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#### *MEMBER*

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February 3, 2010

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# Confidential - Privileged Information

### Re: Threat of Government Intervention & Actions Needed to Handle

As you know, I am a long-time dedicated Scientologist, a lawyer and CPA. I have worked on behalf of LRH as his personal accountant and in OSA International (Bowles & Moxon) as a lawyer from 1992 to 1993. I have been continually active on the Bridge since 1969. The hat I wear today is of a professional who also happens to be a dedicated Scientologist who long ago pledged an eternal allegiance to LRH and Scientology, and who, unlike the recently-declared "independents," intends to safeguard the Church, the organizational structure of Scientology.

#### The Situation: The Church Is At Risk of Governmental Intervention

In my professional capacity, I have observed a chain of events unfold that led me to conclude that the Church is gravely at risk of a federal justice action in the form of a raid, criminal charges under the United States anti-racketeering law, and/or seizure of assets, including buildings and real estate. There is likely a move afoot to withdraw the Church's tax-exempt status as well.

Alarming, I know. I do not make these predictions lightly or without substantial basis, however. I will go into them briefly below. If time permitted I would put together a "White Paper". But recent events, most notably the "Conditions Notice" to Golden Era Productions dated January 20, 2010 by the California Division of Occupation Safety and Health ("DOSHA"), as well as evidence that Marty Rathbun is involved in ongoing criminal investigations, have raised my level of

concern and caused me to shorten my presentation. You no doubt already have in depth information as to these allegations.

My opinion is that a task force of federal and state agencies has likely formed with the intent of striking a blow to the alleged abuses of human rights violations against staff at Int Base and those responsible for the abuses. Clearly their primary target is COB himself. Based upon an evaluation of multiple facts too numerous to set forth herein, I believe that the action by California DOSHA is the first step of a larger overall law enforcement action. It is common law enforcement procedure to first enter a property using the investigative mechanism of a local agency, such as DOSHA, to obtain probable cause evidence through it, and to then pursue a search warrant. Ultimately, I have great concern that the objective is to document a case leading to forfeiture of Church assets.

As you surely know, Marc Headley and other former Int Base staff first raised allegations of physical and mental abuse, prison-like confinement within razor-wired fences, and slave-like work conditions in civil actions brought by lawyers Graham Berry and Barry Van Sickle. The claims were given national – and international – credence by Marty Rathbun, COB's former right-hand man, who sourced the abuses to COB himself and also testified about beatings of staff at the hands of COB and produced witnesses who corroborated his claims in worldwide press and on the internet.

Viewed as a turncoat by the Church and himself responsible for the abuses, others could view him to be a Whistleblower spilling the beans on corrupt practices, not at all unlike a Catholic cleric who blew the whistle on sexual abuses of children by clergy priests. He has been handled as a liar and a suppressive person by Church personnel. It is my professional opinion that the majority of the public – and law enforcement personnel – will find the taped statements credible. There are too many former Int Base staff offering minute details from different perspectives that perfectly align to summarily discount their testimony. There would have to be similarly candid, convincing video interviews from COB and his alleged victims to counteract this barrage of documented viewpoints. Even then, a contest of statements as to who beat whom and when would be extremely detrimental no matter the final outcome. In fact, I believe the time for countering the substance of the claims has passed and that law enforcement and media will now only be satisfied with an on-site inspection and/or prosecution short of the proposed solution I offer below.

It is not necessary to debate the veracity of the claims; the claims alone present grave danger to the Church. Once a matter moves to the legal arena the issue becomes, not what the truth is, but what is <u>the evidence</u>. The evidence available on the internet is sufficient to support an investigation, charges, and a right to proceed to trial. It almost doesn't matter what a trier of fact may ultimately conclude, the damage will have been done.

That Rathbun and persons connected to him have contacted governmental authorities to offer testimony is beyond question; he admits that he is involved in criminal investigations (plural) into Church abuses of Int Base staff on his blog.

There is also reason to believe law enforcement actions will not be limited to human rights abuses of Int Staff and will extend to the Church's tax exempt status. In the final segment of *Nightline*, following Marty's appearance, Martin Bashir openly called for the revocation of our tax exempt status, for example. One of the main thrusts of Rathbun's public statements has been

allegations of COB's "takeover" of the Church, the annihilation of his potential rivals, the destruction of checks and balances put in place by LRH (namely, the Watch Dog Committee and the Int Exec Strata), and the alleged lavish lifestyle he enjoys.

These claims strike to the heart of the core qualifications for tax-exempt status. No one person may single-handedly govern a nonprofit organization. Private benefit by one person, called inurement, is unlawful and grounds for revocation of tax-exempt status.

Revealing a concerted effort to coordinate criminal and civil actions, the latest Berry-Van Sickle lawsuit (Lindstein) alleges a Human Trafficking case against two defendants, COB and CSI. This is a refinement of their initial lawsuits to match their suit with data made public by Rathbun.

One could easily conclude that Rathbun has not only organized a pool of purported whistleblowers but has marshaled anti-Scientology forces into a focused attack against COB. His allegations, in my opinion, have mortally wounded COB. If not handled correctly, the entire Church and its assets are at risk of possible destruction.

# The Solution: Learning From Others Who Have Been In This Situation

Numbers of large corporate defense contractors went out of business when confronted with public charges of illegal conduct brought by employee whistleblowers in the wake of the beefed-up, federal False Claims Act (31 U.S.C. § 3279), which gives "whistleblowers" a percentage of money recovered from persons who defraud the government.

After many years of trial and error Corporate America finally evolved a solution that is now a nationally accepted protocol, which is this:

Immediately conduct an internal investigation, independent of all employees and officers allegedly engaged in the wrongful acts and then reform the underlying administrative and ethical situations and publicly announce the reforms/results.

The protocol involves an actual handling of any corruption uncovered by the organization, and is not a "window dressing" or PR approach. If done correctly, the action can salvage the assets of, and restore some measure of goodwill for, the organization.

The same strategy needs to be expeditiously implemented by the Church to the highest extent possible since the window of opportunity has almost completely closed. The Church's initial reaction, which was to deny the allegations and attack the credibility of the witnesses with personal information allegedly gleaned from confessionals and ethics condition write-ups, was an error, as proven by the headstones in the defense contractors graveyard. Attacking the whistleblower is like signing one's own death warrant. It is a call to one's executioner: lower the axe, I can't and won't reform.

So, too, does the protocol align with LRH. For the sake of brevity, I refer only to two sources. First, in his lecture entitled "Attitude and Conduct of Scientology," given on 3 November 1955 at the 4<sup>th</sup> London ACC, LRH warned us not to mistreat Scientologists:

"...[W]hen a person becomes part of Scientology in general or the organization in particular, they are part of our own time continuum. And enturbulences which affect *them* and separate *them* out of an orderly existence, kick back madly all the way across the whole set of dynamics and you have apparently practically offered to kill somebody. I think mere capital punishment is not a fitting description of comparable magnitude.

"See, you say, 'Well, that's all right. Don't come around to this group anymore. You go away. Now that you have been booted out, why, you're off of communication and we're not going to do anything for you and don't associate with us anymore' and so forth. This creates one awful reaction. I'll tell you why I know it creates one awful reaction. These people don't spin necessarily, but their retaliatory gestures demonstrate that they have received a motivator of enormous magnitude. I can tell you how it seems to them by what they do.

"They practically devote the rest of their lives and all of their actions and attention and everything else to trying to get even with you or remedy the situation somehow or something. This is one of the more fabulous things, so that it must be something of magnitude.

\* \* \*

"I merely wish you to look at the enormous actions undertaken by people who have been ejected from organizations and otherwise. They seldom go off and suck their thumb dismally. They seldom do this. They might go completely into apathy..., [but t]hey usually come in there fighting with violence; they've got to do something of magnitude."

\* \* \*

"It's because they are people of good intention. And by saying that these people are not fit to associate with us anymore, we have told a lie of magnitude. This is not true. It's never true. You got it?"

\* \* \*

"Our inability to understand the actions of other Scientologists has a very fascinating barrier. The limitation on our understanding is simply this: we say they have bad intentions, and that is a lie. Got it?

"So the whole situation is liable to enturbulate around that postulated bad intention. *That's* what enturbulates the situation. That makes a lie.

"The situation then becomes unsolvable. Because we've entered a changing factor called a lie into it."

\* \* \*

"This guy says he's been hurt, he's screaming to high heaven, let's try and give him a hand."

"In view of the fact that he's in Scientology the probability is that he's – actually has been hurt. See? He probably...that's the... the probabilities are very in favor of that..."

\* \* \*

"Well, I hate to unsettle a very stable datum, if it does unsettle it. But the only way anything ever does resolve is by letting your own kind heart reach through. That's the only way it ever does solve.

"And it never solves by being tough."

Secondly, I refer to the Reform Code of Scientology which is defined in the Admin Dictionary. The context, as I understand the story, is that in the mid-1960s, when the governments of Britain and Australia had banned Scientologists from entering the country and studying Scientology, respectively, New Zealand had begun an investigation to ban Scientology. LRH conducted a broad survey of Scientologists and the general public and then concluded that the policies of disconnection, fair game, and sec checking had inflamed the public at large. LRH cancelled the policies and wrote a letter to the government of New Zealand informing it of his action in response to which New Zealand called off its investigation.

## An Independent, Internal Investigation

We are in the 11<sup>th</sup> hour and must act with haste to preserve the Church and refurbish its image. The Church needs to fund an investigation and appoint a person with unassailable credentials, one who has credibility and connections with federal law enforcement authorities and will be perceived by the media to be paragon of corporate integrity independent of COB and the current internal culture of Church management. He or she must be given unfettered resources and authority to delve deeply into all matters that touch on the alleged issues of human trafficking or mental/physical abuses of staff as well as the unlawful activities of a nonprofit, inurement, and such. Among other things, a survey of all staff and public should be conducted, as well as on the general public.

For the credibility of the process, COB should step down while it is conducted.

The Church should then implement any necessary reforms to ensure that all PR and legal liabilities are fully extinguished and that mechanisms are put in place to prevent the recurrence of the situation. (Not to pre-judge the allegations, but at a minimum we have an ARCXen field for which Int Management is responsible. HCO PL 23 February 1970, Ethics, Quality of Service ("Failure to strenuously act to clean up an ARCXen field shall be deemed a high crime for the Exec Council.")

Among other actions, I envision the appointee contacting DOSHA and establishing a comm line with law enforcement officials. This is one reason why the person selected to head the investigation must be credible in the eyes of that community, be seen as a true reformer and not merely an emissary from COB attempting to "handle" law enforcement

and ward off a justice action.

# Implementation of The Protocol Could Save Church Assets From Seizure

I am quite concerned with the potential use of the anti-racketeering laws by the Justice Department as it is a favored procedure to set the stage for forfeiture of assets and buildings. Such an action is something the Church has never endured and something from which it might not easily recover. Thus, I want to urge Church terminals and its lawyers to not only consider the risk but to also take note of Section 8B2.1 of the Federal Sentencing Guidelines, which sets forth standards for mitigating the organization's penalties if found guilty of criminal actions. Speedy action on the part of the organization to investigate and remedy the alleged wrongdoing is express grounds for limiting the penalties, including forfeiture of assets. In other words, by implementing the internal, independent investigation and showing substantive reform is occurring the Church could possibly defeat a seizure of assets.

# Don't Shoot The Messenger

If I thought this letter would be warmly welcomed, and the views and opinions set forth in it heartily shared, I wouldn't have written it. I fully expect my harsh assessment of the situation, and the proposed solution, to cause initial upset. I trust that upon reflection and due consideration, however, that responsible individuals will find it insightful and of assistance in the faithful discharge of their professional and management fiduciary duties owed to the organization and members of Scientology.

I act from my heart as a Scientologist who has derived tremendous benefits from the technology of Scientology and from my knowledge gained from years of experience in the professional fields of both tax and law.

Whatever pain, fear and discomfort a recipient might feel from reading my predictions and call for action, please keep in mind the potential consequences of not acting.

Each and every Scientologist bears an enormous responsibility to safeguard the technology and organizations of Scientology. Those in management positions also bear a legal responsibility. The higher the position, the greater the potential personal legal liability if action is not taken. I know we can work together for a brighter future for Scientology. One without legal attacks, one without fear. One with laughter, wins and dedication to our purpose of freeing mankind. I share forever LRH's purpose in this regard.

Sincerely,

James J. Jackson

Eliott Abelson, Esq. Kendrick Moxon, Esq. Mick MacFarland, Snr C/S OSA Int cc:

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March 10, 2010

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# Confidential - Privileged Information

### Gentlemen:

This is a follow-up to my letter dated February 3, 2010 (enclosed), in which I requested that the Church conduct an internal investigation into serious allegations of unlawful and discreditable acts by Chairman of the Board, David Miscavage. The current strategy appears to be to uniformly attack the various "whistleblower" ex-SO members ("they are apostates;" they are all liars), a strategy that clearly exacerbates rather than handles the situation and creates for the Church a PR disaster and grave risk of law enforcement actions, including possible seizure of assets and loss of tax exempt status.

I am a loyal Scientologist in good standing with the Church, and have been for 41 years. I'm OT VIII and a trained Class IV and Dianetic auditor. I'm an attorney and a CPA, as you can see from my letterhead, having been L. Ron Hubbard's personal income tax preparer. I have also briefly worked as a staff attorney for the Church with the firm of Bowles & Moxon.

I did not receive a written response to my previous letter to the Church dated February 3, 2010. I did have two phone conversations with Jim Morrow, Corporate & Tax Director, OSA Int (Office of Special Affairs, International), however, who politely informed me that someone would be contacting me and said, in summary, that no one who received my letter agreed with my assessment of the situation. Jim also wanted me to promise not to send the letter to anyone else, which I refused to do, citing my duty to Keeping Scientology Working (KSW). In the second conversation I learned that the person who would be contacting me was Kathy True. So, apparently, not only did the recipients disagree with my assessment but think I am in the category of someone to be "handled" for not sharing the prevalent internal viewpoint.

# Situation Worsening

A week or so ago a video of an Australian TV news station went viral on the internet. The story concerned an Australian Senator Xenophon, who announced his intention to call for a vote to investigate Scientology. On Monday, March 8, 2010, there was a national TV show on Scientology in Australia which again highlighted disconnection policies of the Church and had interviews from ex-Sea Org persons talking about violence. This comes a few days before the Australian Senate vote whether to conduct an investigation of the Church.

On Sunday March 7, the largest and most respected newspaper in the world, the New York Times, ran an article on the Church on its front page, above the fold. In addition to detailing a story of one couple's claims of abuse, it validated and linked to "The Truth Rundown" in the St. Petersburg Times, thereby re-publishing the detailed allegations of former Church executive, Marty Rathbun and several other ex-Sea Org members. The next day, NBC's Today Show interviewed the subject of the Times article, and On Monday, 4 Corners, a current affairs program from ABC Australia, broadcast "Scientology: The Ex-Files," which explored the issue of abuses within the organization. On Tuesday, Catholic Online covered the story, concluding: "If only a small portion of the reported allegations are true, this is still a very serious situation."

In my 41 years as a Scientologist I have seen nothing like the level of animosity in the general public toward the Church and of discontent in the membership of Scientology. Unlike media hits in the past, except for the onslaught over crimes against the government by officials in the Guardian's Office, this one shows no sign of blowing over. In my professions of tax and law, I mingle with many people, both Scientologists and general public, so I'm in communication with the public and know what I'm saying is accurate. If anyone disputes me on this, I suggest they commission surveys of both groups.

# Internal, Independent Investigation

Let me put this in perspective. If a Scientology parishioner were to cause a negative PR story even on the back pages of the Keokuk Gazette, that person would be subjected to security checks, a Committee of Evidence convened, or some sort of investigation would promptly ensue; heads would roll. After all, having good works well publicized is the PR objective of upper management; bad works publicized, a failure. (PR Series 11, PR AREA CONTROL, THREE GRADES OF PR.)

How, then, can a PR situation of this magnitude go forward without a Committee of Evidence?

I submit that the tide of negative publicity might have been stemmed, and the NY Times article not run, had the Church earlier started an internal investigation, which is provided for in Church policies.

To do otherwise puts the Church and Scientology at grave risk, and repels millions of people who, but for a safe environment and fair treatment, might be interested in what this life-saving technology offers.

Accordingly, I renew my request for an internal, independent investigation. In the Church's policy, this is called a "Committee of Evidence," a "fact-finding body composed of impartial persons properly convened by a convening authority which hears evidence from persons it calls before it, arrives at a finding and make a full report and recommendation to its convening authority for his or her action." (Committees of Evidence, Scientology Jurisprudence, Administration Of, HCO PL 7 September 1963.)

# The Cause Of The Situation Is Internal

It is most important to get to the root cause of some of the alleged situations. For example, Rathbun and others have accused David Miscavage of beating staff members; the Church accused Rathbun of beating people, not Mr. Miscavige, but acknowledged that a culture of violence had evolved in upper management. Even if other top level officials did the beating, there were no controls in place to detect and handle physical abuses. Either way, the Chairman of the Board is responsible for what happened. It shows that leadership either committed the violence, observed and permitted the practice or is incapable of putting in place mechanisms to detect and prevent them. The practice of shifting responsibility to underlings or those who have left the Church will not lead to a handling; it puts the Church at "Effect," rather than "Cause," of all the so-called "Suppressive Persons/Apostates." (In addition to defying astronomical odds that so many top level international executives who had spent decades of their lives devoted to the Church could truly be suppressive.)

Per L. Ron Hubbard, the "WHY = that basic outness found which will lead to a recovery of stats." (Data Series 19, THE REAL WHY) Obviously the real WHY has not been discovered. "By believing it is the fault of other divisions or departments [or, in this case, ex-members], a staff member does not look into his *own* scene." (Emphasis in original; Data Series 22, THE WHY IS GOD.)

Rathbun is no longer a member of the Church. Thus, he and his followers cannot be the persons responsible for the internal situation, the real WHY for which will lead to its resolution.

# PR Tech Correctly Applied

Included in PR technology is the need to be in ARC (Affinity-Reality-Communication = Understanding) with the general public, and to "set policy" "if lacking" in order to make the Church's "actions or products known, accepted and understood." (PR Series 5, PR DEFINITION.)

"What is the R [Reality] of another or others? This involves SURVEYS." (PR Series 2, THE MISSING INGREDIENT.)

Hopefully it goes without saying that alleged physical and mental abuses of its members by a Church – or any organization – violates the public's Reality. Whether the beatings occurred by the leader or his top lieutenants is really beside the point since it happened under the leader's watch, and based on the allegations, Mr. Miscavige was in complete control of all of Scientology, and still is.

Under similar situations, many corporations would immediately replace the Chairman of the Board. To continue to operate as if nothing was done wrong by the Church and its top staff is to invite more attacks and loss of credibility.

My opinion is that a survey of the general public would reveal that its "Reality" is that Mr. Miscavige is responsible for the beatings and that he rules by intimidation and domination, which we know are traits, not of a good leader, but a person at tone 1.5 (anger) on the tone scale. If this is the case, then to further blame and castigate the "apostates" will only serve to worsen our PR; it makes out the Church, its PR spokesman, and its leaders to be liars.

Of course one should "NEVER USE LIES IN PR." "All the lies will dead end some day." (Emphasis in original; *Ibid*, PR Series 2).

To attempt to rehabilitate and reach the public's Reality, we need an immediate internal, independent investigation of the church's top management, including the Chairman of the Board, and an objective review of all pertinent organization statistics, including the number of actual clears and auditors made per year.

# The Process Of The Investigation

Ordinarily, a Committee of Evidence is the process used in the Church for an investigation. Who would be the convening authority in this situation, though? Per LRH the convening authority at the "worldwide" level is ED Int (Executive Director, International). (Committees of Evidence, Scientology Jurisprudence, Administration Of, HCO PL 7 September 1963.)

The organizational structure has changed dramatically since 1963. No longer is ED

Int the top position; nor is there a "worldwide" level of management. Now Religious Technology Center (RTC) is a senior body to Church of Scientology Internation1 (CSI). David Miscavige, as chairman of the RTC board, is apparently the senior most official of both bodies, although a chairman of a corporate board is technically not an executive position.

Given the prohibition in Scientology justice codes against naming the convening authority as an interested party to, or calling as a witness before, a Comm Ev (*ibid.*), and given the allegations implicating Mr. Miscavige himself, it appears that no internal authority exists to investigate this matter by a Committee of Evidence. Nor would an act of Mr. Miscavige investigating himself – or having persons under his control investigate him – be effective.

The most serious question is this: Who is the convening authority in this situation if it involves a fact finding mission into the activities of the Chairman of the Board? Who is in charge and can investigate, correct, and remove (if necessary) those responsible for this situation? To whom do I send evidence on policy violations of David Miscavage? (Policy provides that evidence can be submitted to the Convening Authority. I need to know who that is in this situation.)

Under our current sophisticated corporate structure, who can convene a Committee of Evidence on top management, including COB? Is it someone in CST? If not, who is it? Please name this person or the policy that states who it is so I can submit evidence. Perhaps a Committee of Evidence will find, based on all statistics and other facts, that we have the best management in place, and that all faults are those of those who have now left the church. Even if that were so, however, what oversight mechanisms were not used to detect all of these problems before they caused so much damage? Thus, there is still a great need to get to the root of the cause of the current situations. Glossing over them with PR is not an option for those that care about the Church and want to "Keep Scientology Working."

# Church of Spiritual Technology (CST)

According to the bylaws of CST, the writing of which LRH himself wrote and oversaw, CST "shall have as its purpose the responsibility of keeping Scientology working (i.e., getting the correct technology applied correctly.)" This and all subsequent references in this section are to CST Bylaws

In establishing CST, LRH set up three separate boards, with internal checks and balances. The boards are: (1) Board of Trustees; (2) Board of General Directors; and (3) Board of Special Directors. The special directors are named in the original bylaws, but the general directors and trustees are not. No where in Church publications or on its website have I seen a list of name of the general directors and trustees.

I have directed this letter to the special directors in the hope that they will cause an investigation of RTC/CSI leadership since the matter falls directly within their fiduciary duties, which are, as expressed by LRH:

i. That the corporation attains tax exempt status, as soon as practical, and that such

status is maintained throughout the existence of the corporation.

- ii. That no part of the corporation inure to the benefit of any private individual, firm or corporation.
- iii. That the assets of the corporation are not subject to waste and/or extravagance but are instead increased in value.
- iv. That proper Scientology management is correctly applied to the end that the purposes of the corporation are accomplished.

The tax exempt status is potentially in jeopardy. Not only do allegations being bandied about on the internet, and reported in the media, raise disqualifying issues, but some media are calling for a re-consideration (e.g., Martin Bashir of ABC News Nightline; Tony Ortega of the Village Voice, March 7, 2010 issue, who claimed the NY Times story "hinted at it.")

So, too, are the other duties expressed above called into play.

# Situations Requiring Investigation

Obviously, front and center, are the allegations of an abusive environment for staff and Sea Org members, forced abortions, and human trafficking conditions at Int Base, including elder abuse (e.g., allegations of maltreatment of Heber Jentzsch). How many former and present members feel they have been treated unjustly? This needs to be determined by survey, and fixed, keeping in mind the LRH lecture (regarding the consequences of expelling people from Scientology) I quoted at length in my previous letter

Other situations requiring investigation include, but are not limited to:

- 1. Donations. A survey of Scientology members may reveal (if answers are confidentially given) that the practice of heavy recruitment for donations for IAS, buildings, books, and other projects is aggravating, often even hated. Most concerning from a policy standpoint are LRH warnings to not get involved in fund raising, to stick to the basics and concentrate on the delivery of Scientology services, training and auditing. (HCOPL 24 Feb 1964 Urgent, Org Programming; "Just make more income with Scientology. It's a sign of very poor management to seek extraordinary solutions for finance outside Scientology.") Now many staff are double and triple hatted, making the seniors who push them to raise funds an "external influence" (i.e., negatively diverting delivery of Scientology services).
- 2. Buildings. LRH policy seems to be against management's push for ornate buildings, which are held out as proof of Scientology's expansion. (See, e.g., NY Times article.) "Don't get interested in the masses of buildings, because that's not important. What is important is how much service you can give the world and how much you can get done and how much better you can make things. These are important things. These are all that are important." L. Ron Hubbard, 31 December 1960 lecture, *The Genus of Dianetics and Scientology*.

Moreover, there are allegations the program involves lies; that people are bused in to fill up the new "Ideal Orgs" for the grand opening photo op; that the number of people on staff and on course are misrepresented, which violates PR Series 2, quoted herein above.

- 3. **Statistics**. LRH repeatedly instructs the Church to focus only on stats showing the delivery of Scientology services, auditing and training. What are these real statistics? And why isn't there transparency for these?
- 4. Alteration of Tech. Naturally, this is a serious allegation, one that strikes to the core of KSW and the mission of CST. There is some basis to the allegation. An investigator should examine both the most recent and the original release of Philadelphia Doctorate Course lecture of 6 December 1952 Formative State of Scientology, Definition of Logic. Here is a two-paragraph quotation, the language in **bold** is omitted in the recent version:

"Therefore, we really do have the remedy before the assault weapon is produced. Did you ever read poor old George Orwell's 1984? Yes, yes, that's wonderful. That would be — could be the palest imagined shadow of what a world would be like under the rule of the secret use of Scientology with no remedy in existence.

"It's a very simple remedy. And that's just make sure that the remedy is passed along. That's all. Don't hoard it and don't hold it; and if you ever do use any Black Dianetics, use it on the guy who pulled Scientology out of sight and made it so it wasn't available. Because he's the boy who would be electing himself "The New Order." And we don't need any more new orders. All those orders, as far as I am concerned, have been filled."

Who is responsible for this alteration? What other re-issued publications did the responsible person(s) oversee? Are the other alterations?

5. Control of the Church. Is it true that the Watch Dog Committee and upper echelon of RTC been reduced to rubble, leaving only one person, Mr. Miscavige, in complete control with no checks and balances, no independent corporate boards, no oversight whatsoever? This needs to be investigated and fixed, if true. Is it true that board members sign undated resignations, given to Mr. Miscavige? Are no elections held? Are state laws regarding corporate governance being complied with? Is dissension with the views of Mr. Miscavige grounds for removal, even banishment? If so, clearly the boards are not independent and properly constituted.

Are the very specific LRH qualfications for CST Trustees being complied with in Article VI of the bylaws? (e.g. permanent Class 8 Auditor, on Solo Nots or Solo Nots comp, 12 1/2 hours per week of study or auditing, etc. Trustees of CST are appointed for life. Have any of them been improperly removed?)

6. Independent Movement. The handling of Rathbun, Rinder and the so-called "independents," which is really an ARCX (upset) field, seems wildly at odds with LRH. (See, e.g., the lecture "Attitude and Conduct of Scientology," quoted at length in my previous letter; *Justice – Correct Application*, HCO PL 17 May 1971: "In matters of Justice we do have the responsibility of seeing that fair play exists and that 'justice' is not used as suppression;"

HCO PL 23 February 1970, Ethics, Quality of Service: "Failure to strenuously act to clean up an ARCXen field shall be deemed a high crime for the Exec Council;" HCO PL 10 December 1969, Superior Service Image: "A militant org attitude to keep the field straight is silly.")

Besides, aren't attacks on one's right to freely express one's own opinions at odds with the Creed of Scientology, which is set forth verbatim in the Bylaws of CST, viz." "That all men have inalienable rights to think freely, to talk freely, to write freely their own opinions and to counter or utter or write upon the opinions of others;" and, "...that no agency less than God has the power to suspend or set aside these rights, overtly or covertly." Have we become so intolerant and thin-skinned that we cannot allow any criticism whatsoever, even that which some consider to be fair criticism? Is it possible that we are sometimes wrong and subject to ethics gradients ourselves? Are we really aligned with LRH on this issue?

All this needs to be investigated.

We can overcome the abuse claims only by using standard LRH policies and the protocol adopted by Corporate America. Otherwise we put the Church at risk of ever-increasing negative PR, governmental intervention, and loss of tax-exempt status.

Please notify me within 14 days as to who, per Church justice policies and within the framework of current corporate structure, can convene a Committee of Evidence of the top management of our Church so that I can forward evidence to that person. If I don't hear back from a Church representative within this time period, I will assume that there is no intention of following basic Church policy to this major and urgent situation.

Sincerely,

James J. Jackson

cc: Eliott Abelson, Esq.
Monique Yingling, Esq.
Kendrick Moxon, Esq.
William C. Walsh, Esq.
Jim Morrow, Corporate & Tax Director, OSA Int
Mick McFarland, Snr C/S OSA Int
Tommy Davis
David Miscavige

# James J. Jackson 411 Cleveland Street #182 Clearwater, Florida 33755 Phone: (727) 446-6848

Fax: (727) 446-6922

#### **MEMBER**

State of Florida Bar District of Columbia Bar State of California Bar American Institute of Certified Public Accountants

March 27, 2010

Sherman D. Lenske, Esq. (or his successor) Stephen A. Lenske, Esq. (or his successor) Lenske Lenske & Abramson A Law Corporation Warner Atrium, Suite 315 6400 Canoga Ave Woodland Hills, CA 91367-2491

Lawrence E. Heller, Esq. (or his successor) Heller & Edwards 9454 Wilshire Blvd, Suite 500 Beverly Hills, CA 90212-2982

**Confidential – Privileged Information** 

#### Gentlemen:

This is a follow-up to my letter dated March 10, 2010, which stated in part:

Please notify me within 14 days as to who, per Church justice policies and within the framework of current corporate structure, can convene a Committee of Evidence of the top management of our Church so that I can forward evidence to that person. If I don't hear back from a Church representative within this time period, I will assume that there is no intention of applying basic Church policy to this major and urgent situation.

I have not received a response to this letter from you or any Church official. The only contact I received was from Peter Mansell, Office of Special Affairs Flag, who seemed to suggest that I not go to the LRH Birthday event that evening. Usually, I am strongly encouraged to attend events, so I found this call unusual. A few days later I learned that my confidential counseling folders were shipped from the Advanced Organization of Los Angeles, where I receive counseling services, to Flag in Clearwater, Florida.

Who caused my folders to move cross country, and why? I plan to return to Los Angeles in a few weeks and would like to resume counseling services there, so I would also like to request that they be returned to Los Angeles where I normally receive my counseling.

My question from my previous letter remains: who in the Church has the position to convene an investigation (Committee of Evidence, per Church policy) involving the top officials of the Church, including David Miscavige?

Wouldn't it be better if the Church conducted its own investigation, per LRH policies, instead of having the news media, or governments, do it for them?

Sincerely,

James J. Jackson

cc:

Eliot Abelson, Esq.
Monique Yingling, Esq.
Kendrick Moxon, Esq.
William C. Walsh, Esq.
Jim Morrow, Corporate & Tax Director, OSA Int
Mick McFarland, Snr C/S OSA Int
Tommy Davis
David Miscavige
Peter Mansell, CO, OSA Flag

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#### **MEMBER**

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April 23, 2010

Sherman D. Lenske, Esq. (or his successor) Stephen A. Lenske, Esq. (or his successor) Lenske Lenske & Abramson A Law Corporation Warner Atrium, Suite 315 6400 Canoga Ave Woodland Hills, CA 91367-2491

Lawrence E. Heller, Esq. (or his successor) Heller & Edwards 9454 Wilshire Blvd, Suite 500 Beverly Hills, CA 90212-2982

# **Confidential – Privileged Information**

# Gentlemen:

This is a follow-up to my letter dated March 27, 2010, in which I pointed out that I had not been contacted within the 14-day time frame requested in my letter dated March 10. I still have not received a response to my initial letter dated March 10, 2010. I did, however, receive a call from Church spokesman, and non-lawyer, Tommy Davis on April 11. Mr. Davis apologized for no one responding to me within 14 days and said he would like to meet with me. I agreed to meet with Mr. Davis, who indicated that Jessica Feshbach would also attend. Actually, my questions are legal ones and I believe more appropriately addressed by counsel. At the time I was in the throes of tax season so we agreed to meet after I returned to Los Angeles on the 20<sup>th</sup>.

I am now settled in and ready to pursue this matter.

Perhaps a meeting with Church officials has some chance of success if you, or other recipients, were to provide for my pre-meeting review the documents and information set forth below. I want to be prepared at any subsequent meetings and do anticipate and hope that you will assist me in doing so.

In reviewing policy and corporate law in the absence of a response to date for information from the Church, it appears that the board members of CST and RTC (Mr. Miscavige, as the Chairman of the Board of RTC, is a member) must remain in good standing with the mother church, Church of Scientology International (CSI). Pursuant to HCO PL 7 September 1963, Committees of Evidence, Scientology Jurisprudence, Administration Of), ED Int (Executive Director International) of the mother church is the convening authority for Worldwide matters, which leads to these requests for information:

- 1. Who is the current Executive Director International of CSI?
- 2. If the post is not occupied, who is the current President of CSI? Is that Heber Jentzsch?
- 3. Who is currently posted as Commanding Officer of Commodore's Messenger Organization International/Watchdog Committee Chairman (CO CMOI/WDC Chairman)?

Also, an issue exists in my research as to whether this corporate system of checks and balances devised by LRH is actually in place or is, and I hope this is not true, a sham. CSI is a junior echelon as a licensee to RTC, yet has the power to ensure that RTC board members comply with Scientology Ethics and Justice codes and remain in good standing with CSI. What would an analysis of this structure show to be the actual case?

For example, based on credible allegations, Mr. Miscavige appears to have assumed complete control over CSI and its officers, having summarily removed from post and disciplined Guillaume Lesevre, former if not current ED Int of CSI, and Heber Jentzsch, former if not current President of CSI. If true, of course – and it needs to be investigated by an authority senior to Mr. Miscavige, it means that these officers have no meaningful authority over Mr. Miscavige; indeed, the opposite could be true.

Accordingly, the logical first order of business is to evaluate whether the corporate checks and balances put in place by LRH still exist.

Therefore, I need the following documents and information (in addition to the three items given above) to ensure that my evidence of this situation is properly evaluated and subsequently presented to the proper board members, if I deem it necessary:

- 4. A copy of the current Articles and Bylaws of the California religious corporations: Church of Spiritual Technology (CST), Religious Technology Center (RTC), and Church of Scientology International (CSI).
- 5. The names, post titles, and addresses of the current members of the boards of these organizations, including trustees, general directors, and special directors, as applicable.
- 6. If the initial trustees of CST, RTC and CSI are no longer on the board, please provide me with their names and last known addresses as well as the information supporting their removal or resignation.
- 7. Who is the client of Monique Yingling, the church itself, i.e., one of its corporations, and if so, which ones? Or does she represent David Miscavige in his personal capacity?
- 8. Who legally represents the boards of CST, RTC and CSI?

In anticipation of the early receipt of the items requested above, I remain,

Sincerely,

James J. Jackson,

cc: Eliot Abelson, Esq.

Monique Yingling, Esq.

Kendrick Moxon, Esq.

William C. Walsh, Esq.

Jim Morrow, Corporate & Tax Director, OSA Int

Mick McFarland, Snr C/S OSA Int

**Tommy Davis** 

David Miscavige

Peter Mansell, CO, OSA Flag

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#### **MEMBER**

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May 1, 2010

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Stephen A. Lenske, Esq. (or his successor)
Lenske Lenske & Abramson
A Law Corporation
Warner Atrium, Suite 315
6400 Canoga Ave
Woodland Hills, CA 91367-2491

# **Confidential – Privileged Information**

#### Gentlemen:

Yesterday I received a letter from Mr. Heller informing me that he has not been involved with Scientology organizations for ten years and requesting that I stop sending him letters. None of the recipients of my prior letters notified me of his non-involvement or provided me with the name of his successor in spite of my request in cover letters for you to do so. Your failure to extend me even this professional courtesy is troubling. If I cannot deal with fellow attorneys in a good faith effort to resolve legal issues looming for the Church, the situation is far worse than I anticipated, and leaves me with limited options.

Ever since my first letter (Feb. 3, 2010), I have warned of potential governmental intervention and risk to Church assets and its valued tax-exempt status. I have proposed prudent solutions designed to avert or mitigate inevitable, but unnecessary destruction and to get in front of the story and contain it instead of constantly reacting to it, bringing the Church down in the process. TV shows, front page of the N.Y. Times, people escaping from Int. Base, teams of

celebrities dispatched to try to "convince" people to return to the fold; police incidents, etc. All this is avoidable!

In my most recent letter, I asked for the names of corporate directors and trustees and for the governing documents of the controlling corporations so that I can submit evidence to them. This evidence needs to be considered and analyzed by responsible people who are untainted by the serious allegations of human rights violations of Church staff.

I respectfully remind you of your duty to champion the best interests of the organization's constituents (in this case the parishioners of Scientology). C.E.B., *Advising Cal. Nonprofit Corps* (2d ed) § 8.105, and that the affairs and activities of nonprofit religious corporations must be exercised under the ultimate direction of the boards. California Corporate Code § 9210(b). Your fiduciary duty includes a duty of inquiry:

[A] director may not close his eyes to what is going on about him in the conduct of the corporate business and, if he is put on notice by the presence of suspicious circumstances, he may be required to make such "reasonable inquiry" as an ordinarily prudent person in his position would make under similar circumstances.

(C.E.B., *Advising Cal. Nonprofit Corps* (2d ed) §1.04, quoting Report of the Assembly Select Committee on Revision to the Corporations Code 50 (1975))

Amongst other things, I am in possession of evidence that the boards of trustees and directors of CST, RTC and CSI are completely dominated by Mr. David Miscavige who holds signed, undated resignations from the members of each board. These members have not been given their corporation's governing documents to read and, therefore, cannot possibly discharge the responsibilities entrusted to them by LRH, our Founder, and mandated by law. Board members were not trained in their duties and have attended no meetings. Board members have simply been given papers to sign without any meaningful review of them.

Moreover, board members have been, and were, appointed to their positions by Mr. Miscavige, not by the trustees as called for in the bylaws. Far from being independent, each and every person who has ever served as a board member, except those who have served on the CST board of Special Directors and Mr. Miscavige himself, have been, and are, staff members lower in rank and subservient to Mr. Miscavige. For that reason, none have been, or are, in a position to safely assert their independence, as a real and practical matter, assuming they had been cognizant of their legal duties in the first place. Quite possibly, therefore, an agency or tribunal may conclude that the boards of these controlling entities are a façade, mere window dressing for the objectives of one individual: Mr. Miscavige, a person implicated in numerous alleged wrongdoings.

The risk such unlawful conduct poses to the Church's tax-exempt status, the impairment of which it is your express duty to avoid, is significant and represents a clear and present danger.

I realize, of course, the historical unlikelihood of losing tax-exempt status once gained, but, as the saying goes, bad facts make bad law.

As my evidence will clarify, the Church should prepare for such an action, however, and be able and willing to deflect an attempt at revocation into one for "Intermediate Sanctions." As you know, but the other boards surely do not, intermediate sanctions are intended by Congress to penalize the limited number of wrongdoers rather than the many innocent staff and adherents. As the boards are currently constituted and run, the person exposed to the most personal liability dominates them and, thus, in an effort to protect himself may naturally attempt to identify his individual interests with those of the churches he lords over, a predicament that should be rectified at once for the sake of the churches and religion of Scientology.

Please provide me within 48 hours, or by no later than 5 p.m. on Tuesday May 4, 2010, the documents and information requested in my letter of April 23, 2010 as well as the names and addresses of all current Special Directors of CST. If you do not have access to this information, please inform me in writing of this fact and also state who does possess this information. I am insisting on your fiduciary responsibilities and your ethics as a member of the California Bar in doing this expeditiously and accurately. If you believe that you owe no fiduciary duty to the constituents of the corporations (i.e., the parishioners of the Church of Scientology), please also inform me of your basis for the opinion.

Sincerely,

James J. Jackson

cc: Eliot Abelson, Esq.

Monique Yingling, Esq.

Kendrick Moxon, Esq.

William C. Walsh, Esq.

Jim Morrow, Corporate & Tax Director, OSA Int

Mick McFarland, Snr C/S OSA Int

**Tommy Davis** 

David Miscavige

Peter Mansell, CO, OSA Flag

# James J. Jackson

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#### *MEMBER*

State of Florida Bar
District of Columbia Bar
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May 10, 2010

Via U.S. Mail and Telefax: (323) 960-3508

Kendrick Moxon, Esq.
Office of Special Affairs International
6331 Hollywood Boulevard
Los Angeles, CA 90028

Dear Mr. Moxon,

In my letter of April 23, I requested vital information as to Church organization that would enable me to fulfill my duty to Keep Scientology Working and enforce the use of the ethics and justice codes of Scientology and corporate checks and balances established by L. Ron Hubbard, our Founder.

That letter was directed to the Special Directors of CST - or who I thought were the Special Directors based on the original CST bylaws found online. A few weeks ago, as I reported in my May 1 letter, Mr. Heller wrote and informed me that he had not been associated with "any Scientology entities" for at least ten years. And today I received a letter from Stephen A. Lenske denying his "special office or position" with Scientology or its affiliated entities.

As you know, these were appointed by LRH to be in these positions. I have been writing to the Office of Special Affairs International (OSA Int) and the Church's attorneys since my original letter dated February 3, 2010 and no one on your staff has informed me that the Special Directors I sent these letters to are no longer in this position. Why is that?

Please give me the names of the current Special Directors of CST.

I did not receive a response to my May 1 letter from the Special Directors — or from anyone within my requested time frame. Instead, I received a phone call from Alan Cartwright, who left me a voice mail on the evening of May 6 asking me to return his call. When I returned his call the next day, he identified himself to be the Legal Chief for OSA Int and said that Tommy Davis had asked him to contact me and set up a meeting at which Church general counsel, Eliot Abelson, and Mr. Davis would attend. I readily agreed on the condition that I received the items and information requested in my May 1 letter in time to prepare for it.

Mr. Cartwright provided answers to some of my questions on the spot. He said that Guillaume Lesevre was Executive Director International of the Church of Scientology International (CSI), Marc Yeager was CO CMO Int, and that Heber Jentzsch was the President of CSI. He also stated that Monique Yingling definitely represents the Church but that he wasn't sure if she also represented Mr. Miscavige, that he would have to ask her, and he would. As to the documents requested, he said that he would have to dig them up but would release them unless he is told that they are privileged in some manner. He said that he would get right back to me, possibly by the weekend.

In reviewing Articles of Incorporation and Bylaws of the entities I have been inquiring about (i.e., Church of Spiritual Technology (CST), Religious Technology Center (RTC), and CSI), it is quite clear that LRH intended for the multiple boards and corporations to serve as cross checks and balances, that CSI – of which you and OSA Int are a part and I am a member – as the Mother Church is responsible for the "governance in ecclesiastical matters by said hierarchy." (CSI Bylaws, Article I; see also, Article III, Section 2, Mother Church: CSI "shall oversee and manage the ecclesiastical affairs of all other churches of Scientology," and is responsible for "the enforcement of the ecclesiastical tenets of the religion as set forth in the Scriptures.")

Yet the Church apparently somehow evolved to a point where one person in RTC not only allegedly exercises plenary control over CSI in the governance in ecclesiastical matters but has somehow placed himself above the reaches of the ethics and justice codes of Scientology.

I need to see the current Articles and Bylaws to see if this structure still exists, as LRH set it up, or if it has been changed in some way. If the three independent boards in CST, the singular Board of Trustees in RTC, and the dual boards of trustees and general directors in CSI, still exist, then who are the members of the various boards? This information involves the transparency and independence of the boards. Therefore, activities on the part of Church officials and lawyers that seem to lack transparency only serve to elevate the level of my concern and the importance of my efforts.

You must concede this much: that as Scientologists we owe a duty to fulfill the aims of LRH in order to safeguard the technology.

On Sunday evening, May 9<sup>th</sup> (Mother's Day), I received a phone call from you, Mr. Moxon, asking me to meet with you. Is this the same meeting being set up by Mr. Davis through Mr. Cartwright? Or is it a different one? Whose interests are you representing, the interests of the Church, Mr. Miscavige, or the parishioners? Has any lawyer been retained to represent the interests of the parishioners? Do you contend that parishioners have no interests or entitlement to ask questions and seek to assist the Church's survival when they observe it to be at grave risk? Do you contend that California nonprofit religious corporations may lawfully serve the interests of insiders and ignore the requests of its constituents for transparency and accountability? Please support your positions with legal authority if you do.

In my letters I have set forth both legal and Scripture authority for my actions.

I returned your call today in order to clarify who from the Church would be meeting with me and when I would be getting the information I requested so I could schedule both my time for preparation and the meeting itself.

To my surprise, you demanded a meeting without the disclosure of the requested information being provided me in advance. Your tone was overall unfriendly, challenging, and antagonistic. You treated me as if we adversaries in litigation, stating such things as:

You were not going to answer "interrogatories."

My inquiries aren't legal interrogatories; they are questions that most organizations freely discuss and even publish in annual reports.

• You weren't going to provide information over the phone.

Fine. Put it in the mail. Besides, does this mean Mr. Cartwright won't be supplying me with the information?

• You aren't going to give me information prior to a meeting; you'll produce it then.

So is this meeting unilateral, on your terms only? Obviously, a meeting from my perspective is pointless without a chance to review information ahead of time.

• Why wouldn't I just meet with you to discuss my inquiry, you asked.

Why don't you just tell me who the members of the various corporate boards are? Don't you know or do you want to keep it a secret?

• You asked what my rights were to obtain the information.

Post-Enron, people are demanding more corporate accountability and

transparency, even with nonprofits and religious organizations. The better question is the obverse: What rights do you have to withhold it? I answered yours, though, I'm a long-time Scientologist, a lawyer and CPA, and I have sworn eternal allegiance to LRH to Keep Scientology Working and safeguard the technology. LRH is the one who instituted the ethics and justice codes, including HCO PL 7 Sept. 1963 concerning Committees of Evidence and who established the corporate structure with checks and balances. I can't perform my duty without the information. I have requested it politely and professional, and as I stated in my last letter, the failure to provide it to me leaves me with limited options, but options nonetheless. All I can do is ask, at this point.

You pointedly asked what my objectives were?

You read my letters. I've been quite clear. What are your objectives in not cooperating with me?

• You asked me if I was taping the conversation.

No, I told you and asked you back. You gave the same answer.

• You said that I wanted to meet with a lawyer and you were a lawyer, "Are you afraid of me, Jim?"

No. And mocking me doesn't motivate me to meet with you, especially without the information I requested being provided in advance.

- When I advised you that I had received Stephen Lenske's letter, making him the second of only three Special Directors of CST to claim he was not affiliated with any Scientology entity, I asked why no one told me along the way that I was sending letters to people who I thought were Special Directors but who weren't, you had no answer.
- You also refused to answer who the Special Directors were.
- My question whether you were a Special Director was met with silence.
- Do you think you're helping? When I said, yes. You asked incredulously, "Really?"

I understand, the question was rhetorical. You meant to accuse me of doing the opposite. Again I ask, what are your objectives?

• On several occasions during the conversation, you tried to pin me down, "So you're saying you don't want to meet with me?" You taunted me, saying you wanted to get it right so you could put it in a letter.

You're just trying to make me appear unreasonable as refusing to meet with you, which is false as I stated to you many times. No, I just want to provide information directly to the relevant boards. First, I have to know who they are.

The Special Directors were hand picked and given express duties by LRH and now I learn that two out of three of them are gone. Who replaced them?

• Was I representing anyone, you asked.

Your question or, more accurately, the accusatory tone of the question, threw me off guard and I answered defensively, "No one," meaning that I did not have a client who was attacking the Church. I will now answer the question separately.

I represent myself and all Scientology parishioners who care about Keeping Scientology Working, propagating the religion of Scientology, and fulfilling the intentions of LRH as set forth in his testamentary trust and original corporate documents and the ecclesiastical tenets of the religion as set forth in the Scriptures.

Who do you represent, Mr. Moxon?

Comments and behavior such as yours during our phone conversation lead me to believe that your objective for a meeting is to intimidate and introvert me in an attempt to back me off for trying to obtain basic, non-privileged information about the Church's corporate structure and governing bodies. You will note that I maintained my professional manners throughout the conversation.

The tone of your voice and the power of your position may be taken as a threat to my standing as a parishioner, and is <u>very</u> inappropriate, given the circumstances and my professional and religious obligations.

If my legal position regarding my right to seek and obtain corporate information is wrong, please correct me. Not by writing a letter posturing me into a box you can then discredit, but by acting in good faith and producing the information requested in time for me to prepare in advance of a meeting. Respect my position and I'll respect yours. Allow me the courtesy to seek my objectives (which are laid out in my letters) and I'll give you the *quid pro quo* courtesy to achieve whatever objectives you hope to achieve by a meeting.

One final point. Mr. Cartwright, in response to my question about the purpose of the meeting with Tommy Davis, said that Mr. Davis wanted to go over my letters with me because they contained a lot of false and incorrect information. Mr. Cartwright took exception to my characterization, "Oh, you want to handle me?" But really, let's be candid, that's a fair statement. In case you also have that as a purpose, I invite you to more closely review my letters. I'm not taking sides with Rathbun or other ex-Sea Org members. I'm sure I made that clear in

my letters. It matters not what the true facts are underlying their allegations. There should be an internal investigation, regardless, independent of all interested parties. The relevant facts supporting this position are indisputable, to wit, e.g., negative publicity on the front page of the New York Times Sunday edition, above the fold; calls for revocation of the Church's tax-exempt status by media giants; a drubbing in the media and on the internet to the image of not just the Church but Scientologists (me included).

Anyone at your level or above who doesn't see this, or who thinks I can be handled into suppressive reasonableness on this point, is mistaken. They may be too cloistered and out of touch with mainstream America. If you don't believe me, conduct surveys. I know the public mood because I practice law and accounting, and also socialize, among the general public.

Sincerely,

James J. Jackson

Eliot Abelson, Esq. cc: Monique Yingling, Esq. William C. Walsh, Esq. Jim Morrow, Corporate & Tax Director, OSA Int Mick McFarland, Snr C/S OSA Int **Tommy Davis** David Miscavige Peter Mansell, CO, OSA Flag Sherman D. Lenske, Esq. (or his successor)

> Stephen A. Lenske, Esq. (or his successor) Alan Cartwright, Legal Chief OSA Int

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#### **MEMBER**

State of Florida Bar
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July 23, 2010

Sherman D. Lenske Lenske Lenske & Abramson A Law Corporation Warner Atrium, Suite 315 6400 Canoga Ave. Woodland Hills, CA 91367-2491

Dear Mr. Lenske,

I am writing you because I have just become aware of a program being conducted against me and my professional practice by certain staff members of the Church. Some of my clients have been contacted by these Church staff and ordered to "disconnect" from me, presumably in an attempt to neutralize me.

As you know, the six letters which I wrote beginning on February 3 of this year were addressed only to senior Church management and Church attorneys. My letters were written with the intention to comply with HCOPL "Knowledge Reports." That LRH policy, which is also the policy of the Church, required that I report possible ethical and ecclesiastical deviations, as does HCOPL "Keeping Scientology Working."

As detailed in my prior letters, I was attempting to bring the alleged improper activities of elements of the current administration to the attention of the senior corporate governance bodies of the Church so that an independent, internal investigation might occur and the controversy resolved, either with a correction of the involved persons or their vindication – in either case clearing up the matter. I sought the names of the current directors and trustees of the Church and related senior monitoring bodies (RTC and CST) (collectively, the "Directors and Trustees") so that I might send them my reports for use in a standard, internal investigation (a Committee of Evidence) as mandated by LRH policy.

I wrote five times, continuously seeking this non-controversial information. I was not furnished with any names. Instead, the administration detailed attorney Kendrick Moxon to attempt to stop my efforts at bringing the matters before the proper Directors and Trustees. Mr. Moxon called me and attempted to intimidate me and back me off from my ecclesiastical duties, as mandated by LRH, to see to ethical and legal behavior within the Church. I documented Mr. Moxon's coercive tactics and attempts to back me off in my last letter, dated the same day as Mr. Moxon's attack, May 10, 2010.

Writing these letters was my duty as a Scientology minister of 41 years, counselor, and OT VIII. I stood nothing to gain personally from my letters. My action in writing the letters was consistent with my past actions of stepping out to support the Church during times of crisis.

We are now experiencing such a time of crisis, a time of great and terrible religious splintering. Marty Rathbun and Mike Rinder, two former, very high-level and long-time Scientology executives, are busily creating an "independent field," endeavoring to get Scientologists to splinter from the Church.

The early-to-mid 1980's was also a time of religious splintering, with David Mayo, the former Senior C/S International, and several others forming splinter organizations throughout the Southern California area. At significant personal cost, I led various anti-splintering activities for about two years until the last splinter group closed down in Santa Barbara in 1986.

I now find the Church, twenty-five years later, in similar circumstances. Once again, I decided to do something about it. I wrote the six letters out of concern with the recent round of splintering. However, this time, unlike the 1980's, there are alarming reports of illegal activities purportedly occurring at

the highest levels of the Church. These supposed events have been publicized heavily on TV, in books, in leading newspapers, on the Internet, and have inspired worldwide picketing outside our churches.

The huge resultant public controversy and negative PR provides much ammunition to those who seek the splintering of the Church. This must be stopped. The allegations being used to fuel the splintering should, per LRH Policy, be addressed by a standard Committee of Evidence and laid to rest, one way or the other. Additionally, if the allegations are true, the Church is at risk of governmental intervention, heightening the need for an internal investigation and self-correction to forestall government action. Hence I wrote my letters.

But instead of receiving the names of the Directors and Trustees which, when coupled with a standard investigation, would have ended the matter, the response from certain elements of the administration was first to attempt to back me off, via Mr. Moxon's attack, and when that did not work, to retaliate and attempt to neutralize me by attacking my professional practice.

This hostile response violates LRH policy, including the policy that the Church and its parishioners abide by the laws of the land. As you know, interference with another's business, libel, and slander are each unlawful. Retaliatory attacks on whistleblowers are also improper.

Additionally, pronouncing a Scientologist guilty of the practice of standard Scientology, as I am doing in merely seeking the names of parties to whom I might send Knowledge Reports, is a Suppressive Act (Ref.: *Introduction to Scientology Ethics*, page 311). Lastly, actions punishing a Scientologist for attempting to follow the Knowledge Report policy is a serious ethics offense.

For clarity regarding my intentions: Recently Peter Mansell of OSA Flag told me that my letters could create two different impressions — one that I was attempting to help the Church, and the other that I was on some attack line toward the Church. For the record:

I have never been, I am not currently, and I have no intention of being an enemy of the Church.

My letters were motivated by the opposite sentiment.

Further, though it does not need statement, to avoid any question, I am not an "apostate" or "disaffected." The works of L. Ron Hubbard embody the highest levels of truth I have ever found, and the mission of the group he founded, the Church of Scientology, is vitally important. I am currently participating in and intend to continue to participate in religious services within the Church.

Without meaning to lessen my statements above, those who launched this attack on my livelihood should understand that the fact that I am not an enemy of the Church and the fact that my intentions toward the Church are benevolent should not be construed as a license to commit unlawful acts against me or to continue to attempt to destroy my professional practice.

I take those hostile acts seriously and I do not intend, in this letter, to waive any rights, including, without limitation, my right to self-protection as LRH details in the Creed of the Church. That said, there is no need for any conflict, and the involved staff are creating a serious problem where none need exist. That problem will defuse as soon as all hostile actions against me and my practice cease, including not only overtly hostile actions, such as instructing, encouraging, coaching, or suggesting to my clients to disconnect from me, but also any covertly hostile actions, such as "whispering campaigns," secretly labeling me with any derogatory or non-complimentary label, etc.

I ask that you communicate the contents of this letter to the involved staff and that you take all actions necessary to correct such parties, such that there is no repetition of hostile or unlawful actions toward me or my practice and the transgressing parties thereby cease violating LRH policy.

Please acknowledge that you have received this letter by July 31, and I will also assume that by that date you will have taken all necessary actions to stop the attack on me and my practice and to correct the situation.

Sincerely,

James J. Jackson

cc: Monique Yingling, Esq. Eliott Abelson, Esq. Kendrick Moxon, Esq. William C. Walsh, Esq.
Alan Cartwright, Legal Chief OSA Int.
Peter Mansell, CO OSA Flag
Tommy Davis
Jim Morrow, Corporate & Tax Director, OSA Int.
Mick McFarland, Snr C/S OSA Int.
Charlie Earle, OSA Int.

# My Anti-Splintering Activities In The 1980's

In the early to mid 1980's, the most serious splintering in the history of the Church of Scientology, up to that date, began with David Mayo's establishment of the Advanced Ability Center in Santa Barbara, California.

I formed teams of selected Scientology parishioners (which the "splinterers" sometimes called "Jackson's minutemen" when complaining about my actions in their publications.) Many times I would lead these parishioners into the offices of these splinter groups, creating great disruption and havoc in their operations.

I also authored and paid for the printing and distribution of a series of parody magazines, designed to stop the splinter movement.

I was aware of the personal risk involved in these activities. I was nonetheless compelled by LRH Policy and my duties to the Church to take all actions I could to maintain the unity of our faith and to protect the Church.

As was predictable, the splinterers retaliated against me. Lamont Johnson, who ran a splinter center in North Hollywood that I often "visited", pressed bogus criminal charges against me in 1986. I hired a private defense attorney at my own expense and attended a hearing with witnesses testifying for both sides in the Van Nuys Superior Courthouse. The false charges against me were dismissed.

David Mayo subpoenaed me in an unsuccessful attempt to gain information about suspected Church backing or financing (which did not exist) of my parody magazines. Mayo told me during one of my "visits" to his center in Santa Barbara that my magazines, which often ridiculed him greatly, were very upsetting to him. An RTC exec told me at that time that the splinterers hated me the most of anyone, other than RTC itself.

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#### **MEMBER**

State of Florida Bar District of Columbia Bar State of California Bar American Institute of Certified Public Accountants

November 30, 2010

Elliot J. Abelson Attorney at Law 8491 West Sunset Blvd., Suite 1100 Los Angeles, California 90069

Re: Your Letter of August 29, 2010 and its Enclosed Letter of May 21, 2010

Dear Mr. Abelson,

Thank you for your letter of August 29, 2010. I appreciate your assurance that the prior hostile programs and actions against me have ceased and there is no program or authorized action against me personally or professionally. I trust that I will hear no more of any such retaliatory actions being taken against me for my doing my duty to LRH, the Church, and the well known policy, KSW (Keeping Scientology Working).

Also, thank you for your statements in your May 21, 2010 letter. In that letter, you wrote, amongst other things, that, "All the corporations that house the ecclesiastical hierarchy and comprise the legal structure of the Church of Scientology are acting in accordance with their articles of incorporation and bylaws." I appreciate your assurance, and it is my wish that the status is as you represent.

As you know from my earlier letters, part of the reason I sought the names of the trustees, general directors, and special directors (the "Trustees and Directors") of CST, RTC, and CSI (the "Organizations"), was so that I could forward to them (particularly CST) information that seems to indicate that the Organizations (particularly RTC and CSI) may not, in fact, be governed by truly independent trustees and directors, via independent boards, as required by our Founder and the articles and bylaws of the

Organizations. As you know from my seven prior letters, the other reason that I have sought these names was to forward other vital information to a proper convening authority per HCO Policy Letter 7 September 1963, *Committees of Evidence*, *Scientology Jurisprudence*, *Administration Of*, so that a Committee of Evidence could be convened, to review the serious matters that I am seeking to report.

Though I appreciate your assurance that all is well regarding the corporate governance of the Organizations, you are not an independent fact finding body, such as a Committee of Evidence, which would, after investigating the current scene (under the auspices of independent directors or trustees), publish public findings, as required by LRH. As you may know, he specified a transparent justice system (HCOPL 2 June 1965 *The Writing of an Ethics Order*).

At the close of your May letter, you wrote that, "The other documents and information you have requested [the names and contact information of the Trustees and Directors] are not public record and as the situations you allude to do not exist in fact, there is no reason to provide you with this information." While I appreciate your assurances, you are not a Trustee or Director, nor are you an independent fact finding body. You are a representative and advocate of CSI, which is not one of the monitoring organizations, but, rather, is one of the organizations to be monitored.

The trustees and directors of the monitoring organizations (CST and RTC) are charged with reviewing the ethics and standardness of CSI and the ethical conduct of Scientology across the planet (as is CSI's board, regarding CSI's activities). Clearly, an assurance from an agent of the management of CSI, such as yourself, or, for that matter, staff or officers of RTC or even staff or officers of CST, is not determinative.

The matters I have been seeking to report are of such gravity that they require review by the senior most persons charged with the ethical conduct of Scientology – the Trustees and Directors. Per the various articles and bylaws, the duties of the Trustees and Directors are, in part, to review the very sorts of reports I have been seeking to get to them. To refuse to provide the names of the Trustees and Directors, because of your belief, in essence, that there is nothing legitimate to report to them (a) is a prejudgment (of reports you have not seen); (b) denies information to the Trustees and Directors, and (c) therefore interferes with their ability to make their own determinations based on their independent investigations as trustees and directors.

Numerous policies of our Church, as dictated by our Founder, emphasize the need for organizational transparency. In many talks and writings, LRH criticized the tendency of management to "classify" information and keep it secret. In limited instances there is sometimes a legitimate need to keep very specific information confidential, such as litigation strategy or our upper levels of spiritual practice. The names of the Trustees and Director are not the upper levels and they are not proprietary nor trade secrets.

If there was any question on this matter, LRH mandates the public posting of organizational charts ("org boards"), which list the names of those holding the various

posts on the org boards of our groups. The Trustees and Directors hold posts on org boards, so their identities should be posted, not be kept secret.

Lastly, the trend in society and corporate governance is more and more towards openness. I am not aware of any major non-profit that keeps the identities of its directors and trustees secret.

So that I can fulfill my duties as a Scientologist, I must know who holds the posts of the Trustees and Directors and an address to contact them.

There should be no concern about my "divulging" information to the Trustees and Directors, since there are no parties in a non-profit organization senior to its trustees and directors. Legally, trustees and directors have virtually universal rights to information. In general, it is a wrongful act to withhold information, particularly regarding ethics matters, from a trustee or director or to interfere with a trustee or director's receipt of information.

Ecclesiastically, the "Knowledge Report" policy (HCOPL 22 July 1982) requires that we report ethics situations. Per LRH policy, failing to file a knowledge report makes one an accessory to the offense not reported. As you likely know, interference with compliance to the Knowledge Report policy letter, including stifling the delivery and dissemination of knowledge reports, is a serious ethics offence within our Church. LRH specified that "Withholding Vital Information," is a High Crime, (see HCOPL 19 October 1974).

Any one of the above legal or ecclesiastical points is sufficient, by itself, to show why any party wishing to turn in a report to the Trustees and Directors should be aided in doing so, not thwarted. The law and our Founders' policies and his intent, both in policy and in the articles and bylaws of the Organizations, are clear, and no officer, agent, representative, attorney, or employee of any of the Organizations should interfere with the free flow of information to the Trustees and Directors. Rather, they should make every effort to speed reports to the monitoring officials of the Organizations, particularly when informed that the reports are serious in nature.

I therefore renew my request that you help LRH and our Church by complying with the clear intent of LRH Policy, and the fundamental governance principles in corporate law touched on above, by furnishing me the names and contact information for the Trustees and Directors. It is imperative that I be able to fulfill my obligations as a senior Scientologist by providing accurate and complete Knowledge Reports to the Trustees and Directors. As I covered in an earlier letter, my intention is consistent with my actions and intentions reaching back more than two decades, to the last time the Church was in great crisis. Then, I was concerned and stood for the defense of our Church against schism and the factors that could fuel schism, and I am seeking to do so once again.

Lastly, Mr. Abelson, putting aside the law and policy for the moment, this matter needs to be put in perspective from a practical view: (A) I am not some outsider. I am, rather, a highly-advanced minister of the Church (having attained the highest level of spiritual

achievement in Scientology, "OTVIII"), who has been ordained for 40 years. I was the Founder's personal CPA up until his passing. (B) I am not seeking the names of, say, the editors of *The St. Petersburg Times* (or some other media outlet) to provide them information in aid of an expose on our Church or Mr. Miscavige. Rather, I am merely seeking the names and contact information of monitoring officials *of our own group*.

Certainly, you can understand how bad it looks to withhold information as innocuous as the names of the Trustees and Directors, and to withhold it for months. And then to continue to withhold the information after your receipt of many reasoned letters pointing out the legal and ecclesiastical principles that are being violated by continuing to withhold. It looks like either:

- (1) There is information management wishes to keep from the Trustees and Directors, or,
- (2) There really are no independent Trustees and Directors management has subsumed their functions. That is, there could be a situation that the corporate governance structure mandated by LRH has been subverted that the Trustees and Directors are puppets, and they are therefore kept closeted and their identities and whereabouts withheld.

Please lay these concerns to rest and furnish the requested information (the names and contact information of the Trustees and Directors and the original and current articles and bylaws of the Organizations). If I do not receive the requested information I will take this to mean that either (1) or (2), above, are true.

Sincerely,

James J. Jackson

cc: Monique Yingling, Esq.

Kendrick Moxon, Esq.

William C. Walsh, Esq.

Alan Cartwright, Legal Chief OSA Int.

**Tommy Davis** 

Jim Morrow, Corporate & Tax Director, OSA Int.

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#### **MEMBER**

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March 20, 2012

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# **Confidential - Privileged Information**

### Gentlemen:

It has been two years since I wrote each of you – as part a series of eight letters beginning February 3, 2010 and extending to November 30, 2010 – and proposed a simple, proven solution to get our Church out of the public relations quagmire and risky legal position that existed at the time.

Since then I have watched with horror as my Church is bashed beyond belief in the news media and on the Internet and continues to spend millions of precious hard-earned parishioner dollars defending untenable legal positions and promoting PR campaigns that embarrass the Church even further and attack external targets – which are wrong targets, clearly so; otherwise the situation would abate.

My constructive solution was obvious, routine and standard in the extreme. All I asked is that LRH policy and normal corporate protocol be applied and that an independent, internal investigation be conducted to determine the facts of the matter so that allegations from former top executives were confronted and responsibly resolved. I cited and quoted from various LRH references (scripture).

I acted internally, appealing to professionals who occupy positions of trust, persons with fiduciary duties to act in the best interests of the Church as opposed to the best interests of individuals. I'm speaking particularly of my request for the names of the special directors, trustees and directors of Church of Spiritual Technology ("CST"), the religious corporation in which LRH entrusted a safeguard for Scientology. As I stated on page 4 of my letter dated November 30, 2010:

I am merely seeking the names and contact information of monitoring officials of our own group.

Certainly, you can understand how bad it looks to withhold information as innocuous as the names of the Trustees and Directors, and to withhold it for months.

Time has proven me right and the recipients of my letters either wrong or compromised. No internal, independent investigations of the kind I proposed have occurred. It's been business as usual. Deny all allegations and label the accusers "liars" and "apostates" – even those who still profess loyalty to LRH and adherence to Scientology tenets.

In fact, the only response I received to my request for the names of people I could write to were some retaliatory actions to disrupt my accounting and law practice, which I outlined in my letter dated July 23, 2010.

The Church has now developed an image of a controlling, corrupt organization rather than a kind, transparent one. Its credibility is less than zero to anyone who actually looks, including more and more members who are disheartened by the Church's failure to handle the situation. After all, the image created for Scientology by your actions or failures to act affects each constituent in his or her daily life, not to mention the effect it has on our ability to deliver Scientology's message to the world.

We will never move into the mainstream of religions if we don't fundamentally change our stance with regard to allegations of abuse and inhumane treatment made by multiple, long time, high-ranking former members.

I remind you of a passage from my letter dated March 10, 2010:

Justice – Correct Application, HCO PL 17 May 1971: "In matters of Justice we do have the responsibility of seeing that fair play exists and that 'justice' is not used as suppression;" HCO PL 23 February 1970, Ethics, Quality of Service: "Failure to strenuously act to clean up an ARCXen field shall be deemed a high

crime for the Exec Council;" HCO PL 10 December 1969, *Superior Service Image*: "A militant org attitude to keep the field straight is silly.")

I came into Scientology looking for a restoration of my self-determinism, not to turn it over to some one or more persons I have never even met. I can assure you that no one wants to join a religion or become involved in an organization that treats its members the way we currently treat ours. I was recently summonsed, for example, to OSA Int, by Kirsten Pedersen, the security chief, who wanted to go over "some reports" that she refused to provide to me in advance, and when I queried her authority and repeated my request for copies of the reports, a Committee of Evidence (an ecclesiastical court that hears only very serious charges) was convened on me. (It was later apparently postponed because I am currently out of state.) I repeatedly asked for and still have not received a copy of the Bill of Particulars (charges). This is not Scientology ethics and Justice, in which members have rights, but something seen only in totalitarian regimes.

Every day that goes by without confronting and handling the existing scene, in a responsible, transparent manner, increases the PR damage and exposure to legal and ecclesiastical liabilities of each and every recipient of this letter, and further tarnishes the images of Scientology and LRH, denying millions the true message of Scientology. Every day the situation is allowed to exist, we send the opposite message to the public: stay away, we are corrupt and unjust; we break up families and harm the livelihoods of anyone who comes in but doesn't toe the line or who questions authority, for our leaders are infallible, have divine rights, and are above reproach.

So I renew my request for an independent, internal investigation. Don't attack and label me and other members and former members who seek reform. Give them a forum in which they can present their allegations. Conduct an independent investigation of their claims. Enforce the Reform Code of Scientology as enunciated by LRH in Ron's Journal '68 and also referenced on page 440 of the Admin Dictionary. We should be leading the trend toward transparency in nonprofit corporations; at the very least, we should embrace it.

Thank you for your attention.

Sincerely,

James J Jackson

cc: Elliott Abelson
Monique Yingling
Kendrick Moxon
William C. Walsh
Jim Morrow, OSA Int.
Kirsten Pedersen, OSA Int.

David Miscavige Gat Brown, OSA Int. IJC, CSI Alan Cartwright, OSA Int. Charlie Earle, OSA Int.

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#### **MEMBER**

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January 28, 2013

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# **Confidential – Privileged Information**

#### Gentlemen:

It has been nearly three years since I first wrote to you warning of potential governmental intervention and risk to Church assets and its valued tax-exempt status, and proposing prudent solutions to the increasing onslaught of negative publicity and exodus of Church members.

My suggestions, of course, were ignored. The Church continues to bash its critics, rather than handling their criticisms; continues to treat all criticism of it, fair and unfair alike, as evilly inspired; and it continues to promote disputed claims of Scientology expansion rather than get into communication with the general public or its membership through surveys and credible internal investigations independent of the leaders implicated in corruption and wrongdoing.

The results prove the unworkability of the Church's strategy. Members continue to exodus the Church, either openly or quietly; negative publicity has become the order of the day,

so much so that Ad Week called Scientology "incendiary" when it reported on Atlantic Monthly being pressured by irate readers and advertisers to remove a Scientology sponsored post from its website; the Belgium government has brought criminal charges of fraud; and a major lawsuit was filed last Wednesday by former member and IAS Patron, Luis Garcia seeking refunds based on fraudulent and deceptive acts and practices.

The Garcia lawsuit is especially troublesome because it alleges (1) that the Church is breaching the IRS Closing Agreement that resulted in tax exempt status by failing to refund parishioner donations when requested (at ¶ 10) and (2) that David Miscavige "exerts complete, unequivocal control over Defendants... regardless of their purported 'independent' corporate structures and boards" (at ¶ 22).

As you know, obtaining and maintaining tax exempt status was a priority of LRH's; he made it your special duty in the bylaws of the Church of Spiritual Technology (CST).

Failure to recognize the situation the Church faces, and handling it, puts tax exempt status at risk. The Garcia suit has gone viral on the Internet, and likely has not escaped the attention of IRS authorities who will, no doubt, be besieged by renewed calls to revoke the Church's tax exempt status.

Once again, I request that the special directors of CST launch internal investigations independent of leaders implicated in wrongdoing, most notably, David Miscavige. Please give a copy of my letter to all trustees and general directors of CST, Religious Technology Center (RTC), and Church of Scientology International (CSI), as well, and remind them of their legal duties of investigation and loyalty, not to any one individual, but to their respective corporations.

I am willing to appear before the boards to assist you in any way to handle this situation.

Sincerely,

James J. Jackson

cc: Eliot Abelson, Esq.
Monique Yingling, Esq.
Kendrick Moxon, Esq.
William C. Walsh, Esq.
Jim Morrow, Corporate & Tax Director, OSA Int
Mick McFarland, Snr C/S OSA Int
David Miscavige
Karin Pouw
Peter Mansell, CO, OSA Flag