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IN THE CIRCUIT COURT OF THE STATE OF OREGON

FOR THE COUNTY OF MULTNOMAH

MARTIN SAMUELS, )  
 )  
Plaintiff, )  
 )  
vs. )  
 )  
LAFAYETTE RONALD HUBBARD )  
 )  
Defendant. )

No. A8311-07227

COMPLAINT

Plaintiff alleges:

FIRST CLAIM FOR RELIEF

(Conversion)

I.

At all material times herein, unless otherwise noted, Plaintiff was a resident of the state of Oregon.

II.

Defendant Hubbard is the founder and/or controller of a variety of corporations related to the "Church of Scientology." Such corporations include the Church of Scientology of California, Inc. (CSC); Church of Scientology, Mission of Davis (COSMOD); Church of Scientology of Portland (COSOP); The Delphian Foundation (TDF); Religious Technology Center (RTC); Church of Scientology International (CSI); Author's Services, Inc. (ASI); and Flag Services Organization, Inc. (FSO). The above corporations, and all other corporations and organizations of the Church of Scientology, act as Hubbard's agents and are controlled as

1 follows:

2 (a) The directors and officers of certain controlling  
3 corporations sign written resignations in advance of their  
4 appointment as directors and officers. Whenever any of said  
5 directors or officers contest the orders or authority of  
6 **Hubbard, they** were and are removed from their capacity and  
7 **new** agents who comply with Hubbard's orders and policies are  
p **appointed.**

9 (b) In 1966, Hubbard formed the Guardian's Office (GO)  
10 **and named his wife, Mary Sue Hubbard, as the head of the GO**  
11 **and empowered her to enforce Hubbard's orders through**  
12 **assistant** guardians who are assigned to each Scientology  
13 organization and have the power, pursuant to: Hubbard's  
14 direction, to remove corporate directors and officers at  
15 will and completely control such organizations.

16 (c) Since at least 1966, Hubbard has and does control  
17 **all** Church of Scientology entities through the enforcement  
18 of policies written and copyrighted by Hubbard and his  
19 **agents** which include the following:

20 (1) "Enemy: Fair Game, may be deprived of property  
21 or injured by any means by any Scientologist  
22 without any discipline of the Scientologist.  
23 May be tricked, sued or lied to or destroyed."  
24

25 (2) "Don't ever over-defend. Always attack. Find  
26 or manufacture enough threat against them to

1 sue for peace. Originate a black P.R. cam-  
2 paign to destroy the person's repute and  
3 discredit them so thoroughly they will be  
4 ostracized."

5  
6 (3) "The purpose of the suit is to harrass and  
7 discourage rather than to win. The law can be  
8 used very easily to harrass and enough  
9 harrassment on somebody who is simply on the  
10 **thin edge anyway, well knowing** that he is not  
11 authorized, will generally be sufficient to  
12 cause his professional decease. If possible,  
13 of course, ruin him utterly."

14  
15 (4) "This is the correct procedure:

16 "(1) Spot who is attacking us.

17  
18 "(2) Start investigating them promptly for  
19 felonies or worse using ou/ profes-  
20 sionals,. not outside agencies.

21  
22 "(3) Double curve or reply by saying we  
23 welcome an investigation of them.

24 "(4) Start feeding lurid, blood, sex crimes,  
25 actual evidence on the attackers to the  
26 press.

T.B're 3 - COMPLAINT  
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Lawyers  
600 Benj. Franklin Plaza  
One S.W. Columbia  
Salt Lake City, Utah 84101

1 "Don't ever submit to an investigation of us.  
2 Make it rough, rough on attackers all the  
3 way."

4  
5 (5) "The following are possibilities for  
6 collecting data:

7 "(1) Infiltration

8  
9 "(2) Bribery

10  
11 "(3) Buying information

12  
13 "(4) Robbery

14  
15 "(5) Blackmail."

16  
17 III.

18 If any of the officers or directors of any "Scientology"  
19 organization fail to obey the orders of Hubbard, such  
20 officers or directors are subject to being declared "sup-  
21 pressive persons" and subsequently attacked pursuant to the  
22 "fair game" policy.

23 IV.

24 Plaintiff is not aware of Defendant Hubbard's current  
25 residence. His last known residence was Hemet, California..  
26 Hubbard has intentionally concealed his whereabouts since at

1 least February of 1980. All of Hubbard's personal, legal  
2 and financial affairs are handled by his corporation, ASI,  
3 located at 6464 Sunset Boulevard, Los Angeles, California.  
4 Hubbard also maintains a post office box at P.O. Box 29550,  
5 Los Angeles, California 90029.

6 V.

7 At all times material to this Complaint, Hubbard has and  
8 is doing business on a daily basis in Oregon through the  
9 Guardian's office and certain Church of Scientology organi-  
10 zations, including r.he Church of Scientology Mission of  
11 Davis, Church of Scientology of Portland, the Delphian  
12 Foundation, the Church of Scientology of California and by a  
13 multitude of successor corporations that have been  
14 established by Hubbard in an attempt to insulate him from  
15 liability.

16 VI.

17 Pursuant to the above policies and direct orders of  
18 Hubbard, his corporate and individual agents committed those  
19 acts hereafter set,forth in this Complaint.

20 VII.

21 In October, 1982, Plaintiff was a resident of and had  
22 his office in Sheridan, Oregon. In his home and office were  
23 certain items of personal property belonging to and in the  
24 possession of Plaintiff which included the following:

25 (1) One onyx chess set with a value of \$200.

26 (2) A silver serving tray with a value of ?100.

- 1 (3) Several oriental carpets with a value of S20,00C.
- 2 (4) A Montblanc pen with a value of \$200.
- 3 (5) A portable radio and cassette player with a value
- 4 of \$200.
- 5 (6) **Two** Mark VI E-Meters with a value of \$3,500.
- 6 (7) An autographed set of OEC volumes with a value of
- 7 \$5,000.
- 8 (8) A Colt Python revolver with a value of at least
- 9 **\$550.**
- 10 (9) **A Ruger** 20 guage double barrel shotgun **with a value**
- 11 **of** at least \$600.
- 12 (10) Plaintiff's personal files and correspondence with
- 13 a value that is indeterminable at this time.
- 14 (11) A collection of several hundred books with a value
- 15 that is indeterminable at this time.
- 16 (12) A collection of Hubbard Communication Office Policy
- 17 letters and bulletins with a value of \$1,000.
- 18 (13) Eight miscellaneous pottery pieces with a value of
- 19 \$320.
- 20 (14) A set of lead crystal water glasses with a value of
- 21 at least \$100.
- 22 (15) A Dunhill lighter with a value of at least \$200.

23 VIII.

24 On or about November of 1982, Hubbard through his agents  
25 removed the above personal property from Plaintiff's  
26 residence and office without the consent of the Plaintiff.

1 Plaintiff has demanded the ^ ^ ^ of such  
2 and such ret \* Personal property,  
3 cn re return has been refused.

4 IX.

5 \*» » re, ult oi aubbard's conversion of the above  
6 P"P«\*y. Plaintiff has been damaged ^ the amoMt of at  
7 least \$31,970.

8 X.

9 Th. e, bov. personal property was ta-ken with ^ ^  
10 th « " \*h P-P^ty belo"nea to th. Plaintiff ana pursuant ^  
11 \*h «. Folic!... .t forth in subp"agraph "(c) ^ ui o(  
12 \*h» Co, laint as part of Hubbard's effort M ^ stroy  
13 Plaintiff a\_n<\* » . -, .  
14 1 and ruan him utterly". when +y,~  
15 y when the Property was  
16 taken by Defendant Hubbard and his adPnt n ,  
17 knew ^ agents. Defendant Hubbard  
18 Knew that -fv.^  
19 ar the property belonged to Plaim-i<=\*  
20 no riv. Plaintiff and that he had  
21 no right to such property. Plaintiff >, , "  
22 Hubb, " \* lff ShoUd recover from  
23 HUBbard the - n t of \$1,000,000 in exemp, arv ,  
24 the will -Fiii exemplary damages for  
25 ul and ^ liscous claim of r relief Property.

26 (Outrageous Act)

27 XI.

28 Plaintiff realleges paragraphs I through VI of thi<\_s  
29 Complaint and further alleges a s ^ ^

30 XII.

31 In 1969, Plaintiff was granted a franchise by Hubbard to  
32 own and operate a -r,-  
33 DianetlCS and "Scientology" franchisD . . .

34 7 - COMPLAINT

35 5/2D:2

RANKIN McUHRRY, VgvROSK^ A COMfaTv  
lawyers  
1000 Ben Franklin Plaza  
Columbia, S.C.

1 Davis, California. In approximately 1972, Hubbard ordered  
2 that the franchise be incorporated as COSMOD. From the date  
3 of COSMOD's incorporation until late 1981, Plaintiff was, the  
4 president of or otherwise operated and was the franchise  
5 holder of the Church of Scientology, Mission of Davis. In  
6 1974, Plaintiff, under the authority of Hubbard, opened the  
7 Delphian Foundation in Sheridan, Oregon. From its inception  
8 until late 1981, Plaintiff was the president and chairman of  
9 the Delphian Foundation.

10 XIII.

11 Subsequent to joining the "Church of Scientology" and  
12 during his membership in the Church, Plaintiff was required  
13 to compile lengthy confidential lists of "overts and with-  
14 holds" which set forth every act or thought which he might  
15 have considered to be immoral or illegal. In addition,  
16 Plaintiff has been the subject of hundreds of hours of  
17 confidential processing wherein he discussed the above  
18 activities or thoughts while connected to an "E meter" in a  
19 process known as "auditing" or "nastoral counseling."

20 XIV.

21 On or prior to September of 1979, Hubbard implemented a  
22 plan calculated to "destroy" the Plaintiff. Through his  
23 agents, Hubbard caused and carried out the following  
24 activities:

25 1979 - 1981

26 (a) In September of 1979, Plaintiff traveled to an

1 organization of the Church of Scientology known as Flag in  
2 Clearwater, Florida where Plaintiff was placed under house  
3 arrest for a period of six weeks and interrogated concerning  
4 alleged "crimes" he had committed against Hubbard. The  
5 interrogation Plaintiff was subjected to et Flag is known as  
6 a "security check." It is a procedure conducted by the  
7 "Church of Scientology" to extract confidential information  
8 wherein the E-Meter is used as a lie detector to determine  
9 whether the person being interrogated has committed any acts  
10 against Hubbard and his agents or ever thought about com-  
11 mitting such acts.

12 (b) On or prior to October of 1979, Hubbard privately  
13 declared Plaintiff "Fair Game" and began an "international  
14 black P.R. campaign" designed to destroy the reputation and  
15 influence of Plaintiff. As part of the campaign, Hubbard  
16 ordered the preparation and distribution of written state-  
17 ments concerning Plaintiff known as "Slam Sheets," which  
18 Hubbard either knew were false or contained information  
19 taken from Plaintiff's auditing files, and which included  
20 statements that linked Plaintiff to the use of drugs, stated  
21 that Plaintiff had psychiatric problems, stated that Mr.  
22 Samuels' children were not attending the Delphian  
23 Foundation, a school that had been organized and was being  
24 operated by Mr. Samuels, and stated that Plaintiff was an  
25 "enemy spy" who had intentionally caused the loss of certain  
26 legal proceedings that had been filed against COSMOD, TDF

1 and COSOP.

2 (c) Between October of 1979 and December of 1981,  
3 Hubbard, in order to obtain or manufacture information that  
4 could be used to blackmail and coerce Plaintiff into giving  
5 up his franchise agreement and obtain undated letters of  
6 resignation from officers of COSMOD and TDF, ordered that  
7 Plaintiff's confidential auditing files, lists of "overts  
8 and withholds" and other information previously obtained  
9 through electronic surveillance of Plaintiff and through the  
10 use of Guardian's office "plants" in Plaintiff's  
11 organizations, be reviewed by members of the Guardian's  
12 Office and others to obtain material that could be used  
13 against Plaintiff as part of the "Black P.R. Carooaign."

14 (d) Plaintiff did not discover that he had been the  
15 subject of a Black P.R. Campaign or that Hubbard had ordered  
16 the surveillance of his activities and a "culling" of his  
17 auditing folders until December of 1981 when Plaintiff read  
18 a confidential Guardian's Office folder concerning Hubbard's  
19 activities against him and members of the G.O. informed  
20 Plaintiff that such acts had taken place.

21 1982 - 1983

22 (e) Subsequent to December of 1981, Plaintiff objected  
23 to the policies of Hubbard that resulted in the Black P.R.  
24 Campaign that had been initiated against him. In September  
25 of 1982, Plaintiff was ordered by Hubbard and a recently  
26 created corporation, RTC, to order COSMOD to enter into a

1 new contract giving RTC complete authority over COSMOD.  
2 Because the new contract would allow Hubbard and RTC to  
3 assume complete control over all the assets of COSMOD,  
4 Plaintiff objected but ordered the execution of the contract  
5 because of his fear of being declared a "suppressive person"  
6 subject to Hubbard's policies of "Fair Game."

7 (f) In October of 1982, Plaintiff was threatened with  
8 declaration if he did not make personal payments to Hubbard.  
9 Pursuant to such orders and threats, Plaintiff gave a member  
10 of Hubbard's "finance police" \$20,000 and a \$10,000 wrist  
U watch.

12 (g) On October 17, 1982, Plaintiff was ordered to pay  
13 an additional 5% of the Church of Scientology, Mission of  
14 Davis's gross income to RTC and, subsequently, to Hubbard.  
15 Plaintiff questioned the additional 5% requirement and was  
16 taken to a small room by eight members of the Finance  
17 Police. Thereafter, the eight men interrogated the Plain-  
18 tiff while he was hooked up to an "E-Meter" and coerced him  
19 into admitting nonexistent crimes against Hubbard. Plain-  
20 tiff was told that he would be declared if he did not  
21 confess to acts he had not committed and cause the execution  
22 of the agreement to pay an additional 5% of COSMOD's income  
23 to RTC.

24 (h) On or about October 21, 1982 Hubbard ordered and  
25 caused Plaintiff's personal accounts to be "frozen" and  
26 placed Plaintiff in a position where he would be without

1 funds and would have to obey the orders of Hubbard.

2 (i) Between October 21 and October 30, 1982,  
3 Plaintiff's wife was instructed by agents of Hubbard, at  
4 Hubbard's direction, that she would have to "disconnect"  
5 from Plaintiff if he were publicly declared a suppressive  
6 person. Subsequently, Plaintiff's children were told by  
7 agents of Hubbard that Plaintiff was a criminal and probably  
8 would be going to jail in the near future.

9 (j) In late October of 1982, Plaintiff was again  
10 ordered to return to Flag and undergo further interrogation  
11 at a cost to him of \$300 per hour and to again confess to  
12 fictitious wrongful conduct or be publicly declared.

13 (k) In late October or early November of 1982, Plain-  
14 tiff was instructed by an agent of Hubbard to pay \$40,000 to  
15 him or be declared and destroyed utterly pursuant to  
16 Hubbard's Fair Game policy. A check for \$13,500 was written  
17 from Plaintiff's personal account and paid to agents of  
18 Hubbard. Plaintiff's fear of being declared was such that  
19 he obtained \$40,000 from another source hhat was paid to  
20 Hubbard's agent.

21 (l) In late October or early November of 1982, Plain-  
22 tiff was ordered to report to the International Finance  
23 Police Ethics Officer at Flag. At such meeting, Plaintiff  
24 was told he was "declared" and shown a confession of a high  
25 ranking Scientologist wherein the person admitted to being a  
26 transvestite with homosexual urges. Plaintiff was ordered

1 to Publicly confess to acts that were similarly degrading  
2 and prepare a written confession of all such "crimes and  
3 thought crimes" and told that Hubbard and the Church would  
4 take the following actions against him:

5 (1) The Church of Scientology would file civil and  
6 criminal prosecutions against Plaintiff that  
7 would keep him tied up in court forever;

8 (2) If Plaintiff continued to stay in his sister's  
9 home, that she would be declared a  
10 "suppressive person."

11 (3) Plaintiff's personal property would be taken;

12 (4) Plaintiff would be watched and the church  
13 would keep tabs on him forever. In addition,  
14 Plaintiff was told that there was nothing he  
15 would be able to do in the future that the  
16 church would not know about and use to destroy  
17 him utterly.

18 XV.

19 As a result of Plaintiff's wclaraticn and pursuant to  
20 Hubbard's continued use of the "Fair Game" policy, the  
21 following actions were implemented by Hubbard:

22 (a) A second black P.R. campaign was immediately  
23 instituted wherein Plaintiff's wife, family, business  
24 associates and others were told that Plaintiff had stolen  
25 funds from the Church of Scientology Mission of Davis, that  
26 Plaintiff was insane and that he was an enemy of the Church

1 of Scientology.

2 (b) Plaintiff's wife was told to discontinue all con-  
3 tacts with Plaintiff and, thereafter, filed a dissolution of  
4 **marriage** proceeding which resulted in the dissolution of the  
5 **parties'** marriage.

6 (c) Plaintiff's business associates and friends who  
7 **were** members of the Church of Scientology were ordered not  
8 **to speak** or communicate with Plaintiff or be declared.

9 (d) Plaintiff's personal property was seized by Hubbard  
10 **and his agents and Plaintiff was denied access to his**  
U **personal savings and checking** accounts.

12 (e) Plaintiff's stock broker was ordered under threat.  
13 of declaration not to obey Plaintiff's instructions to sell  
14 certain stock owned by Plaintiff and refused to talk to  
15 Plaintiff concerning the sale of such stock.

16 (f) On or about July 15, 1983, an agent of Hubbard, who  
17 had been Plaintiff's "auditor," called Plaintiff and told  
18 him **that he had** knowledge of all of Plaintiff's auditing  
19 **files and** listings of overts and withholds, and that if  
20 Plaintiff ever sued or in any other way went after Mr.  
21 Hubbard, that he and the "Church of Scientology" would do  
22 everything and anything to attack and destroy Plaintiff  
23 through all possible means including the use of confidential  
24 information obtained from Plaintiff's "auditing file."

25 XVI.

26 That all the above actions were part of a plan speci-



1 XXII.

2 Defendant Hubbard knew or should have known that the  
3 above statements were false when made.

4 XXIII.

5 That Defendant Hubbard's defamatory and untrue state-  
6 ments have caused Plaintiff injury to his reputation,  
7 humiliation and emotional distress, all to his damage in the  
8 amount of \$1,000,000.

9 XXIV.

10 As a result of the Defendant's publishing of the above  
11 statements, Plaintiff was caused to suffer loss of income in  
12 the amount of \$48,000 at the time of the filing of this  
13 Complaint and will suffer such damages in the future -  
14

15 FOURTH CLAIM FOR RELIEF

16 (Fraud)

17 XXV.

18 Plaintiff realleges paragraphs I through VI of this  
19 Complaint and further alleges:

20 XXVI.

21 Prior to Plaintiff's commencement of a "Dianetics and  
22 Scientology" franchise in July of 1969, Hubbard and his  
23 agents made the following representations, both orally and  
24 in writing, to Plaintiff;

25 (1) That L. Ron Hubbard was a nuclear physicist who had  
26 conducted over 30 years of scientific research into the

1 nature and causes of disease, the nature of the mind-, and  
2 the nature of human organizations and groups.

3 (2) That L. Ron Hubbard had served for four years in  
4 combat in the United States Navy during World War II, that  
5 he was one of the most highly decorated officers during the  
6 War, that he was severely wounded in combat, that he was  
7 **twice** pronounced medically dead and that he cured himself  
8 **with** a process called Dianetics which was based upon his  
9 extensive years of scientific research supported by degrees  
10 **in** science which he held from various universities.

11 (3) That L. Ron Hubbard's health **was** perfect as a **re-**  
12 **sult of personal** applications of the principles of  
13 Dianetics.

14 (4) That L. Ron Hubbard was a person of unquestionable  
15 integrity, motivated solely by benevolent purposes who had  
16 not engaged in any illegal, criminal or antisocial  
17 activities.

18 (5) That L. Ron Hubbard was a family man with close  
19 relationships to his wife and children who was opposed to  
20 abortion, divorce and marital infidelity.

21 XXVII.

22 In reasonable reliance upon the above representations,  
23 Plaintiff obtained and built a Dianetics and Scientology  
24 franchise, incorporated COSMOD, incorporated the Delphian  
25 Foundation and expended approximately 13 years of his life  
26 creating, developing and promoting the foregoing corpora-

1 tions. All of the activities of Plaintiff with respect to  
2 the above organizations were specifically done in reliance  
3 upon the above representations.

4 XXVIII.

5 Between January of 1982 and September of 1983, Plaintiff  
6 learned that the above representations were false in the  
7 following particulars:

8 (1) L. Ron Hubbard received a failing grade in the only  
9 physics course that he took at George Washington University  
10 <sup>and</sup> was dismissed for poor academic performance after  
11 **attending** for one and one-half semesters.

12 (2) That the only degree L. Ron Hubbard ever received  
13 **was** from a mail-order college which he created or owned in  
14 the early 1950s.

15 (3) L. Ron Hubbard did not serve in combat during World  
16 War II and was relieved of duty on at least three occasions  
17 while serving in the United States Navy.

18 (4) During the end of his military service, Hubbard was  
19 a psychiatric in-patient at Oak Knoll Military Hospital.

20 (5) Hubbard was never pronounced dead and never  
21 received any war wounds.

22 (6) Hubbard has, from at least 1945 to the present,  
23 suffered from chronic duodenal ulcers, arthritis, bursitis,  
24 skeletal weaknesses, diabetis, pulmonary embolisms and a  
25 host of other diseases and ailments.

26 (7) Hubbard married his second wife, Sara Northrop,

1 while still married to his first, wife, Margaret Louise  
2 Grubb. Hubbard practiced ritual abortions on both his first  
3 **and** second wives and attempted to murder his second wife.

4 (8) Hubbard was arrested and convicted of petty theft  
5 in 1947.

6 (9) That those Dianetics and Scientology corporations  
7 **formed** by Hubbard were not formed for benevolent purposes  
8 but **were** conceived for the stated intention to solely make  
9 **money** through deceit and misrepresentation.

10 (10) Hubbard knew and stated that Dianetics and  
U **Scientology were** formed as a religious front to enable  
12 **Hubbard to make** huge sums of money.

13 XXIX

14 Between July 1969 and October 1982, Plaintiff was  
15 induced to continue to work for Hubbard and his agents and  
16 to promote the development of COSMOD and TDF by the  
17 following representations by Hubbard and his agents:

18 (D That all the corporate entities of the Church of  
19 Scientology of California were operating as tax-exempt,  
20 non-profit legitimate corporations.

21 (2) That all Scientology corporations and agents of  
22 such corporations never committed any criminal acts or any  
23 acts in violation of the policies and rulings of the  
24 Internal Revenue Service and that no part of the net  
25 earnings of any Scientology organizations inured to the  
26 benefit of Hubbard or his agents.

1 (3) That none of the policies or procedures of any  
2 Scientology organization were contrary to law or to public  
3 policy and that no part of the earnings of any Scientology  
4 organization was used for illegal purposes.

5 (5) That all information obtained during "auditing;" was  
6 strictly confidential.

7 XXIX.

8 Between January of 1982 and September of 1983, Plaintiff  
9 learned that the above representations were false in the  
10 following particulars:

11 (1) **Various** Scientology organizations **were not operated**  
12 **as tax-exempt** non-profit organizations and Hubbard possessed  
13 complete control over all Scientology organizations.

14 (2) Hubbard had expended millions of dollars of  
15 Scientology funds for criminal purposes including  
16 burglaries, larcenies, extortion, and infiltration of  
17 government agencies.

18 (3) Hubbard received for his personal use millions of  
19 dollars from various Scientology organizations including a  
20 \$2.1 million transfer from the Church of Scientology of  
21 California to Hubbard through a front corporation called  
22 Religious Research Foundation.

23 (4) Between January and October of 1982, Hubbard  
24 ordered the transfer of \$85 million from the "Church of  
25 Scientology" for services that Hubbard claimed he had  
26 performed for the organization. In a scheme to decrease tax

1 liability resulting from such payment, Hubbard ordered the  
2 RTC to accept an apparent donation in the form of certain  
3 trademarks owned by Hubbard and to value such trademarks at  
4 between \$50 and \$100 million.

5 (5) The above "donation" and payment of \$85 million to  
6 Hubbard was the final part of a scheme originally conceived  
7 prior to July of 1969 and that Hubbard intended from the  
8 inception of the "Church of Scientology" to use such  
9 organizations to obtain assets and to transfer those assets  
10 to Hubbard personally.

11 (6) During the period that representations were being  
12 made to Plaintiff and others that auditing files and  
13 information were strictly confidential, Hubbard wrote and  
14 implemented a number of "Guardian Program Orders" which  
15 included Guardian Program Order No. 121669 and the  
16 "Assistant Guardian Full Hat" which set forth the policy of  
17 "culling" the auditing files of Plaintiff and other members  
18 of the Church of Scientology to extract from such files any  
19 information of a potentially "embarrassing, incriminating or  
20 harmful nature." Hubbard's agents underwent training for  
21 the purpose of culling files and using information contained  
22 therein for the purposes of coercion, blackmail, intima-  
23 tion and extortion. That the above policies and  
24 instructions are written policies of Hubbard and his agents  
25 and must be obeyed by ail Guardian's Office employees of the  
26 Church of Scientology.

1 XXX.

2 As a result of Hubbard's fraud, Plaintiff created COSMOD  
3 and TDF and performed services for such organizations, which  
4 were agents of Hubbard, of a value of approximately  
5 \$520,000. In addition, Plaintiff paid to Hubbard and his  
6 agents the amount of approximately \$8,000 for services and  
7 **goods** purchased in reliance upon Hubbard's representations,  
8 and gave up the opportunity to obtain a full scholarship at  
9 **the** University of Chicago.

10 XXXI.

11 At the time the representations were made **to Plaintiff**  
12 **and others**, Hubbard knew that such representations were  
13 **false**. The representations were part of an elaborate scheme  
14 to obtain monies and assets by creating organizations for  
15 allegedly tax-exempt purposes and, subsequently, ordering  
16 the payment of such assets for his personal use. To  
17 implement such plan, Hubbard organized Scientology organi-  
18 zations throughout the world that have fraudulently obtained  
19 hundreds of millions of dollars since their creation and  
20 Plaintiff should be awarded exemplary damages from Hubbard  
21 in the amount of \$50,000,000.

22 WHEREFORE, Plaintiff prays as follows:

23 1. On his First Claim for Relief for gene-al damages  
24 in the sum of not less than \$31,970 and exemplary damages of  
25 \$1,000,000; and

26 2. On his Second Claim for Relief for general damages

j of \$5,043,500 and exemplary damages of \$15,000,000; and

2 3. On his Third Claim for Relief for general damages  
3 of \$1,000,000 and special damages of \$48,000; and

4 4. On his Fourth Claim for Relief for general damages  
5 of \$528,000 and exemplary damages of \$50,000,000; and

6 5. For Plaintiff's costs and disbursements incurred  
7 herein.

8 DATED this 23rd day of November, 1983.

9 RANKIN, McMURRY, VavROSKY  
10 & DOHERTY

11 3y: /s/ Ronald L. Wade

12 Garry P. McMurry (OSB #58062)  
13 Ronald L. Wade (OSB #78420)

14 ASSOCIATE COUNSEL:

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16 Twelve Union Wharf  
17 Boston, Massachusetts 02109  
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19 of Attorneys for Plaintiff  
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26