1	SUPERIOR COURT OF THE STATE OF CALIFORNIA
2	FOR THE COUNTY OF LOS ANGELES
3	DEPARTMENT NO. 57 HON. PAUL G. BRECKENRIDGE, JR., JUDGE
4	000-
5	CHURCH OF SCIENTOLOGY OF CALIFORNIA,)
6	Plaintiff,
7	vs.
8	GERALD ARMSTRONG,) NO. C 420153
9	Defendant.)
10	<u> </u>
11	MARY SUE HUBBARD,
12	Intervenor.
13	<u> </u>
14	REPORTER'S TRANSCRIPT OF PROCEEDINGS
15	August 2, 1984
16	APPEARANCES:
17	For the Plaintiff LITT & STORMER
18	and Intervener: By: MICHAEL S. MAGNUSON 3550 Wilshire Blvd., Suite 1200
19	Los Angeles, California 90010
20	For Plaintiff Only: PETERSON & BRYNAN
21	By: JOHN G. PETERSON 8530 Wilshire Blvd., Suite 407
22	Beverly Hills, California 90211
23	For the Defendant: CONTOS & BUNCH 700257 By: JULIA DRAGOJEVIC
24	5855 Topanga Canyon Blvd. Suite 400
25	Woodland Hills, California 91367
26	
27	NANCY L. HARRIS, C.S.R. Official Reporter
28	Certificate No. 644

Again, I can't say the action was brought in bad faith or for any kind of improper purpose as such. It is a mixed bag. Some of the things they did were wrong. Some of the things they did they had a right to do, and I cannot under those circumstances find that the defendant is entitled to attorneys' fees on that theory.

so, the nuts and bolts of this is that I have to deny this notion. I do it with a certain amount of reluctance because I feel that the defendant's counsel have served long and hard and put a lot of time in here and effort to be of assistance to their client. They have served their client well. There is no immediate reward for them in this case in the sense of even compensating them for their time. They have labored against tremendous odds, against tremendous financial resources. The financial resources on the other side are overwhelming, but I don't feel I can in any legal basis grant the motion.

There is one last thing I want to mention, and that has to do with the declaration of John G. Peterson on this opposition to motion for attorneys' fees. 700258

As Mr. Peterson has indicated, he has become emotionally involved in this case, and it is rather abundantly clear. So some of his comments which have been reported in the newspapers — he can make whatever comments he wants to about the case or the court or anybody else. It doesn't bother me, but when he puts in a declaration what really is just an argument as to why the motion should not be granted, it seems to me that it is totally unprofessional.

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1 have to contrast it with the response from Mary Sue Hubbard which 1 thought was a very professional response, obviously by people who are disappointed in the outcome of the litigation, but at the same time they proceed in a lawyerlike fashion.

This attaching of these exhibits relating to Mr. Flynn, to roe, Is the worst kind of tactic. It is an effort to smear Mr. Flynn. For what purpose I don't really know, gratuitous insults to inject Into the file of this case some dirt, I suppose, for the obvious purpose of prejudicing Mr. Flynn or any court or any person who might review the record.

Now, obviously if there is any substance to these allegations, they should have been presented to law enforcement authorities.

700259

MR. PETERSON: They have been.

THE COURT: If they conduct investigation and find any merit, I am sure they will do whatever they feel is appropriate,

At the same time, I have been around criminal defendants, both as a defense lawyer and a judge, for many, many years, and I tend to be very skeptical about what any person in prison is likely to say, either about his former lawyer or associate of a former lawyer or upon anything which might provide him with some secondary gain. I can't help but approach this with a great of skepticism and cynicism. I read some of the exhibits dealing with Black Propaganda. I got a letter from some woman about dead agenting. I was probably the subject of now being a dead agent myself,

and I really couldn't care less. But I think it is unfortunate that the file has to be cluttered up with, I am going to say it right here, garbage of this type. I don't think this should be a part of the public record.

I am going to order that the documents which purport to be exhibit B through F be separated from this declaration, be enclosed in a sealed envelope, and be ordered sealed and not to be opened except upon further order of any court that wants to review this matter. Nothing to do with this lawsuit. Nothing to do with these motions, and I think it is offensive and 1 am quite surprised.

End of that.

MR. MAGNUSON: Your Honor, I have one other matter.

I am sorry. 1 just want to clarify one point.

We do intend to file an opposition to the statement of decision, and I want to clarify our timing on this because the date in which the statement of decision or the request of defendant that the memorandum of decision be deemed the statement of decision is July 20, and 1 want to make sure that we have 15 days from the date that a statement of decision — 700260

THE COURT: Well, we haven't done anything and the court made an order that you would have the usual time.

MR. MAGNUSON: Because I want to be clear that the time runs from that date with five days for mailing.

THE COURT: That is right.

MR. MAGNUSON: And we would then have 20 days from July 20 within which to file our opposition.

THE COURT: You will have not later than the morning, 9 o'clock, on the 10th of August because 1 am going to be gone after that, and 60 have it in by them and I will rule on it. Otherwise, it will just sit here for four weeks.

MR. MAGNUSON: That: is, fine, thank you.

MS. DRAGOJEVIC: Thank you, Your Honor.

(At 9:45, a.m., proceedings were adjourned.)

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;;	COUNT* OF LOS ANGELES) *
16	I, NANCY L. HARRIS , CSR, Official Reporter of,
1*	tne Superior Court of the State of California, for the County!
18	of Los Angeles, do hereby certify that the foregoing pages,
19	_1through43 _comprise a true and correct
20	transcript of the proceedings held in the above-entitled
21	matter on Thursday, August 2, 1984.
22	
2.	Dated this 9th day of August 1984
2;	
25.	NANCY L. HARRIS CSR No. 644 . Official Reporter
20:	Official Webolder