

1 IN THE CIRCUIT COURT OF THE STATE OF OREGON

2 FOR THE COUNTY OF MULTNOMAH

3 JULIE CHRISTOFFERSON TITCHBOURNE, )

4 Plaintiff, )

5 vs. )

6 CHURCH OF SCIENTOLOGY, MISSION )  
7 OF DAVIS, a nonprofit California )  
8 corporation doing business in )  
9 Oregon; CHURCH OF SCIENTOLOGY )  
OF CALIFORNIA, a California )  
corporation, doing business in )  
Oregon; and L. RON HUBBARD, )

10 Defendants. )

NO. A7704-05184

ELEVENTH AMENDED AND  
SUPPLEMENTAL  
COMPLAINT FOR FRAUD

11 Plaintiff alleges:

12 DEFENDANTS

13 I.

14 At all times material hereto, Defendant Church of  
15 Scientology, Mission of Davis, and Church of Scientology of  
16 California were and are California corporations doing  
17 business in Oregon. Defendant L. Ron Hubbard (Hubbard) is  
18 an American citizen.

20 II.

21 At all material times herein, Defendants and each of  
22 them were engaged in the business of providing goods and  
23 services to be used in certain self-improvement courses  
24 offered to the public within the State of Oregon, including  
25 those goods and services used, provided or referred to in  
26 Defendants' Communication course, Student Auditors course,

1 Student HAT course, Hubbard's Standard Dianetics course,  
2 Staff Status Zero, Staff Status I, Staff Status II and in  
3 Defendants' auditing programs. All of the above courses and  
4 programs are part of a series of interrelated "courses and  
5 processing" sold by Defendants.

6  
7 III.

8 Defendant L. Ron Hubbard is the founder and controller  
9 of a variety of interrelated corporations of the Church of  
10 Scientology. Such corporations include the Church of  
11 Scientology of California; Church of Scientology, Mission of  
12 Davis (COSMOD); The Delphian Foundation (TDF); Church of  
13 Scientology of Portland (COSOP); Flag Services Organization,  
14 Inc. (FSO); and Hubbard Communications Office (HCO). The  
15 above corporations, and all other corporations and  
16 organizations of the Church of Scientology, act as Hubbard's  
17 agents and are controlled as follows:

18 (a) The directors and officers of the Church of Scien-  
19 tology of California, FSO and the Guardians Office signed  
20 written resignations either prior to or while they are  
21 serving as directors and officers. Whenever any of the  
22 directors or officers contested the orders or authority of  
23 Hubbard, they were and are removed and new agents who comply  
24 with Hubbard's orders and policies are appointed.

25 (b) In 1966, Hubbard formed the Guardian's Office (GO)  
26 and named his wife, Mary Sue Hubbard, as the head of the GO

1 and empowered her to enforce Hubbard's orders through  
2 assistant guardians who were assigned to each Scientology  
3 organization and have the power, pursuant to Hubbard's  
4 direction, to remove corporate directors and officers at  
5 will and completely control such organizations.

6 (c) Since at least 1966, Hubbard has and does control  
7 all Church of Scientology entities through the enforcement  
8 of policies written and copyrighted by Hubbard and his  
9 agents. Such policies and orders are enforced by the  
10 Guardians Office, the Church of Scientology of California,  
11 and three of its divisions, the CMO, HCO, and FSO.

12 Hubbard's explicit directives to all Church of Scientology  
13 organizations are contained in the Organizational Executive  
14 Course Materials, Guardians Office orders, Flag Orders of  
15 the Day, Executive Directives, Sea Organization Orders, and  
16 Technical Bulletins. To ensure that such policies are  
17 followed, Hubbard, through his agents, obtains confiden-  
18 tial information on all members of the Church of  
19 Scientology and utilizes said confidential information in  
20 the following manner to ensure that they follow his policies  
21 explicitly:

22 1. If the policies are not followed, the officer  
23 or director is declared to be "suppressive person" and an  
24 enemy of the Church. As an enemy he is subject to the Fair  
25 Game policy which instructs Scientologists to trick, sue,  
26 lie to, and destroy the declared suppressive.



1 V.

2 Hubbard and the Church of Scientology of California  
3 receive payment for courses and services sold to residents  
4 of the State of Oregon by COSMOD, COSOP, and TDF in the form  
5 of a percentage of gross revenue of such local organiza-  
6 tions. All books and course materials sold by COSMOD and  
7 COSOP are allegedly written by Hubbard and are purchased  
8 from the Church of Scientology of California. In addition  
9 to profits made on book sales and monies obtained based on a  
10 percentage of gross income, the Church of Scientology of  
11 California and Hubbard also obtain funds on a periodic basis  
12 for charges and penalties assessed by the Guardians Office  
13 and all successor entities, including the "Finance Police"  
14 and "Finance Dictator."

15  
16 VI.

17 The Church of Scientology of California has done  
18 business in Oregon directly with Oregon residents since at  
19 least October 21, 1966 when it applied for and was granted  
20 authority to do business in Oregon by the Corporate  
21 Commissioner. After its authority was revoked on May 6,  
22 1971, it continued to do business through its agents,  
23 COSMOD, COSOP and TDF, through its Guardians Office division  
24 and through direct solicitation of Oregon residents. Such  
25 solicitation was done both through the mails and through the  
26 above named agents. From 1973 to February 2, 1982, COSMOD

1 paid at least \$1,632,492 to the Church of Scientology of  
2 California and Hubbard. In addition, 2,841 members of  
3 COSMOD, including Oregon residents, paid a total of over  
4 \$4,000,000 to the Church of Scientology of California for  
5 processing and training provided by the Church of  
6 Scientology of California.

7  
8 VII.

9 Pursuant to the written direction of Hubbard, the Church  
10 of Scientology of California paid COSMOD approximately  
11 \$421,857 as commissions for those members of COSMOD who  
12 purchased goods and services from the Church of Scientology  
13 of California between 1973 and February of 1982.

14  
15 VIII.

16 At all material times hereto, COSMOD and COSOP forwarded  
17 daily or weekly telexes to Hubbard and the Church of  
18 Scientology of California concerning their activities and  
19 receipts, and in turn, received direction and orders from  
20 the Church of Scientology of California and Hubbard  
21 concerning certain activities of the organizations.

22  
23 REPRESENTATIONS

24 IX.

25 At all material times herein, Jim Brooks, Bill Landers,  
26 Keith Anderson and Laird Carruthers were employees of

1 COSMOD and were acting within the scope of such employment.

2 Their titles and duties were as follows:

3  
4 (a) Jim Brooks was an "ethics officer." As part  
5 of his duties, he prepared and implemented programs  
6 calculated to squelch any criticism or questioning of  
7 the practices of Scientology and Hubbard. In addition,  
8 his duties included the persuasion or, if necessary, the  
9 ordering of members to "disconnect" from various family  
10 members and friends who were critical of Scientology or  
11 Hubbard.

12 (b) Bill Landers and Laird Carruthers were  
13 "registrars." Their duties included the persuasion of  
14 prospective members and members to purchase goods and  
15 services from COSMOD, the Church of Scientology of  
16 California, and other Scientology organizations. One of  
17 their specific duties was to ensure that a member signed  
18 up for additional courses before the member had finished  
19 the course he was currently taking. In addition, they  
20 were to recruit members for staff positions in the Sea  
21 Organization (a division in the Church of Scientology of  
22 California), COSOP, COSMOD, and TDF.

23 (c) Keith Anderson was a supervisor of the  
24 Communications Course. His duties included those of the  
25 "registrar" and the actual supervisor of the communica-  
26 tion course. As part of his duties, he was ordered to

1 ensure that the course was given exactly as prepared by  
2 Hubbard.

3  
4 X.

5 Between July 13, 1975 and April 11, 1976, in Oregon,  
6 Defendants COSMOD, Church of Scientology of California and  
7 Hubbard made the following representations regarding courses  
8 or goods offered for sale by Defendants:

9  
10 (1) On or about July 13, 1975 Keith Anderson told  
11 Plaintiff that the Church of Scientology communication  
12 course would provide more knowledge of the mind than is  
13 possessed by any psychologist or psychiatrist.

14 (2) On or about July 13, 1975, Bill Landers told  
15 Plaintiff the communication course was completed and  
16 endorsed by Father Pat Flanagan of Boys' Town, Omaha,  
17 Nebraska. On or about July 25, 1975, Laird Carruthers  
18 showed Plaintiff a booklet published by the Church of  
19 Scientology, copyrighted by L. Ron Hubbard, and sold by  
20 COSMOD that contained the same representation. The  
21 booklet was entitled "Perhaps Happiness."

22 (3) On or about July 13, 1975, Bill Landers told  
23 Plaintiff that the communication course would help her  
24 in any college subject and vastly improve her communi-  
25 cation skills, that the author of the communication  
26 course, L. Ron Hubbard, was a nuclear physicist and



1 civil engineer who had been severely wounded in the war  
2 and used techniques he discovered to cure himself. Mr.  
3 Carruthers, at the same time, told Plaintiff that the  
4 course was offered on a money-back guaranteed basis and  
5 that if Plaintiff was not totally satisfied with the  
6 course that her money would be refunded. On July 25,  
7 1975, Mr. Carruthers told Plaintiff that if she was not  
8 fully satisfied with the course that her money would be  
9 refunded. The representation concerning Hubbard's  
10 university degrees, his injuries and cure were also  
11 contained in the following books written by Hubbard,  
12 published by COSOC, and sold or provided to Plaintiff  
13 by COSMOD;

- 14 (a) The Scientology Technical Dictionary.
- 15 (b) A New Slant On Life.
- 16 (c) Dianetics, The Modern Science Of Mental  
17 Health.

18 (4) On or about July 23, 1975 and in August, 1975  
19 Keith Anderson told Plaintiff that the Student HAT  
20 course enabled a student to understand any subject  
21 better and more accurately. This representation was  
22 repeated on or about July 25, 1975 by Laird Carruthers  
23 who also stated at such time that the Student HAT course  
24 was offered on a money-back guaranteed basis and that  
25 Plaintiff would receive her money back if she were not  
26 fully satisfied with the course.

1 (5) On July 13, 1975 Bill Landers told Plaintiff  
2 that auditing relieves the effects of past experiences.  
3 This representation was repeated on or about July 25,  
4 1975 and in September, 1975 by Laird Carruthers and Jim  
5 Brooks and by Keith Anderson on or about July 20. In  
6 September, 1975 Jim Brooks told Plaintiff that through  
7 auditing she would have more knowledge of the mind than  
8 any psychiatrist or psychologist and more knowledge of  
9 bodily processes than any doctor.

10 (6) Between July 26 and July 31, 1975, Laird  
11 Carruthers made the following statements to Plaintiff:

- 12 (a) Auditing develops creativity;  
13 (b) Auditing increases I.Q. scores;  
14 (c) Auditing cures neuroses, criminality,  
15 insanity, psychosomatic ills,  
16 homosexuality and drug dependence;  
17 (d) Auditing allows one to control his own  
18 emotions and the physical universe; and  
19 (e) Auditing was offered on a money-back  
20 guaranteed basis.

21 (7) The representations set out in the immediately  
22 preceding paragraph (6)(a) through (d) were contained  
23 in two books written by Hubbard, published by the Church  
24 of Scientology of California and provided to Plaintiff  
25 by COSMOD, entitled "Dianetics, The Modern Science of  
26 Mental Health," and "The Science of Survival." The

1 representations concerning increased I.Q.'s were also  
2 contained in five publications written by Hubbard,  
3 published by the Church of Scientology of California and  
4 sold or provided to Plaintiff by COSMOD entitled "The  
5 Problems Of Work", "Scientology 0 - 8.", "Organizational  
6 Executive Course", the "Technical Bulletins", and "The  
7 Hubbard Standard Dianetics Course." All of the above  
8 statements except the statement referring to homosexu-  
9 ality were repeated to Plaintiff by Jim Brooks in  
10 September of 1975.

11 (8) On or about July 25, 1975 Laird Carruthers  
12 told Plaintiff that Dianetics is scientifically provable  
13 and that it cures asthma, arthritis, rheumatism, ulcers,  
14 toothaches, pneumonia, colds, and color blindness.  
15 These representations were also included in certain  
16 publications entitled "Dianetics, The Modern Science of  
17 Mental Health", "The Science of Survival", "Hubbard  
18 Standard Dianetics Course", "Organizational Executive  
19 Course", "Technical Bulletins", and in "History of  
20 Man". All of the above publications were written by  
21 Hubbard, published by the Church of Scientology of  
22 California and sold or provided to Plaintiff by COSMOD.

23 (9) On or about July 25, 1975 and from October to  
24 December, 1975 Laird Carruthers told Plaintiff that L.  
25 Ron Hubbard, the creator of auditing, was an engineer  
26 and nuclear physicist and had obtained a degree from

1 Princeton University, an honorary degree from Sequoia  
2 University, and was a graduate of George Washington  
3 University who revealed Dianetics to mankind as a  
4 service to humanity, with no intent to profit therefrom.  
5 These representations were contained in various course  
6 materials supplied to Plaintiff by Defendant that were  
7 written by Hubbard, published and distributed by the  
8 Church of Scientology of California and sold or  
9 otherwise provided to Plaintiff by COSMOD. Such  
10 materials include:

- 11 a. The Professional Auditors bulletins.
- 12 b. The Organizational Course volumes.
- 13 c. The Technical Bulletin volumes.
- 14 d. Self-Analysis.

15 (10) From January 15, 1976 through March 16, 1976,  
16 Jim Brooks stated to the Plaintiff that L. Ron Hubbard  
17 had a civil engineering degree; a B.S. degree, was a  
18 nuclear physicist, a graduate of George Washington  
19 University, had received honorary degrees from various  
20 universities and that his income was smaller than most  
21 staff members.

22 (11) On September 1, 1975, Plaintiff met with  
23 Laird Carruthers and told him she would soon be leaving  
24 for college and could not, therefore, continue auditing  
25 or taking further courses from the Church of  
26 Scientology. Laird Carruthers told Plaintiff that the

1 Delphian Foundation, a Scientology school located in  
2 Sheridan, Oregon, was offering college courses and would  
3 be accredited as a college by the following spring. In  
4 addition, Mr. Carruthers told Plaintiff that the school  
5 was partially funded by government grants and that  
6 Plaintiff could take college level courses at TDF and,  
7 after such study, obtain college credit hours in  
8 architecture and engineering at any college in the  
9 nation. Carruthers also told Plaintiff she could work  
10 in the engineering and drafting section at TDF and  
11 obtain on-the-job training while continuing her auditing  
12 courses at a COSMOD facility located at TDF.

13 (12) In September of 1975, Jim Brooks told  
14 Plaintiff that she could obtain a university education  
15 at TDF that was superior to any university in the world.  
16 This representation was made pursuant to the policy of  
17 COSMOD that students who did not have sufficient funds  
18 to purchase further courses and auditing were to be  
19 persuaded to become "volunteer or provisional" staff  
20 members at COSMOD, at higher Scientology organizations  
21 or at TDF where they would work for free to get auditing  
22 and further courses.

23  
24 XI.

25 The representations made to Plaintiff by employees of  
26 COSMOD were made pursuant to express directives of the

1 DAMAGES

2 XIII.

3 Plaintiff, in reliance on the representations of the  
4 Defendants, paid to the Defendants the sum of \$3,253.20 as  
5 follows:

6	7	8	9
	<u>Date</u>	<u>Purpose</u>	<u>Amount</u>
8	7/13/75	Communication Course	\$ 50.00
9	7/25/75	Student HAT Pack	15.00
10	7/25/75	Student HAT Course	250.00
11	7/26/75	Auditing	780.00
12	7/31/75	HASI Membership	75.00
13	7/31/75	Auditing	1,100.00
14	8/02/75	Books	9.00
15	8/18/75	Book	1.50
16	8/22/75	Books and Auditing	77.20
17	9/08/75	HSDC Course	175.00
18	9/10/75	Purchase E Meter	172.00
19	9/10/75	HSDC Course	325.00
20	9/13/75	Auditing	6.50
21	9/13/75	HSDC Pack	18.50
22	10/2/75	Books	.70
23	10/2/75	Transfer Books	-0-
24	10/13/75	Books	3.00
25	2/06/76	Books	8.55
26	2/22/76	Books	1.25

1 Church of Scientology of California and Hubbard which are  
2 contained in the following books and course materials:  
3 a. Organizational Executive Course Materials.  
4 b. Dianetics Today.  
5 c. Student HAT course.  
6 d. The Hubbard Standard Dianetics Course.  
7 e. The Communication Course.  
8 f. Those Guardians Office policies and orders,  
9 and HCO Policy letters referred to in paragraph  
10 III of this Complaint.

11  
12 XII.

13 The representations of Defendants set forth in paragraph  
14 X of this Complaint were false and were made by Defendants  
15 with knowledge of their falsity or without knowledge of  
16 their truth or falsity and were made with the intent of  
17 inducing Plaintiff to rely on such representations.

18 . . .  
19 . . .  
20 . . .  
21 . . .  
22 . . .  
23 . . .  
24 . . .  
25 . . .  
26 . . .

1 The above goods and services were not as represented by  
2 Defendants and were without value.

3  
4 XIV.

5 Defendants' misrepresentations were made by the  
6 Defendants with knowledge that such representations were  
7 false as part of a scheme to induce Plaintiff to pay to  
8 Defendants all monies she had or could borrow from others or  
9 thereafter earn to Defendants for the courses and processing  
10 purchased and for further courses and processing sold by  
11 Defendants and to perform labor for Defendants and organi-  
12 zations controlled by Defendants for little or no pay.  
13 Plaintiff should recover from the Church of Scientology,  
14 Mission of Davis, the sum of \$2,000,000 exemplary damages;  
15 from the Church of Scientology of California the sum of  
16 \$20,000,000 exemplary damages; and from L. Ron Hubbard the  
17 sum of \$20,000,000 as exemplary damages.

18  
19 CONFIDENTIAL RELATIONSHIP AND CONTINUING MISREPRESENTATIONS

20 XV.

21 During Plaintiff's involvement in the Communication and  
22 Student HAT Courses, Plaintiff was persuaded to undergo a  
23 form of crude psycho-analysis known as "Dianetic auditing."  
24 In "auditing," the person audited is known as a "pre-clear"  
25 and is asked to place complete trust and confidence in the  
26 auditor (the one who audits). Plaintiff was told and



1 reasonably believed that all information obtained during  
2 auditing sessions would be completely confidential. She  
3 placed absolute trust and confidence in her auditors and the  
4 Defendants and disclosed confidential information to them.

5  
6 XVI.

7 Despite the relationship of trust and confidentiality  
8 that existed between the parties, the Defendants continued  
9 to make those representations set forth in those publica-  
10 tions listed in paragraphs X and XI of this Complaint and  
11 failed to disclose the following facts to Plaintiff after  
12 they knew or should have known that Plaintiff was relying on  
13 such representations:

14 (1) That Hubbard failed the only physics course he  
15 ever took in college.

16 (2) That Sequoia University was a mail-order  
17 "college" that granted degrees solely for a fee.

18 (3) That Hubbard was dismissed from George  
19 Washington University for poor academic performance  
20 after attending for one and one half semesters.

21 (4) That Hubbard, the creator of dianetics, The  
22 Modern Science of the Mind, was a psychiatric in-patient  
23 at Oak Knoll Military Hospital during his military  
24 service.

25 (5) That Hubbard has, from 1945 to the present,  
26 suffered from chronic duodenal ulcers, arthritis,

1           bursitis, diabetes, and pulmonary embolism.

2           (6) That auditing files, including Plaintiff's,  
3           were systematically "culled" by staff members of COSMOD  
4           and the Church of Scientology of California and  
5           information obtained from such files was extracted for  
6           the purpose of extortion or blackmailing members and  
7           ex-members of the Church of Scientology.

8           (7) That one would not be allowed to finish a  
9           course offered by the Church of Scientology, Mission of  
10          Davis, without signing up for other courses or auditing.

11          (8) That the Communication course was created by  
12          Hubbard as the Hubbard Apprentice Scientology course and  
13          was designed to condition "pre-clears" to being audited.

14          (9) That Hubbard created Scientology as an  
15          elaborate scheme to obtain assets for his personal use.

16          (10) That the claims for auditing and the courses  
17          taken by Plaintiff were not based upon scientific  
18          research but were fabricated by Hubbard.

19          (11) That it was the policy of COSMOD and Church  
20          of Scientology of California that people without funds

21          . . .

22          . . .

23          . . .

24          . . .

25          . . .

26          . . .

1 for further "processing" were to be pressured into  
2 joining COSMOD, TDF or other Scientology organizations  
3 to work as staff members for such organizations for  
4 little or no pay.

5 (12) That Plaintiff, as a Scientologist, would  
6 automatically be subject to retribution pursuant to a  
7 policy known as the "Fair Game policy" if she ever  
8 publicly questioned the courses and processing offered,  
9 spoke out against Scientology or committed any of those  
10 actions set forth in Exhibit "A" attached hereto that  
11 are listed as "high crimes."

12  
13 XVII.

14 As a result of Defendant's continuing misrepresentations  
15 and failure to disclose material facts, Plaintiff did not  
16 discover the falsity of Defendants' representations until  
17 July 26, 1976 with the exception of those representations  
18 concerning Hubbard's "self-cure" of his alleged World War II  
19 injuries which were not discovered to be false until May of  
20 1983 at which time information concerning facts that had  
21 been concealed by Defendants became known to Plaintiff.

22  
23 MIND MANIPULATION

24 XVIII.

25 During Plaintiff's involvement in the Communication  
26 Course and auditing, Plaintiff was subject to numerous

1 repetitive training routines and psychological techniques  
2 that were designed to and did diminish her cognitive  
3 functions to discern truth from falsity and caused her to  
4 "duplicate" the routines by rote rather than to rationally  
5 associate such materials with reality and to make Plaintiff  
6 psychologically dependent upon Defendants. Defendants  
7 obtained confidential information about Plaintiff which was  
8 used along with such routines and psychological techniques  
9 to narrow Plaintiff's ability to assimilate data other than  
10 that produced by Defendants. As a result of the above  
11 actions, Plaintiff failed to discover the Defendant's deceit  
12 until July 26, 1976.

13  
14 CONCEALMENT OF HUBBARD

15 XIX.

16 Prior to the date of the filing of Plaintiff's  
17 Complaint, Defendants Church of Scientology of California,  
18 COSMOD, and Hubbard have concealed the whereabouts of  
19 Hubbard for the purpose of evading service of process.  
20 Defendants' scheme to conceal Hubbard was implemented by the  
21 Guardians Office at the express written direction of  
22 Hubbard. The creation of an "early warning system" to keep  
23 Hubbard from being served was ordered by Hubbard on November  
24 26, 1975 in Guardians Order 261175LRH and implemented, in  
25 part, by Guardian Orders dated December 5, 1975 and July 21,  
26 1976. Pursuant to such orders, Hubbard's control of

1 Scientology was concealed, false data on his whereabouts was  
2 fabricated and published, agents were placed in various  
3 government offices and an elaborate system to conceal  
4 Hubbard and keep him from being served with process was  
5 implemented.

7 XX.

8 As part of the scheme to conceal Hubbard's whereabouts,  
9 Defendants intentionally made false representations to  
10 Plaintiff that Hubbard did not direct or control the  
11 Defendant corporations or benefit financially from the  
12 profits of such corporations. Such representations were  
13 made both prior and during the original trial of this action  
14 at the direction of Hubbard and the United States Guardians  
15 Office and are false in that Hubbard has, at all material  
16 times herein, controlled the Defendant corporations and  
17 obtained millions of dollars from the "Church of  
18 Scientology" between 1966 and the present. Such repre-  
19 sentations included the following:

20 (1) On March 31, 1978, Martin Samuels, the President of  
21 COSMOD, stated in a deposition taken by Plaintiff that no  
22 funds were paid to or for the benefit of Hubbard by COSMOD  
23 and that Hubbard had retired from the Church of Scientology  
24 in 1966.

25 (2) During his testimony at the original trial of this  
26 action, Mr. Samuels stated that Mr. Hubbard retired in the

1 60's and had nothing to do with "the running of the Church."

2 (3) Prior to the original trial of this action, COSMOD  
3 produced a book entitled "Scientology" which was later  
4 introduced by Defendants as a trial exhibit. The book  
5 stated:

6  
7           Until September 1, 1966, L. Ron  
8 Hubbard held the organizational position  
9 of Executive Director. On that date, he  
10 resigned all position [sic] held in the  
11 various churches as officer or director,  
and retired, thereby ceasing to direct  
personally the activity of Scientology  
organizations.

12 (4) During the original trial of this action, Diana  
13 Samuels, an employee of COSMOD, testified that Hubbard  
14 exercised no control over any organizations of the Church of  
15 Scientology.

16 (5) Prior to the original trial of this action, COSMOD  
17 produced an untitled pamphlet pursuant to Plaintiff's  
18 request for production that stated that Hubbard had retired  
19 in 1966 and had no control of the courses and processing  
20 offered by COSMOD.

21 (6) In a book entitled "Self-Analysis" obtained from  
22 COSMOD prior to the trial of this matter, the following  
23 statement was made:

24  
25           . . . Hubbard is not even on a foundation  
26 payroll . . . For a few months in 1950 he  
drew \$500 a month but has since taken

1 himself off the payroll. He carries on  
2 the advance line of Dianetic research  
3 without even the assistance of a secre-  
4 tary. He does not even own a car and he  
5 writes on a second-hand Remington he  
6 bought years ago . . . Any contribution  
7 that you might care to make to him would  
8 help a man who is giving everything he  
9 has to help you . . . .

7 XXI.

8 As a result of Defendants' concealment of the where-  
9 abouts and true activities of Hubbard, Plaintiff was unable to  
10 locate and serve L. Ron Hubbard with a summons and complaint  
11 in this action and the statute of limitations has been  
12 tolled pursuant to ORS 12.150 from the date of the filing of  
13 Plaintiff's Complaint until the present.

14  
15 CONCEALMENT OF INVOLVEMENT OF CHURCH OF SCIENTOLOGY  
16 OF CALIFORNIA

17 XXII.

18 That subsequent to the filing of Plaintiff's Complaint,  
19 Defendant Church of Scientology of California and COSMOD  
20 intentionally concealed the Church of Scientology of  
21 California's control of COSMOD and its direction of the  
22 making of those representations made to Plaintiff. As part  
23 of their scheme to conceal the relationship between COSMOD  
24 and the Church of Scientology of California, the following  
25 false representations were made by Defendants with knowledge  
26 of their falsity or with reckless disregard to their truth

1 or falsity; and

2 (1) During his deposition of March 31, 1978, and in his  
3 original trial testimony in this action (the trial took  
4 place between July 16 and August 15, 1979), Martin Samuels  
5 testified:

6 a. That copies of the TDF staff application  
7 of Plaintiff was not forwarded to any other Scientology  
8 organization;

9 b. That Plaintiff's ethics and auditing files  
10 were sent to the Guardians Office to attempt to  
11 determine ways to "aid the well-being" of Plaintiff;

12 c. That the Guardians Office deals only with  
13 legal and social reform matters;

14 d. That the Guardians Office has no control  
15 over COSMOD;

16 e. That COSMOD is a distinct entity that is  
17 solely controlled by its board of directors;

18 f. That the only relationship between COSMOD  
19 and the Church of Scientology of California is that they  
20 share the same philosophy;

21 g. That the Church of Scientology of  
22 California has no influence on the administration of  
23 COSMOD;

24 h. That the practices of Scientology missions  
25 throughout the world are not uniform.

26 i. That HCO Policy letters are not binding on



1 COSMOD;

2 j. That HCO Policy letters are not obeyed by  
3 TDF;

4 k. That the only action taken concerning  
5 Plaintiff's leaving the Church of Scientology was the  
6 issuance of two orders declaring Plaintiff to be  
7 "confused" by COSMOD.

8 (2) During her testimony in the original trial of this  
9 action, Diana Samuels testified that COSMOD, COSOP, TDF and  
10 the Church of Scientology of California are entirely inde-  
11 pendent of each other and that TDF has no direct connection  
12 with Scientology.

13 (3) During the original trial of this action, Steve  
14 Besio, a staff member of COSMOD, testified that COSMOD and  
15 COSOP are entirely distinct organizations and "operate off  
16 of different policies." In addition, he testified that he,  
17 on his own volition, sent Plaintiff's ethics and auditing  
18 files to the Guardians Office to obtain legal advice.

19 (4) On October 16, 1980, the deposition of Mr. William  
20 Lee, the President and Assistant Guardian of the Church of  
21 Scientology of Portland, was taken by Plaintiff's attorneys  
22 in an action filed against her by a member of COSMOD. In  
23 his deposition, Mr. Lee stated:

24 a. COSMOD, COSOP and the Church of Scientology of  
25 California are all separate entities without any direct  
26 connections to one another;



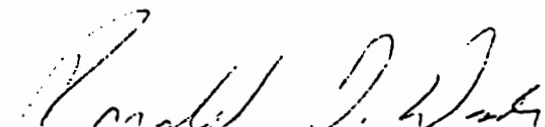
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(2) For punitive damages against the Church of  
Scientology, Mission of Davis in the amount of \$2,000,000,  
against the Church of Scientology of California in the  
amount of \$20,000,000 and against L. Ron Hubbard in the  
amount of \$20,000,000; and

(3) For Plaintiff's costs and disbursements incurred  
herein.

DATED this 28<sup>th</sup> day of December, 1984

RANKIN, McMURRY, VavROSKY  
& DOHERTY

BY:   
Garry P. McMurry

Trial Attorney, (OSB #58062)  
Ronald L. Wade, (OSB #78420)

Of Attorneys for Plaintiff