persons already maimed beyond human tolerance by psychiatric interference and brutality. We blame psychiatric failure for the state of modern society. We will do all we can to help, but Nineteenth Century Psychiatry must go. We have never had a failure or upset that psychiatry had not first ruined."

In 1980 Hubbard wrote "Criminals and Psychiatry" (attached as Exhibit 13). In it Hubbard said:

"Almost every modern horror crime was committed by a known criminal who had been in and out of the hands of psychiatrists and psychologists, often many times.... "The most charitable look at this would be that the psychologists and psychiatrists are simply incompetent. But other more sinister implications can be drawn.

"Developed in the latter part of the nineteenth century, they appeared on the militaristic scene of a rearming and conquest-minded Germany. At that time, the archcriminal Bismarck was laying the groundwork for the slaughters of World War I and World War II. It fitted with the philosophy of militarism that man was an animal and that there was neither soul nor morality standing in the way of the wholesale murder of war. "Up until that time the Church had some influence on the state and possibly some power in restraining bestiality and savagely insane conduct, but small as it might have been, it was incompatible with the unholy ambitions of the militarists. That man was only an animal after all, soulless and entitled to no decency, was bound to be a popular doctrine. That insanity consisted of urges to harm others would have been a very unpopular idea to government heads who had nothing else in mind. . . .

"Spawned by an insanely militaristic government, psychiatry and psychology find avid support from oppressive and domineering governments....

"The credence and power of psychiatry and psychology are waning. It hit its zenith about 1960; then it seemed their word was law and that they could harm, injure and kill patients without restraint. The appearance of an actual technology of the mind-Dianetics and Scientology—has played no small part in acting as a restraint. At one time they were well on

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the manipulation of the state and every society into a madhouse of crime and immorality. . . .

their way to turning every baby into a future robot for

"The world is turning, things change. And there may come a day when the mad dogs of the world are not given over to the charge of mad dogs. But that will be to the degree that you successfully carry forward Dianetics and Scientology."

In a 1981 document called "Dianetics and Scientology Compared to 19th Century Practices" (attached as Exhibit 14), Hubbard wrote:

"A comparison between Dianetics and Scientology and psychology and psychiatry is nonsense.

"The two 19th century subjects, psychology and psychiatry, do not achieve ANY good results. On the contrary they are destructive beyond belief. They make crackpots, sexpots and vegetables when they do not outright kill....

"The character of the Governments themselves is established by their tolerance and use of psychology and psychiatry. In no human race of any civilized repute has any law condoned broad mayhem and murder of their populations. Yet under modern governments psychology and psychiatry not only have carte blanche but also get insistence on their use....

"Is this a civilized world we're living in? "I'm afraid it only will be when Dianetics and Scientology can bring wisdom enough to Man to blunt his furious efforts to do himself in."

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80. In 1982 Hubbard wrote "The Criminal Mind and the Psychs" (attached as Exhibit 15), which states, in part:

"It has often been noted (and routinely reported in the papers) that criminals 'treated' by psychologists and psychiatrists go out and commit crimes.

"It could be suspected that these 'practitioners' used pain-drug-hypnosis and other means (under the guise of treatment) to induce the criminal to go out and commit more crimes. And possibly they do....

"So let us look at psychs again -- what they call 'treatment' is a suppression (by shocks, drugs, etc.) of the ability to think. They are not honest enough, these psychs, being just dramatizing psychotics themselves for the most part, to publish the fact that all their 'treatments' (mayhem, really, when it is not murder) make people more stupid....

"The answer to crime is rising IQ. But only the Scientologist can do that."

- 81. In another 1982 document called "The Cause of Crime" (attached as Exhibit 16), Hubbard wrote:
 - "... So what IS the cause of crime? The treatment, of course! Electric shocks, behavior modification, abuse of the soul. These are the causes of crime. There would be no criminals at all if the psychs had not begun to oppress beings into vengeance against society.

"There's only one remedy for crime--get rid of the psychs! They are causing it!...

LEWIS. D'AMATO SBOIS & BISGARRO 94LA: 10037.1

SUITE 1200 N. FIGUEROA STREET ANGELES, CA 90012 (213) 250-1800 "The psychs should not be let to get away with 'treatment' which amounts to criminal acts, mayhem and murder. They are not above the law. In fact, there are no laws at all which protect them, for what sane society would sanction crime against its citizens even as science? They should be handled like any other criminals. They are at best dramatizing psychotics and dangerous, but more dangerous to society at large than the psychotics they keep in their offices and loony bins because they lie and are treacherous. Why the government funds them I do not know. They are the last ones that should be let loose to handle children."

82. In another 1982 document entitled "Pain and Sex" (attached as Exhibit 17), Hubbard announced that psychiatrists and psychologists (collectively called "psychs") had been behind all of our troubles for millennia (and he also revealed his bizarre view of sexuality):

"There are two items in this universe that cause more trouble than many others combined.

"One is PAIN.

"The other is SEX....

"Despite the false data of Freud, psychologists, psychiatrists and other criminals, they are not native to a being. They are only artificial wavelengths. They have exact frequencies that can be manufactured....

"Destructive creatures who do not want people big or reaching—since they are terrified of punishment due to their crimes—invented pain and sex to shrink people

and cut their alertness, knowingness, power and reach....

"Pain and sex were INVENTED tools of degradation....

"Combined, pain and sex make up the insane

Jack-the-Rippers (who killed only prostitutes) and the

whole strange body of sex murder freaks, including

Hinckley [who shot President Reagan], and the devotees

of late night horror movies. Under the false data of

the psychs (who have been on the track a long time and

are the sole cause of decline in this universe) both

pain and sex are gaining ground in this society and,

coupled with robbery (which is a hooded companion of

both), may very soon make the land a true jungle of

crime.

"Go into any asylum or a prison and look at the increasing institutional population and know what you are looking at. In the main, these are pain and sex addicts, decadent and degraded and no longer capable. They were sent on that route down through the ages by the psychs and here they are still in the psych's hands! And do they get well or go straight? Oh no. Whether in prisons or insane asylums, they just get worse. And the psychs in both places rub their bloodied hands as they turn their products loose again upon the remaining population! It's no accident. And the stocks-in-trade of psychs are PAIN and SEX."

83. There are many, many more documents and tapes which comprise Scientology doctrine about the evils of psychiatry and

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ANGELES, CA 90012 (213) 250-1800 psychology. As far as the Scientologists are concerned, the world would be much better off if all the psychiatrists and psychologists were to disappear, leaving Scientology to move into the field of mental health and take it over. The Scientologists actually believe that this would be the best thing that could happen to humankind.

- 84. Furthermore, as far as the Scientologists are concerned, anyone who would subject himself voluntarily to years of hypnosis, as Mr. Fishman did, is already so far gone that there is really nothing that can help him. Orthodox Scientology holds that a person as damaged by psychology as Scientologists believe Mr. Fishman to be might as well drop his current body, pick up another body and start over again.
- 85. So these two people, Dr. Geertz and Mr. Fishman, are so degraded by choice of profession and decision to seek help from a conventional mental health professional that each of them is infinitely expendable in the eyes of Scientology. See Exhibit 2 for an example of the kind of treatment a psychiatrist who publicly criticizes Scientology can expect from a Scientologist.

Fishman's Experience in Scientology Drove Him to a Psychotic Break.

Squirrel, and I have reviewed his testimony up to his sentencing. I have viewed a 1981 videotape of Fishman under hypnosis by Dr. Uwe Geertz, and I have viewed a 1989 videotape of Fishman being interviewed by his attorney Mark Nurik and Dr. Richard Ofshe in Fishman's home in Florida. Based on the review of these materials and my knowledge and experience in Scientology, I do

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not believe there is any doubt that Steven Fishman was driven to a psychotic break (known in Scientology as "Type 3 PTS," a term which I will explain below) by Scientologists, either deliberately or through greed and gross negligence of his welfare.

- 87. It is utterly forbidden for anyone with a serious psychiatric background, including an extensive history of hypnosis such as Fishman had, to be allowed to have any Scientology processing at all. Attached hereto as Exhibit 19 is a copy of Hubbard Commincation policy letter entitled "Illegal PCs, Acceptance of High Crime PL." I have been advised by Mr. Berry that it was well known by Scientology operatives that Fishman was not eligible for processing because of his history of therapy with Dr. Uwe Geertz; yet he was induced to buy more than \$100,000 worth of Scientology books, written materials, prints and E-Meters, clearly being led to believe that he would be welcomed into the privileged circle of dedicated Scientologists.
- 88. It is highly significant that he was induced to purchase three E-meters (electro-psychometers), the device used in Scientology auditing. E-meters are not used for anything else but auditing, and they are not supposed to be sold to anyone without proof that they are in training as an auditor.
- 89. But in the Scientology world there is a thing called statistics, and Fishman was an unsuspecting victim of this system. Every single staff member in a Scientology organization has a statistic which measures his or her production. These statistics are reported every Thursday to International

Management in CSI and RTC. For Scientology staff members, their lives virtually revolve around making sure their statistics are rising every week. Many things depend upon this. If their stats are down they may not be paid that week. They may not be allowed to spend any time with their spouse or children. They may not be allowed any time off at all, and since they already work as much as 14 to 18 hours a day or more, one day or even half a day off becomes very important, even if it is only enough time to do laundry. If their stats continue to go down over a period of time, they risk being assigned to the Rehabilitation Project Force or "RPF," which is a Scientology prison camp. Needless to say, people can become quite desperate under these circumstances, and they will do just about anything to get their statistics up.

90. Nowhere in Scientology is the push for statistics more frenzied than in the departments responsible for bringing money into the organization. Unfortunately Fishman appears to have been the unwitting victim of a feeding frenzy which involved at least nine different Scientology corporations. These people discovered that Fishman had money and that he was willing to give it to Scientology. They took his money even though they knew he would never be able to receive any benefit from Scientology auditing, even though they knew he could harm himself with the materials they were selling him, particularly because they also sold him E-Meters. Indeed, it is clear that Fishman was overwhelmed by the Scientology materials he was given, to the point of an actual psychotic break.

91. To understand how this could have occurred it is necessary to explain briefly how Scientology processing works.

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In essence, the theory behind auditing is that by confronting painful incidents in the past one can free up mental energy that has been locked up in these painful memories. L. Ron Hubbard created many auditing processes which are supposed to help an individual achieve greater sanity. But he made it clear that the processes must be done in a precise way with no deviation. There are severe penalties for anyone who deviates from the standard procedures. Hubbard made it clear that it can be very harmful psychologically and even physically to deviate from these procedures.

- 92. Certain situations can cause a person to have trouble in auditing. The most serious thing that can hinder a person's progress up the "Bridge to Total Freedom" (as the exact series of auditing processes is known) is becoming a Potential Trouble Source, or PTS. A PTS is someone who is being suppressed in some way by another person or entity.
- 93. There are different types of PTSness. Some of these are listed in an October 27, 1964, policy by Hubbard known as "Policies on Physical Healing, Insanity and Troublesome Sources." Attached hereto as Exhibit 20 is a copy of Hubbard Comminication Office Policy letter entitled "Policies on Physical Healing, Insanity and Troublesome Sources". Ten types of PTSness are listed in this policy letter, each one of which has to do with types of people who have caused Scientology "considerable trouble." They include people who have sued the church, newspaper reporters, family members who are hostile to Scientology, etc. They are listed as Type A through Type J, thus the policy has been nicknamed the "A to J policy." When someone is labelled as

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being any of these types of PTS, he or she is barred from getting any Scientology processing (auditing) or training, because people who fall into these categories have historically caused trouble for the organization, either by bringing legal action against it or by giving negative information to the press.

- Steve Fishman was labelled Type A, which is "persons intimately connected with persons (such as marital or familial ties) of known antagonism to mental or spiritual treatment or Scientology." He was also labelled Type C, which is "persons who have ever threatened to sue or embarrass or attack or who have publicly attacked Scientology or been a party to an attack and all their immediate families should never be accepted for processing". Fishman was labelled Type C because he had paid a large amount of money for a set of Hubbard's taped lectures which he had never received, and he had threatened to sue CSI after trying for months to get his money back. (In Scientology one is never supposed to step outside of the Scientology "justice system"; anyone who does so, such as by filing a police complaint or a civil suit, is immediately disqualified for Scientology services.)
- Furthermore, because of his background of hypnosis, Fishman could never be eligible for Scientology services.
- Despite the fact that he was declared PTS A and C, and that it was known he had an extensive history of hypnosis by a psychologist, thereby barring him permanently from Scientology auditing and training, Fishman was sold over \$100,000 of Scientology materials, including a huge collection of tape recorded lectures by Hubbard (which are not supposed to be

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listened to until one reaches a certain level of Scientology training), packs of material that are only supposed to be seen by people in certain staff positions, and, what is most shocking, three E-meters, one of which was specifically designed for use by auditors on the confidential upper levels of auditing. It is specifically designed for use in solo auditing, which is auditing of oneself. It is clear from his videotaped interview that this is precisely what Fishman used it for.

This created an explosive situation, one which clearly could lead to a psychotic break in Fishman. Even as recently as September 1993, Ray Mithoff, Senior Case Spervisor International, the most senior Scientology technical expert in the world, supervised the auditing of a person in England who had had a psychotic break as a result of her experiences with Scientology. A copy of Scientology's report on this incident is attached hereto as Exhibit 21. This person had a psychiatric history, and the mixing of psychiatric techniques with those of Scientology had caused the psychotic episode. So it was obviously known that Fishman risked a Type 3 psychotic break if he were allowed training or auditing, yet he was sold thousands of dollars worth of materials anyway, including an E-meter with a solo auditing capacity permitting him to self audit. Thus, either intentionally or out of greed and negligence, Scientology created a situation in which Fishman would almost certainly suffer a psychotic break and become a Type 3 PTS, as explained below.

The types of PTSness described earlier, Types A through J, relate to different types of threat a person can pose to Scientology. There are also three types of PTSness, known as

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Type 1, Type 2 and Type 3, which relate to a person's own state of mind and physical health. A person will manifest PTSness through a range of conditions, all the way from a minor cold to a more serious illness (all illness is a sign of PTSness) to full-blown insanity. All PTSness is the result of being connected to one or more suppressive people, suppression being defined as "a harmful intention or action against which one cannot fight back." A copy of a Hubbard Comminications Office Bulletin entitled "Seach and Discovery" and describing these PTS types is attached hereto as Exhibit 22.

99. Type 1 PTS means that the suppressive person is actively suppressing the person in present time. To handle this a person is interviewed by someone who helps them spot who is suppressing them, whereupon the illness (a cold or whatever) is supposed to vanish.

100. Type 2 PTS means that the person was connected to the suppressive person earlier, either in this lifetime or an earlier lifetime (it might have been 150 years ago, or 76 trillion years ago - whatever the person thinks). Someone in present time reminds the person of the actual suppressive person, and this is making the person sick. Curing Type 2 PTSness requires extensive auditing, usually on the PTS Rundown.

101. Type 3 PTS is the Scientology term for a fullblown psychotic episode. It was my experience in Scientology that when a person has a psychotic break they lose touch with the real world and begin to hallucinate or imagine conversations, events, people, and whole scenarios. Even after they recover they are

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never sure what part of the experience was real and what they imagined.

102. The subject of Type 3 PTS cases is one of the dark secrets of Scientology. No one is supposed to talk about it outside of Scientology, and it is treated with utmost security when someone becomes Type 3 PTS. The reason for this is obvious: people are not supposed to be driven insane by Scientology, so it would be a public relations nightmare to try to explain it. But more importantly, the treatment of people who have psychotic breaks in Scientology is a clear abuse of the mental health laws, and if such treatment were brought to the attention of mental health officials there is little doubt that Scientology would be subjected to public scrutiny for its practices in this area.

103. A number of things can trigger a psychotic break, or cause a person to "go Type 3," as they say in Scientology. In his first book, Dianetics: The Modern Science of Mental Health, Hubbard's term for "mental voices" was "demon circuits." Later he made it clear that what is actually occurring when someone has a psychotic break or "goes Type 3" is that all of his body thetans or BTs have become upset and are all talking to him and through him at once.

104. In Fishman's case, it is unclear whether he was driven to this state of mind purely through fraudulent irresponsibility and negligence, or whether it was done more deliberately, as described in the following Hubbard lectures.

105. In a number of taped lectures Hubbard said that a person could be driven insane through the deliberate application of what he called Black Dianetics. This is his term for a method

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LEWIS. D'AMATO ISBOIS & BISGARRO 94LA: 10037.1

ISBOIS & BISGARD LAWYERS SUITE 1200 N. FIGUEROA STREET S ANGELES, CA 90012 in which the normally therapeutic methods of Dianetics and Scientology are reversed and the person is deliberately driven mad.

106. In a September 17, 1951, tape called "Some Notes on Black Dianetics," Hubbard stated:

"A person can drive himself quite mad with Dianetics without any trouble. What you have concentrated on in your study of Dianetics has been the process of making people well. That is your emphasis line. But don't think for a moment that that is any more than half of it. There is as much data on how to make people insane, uncomfortable, sick or dead as there is on how to make them well."

A copy of the transcript of this taped lecture is attached hereto as Exhibit 23.

107. It is possible that such techniques were used on Fishman, first to induce him to break the law for Scientology and then to try to get him to commit suicide, leaving a note absolving the church of all responsibility. Having failed to do this, church operatives could have deliberately driven him to the point of a psychotic break.

108. Hubbard explained how to do it in the following passage from "Some Notes on Black Dianetics":

"With Black Dianetics, you could tailor make any kind of insanity you wanted to. The person might not manifest this the next day, maybe not the next week or maybe not for thirty days. Maybe three months later he is walking down the street and feeling a little bit

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tired when somebody honks an auto horn just right or something of the sort, and all of a sudden he goes crazy, and there he is - insane!"

109. In that same lecture Hubbard provided a blueprint for getting someone incarcerated, just as Fishman was, without anyone ever finding out that the person was set up:

"We find that nobody can protest an implanted engram [meaning a hypnotic command given to a person such as was portrayed in "The Manchurian Candidate"] except the person into whom it has been implanted. He is the only one who can protest this. He is the only one who can sign out a warrant. Even if he goes insane, nobody can sign out a warrant. So he could say, 'Well, it was Bill and I know it was Bill and I saw Bill and Bill has taunted me with it since,' and so forth, but if he has been pronounced insane... he has lost his civil rights and he can't issue a warrant. In other words, this is legal murder, legal punishment and so forth. Because the law does not know anything about this, no laws exist to prevent it or inhibit it."

110. In another tape called "The Complete Auditor, Part I," delivered on June 28, 1951, Hubbard said:

"Any one of us could take a human being and, with malice aforethought, drive him stark, staring crazy with greater efficiency than even psychiatry does. What would you do to him? You would just reverse all the things that you know would help him: ... slug him with some drugs, hit him in the face, take a

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hypodermic needle to him so that you give him very painful but unobservable somatics.... Then when he comes out of it say this had never happened to him, feed all the content back to him again by telling him about other people's engrams or even his own, convince him that he does not really know what his reality is and convince him that you are his friend. A person can't take this; he would spin. That would be an efficient job, but that could be done on a person who was pretty doggone sane!"

A copy of the transcript of this taped lecture is attached hereto as Exhibit 24.

111. In still another tape, called "Outline of Therapy," Hubbard stated:

"Out of Scientology you could formulate a very fine type of thought warfare. Works much better than an atom bomb. An atom bomb just kills people, but you could take thought warfare and you could enslave them utterly. You could make complete slaves out of them." A copy of the transcipt of this taped lecture is attached hereto as Exhibit 25.

112. All of these instructions just quoted are part of the Scientology "scriptures." Every word Hubbard ever uttered is considered to be sacred doctrine, and Hubbard's instructions are taken quite literally by Scientologists. It would be entirely possible for Scientology operatives to take these instructions from Hubbard and use them to manipulate Fishman for their own ends.

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113. Hubbard himself ordered that "reverse processes" (or Black Dianetics) be run on people he felt were particularly dangerous to Scientology. In a 1968 issue he declared several people fair game (meaning they could be lied to, tricked or destroyed), and instructed that they be run on reverse processes if they ever came into an org. Additionally, he ordered that "Any Sea Org member contacting any of them is to use Auditing Process R2-45." This was a reference to the use of a .45 semi-automatic pistol. Hubbard defined R2-45 as a very fast way of getting someone exterior to their body. (See Exhibit 26.) A copy of this 'declare' is attached hereto as Exhibit 27 (see item Hubbard mde it clear that he did not take suicide seriously in a taped lecture called "Create and Confront," given on January 3, 1960, as part of the "State of Man" lecture series. Exhibit 28 for a transcript of "Create and Confront," particularly pages 93 and 94.

114. Even if no one deliberately set out to drive Fishman psychotic, selling him materials that would completely overwhelm him with incomprehensible information and then putting an E-meter in his hands was nothing short of criminal negligence. There is little doubt that Fishman used his E-meters to "audit" himself, an action that could easily drive him into a psychotic break.

115. In the tape "Some Notes on Black Dianetics," Hubbard himself described the dangers of self-auditing:

"...in Dianetics you are playing around with highly explosive material. I would say that a person using Dianetics in certain ways might much more happily juggle two or three hand grenades with their pins

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pulled. For instance, take some of these people who run around self-auditing: why don't they just go get a gun? That is much simpler and quicker."

116. When I was in Scientology I was assigned to keep watch over a young girl in her early twenties who became Type 3 PTS after being forced to sever all communication with her family, because they were upset about her involvement in Scientology. This incident occurred in Hemet, California, at the high-security international headquarters of Scientology.

117. One day this girl approached me and began to babble, making no sense at all. Recognizing the symptoms of someone who was going Type 3, I immediately alerted one of the security guards so that she could be put under watch. Sure enough, within an hour she was in a full blown psychotic break. She did not know who she was or where she was and she began to get violent. She lost touch completely with the real world and began to hallucinate, imagining conversations, events, people, and whole scenarios.

118. L. Ron Hubbard wrote a series of issues detailing what to do when someone "goes Type 3." These issues comprise what is called the Introspection Rundown, a rundown being a series of specific actions to take to achieve a specific result in Scientology processing. Hubbard felt that the Introspection Rundown was a major breakthrough in the handling of psychosis, and that people in mental institutions could be cured by following these steps. A copy of the Introspection Rundown is attached hereto as Exhibit 29.

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everyone except the people assigned to watch over the person.

This is called "Isolation Watch." I was assigned to watch this girl, so I studied the issues to ensure I would handle her correctly. We were not to say a word around her. She was to have complete silence to allow her to calm down (to allow her body thetans to go back to sleep, although she could not be told about this, since she was not up to that level in her processing). This went on for many days as she was in a serious psychotic incident. None of the people assigned to watch her had any formal training in dealing with psychosis.

120. She had no idea who she was. One moment she would think she was a butterfly; the next minute she would think she was Hubbard's daughter, Diana Hubbard. Then she would think she was a dog, and she would bark and growl. We had to be very careful to watch her so that she would not try to kill herself, and we also had to be sure she did not get violent and hurt us or become destructive of property.

121. She was never referred to any mental health practitioner, because Scientologists believe that all psychiatrists and psychotherapists are completely evil. Hubbard preached the evils of psychiatry so thoroughly that no one in Scientology would ever consider letting a mental health practitioner examine anyone, even someone who is in the middle of a psychotic episode. See several examples of Hubbard's writings on psychiatry attached hereto as Exhibit 30. This girl was not even given anything to calm her down except a mixture of calcium and magnesium which was supposed to relax her and let her sleep.

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It did not have that effect; this girl could hardly sleep at all and soon became exhausted, which simply compounded the problem.

122. After several weeks of this, the girl finally came out of the psychotic episode and was immediately sent back to her family to avoid a negative public relations situation or, possibly, a lawsuit.

123. A more serious incident occurred when a staff member with extremely confidential knowledge of the legal and corporate manueverings of Scientology became Type 3 PTS. Her name was Cat Morrow and she had been part of a project called MCSS, for Mission Corporate Category Sort-out that was supposed to create a corporate structure to protect Hubbard from civil or criminal action. Cat had information about inurement to Hubbard and about a conspiracy within the church to cover it up that would be disastrous if it were ever leaked. So when she had a psychotic break it was of the utmost importance that the situation be kept quiet.

124. Cat was taken to the home of a wealthy Scientologist outside of Los Angeles. The house was surrounded with woods and there were no other houses in sight. There Cat was kept under 24 hour watch, known as "Isolation Watch" because the person is isolated from everyone except those on the "watch." Although I was not assigned to watch her, I was told that Cat became extremely violent on several occasions, that she tried to jump through a plate glass window, that she repeatedly said she wanted to kill herself, and that she had no idea who she was or what she was doing. This went on for several months.

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break she was audited on the Introspection Rundown. This is a series of questions and procedures designed to get the person to stop introspecting, based on Hubbard's belief that this would cure the psychosis. On someone who is OT3, as Cat was, the Introspection Rundown is audited on the body thetans that have gone out of control and caused the psychotic break. is that once these body thetans are disengaged from the person's body, the person will be able to get back in control of his or her own mind again.

125. I was told that when Cat came out of the psychotic

126. Maggie Butterworth, former OSA operative David Butterworth's wife, was usually assigned to supervise any Scientologist in Los Angeles that had a psychotic break, and I believe that she was in charge of Cat Morrow, in close liaison with Sandi Wilhere, a highly trained case supervisor in CSI who used to be one of the most senior technical experts in Scientology (Miscavige reportedly demoted her to kitchen maid recently).

127. Cat Morrow's case was particularly sensitive not only because of the information that Cat had about the church's legal affairs but also because she was married to Jim Morrow, one of the key people involved in dealing with the IRS. Cat's psychosis could not be allowed to compromise Jim's position, so her situation required the highest security. Normally a staff member who goes Type 3 is routed off staff or sent to the RPF after coming out of the psychotic episode, but because Cat had dealt with such sensitive material she was quietly reassigned to an 111

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unimportant department where people could keep an eye on her and make sure she remained loyal to Scientology.

128. A woman named Dorothy Geary was driven into a psychotic episode under circumstances very similar to Steven Fishman's in that she and her husband were coerced into giving Scientology a tremendous amount of money for services they would never receive. Her husband Robert, a dentist in Ohio, attended a seminar given by Sterling Management Systems, which he later discovered was a front for Scientology. Robert and Dorothy were both coerced into buying Scientology training and processing after a Scientology "chaplain" orchestrated a breach between them which threatened their marriage. Dorothy was then coerced into going to San Francisco for processing, while her husband flew back to Ohio to continue his dental practice.

buy nearly \$100,000 worth of Scientology materials and services. She was so overwhelmed from the processing she received and the "hard sell" she experienced at the hands of Scientology salesmen that after approximately one month she had a psychotic break. She did not know where she was and was completely out of her mind. Her husband helped her to get home, but then two Scientologists came to live at the Gearys' house to try to bring Dorothy out of the psychotic episode. However, the only "treatment" they provided consisted of taking Dorothy for long walks.

130. Finally they convinced Robert that Dorothy needed to fly back to San Francisco. Upon arriving in San Francisco, Dorothy was taken to a "mountain retreat," where no one else

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would see what was taking place. Dorothy was kept there for two weeks, while her husband had no idea where she was.

Scientologists were trying to induce Robert to buy more auditing while Dorothy was held in San Francisco.

131. Dorothy had been induced to buy boxes and boxes of Scientology books and materials, all of which had been shipped to their home in Ohio after she paid for them with credit cards. When Robert opened the boxes and read some of the more advanced Scientology materials, he realized what his wife had been subjected to and called his family doctor for advice. His doctor gave a probable diagnosis of an acute psychotic episode caused by trauma.

132. By the time the Gearys' attorney helped them both to disentangle themselves, they had given Scientology close to \$180,000. As Robert Geary described it, "This was money we obviously could not afford to spend and without extreme undue influence there is absolutely no way we would have ever spent such sums. I have read a considerable amount about mind control and now realize that my wife and I were under mind control." A copy of the declaration of Robert Geary D.D.S. executed September 5, 1993 is attached hereto as Exhibit 31.

133. There are certain people within the Church of Scientology, particularly RTC and CSI, who have knowledge of many other cases of Scientologists having psychotic, Type 3 PTS episodes. These people include the following: Ray Mithoff, whose title was Inspector General for Technology in RTC when I left in 1989, although I have been told that he now has the title of Senior Case Supervisor International in CSI; Gelda Mithoff, a

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highly trained auditor who has dealt directly with or supervised a number of "Type 3 handlings"; Greg Wilhere, whose title was Inspector General in RTC in 1989 and who is a highly trained auditor; Sandi Wilhere, a highly trained auditor and case supervisor in CSI who at last report had been demoted to cook in the communal kitchen at Hemet; and, of course, Miscavige, who supervises virtually every aspect of Scientology, particularly anything that might threaten the public image of the church, such as Scientologists who have Type 3 psychotic breaks.

134. The above-named individuals would be able to provide full details of the symptoms and manifestations of Type 3
PTSness and would be able to verify that Steven Fishman would never have qualified for Scientology processing so should never have been allowed access to Scientology materials or E-meters, certainly not a solo meter. They can also verify that all of the individuals who sold these materials to Fishman did so despite the fact that Fishman had already been declared ineligible for Scientology processing. The only question that remains to be answered is whether Fishman was driven to a psychotic break deliberately, or whether it was done simply out of greed and blatant disregard for his well-being.

CSI's Real Motive in Filing for Dismissal Was To Protect Its Managing Agents

135. CSI claims to be concerned about allowing several Scientology celebrities to be deposed. CSI says it does not want these people to be harassed by Dr. Geertz's attorneys. In truth, if it served CSI's purposes to have these celebrities deposed CSI would order the deponents to appear and not think twice about it.

This much-touted concern for the celebrities is purely show. What CSI is actually worried about is that the tables have been turned on it in this case. The Scientologists can dish it out, but they cannot take it. They have finally met their match. Dr. Geertz's attorneys Graham Berry and Gordon Calhoun have educated themselves, with the help of several former Scientologists, about how this organization really operates, and they are not letting CSI get away with its usual harassment and intimidation tactics. This is the real reason CSI filed for dismissal.

136. Dr. Geertz's attorneys have parted the flimsy curtain of a corporate veil honored almost always in breach to reveal the true structure of authority in Scientology, the Sea Organization, and the people who really run Scientology, starting with Miscavige, the managing agent of the entire organization, and his key lieutenants, including Norman Starkey, Greg Wilhere, Mark Yager, Marty Rathbun and Ray Mithoff. Under Miscavige's direction, this organization has systematically violated the civil and human rights of its members, secure in the knowledge that because it calls Scientology a religion, it is protected by the First Amendment. Suddenly CSI is confronted by counsel assisted by experts who are fully aware that the Tech is applied both secularly and ecclesiastically. The veil provided by the misuse of First Amendment claims that every action by a Scientologist is religious and beyond scrutiny by the civil justice system has been parted. CSI's management has been delivered a clear and compelling message. CSI's management knew it could not maintain its facade of respectability and

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religiosity if CSI allowed this case to continue. That is why CSI moved to dismiss it on the eve of trial.

being the managing agent of the Scientology empire. He words his denial carefully, using the language of the corporate shell he created to shield his true position from the Courts. But the truth is that he does run it, either directly or via his key lieutenants. This is common knowledge within the upper echelons of the Sea Organization. Miscavige's position of power (and the power of his lieutenants) in Scientology is what was being protected by the filing of CSI's motion to dismiss. Therefore, the truth about Miscavige and the henchmen who carry out his orders bears telling.

Miscavige is the Managing Agent of Plaintiff CSI

138. As stated earlier, I was a Scientologist for nearly 15 years, from January 1975 until July 1989. I was in the GO and its successor (a name change only), OSA, for most of that time. I also worked in another part of Scientology called Author Services, Inc. ("ASI"). I was a Sea Organization ("Sea Org") member during my tenure on all of these posts.

enabled me to observe firsthand the line of command and the organizational structure of Scientology. There is no question whatsoever that Miscavige now holds the same position of absolute power over Scientology, cutting across all corporate boundaries, that Hubbard had before he died. Just as Hubbard was the managing agent for the original mother church, CSC, Miscavige is the managing agent for the current mother church, CSI, via his

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position as Chairman of the Board of the Religious Technology Center ("COB RTC").

took place within Scientology. Until then there had been two arms of Scientology. The Guardian's Office was run by Mary Sue Hubbard and took care of everything external to the organization, such as public relations, government relations, litigation, and anything else that might hinder the expansion of Scientology. The other branch, the Commodore's Messenger Organization ("CMO"), ran Scientology itself under the direct command of Hubbard (known as the Commodore). Reality was directly contrary to Hubbard's repeated claims that he had resigned all management responsibility in 1966. The CMO directed all internal operations via an unincorporated group of highly dedicated Scientologists known as the Sea Org.

141. In 1981, I was a senior executive in the United States Guardian Office ("USGO"). One evening we were informed that the GO was being taken over by the CMO. From that time on Miscavige has had complete control over all branches of Scientology.

Miscavige Wields His Power Through a Small Circle of Lieutenants

142. Miscavige wields his power through a small circle of trusted Sea Org lieutenants who obey him unquestioningly. Until July 1989 when I left, his most senior aides were in RTC and included Greg Wilhere, who was the Inspector General ("IG"); Marty Rathbun, who was the Inspector General for Ethics ("IG Ethics"); Ray Mithoff, who was the Inspector General for Technology ("IG Tech"); and Marc Yager, who was the Inspector

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General for Administration ("IG Admin"). Another top aide was Norman Starkey, who was corporately the trustee of Hubbard's estate.

Based on testimony generated in this and other cases with which I am familiar in my capacity as a consultant and expert and conversations with high-ranking Scientologists who have left since I left in 1989, Miscavige has reorganized his command structure and done away with the IG Ethics, Tech and Admin posts. Miscavige has moved Ray Mithoff back to his old position of Senior Case Supervisor International ("Senior C/S Int") in CSI. He has moved Marc Yager back to his old position as Commanding Officer of the Commodore's Messenger Organization International ("CO CMO Int") in CSI. From the most recent declarations of Marty Rathbun and Greg Wilhere, it appears that Miscavige has removed both of them from their posts. They are now on the ship, the Freewinds, probably on the Rehabilitation Project Force ("RPF"), which is the Scientology version of a prison camp. For some reason Miscavige wanted both of them out of the country as this case approached trial. This is probably because both Wilhere and Rathbun have committed acts which may be violations of criminal and civil law on Miscavige's orders. Many of the people designated to be trial witnesses by Dr. Geertz's counsel were witnesses to these unlawful transgressions. If Miscavige's lieutenants were to testify, they would have faced exposure to perjury charges. They are also aware of many wrongful acts which run afoul of criminal and civil law of which Miscavige is directly guilty. There is a possibility that Miscavige's lieutentants, when faced with the prospect of personal criminal

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either directly or via the RTC command lines. These CSI aides include the Watchdog Committee ("WDC"), which is a group of Sea Org members who manage all of the different branches of Scientology, both secular and non-secular. Other top CSI aides include Kurt Weiland, who is the Commanding Officer of the Office of Special Affairs International ("CO OSA Int"); Guillaume Lesevre, who is the Executive Director International ("ED Int"); and Heber Jentzsch, who is a PR front man with the title of President of the Church of Scientology International ("President CSI"). In reality, Heber has no administrative power at all and his duties are solely to deal with media and other PR groups.

145. The authority of the above-named individuals comes solely from Miscavige. Any one of them can vanish overnight. Any one or all of them can be sent to the prison camp known as the RPF if Miscavige even suspects disloyalty. (This is undoubtedly what happened to Wilhere and Rathbun.) Miscavige's authority over RTC, CSI and (via these two corporations) the rest of Scientology, is absolute.

146. Since Miscavige took over the Guardian's Office in 1981, he has had virtually total control over the entire Scientology organization, including all branches of Scientology management and extending out to every single person in the world who is a Scientologist. No one can challenge his authority. Miscavige can expel anyone from Scientology literally with a snap

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of his finger. In fact, "The Sea Organization Expansion News" contains a graphic picture of Miscavige "declaring a former Mission Holder suppressive." (See Exhibit 32.)

147. Miscavige derived his power directly from Hubbard, which is why his power was and now is so absolute. Hubbard went into hiding in 1976 to avoid the IRS. Several government agencies around the world and in the U.S. and a number of former Scientologists sued Hubbard. Miscavige gradually took over as Hubbard's eyes and ears until finally, by 1981, Hubbard allowed him to take over entirely.

Miscavige First Ran Scientology from Author Services, Inc.

148. In 1981 Miscavige called himself Special Project
Operations ("Special Project Ops"). He set up offices in the CMO
building across the street from the big blue building in Hollywood. From this position, he ran the entire Scientology
operation. He had several people working directly with him in a
unit called Special Project, including Norman Starkey, Terri
Gamboa, Lyman Spurlock, my husband Robert Vaughn Young, myself,
and others. These people ran all the PR, Legal and Intelligence
functions that had previously been run by the Guardian's Office
line of command. The primary focus was the Mission All Clear, or
the MAC Unit, in the Legal Division of the Guardian Office. The
purpose of this unit was to extricate Hubbard from all the
lawsuits that had been filed naming him as head of the church.
Miscavige was personally charged with extricating Hubbard from
pending litigation so Hubbard could come out of hiding.

149. Because Miscavige had the direct communication line to Hubbard, he also had authority over all of the internal

Scientology management personnel. All communications from Hubbard came through Miscavige, and all communications to Hubbard went through Miscavige. There were only two other people more senior than Miscavige, Pat and Annie Broeker. Their status arose because they were actually with Hubbard. An order from Pat or Annie had as much authority as an order from Hubbard because they were so close to him.

150. But Pat and Annie were sequestered off at the Creston, California, ranch. Miscavige was at the center of and actually directing Scientology activities. He used his position of high visibility within the Scientology command structure to run Scientology from the moment he became Special Project Ops.

151. In May 1982, Miscavige and the rest of the staff of Special Project moved to a suite of offices on Sunset Boulevard and adopted the corporate mantle of ASI.

152. Miscavige appointed himself COB of ASI. This title was for consumption by the general public. Miscavige continued to identify himself as Special Project Ops in correspondence with church personnel. Miscavige appointed Terri Gamboa Executive Director of ASI. He gave Norman Starkey the title Legal Affairs Director. Lyman Spurlock became Corporate Affairs Director. Miscavige gave Robert Vaughn Young the title Public Affairs Director, and so on. Miscavige assigned me the job of Organizing Officer of ASI. As such, I was responsible for making sure the staff were doing their jobs properly. If the staff failed in any way, I was charged with correcting them.

153. During this time, and from 1981 until Hubbard died in 1986, I observed firsthand Miscavige systematically replacing

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Hubbard as head of Scientology. Publicly, ASI was promoted as a glitzy Hollywood literary agency dealing exclusively with the works of Hubbard. But behind the scenes, Miscavige was running all of Scientology from the ASI offices.

who worked in ASI were also instructed, that making large amounts of money for Hubbard was an integral part of running Scientology. Hubbard's written communications to ASI staff revealed that he felt nothing but contempt for his reation, the church of Scientology. He made it clear that he felt perfectly justified in taking as much money out of the church as DM and the other ASI staff could get away with. (Hubbard dictated all of his communications and the dictation was then transcribed and distributed by Miscavige. Both the dictation tapes and the dispatches still exist, although CSI will undoubtedly deny it.) Hubbard made it very clear that Miscavige's success or failure would be based on how much money he could make for Hubbard, whether it came from church coffers or other sources.

155. Accordingly, Miscavige made sure that as much money as possible was taken from church accounts. Fran Harris thought up labels, known in Scientology as "significances," which were attached to huge lump sums which Miscavige then ordered to be transferred from nonprofit church accounts into ASI accounts every week. These labels were designed to conceal from the IRS and other governmental agencies the true nature of the transfers.

156. There was never any question that the staff at the non-profit organizations would transfer the money as directed. Each of these organizations and therefore each of the staff members

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be done. If anyone having responsibility over the financial accounts of the junior organizations refused to follow orders from Miscavige he or she was subject to immediate banishment to the RPF. I was told by my superiors, including Miscavige, that Miscavige was acting as Hubbard's deputy, and that anything Miscavige ordered should be treated as an order directly from Hubbard himself.

was junior to Miscavige. If Miscavige ordered it done, it had to

157. The only thing that ever slowed these transactions down was making sure the significance attached to the transfer would appear legitimate to the IRS. Miscavige made Lyman Spurlock responsible for working out the legal details of these transfers. I often had to sit down with Lyman and help him calm down after he had been ordered to legitimize some of Fran Harris's money-making ideas. Lyman told me that he had had many serious disagreements with Fran about the legality of at least some of her schemes. In my experience, when Lyman expressed his doubts to Miscavige, Miscavige always sided with Fran. Miscavige's instructions usually concluded with an order to Lyman to "make it legal."

158. Miscavige also assigned Lyman the task of sorting out all of the Scientology corporations so they would be legally defensible in the eyes of the IRS and other governmental agencies. It was at this point that the huge conglomeration known as Church of Scientology of California ("CSC"), the predecessor "mother church," was split up into many different corporations. Lyman worked out the whole shell, including all the relationships between the different echelons.

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159. Lyman arranged for the Religious Technology Center ("RTC") to have contracts with every single corporation that uses Hubbard and Scientology trademarks and copyrights in any way, including the management organizations, the service organizations, the businesses that use Hubbard's books, and so on. The real purpose of all of these contracts was to have a legal means by which to collect monies from these entities, and to put anyone out of business who refused to tow the line of Scientology orthodoxy as dictated by Hubbard or any of his successors.

160. Since Hubbard's death, Miscavige has assumed the power and authority to put out of business any Scientologist who refuses to tow the orthodox Scientology line as he dictates it.

161. I worked directly with Miscavige while I was at ASI. I was horrified to discover that the senior-most person in Scientology, who had daily contact with Scientologists and the public, was a ruthless, vicious, megalomaniacal tyrant. I had never worked with Hubbard personally, but I learned from others who had that Hubbard was the same way. I was told that Hubbard was prone to the same petulant temper tantrums that were daily occurrences with Miscavige.

162. Miscavige's style of management was exemplified by screaming profanities and terrorizing the staff. This is entirely consistent with the Hubbard Tech which features "Ethics Presence." Senior managers are taught to manage by instilling fear and terror in their subordinates. As the most senior manager, Miscavige had to instill terror in all his subordinates

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in order to be in compliance with orthodox Scientology management techniques.

163. One day Miscavige gave me an insight into why he acted the way he did. He knew I did not approve of his cursing at the top of his lungs. We were having an executive meeting, and in the middle of a sentence he suddenly turned to me, very seriously, and said, "You think I yell loudly, but you've never heard anyone yell until you've heard LRH [Hubbard]. I'll never be able to scream the way he does. But Stacy, that's the only way to get compliance." This was confirmation that he was acting deliberately and calculatingly in accordance with the dictates of the Hubbard Tech.

164. I realized then that Miscavige was trying to become as much like Hubbard as he could, and that he was preparing to take Hubbard's place when Hubbard died.

165. Anyone who disagreed with Miscavige or challenged his authority in any way was branded by Miscavige as a traitor who was out to destroy Scientology. This was why David Mayo was ousted, along with most of his staff. Many others were thrown out in 1981 and 1982 and replaced with people who would obey Miscavige's orders unquestioningly. Ray Mithoff, who replaced Mayo, is today one of Miscavige's top lieutenants. John Nelson, head of the CMO and director of all the Scientology organizations, was also ousted by Miscavige and replaced by a loyal follower, Marc Yager. Today Yager is another one of Miscavige's top people.

166. Hubbard was still alive when I was at ASI in 1982, and every staff member in ASI was required to report to Hubbard every

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week on the status of his or her sector of Scientology. No one slept from Tuesday to Friday because Miscavige ordered that no one could leave until he had approved their weekly report to Hubbard. Miscavige repeatedly rejected the reports, insisting that they be rewritten until they were perfectly worded to appear that Miscavige had everything fully under control. No one was allowed to send any communication to Hubbard that wasn't edited by Miscavige (which meant that Hubbard effectively did not really know what was going on from 1981 until his death). This grueling schedule left the entire staff in terrible shape physically, and extremely vulnerable to Miscavige's brutal, coercive manipulation.

167. At that time the ASI offices were on the ninth floor of an office building in downtown Hollywood, yet people could hear Miscavige screaming down on the street, a block away. It was disgusting to see how he treated anyone he viewed as not fully "with him."

Miscavige's Treatment of his Staff Was Horrifying

168. Jim Isaacson, for example, was in charge of investing Hubbard's money, and he was expected to show a profit on a weekly basis. Anyone familiar with the investment business knows this is not a realistic expectation, but Jim's job depended upon his showing an increasing profit every week. Predictably, Jim was not doing well at all. He was not eating or sleeping. Miscavige was screaming mercilessly at Jim every day. Jim was near the breaking point.

169. One day Miscavige found out that Jim had lost a large amount of money by investing incorrectly in the gold market.

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Miscavige summoned two of his top lieutenants, Norman Starkey and Terri Gamboa. Miscavige and Starkey literally dragged Jim into the conference room.

170. My office was right across the hall so I heard everything that went on. For the next three and a half hours Miscavige screamed profanities and wild, paranoid accusations at Jim, demanding to know who had sent him to destroy Scientology, was he working for the IRS, was he working for the FBI, what other enemy agents were working with him inside Scientology, etc., etc., ad nauseam. I heard Jim repeatedly deny the accusations, and Miscavige's response was to scream at him even more.

171. Finally Miscavige threw open the door and stormed into my office. He ordered me to go in and get the information out of Jim and not let him leave until he'd confessed everything. I'd never seen anyone behave like Miscavige before. (As stated above, while I was on this post and later while I was in the RPF, I learned from others that Miscavige's behavior mimicked Hubbard's.)

172. Miscavige was very frightening. When he was worked up his conduct was consistent with what I later learned was a psychotic episode. Miscavige appeared to be completely out of control. He screamed profanities at the top of his lungs directly in my face. Others who went past my office kept their eyes averted and walked by as quickly as possible. Finally, he marched down the hall (with Norman and Terri following) and slammed the door of his office.

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173. When I went into the conference room I found Jim collapsed on the table. His eyes were glazed and he was shaking uncontrollably. Rather than complying with Miscavige's order to continue the interrogation, I did my best to calm Jim down, as he was clearly terrified, and told him to go home and get some sleep. Jim was on the RPF within days.

174. Part of Jim's terror arose from the fact that Miscavige had already sent Jim's wife, Joyce, to the RPF for refusing to go along with his brutal treatment of staff. I knew about this because I replaced Joyce. I was dispatched to the RPF shortly thereafter because I objected to the same abuses.

175. No one could speak out against Miscavige's terror tactics because there was no way to have a discussion with him on the subject. The RPF filled up with people who tried to stand up to him. He surrounded himself with people who were willing to do whatever he ordered. I tried several times to protest and ended up in more and more trouble as the weeks went on. Finally Miscavige lost his temper at me one night and threw me into my office, locked the door, and screamed at me until finally I felt I would lose my mind if he did not stop. I had not slept for several days, and I snapped.

Staff Who Were Critical of Miscavige Were Sent to the RPF

176. The next day I didn't go to work, saying I was sick. I was afraid to tell anyone what had happened for fear that Miscavige would separate me from my husband (another common tactic he uses, as did Hubbard, to control people). Unfortunately I confided in someone I thought I could trust that Miscavige was a brutal, tyrannical bully. That person immediately reported me

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SBOIS & BISGAMATA LAWYERS SUITE 1200 N. FIGUEROA STREET ANGELES, CA 90012 (213) 250-1800 to Miscavige. That night at four in the morning there was a loud knock on my door. It was the Scientology security police. They took me to the RPF. That is how absolute Miscavige's power is, and how immediate is the punishment for anyone who doesn't completely submit to his authority.

177. Miscavige charged me with being an agent who had been sent in to destroy Scientology. He claimed that I was working for Michael Flynn, an attorney who was successfully litigating against Scientology at that time. He ordered me to submit to what was known as a "gang-bang sec check." Two very large, strong men, Andre Tabayoyon and Rick Aznaran, locked me in a room and interrogated me for hours. During the interrogation, they screamed and swore at me. They accused me of all sorts of crimes against Scientology. They demanded that I confess to being an enemy agent.

178. Miscavige had also ordered me to do the "Running Program" as part of the requirements for getting off the RPF.

This consisted of running around an orange pole for 12 hours a day. I was supposed to do this until I had some sort of realization about what was wrong with me, whereupon, presumably, I would stop being critical of him.

179. After one of the gang-bang sec check sessions, I was extremely upset. I was not paying sufficently careful attention to where I was placing my feet as I ran around the orange pole. I ran straight-legged into a pothole about a foot deep and smashed one of my sacroiliac disks. This put me flat on my back. I was unable to walk. I was under orders from a doctor not to move because he thought there was a danger that I might suffer

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paralysis from movement before the swelling in the disk subsided. I paid for the doctor myself, since Miscavige had ordered that no one give me any assistance whatsoever and, indeed, I was not paid at all for several months on the RPF.

Scientologist doctor, Miscavige issued orders that I be sent to Florida to get me as far away from my husband as possible.

Miscavige said he was afraid I would turn my husband against him.

A Commodore's Messenger burst into my room one evening and ordered me to pack immediately so that I could catch a flight to Clearwater that night. I was to be transferred to the RPF at the Flag Land Base, another Scientology compound. I protested, she continued to insist that I get up until I was finally able to get her on the phone with the doctor, who told her the church would be responsible if I ended up paralyzed.

I was imprisoned, under guard, on the seventh floor of the building, so that I could not escape and reach my husband. We were not allowed to see each other at all for three months, and even our letters to each other were intercepted. Neither of us knew what had happened to the other and it was agonizing for both of us. I was under threat of expulsion and I believed that if I were expelled I would never see my husband again. I was deathly afraid that Miscavige would lie to my husband about me and turn him against me. I finally convinced Miscavige that I was not a threat to him, and my husband and I were allowed to see each other again.

Miscavige Rules Via the Sea Organization; There is No Corporate Integrity

Scientology staff member who has worked in close proximity with Miscavige. The only people who will talk about him, however, are those who have left, because as long as they are inside he virtually holds the power of life and death over them. He can separate them from the spouses, separate them from their children, keep them from sleeping, keep them from eating anything but rice and beans, imprison them for years in the prison camps known as the RPF. Miscavige's power is absolute, and it has nothing to do with corporate boundaries. As did Hubbard before him, he wields his power via the Sea Organization, which is an unincorporated, fiercely dedicated, group of Scientologists. It is the Sea Org that actually runs all of Scientology.

183. Miscavige simply uses the corporations, as Hubbard did, to manipulate the courts, the IRS and other government agencies. The corporations were only created to fool the outside world, the "wog world," as Sea Org members contemptuously call it. Inside Scientology, the only boundaries are the ones Miscavige chooses to create, just as it was with Hubbard before him, and everyone knows it. In fact, now that Hubbard is dead, what Miscavige wants is senior even to what Hubbard policy says. Miscavige can violate policy and break the law whenever he wants to and no one can stop him.

The 1982 Mission Holders' Meeting Illustrates the Emptiness
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184. Miscavige and his RTC and CSI lieutenants can walk into any Scientology organization and order anything they want or shut it down at whim. Nowhere has there been a clearer illustration of the emptiness of Scientology's corporate shell than the infamous Mission Holders' meeting in 1982. A transcript of this meeting is attached as Exhibit 33. Although Miscavige's profanity and many of his and his lieutenants' less elegantly phrased comments have been edited out, several things are still clear.

185. Miscavige, who at the time was officially COB ASI, was head of Scientology and senior to everyone else there. The other speakers included Lyman Spurlock, Corporate Affairs Director at ASI; Norman Starkey, Legal Affairs Director at ASI; Ray Mithoff, Senior Case Supervisor International in CSI; Marc Yager, CO CMO Int in CSI; Guillaume Lesevre, ED International in CSI; Steve Marlowe, then Inspector General of the Religious Technology Center (he was later sent to the RPF and replaced by Vicki Aznaran, who in turn was busted and replaced by Greg Wilhere, who has since been busted and, apparently, replaced by Miscavige himself, holding the position of Inspector General as well as that of COB RTC); and Wendell Reynolds, International Finance Dictator in CSI (he was later busted and spent several years on the RPF).

186. Miscavige, an employee and director of ASI, and his lieutenants, whose employment spanned RTC, ASI and CSI, were speaking directly to a group of people who held the franchise rights to various missions (missions being the lowest organizations on the Scientology totem pole). Yet there was no concern for corporate integrity that day in San Francisco. These

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scientology leaders, on Miscavige's orders, expelled several mission holders on the spot that day for being unhappy about what they were hearing, destroying their business with a snap of the finger. On Miscavige's orders the mission holders were ordered to pay large sums of money for a promotional campaign for the original Dianetics book, under threat of being investigated for crimes against Scientology if they refused. They were ordered to pay large sums of money for many other "crimes," real or imagined, under threat of losing their business if they refused. The result was hundreds of thousands of dollars paid into CSI and RTC accounts from these missions.

187. Hundreds of people, including many mission holders, were expelled from the church during that time. All people who criticized Miscavige or refused to comply with his orders, regardless of status or organizational affiliation, were subject to expulsion. Miscavige quickly made it clear that he could order any Scientologist, anywhere in the world, to do anything he wanted. See Exhibit 32 for a copy of "The Sea Organization Expansion News," "The Sea Org Moves In!" copyrighted by CSI, which includes a photograph of Miscavige expelling a Mission Holder. There is also another photograph which shows Marc Yager, Miscavige, Norman Starkey, Guillaume Leserve and Ray Mithoff, among others, all identified by their Sea Org ranks even though Miscavige and Starkey were ASI (non-church) staff at the time. This is further evidence that these men are managing agents of CSI, which was why Dr. Geertz wanted them deposed in this case.

Miscavige Personally Ordered and Oversaw the Portland Crusade

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188. I was in the Office of Special Affairs United States (OSA US) in Los Angeles in 1985 when a jury awarded Julie Christofferson \$39 million in damages for being harmed by Scientology. We had all expected to win the case. After all, Miscavige and his top aides had been up in Portland running the whole thing directly. How could we lose? There was champagne and a huge, sumptuous buffet waiting for us, as soon as we received word on the victory.

189. Instead, we got word that there was a \$39 million decision against the church. It was devastating. Dead silence fell throughout OSA US's offices. For an hour, no one knew what to do. It was the most humiliating defeat Scientology had ever had.

190. And then suddenly all the OSA staff were summoned into one of the legal offices. Miscavige and Norman Starkey, who was Legal Affairs Director, ASI, at that time, were on the speaker phone. The decision was an outrage, Miscavige told us. He told us he would not permit it to stand. Every Scientologist from around the world was ordered to Portland, immediately. We were to spread the word by whatever means possible, arrange transportation, raise the money, do whatever we had to do to get the Scientologists there. This was the beginning of what became known as the Portland Crusade.

191. The staff of OSA did nothing but run various aspects of the Portland Crusade until the judge finally declared a mistrial several months later. The entire operation was overseen by Miscavige and his top staff. Planes were chartered to fly Scientologists from Europe to Portland; donations were raised to

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print a special edition of the church publication, FREEDOM, about the "Religious Freedom Crusade" and distribute it door to door to every home in Portland. Miscavige even ordered students to leave their Scientology courses (unheard of in Scientology) to go to Portland.

192. The best time to observe how the Scientology command lines really work is during a disaster. The Christofferson loss of 1985 was the biggest disaster Miscavige had ever had to deal with, and all semblance of corporate integrity fell by the wayside in an instant.

Miscavige Crossed All Corporations When Hubbard Died

193. The corporate structure was completely ignored again when Hubbard died in January 1986. I was ordered to ASI and briefed, along with a roomful of others from OSA US (Church of Scientology Western United States, or "CSWUS"), OSA Int (CSI), CMO International (CSI), Gold (CSI) and elsewhere, by Miscavige on what had happened. Then, although he had no corporate authority over any of these organizations or staff, he went around the room and gave each of us our instructions as to what we must do in the transition to the post-Hubbard era of Scientology.

194. When Hubbard died, I was employed by an organization called North Star. This was a non-church corporation I formed to put FREEDOM Magazine, which I edited, at arm's length from the various Churches of Scientology for tax purposes. I created a separate corporation based on the advice of Scientology's lead tax attorney, Chris Cobb, Esq.

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195. Although North Star was established as a subsidiary corporation of CSI, in reality North Star was supposed to receive its operating instructions from OSA US (CSWUS). We did receive instructions from executives at OSA, but we also received instructions directly from ASI, including Miscavige himself. He assigned us to do a research project for the Hubbard biography. At the time, we were receiving direct orders from both OSA and ASI.

Hubbard. I worked directly with Norman Starkey and Miscavige to finalize the copy, and Miscavige gave the final approval. Then, under orders from Miscavige, I worked with Jonathan Epstein, a financial banking officer who was part of CSI, to arrange for several hundred thousand dollars to be pulled from various reserve accounts in a number of different corporations. These funds paid for the eulogy to be placed in major newspapers around the country as full-page ads.

197. After the ads were placed, Miscavige then ordered me to create a booklet about Hubbard to be used for promotional purposes. Again he ordered Jono Epstein (CSI) to pull funds from various church corporations to pay for a massive distribution of the booklet. Copies of the booklet were inserted in several major newspapers in major cities. Thousands of copies were mailed out. The cost for this project came to approximately \$2 million and was funded by reserve accounts from several church corporations, as ordered by Miscavige.

Today Miscaviqe Has Completely Consolidated His Power

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198. With Hubbard dead Miscavige moved quickly to consolidate his power. In early 1987 he removed his only remaining challengers, Pat and Annie Broeker. He also switched his base of operations from ASI to RTC. It was a bloody coup. Miscavige applied the scorched-earth policy to all who had ever had a kind word for the Broekers. My husband, who had worked with Pat Broeker, was sent to the RPF along with Vicki Aznaran, Greg Ryerson, Jesse Prince, Spike Bush, and many others. Only those who had remained steadfastly loyal to Miscavige were allowed to keep their jobs.

199. Today, the only people who survive are those who kowtow to Miscavige unreservedly and completely. He has truly become Hubbard's successor. He curses like him, screams like him, thinks like him, and rules with a ruthless, iron hand and a contempt for the outside world just the way Hubbard did when he was alive.

200. Just as Hubbard did, Miscavige has created many corporate layers between him and the courts, the IRS, other governmental agencies and the outside world in general, and he deals them like so many cards when it is convenient. But it is Miscavige who really holds the power, and because he is COP RTC, RTC is the only Scientology entity with any real power.

201. See Exhibit 34 for RTC Executive Directive No. 450, dated 6 September 1991, from Miscavige to all Scientologists. The first 22 pages of this document provide a valuable glimpse of the world according to Miscavige, bizarre paranoia and all.

202. On page 22, Miscavige announces a general amnesty for all Scientologists, meaning that anyone who has gotten into trouble in the past is forgiven and can get back on the "Bridge

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to Total Freedom." This amnesty cuts across all corporate The document behind it, Inspector General Network boundaries. Bulletin No. 14, is from one of Miscavige's lieutenants, former Inspector General for Ethics RTC Marty Rathbun. This document explains to all Scientologists how to apply the amnesty. It also cuts across all corporate boundaries.

203. CSI is only a lackey corporation. The function of the staff members of CSI is to carry out Miscavige's orders. If a CSI staff member refuses to comply with Miscavige's orders he or she is removed from post and sent to the RPF. CSI has no more independent authority than any other church or non-church corporation in the Scientology network. Its authority (indeed, its existence) is solely in the hands of Miscavige. If he decided to rearrange the corporate structure again he could do away with CSI altogether and create an entirely new corporation in its place. This is the extent of his power over the Scientology network, including CSI and RTC.

204. There is no one else who can represent Scientology. Everyone else is only speaking in Miscavige's place. He is telling them what to say and what not to say, and if they make a mistake, they will feel his wrath. If they make a big mistake, they will go to the RPF. If they ever told the courts what they really know, Miscavige would have them expelled from Scientology and labelled Fair Game, like many others before them.

205. In short, the only person who is in a position to talk about all of the inner workings of the Church of Scientology is Miscavige, because he is the only person who will not be punished for doing so. There is no one above him to punish him. He alone

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can tell the whole truth. His lieutenants know the truth but can tell what they know only if Miscavige gives them permission to do so.

Miscavige's Key Lieutenants Are Also Managing Agents of CSI

206. As COB RTC Miscavige controls Scientology via several key lieutenants who have absolute authority to carry out his orders. Although their official positions may have changed corporately as described above, they still wield the same degree of power. If any of these people have been removed from their positions recently, they can still testify about the power they had before they were removed, and furthermore, they can testify that it was on Miscavige's authority that they were removed. These lieutenants include Greg Wilhere, who held the position of Inspector General RTC; Marty Rathbun, who held the position of Inspector General for Ethics RTC; Ray Mithoff, who held the position of Inspector General for Technology RTC and has apparently since been moved to Senior Case Supervisor International in CSI; and Marc Yager, who held the position of Inspector General for Administration and has apparently since been moved to Commanding Officer Commodore's Messenger Organization International in CSI. Another top aide is Norman Starkey, who is the trustee of Hubbard's estate and the Executive Director of ASI. He is also a troubleshooter for Miscavige. Norman must be obeyed when he is operating under Miscavige's orders.

Ray Mithoff is a Managing Agent of CSI

207. Senior C/S Int Ray Mithoff is a managing agent of CSI. He has command lines via CSI to all churches, missions and any

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other organizations that deal with the auditing and study technology of Scientology. His primary contact points are the Senior Case Supervisors in the various organizations. In CSI these are in CMO Int, Gold and OSA Int. All directives concerning the technology must be authorized by Senior C/S Int, who in turn must get approval from Miscavige.

Marc Yager is a Managing Agent of CSI

208. CO CMO Int Marc Yager is a managing agent of CSI. He is responsible for managing all of Scientology administratively and has command lines via CSI to all churches, missions and other Scientology organizations, including OSA via WDC OSA (Mike Rinder). His primary contact points are the executive directors of each organization, called commanding officers in the upper management Sea Org units. In CSI he orders via WDC and ED Int. All directives concerning the administration of Scientology must be authorized by CO CMO Int, who in turn must get approval from Miscavige.

Marty Rathbun was a Managing Agent of CSI

209. When Marty Rathbun was Inspector General for Ethics, he was a managing agent of CSI. He oversaw all ethics matters in Scientology. Within each Scientology organization he had authority over all actions taken by ethics officers. He also ran the Office of Special Affairs, which deals with all matters external to Scientology such as public relations, litigation, intelligence actions, and so on. OSA also has an internal security function within the Scientology organizations, and I/G Ethics commanded all of those functions as well. He ran all OSA activities via OSA Int, which is in CSI. All directives

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concerning ethics matters within Scientology organizations, and all directives concerning OSA activities of any kind, had to be approved by I/G Ethics, who in turn had to have the approval of Miscavige.

Norman Starkey is a Managing Agent of CSI

210. Norman Starkey, Trustee of Hubbard's estate, is a managing agent of CSI. Starkey has been one of Miscavige's most senior lieutenants for many years. In 1981 Miscavige put Starkey in charge of the Guardian's Office, running all the Scientology litigation in the world, particularly any litigation that threatened Hubbard. As Special Project Legal, Starkey was one of the people most senior to the Guardian's Office, which later became OSA Int, which is part of CSI.

211. In 1982 Norman Starkey became Legal Affairs Director at Author Services, Inc. (ASI) directly under Miscavige. Miscavige was COB ASI at the time and ran all of Scientology from this for-profit corporation, a corporation which supposedly had no ties whatsoever to the Church of Scientology. It had no corporate ties, but in reality ASI ran the entire church from 1982 until 1987, when Miscavige decided to move over to RTC and become COB RTC. This was done because it was more defensible to run the church from a nonprofit corporation than from ASI.

212. When Miscavige moved over to RTC, Starkey was trustee of Hubbard's estate. He ran ASI and CST for Miscavige with no position other than his initials, "NFS." He continued to send orders into the church, but via a unit called Corporate Liaison to dilute the connection.

Founding Church of Scientology of Washington, D.C., Inc. v.

Director, Federal Bureau of Investigation, et al. in which he attempted to cover up Hubbard's role as managing agent of Scientology (attached as Exhibit 35). As part of his declaration he provided a white-washed version of how Author Services, Inc. was established, describing it as if he and Terri Gamboa just thought of the idea one day out of the blue, as opposed to Hubbard ordering every last detail of the company and how it would operate. He also attempted to distance ASI from the network of Scientology organizations, falsely stating that ASI was not in the business of managing the Church of Scientology, although all aspects of Scientology management were at that time run out of Miscaviqe's office at ASI.

214. But in paragraph 7 of his declaration Starkey made a startling admission, namely that the Sea Organization called upon him "from time to time" to render his services "to the propagation of this religion."

215. What this means, and what is still the case, is that as the senior officer of the Sea Org, Miscavige can order Starkey to carry out whatever orders he deems appropriate, including but not limited to directing the affairs of CSI and, via CSI, other Scientology organizations.

216. As the head of ASI, Starkey ran programs and projects that were initiated by his juniors at ASI who were ordering church personnel in writing, in person, and on the phone on how to conduct business within the church to produce income for ASI

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(and, therefore, Hubbard). All of this was done with the knowledge and consent, if not under the direct orders of Miscavige. Regular reports were made by ASI staff to Starkey regarding the programs, projects and orders he issued that involved CSI staff and operations.

217. CSI President Heber Jentzsch received orders regularly from Miscavige and Starkey on how to conduct his office and how to conduct public relations actions as if they were his own ideas (so as to hide the command lines from Miscavige and Starkey).

218. Church staff also know that disclosure of the relationship between Starkey and CSI or any admission that ASI was in direct command would have been reason to remove them from their position and have them transported to the Rehabilitation Project Force. (People on the RPF are kept under 24-hour guard to keep them from escaping.)

Miscavige Ordered This Case Dismissed To Protect Himself

219. Dr. Geertz and Mr. Fishman would have won this case on its merits had it gone forward. Instead, the Scientologists staged an elaborate charade to avoid having the truth come out not only at trial but also in depositions of Miscavige and his key lieutenants. They thought they would be able to win this case easily and then use it in their \$485 million suit against *Time* magazine.

220. But they have finally met their match. Dr. Geertz's attorneys Graham Berry and Gordon Calhoun educated themselves, with the help of several former high-level Scientologists, about

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how the organization actually works. They discovered what the structure of the organization really is, that the Sea Organization runs Scientology, and that Miscavige runs the Sea Organization. They successfully pierced the corporate veil, and the Scientologists saw that if they allowed this case to go to trial, their carefully created public persona would explode into a thousand pieces and they would be exposed for the criminal conspirators they really are. This is why they sought to have this case dismissed. It had nothing to do with any concern for the Scientology celebrities whatsoever.

Miscavige feared that his own perjury and criminal actions would be exposed, and he ordered the attorneys on this case to do whatever they had to do to get rid of it before he had to testify either in deposition or at trial. No one but Miscavige has the authority to have ordered the Scientology attorneys to file for dismissal. Without any doubt, Miscavige personally orchestrated the dismissal of this case. See Exhibit 36, "Report of the Board of Inquiry into Scientology," by Kevin Victor Anderson, Q.C., the lieutenant governor of the State of Victoria, in the Commonwealth of Australia. It is a thoroughly researched report on the dangers of Scientology, and includes an account on pages 134 and 135 of a woman who was "processed into insanity." This report led to Scientology being banned in Victoria for a number of years. Although the ban was later lifted, the report remains an excellent overview of the Scientology cult.

I declare under penalty of perjury under the laws of the United States of America and the State of California that the foregoing is true and correct.

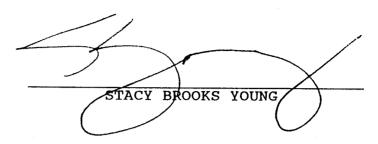
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81

Executed in Corona del Mar, California, this Hay of March, 1994.



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