

IN THE CIRCUIT COURT FOR THE SIXTH JUDICIAL CIRCUIT  
IN AND FOR PINELLAS COUNTY, STATE OF FLORIDA  
GENERAL CIVIL DIVISION

ESTATE OF LISA MCPHERSON, by  
and through the Personal Representative,  
DELL LIEBREICH,

Plaintiff,

Case No. 00-5682-CI-11

Division 11

vs.

CHURCH OF SCIENTOLOGY FLAG  
SERVICE ORGANIZATION, JANIS  
JOHNSON, ALAIN KARTUZINSKI  
and DAVID HOUGHTON, D.D.S.,

Defendants.

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AND RELATED COUNTERCLAIM.

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**AFFIDAVIT OF MONIQUE E. YINGLING**

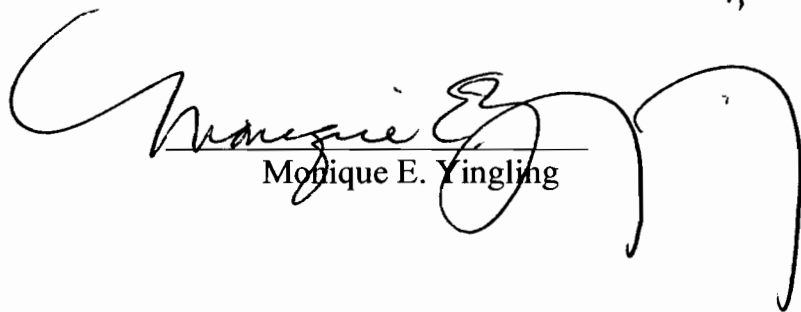
Monique Yingling, being first duly sworn, deposes and says:

1. I am an attorney licensed to practice in the District of Columbia and the State of California. I have represented and continue to represent Church of Scientology International (“CSI”) and other Scientology Churches and Church of Scientology organizations on corporate and tax matters. I have personal knowledge of the facts set forth herein and, if called as a witness, I could and would testify competently thereto.

2. I was first engaged to represent CSI and other Churches of Scientology in early 1986 in connection with applications for recognition of their tax-exempt status then

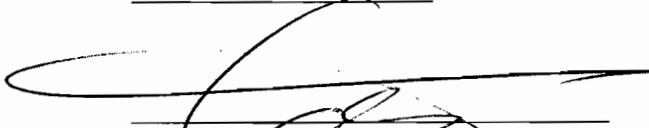
pending with the National Office of the Internal Revenue Service ("IRS"), and with related administrative and judicial proceedings. In particular, I represented those Churches of Scientology during a series of administrative proceedings with the IRS that resulted in the formal recognition of their separate tax-exempt status in 1993.

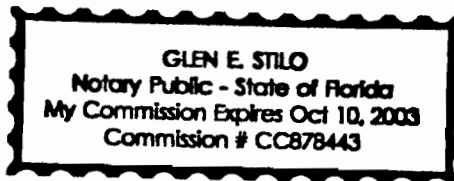
3. Attached hereto as Exhibits A and B are authentic copies of June 29, 1992 memoranda my office provided to the IRS as part of these administrative proceedings on behalf of these Churches of Scientology.

  
Monique E. Yingling

STATE OF FLORIDA     )  
COUNTY OF PINELLAS )

The foregoing instrument was sworn to and subscribed before me this 16 day of July, 2002, by Monique E. Yingling who is personally known to me ~~or has produced~~ as identification and who did take an oath.

  
NOTARY PUBLIC, in and for  
the State of Florida



Question 3(d)

3(d). Did the Guardian's Office exist on December 31, 1989, or any date since then? During that period, has there been a Guardian? If the answer is yes to either or both of these questions, please list the name(s) of the Guardian(s) and describe the role of the Guardian and the Guardian's Office. If no, is there any entity that performs functions or operates in a manner similar to the former Guardian's Office?

Introduction:

In this question and question 10(a), the Service seeks information concerning the Guardian's Office. Because of the close relationship of this question with question 10(a), we answer both questions fully here.

There are straightforward answers to these questions. The Guardian's Office ("GO") was disbanded in 1982 and 1983. A thorough purge of Guardian's Office staff was conducted at that time: those convicted of illegal acts were dismissed and are prohibited from ever returning to Church of Scientology staff in any capacity. During 1981 through 1983 the Church conducted its own internal investigation and dismissed from its employ anyone found to have been in any way involved with or condoning similar activities. Such individuals are also barred from ever again serving on staff in any Church of Scientology. There is no Guardian currently and there has not been one for over a decade.

No entity replaced the GO. However, certain functions the GO was originally formed to conduct are now carried out by the Office of Special Affairs ("OSA"), the International Finance Network, the LRH Personal Public Relations Network and the Association for Better Living and Education ("ABLE"). Specifically, OSA deals with legal matters; the International Finance Network sees that Church organizations maintain proper financial records and accounts; LRH Personal Public Relations Office International handles public relations; and ABLE deals with the community outreach social betterment programs of drug rehabilitation (Narconon), criminal rehabilitation (Criminon), education (Applied Scholastics) and raising moral standards in society (The Way to Happiness Foundation).

As discussed in greater detail below, none of these activities operate in a manner similar to the old Guardian's Office.

Background:

The Guardian and Guardian's Office were first established in March of 1966 because legal and other external facing matters were consuming the time and resources of churches of Scientology. In particular, church leaders were being distracted from their primary functions of ministering to the spiritual needs of their expanding religious communities and building their organizations.

The first Guardian was Mary Sue Hubbard. Over the next several years, Guardian's Offices were formed at local churches of Scientology around the world. These local GOs assumed responsibility for each church's external affairs, with the purpose of freeing their executives and staff to practice and proselytize the religion without distractions. In January of 1969, Mrs. Hubbard appointed Jane Kember as Guardian Worldwide, the highest position in the Guardian's Office, and Mrs. Hubbard assumed the position of Controller, which was senior to the Guardian's Office.

In 1966, when the GO was formed, the ecclesiastical management headquarters for the Church of Scientology was located in England, at Saint Hill Manor. The highest ecclesiastical body at that time was Executive Council Worldwide. The office of the Guardian was then physically located with the rest of Church management. Mr. Hubbard resigned his position as Executive Director of the Church in September 1966, in order to devote his time to researching the upper levels of spiritual awareness and establishing a base where these levels could be delivered to Scientology parishioners. Needing an environment free from the workaday distractions of Saint Hill, Mr. Hubbard along with his family and a few trusted Scientologists relocated aboard a ship in the Mediterranean. This marked the beginning of the Sea Organization.

The Executive Council Worldwide and the Guardian's Office Worldwide remained in England and continued to perform their functions from Saint Hill. Within a couple of years it became clear that Executive Council Worldwide was not adequately performing its functions and that the Church was experiencing a decline. In August 1971, after various attempts to correct the perceived problems, the Executive Council Worldwide was disbanded and the ecclesiastical management of the Church was taken over by Sea Org members in the recently formed Flag Bureaux aboard the Sea Org ship Apollo.

While the Executive Council Worldwide was disbanded in 1971, the Guardian's Office Worldwide ("GO WW") continued to be headquartered in England where it was managed and directed by Jane

Kember. By the 1970s then, GO WW was physically separate from Scientology ecclesiastical management. The reporting and command lines in the GO were also entirely separate. GO offices were locked and off limits to non-GO staff. The GO thus had become an autonomous network, separate from the rest of Church management. Within the GO there was yet a further segregation -- a group called the Intelligence Bureau ("B1") kept its activities confidential even from other parts of the GO, particularly those activities it considered sensitive.

During the middle 1970s, the Scientology ecclesiastical management structure continued to evolve with the formation of the Commodores Messenger Organization, the move of the Flag Bureaux from the Apollo to a landbase in Clearwater, Florida, in 1975, and other changes. Throughout this period GO WW remained in England, becoming more and more distant from Church management. The Guardian's Office was not Sea Org. Their operations, activities and premises were inaccessible to Sea Org members in Church management -- or anyone else not in the GO.

#### Guardian's Office Illegals:

In July of 1977, the FBI conducted massive raids on offices of the GO in Los Angeles and in Washington D.C.. Michael Meisner, who had worked in the Information Bureau of the GO, both in D.C. and Los Angeles, had gone to the FBI and provided detailed information about infiltration of government offices by GO staff and/or volunteers, for the purpose of obtaining documents those offices had on the Church. Litigation over the legality of the raids commenced immediately. Criminal indictments were returned against eleven individuals, including Mary Sue Hubbard and Jane Kember.

Because of the autonomy of the Guardian's Office, and the secrecy within its Intelligence Bureau, the truth about GO misconduct remained unknown to the rest of the Church and even to other segments of the Guardian's Office for several reasons. The GO executives involved with the criminal activities suppressed this information within the Church and characterized the raids and criminal prosecutions as simply the latest in a long history of attacks on the religion. This explanation was supported by the fact that government (especially FBI and IRS) disinformation about the Church was rampant in the 1960s and 1970s and Scientologists

had become somewhat inured to it.<sup>1/</sup> Church management and staff were concerned with the practice of the religion and were not involved with the GO indictees. This combination of circumstances made it possible for someone like Jane Kember to hold herself out as a martyr being unjustly persecuted and yet remain credible with Scientology management.<sup>2/</sup>

Indeed the Government Prosecutor in the D.C. criminal trial testified in deposition that only a small percentage of the people within the GO even knew about the illegal acts that were committed by the GO staff.

Church Investigation of the Guardian's Office:

In late 1979 and throughout 1980 Church management began to receive indications that there were problems within the Guardian's Office:

1. The Mission network which was the responsibility of the GO (and which was its primary source of funding) was experiencing an ethical decline. One of the largest missions became embroiled in litigation and a number of mission holders were found to be involved in unethical activities when they arrived at the Flag Service Organization for auditing.

2. Instances of GO staff opening businesses and employing Church staff to the detriment of local churches were reported. When this situation was reported to GO WW and to Mary Sue Hubbard, the response was a GO investigation and intimidation of the Sea Org staff who had received the reports.

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<sup>1/</sup> For example, internal FBI and IRS documents from this period falsely accused the Church of trafficking in illegal drugs and weapons, promoting rampant drug use and promiscuity, conducting paramilitary operations and plotting civil insurrection.

<sup>2/</sup> Mrs. Kember recently testified at a trial in Canada that she and her Deputy Guardian for Intelligence, Mo Budlong, confronted with attacks that they believed threatened the very survival of the religion, decided on their own to use illegal intelligence measures to locate the sources of the attacks and defend the religion. She confirmed that these activities were only known to a small number of people within the GO because she knew that these activities would not have been condoned by Church management.

3. In the Fall of 1980, after having had no communication with the Church for several months, Mr. Hubbard wrote to the Commodore's Messenger Organization International ("CMO INT") about a wide range of subjects including an inquiry about whether there were any lawsuits against him that he should know about.<sup>3/</sup> When asked about this subject, Mary Sue Hubbard gave only a terse response that there were a number of suits, it would take years to resolve them and that the GO did not welcome anyone's help or inquiries.

The above, combined with the always bothersome general secretiveness of the GO, were interpreted by CMO INT as very alarming behavior. Accordingly, a full time Special Project was initiated by CMO INT to investigate legal matters and the GO's ineffectiveness in dealing them and the extent to which the GO had departed from its original purpose and design.

The Special Project's attempts to get information were thwarted by Mrs. Hubbard. She informed the Special Project that she did not appreciate their investigation of the GO and that if one were needed she would do it. In March 1981 she cut all communication lines to the GO except through herself. It must be noted that Mary Sue Hubbard believed her position as Controller and as the Founder's wife to be unassailable and beyond reproach by anyone but Mr. Hubbard - who was not around at the time. This, plus her absolute control of the GO made it difficult for the Special Project to get anything done.

In April 1981, in an unprecedented move and without Mrs. Hubbard's knowledge, Special Project sent a mission to GO WW to inspect the Legal Bureau under the guise that they had been authorized by Mrs. Hubbard. What the mission found confirmed their worst suspicions. They found the Deputy Guardian for Legal involved in unethical sexual activities, not doing his job and desiring to leave the GO to go into private practice as an attorney. An inspection of files showed the legal suits to be severely neglected with overdue motions and pleadings. There was almost no evidence of standard Scientology administrative policy being applied.

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3/ As discussed in the response to Question 10(d), in early 1980, Boston attorney Michael Flynn initiated a series of duplicative personal injury lawsuits against the Church and Mr. Hubbard. Part of the Flynn litigation strategy was to name Mr. Hubbard in these suits in the belief that he would not personally appear and thus force the Church to settle or alternatively face default judgments.

During May 1981 the Special Project's investigation of the GO intensified. The original mission to the Legal Bureau GO WW brought back a great deal of damaging information. Mary Sue Hubbard, in order to save face, could not admit to her staff that she had not authorized the mission. A second mission fired to GO WW in May and removed the Deputy Guardian for Legal, Charles Parselle, from post and put other GO WW executives and legal staff through Scientology ethics procedures in an effort to correct them and make them more productive.

With increased access to the legal area, in June, 1981 the Special Project discovered startling information. Appended to pleadings by plaintiffs suing Scientology were documents detailing GO criminality which had been seized in the 1977 raid. These documents contained appalling evidence of GO criminality - infiltration of government agencies and harrassment campaigns against those the GO considered enemies. When further investigation proved the documents to be authentic, CMO INT decided that it would have to take charge of GO WW and the GO network until it could be reformed and corrected.

CMO INT planned a complete take-over of the GO.

There were a number of obstacles. Mary Sue Hubbard was still asserting her position as Controller. Mrs. Hubbard and other GO executives suborned the then Commanding Officer CMO INT, Dede Reisdorf, to call off the investigation. Mrs. Hubbard also befriended Laurel Sullivan who was working on a corporate sort out project for the Church and convinced her to restructure corporate affairs so that she and others in the GO would own the trademarks of Scientology. Sullivan was encouraged and assisted by Gerry Armstrong, who sought a position in B1 as his reward.

Sullivan's mission was immediately terminated and she was put on menial physical work pending ethics and justice actions. Reisdorf was removed from post by her peers. Armstrong was investigated for having falsified documents within the Church. These GO sympathizers later left the Church and became government informants and witnesses against the Church in civil litigation as set forth in detail in the response to question 10d.

David Miscavige gathered a couple dozen of the most proven Sea Org executives from around the world. He briefed them on what had been discovered in investigating the GO. Together, they planned a series of missions to take over the GO, investigate it and reform it thoroughly. The stakes were high because they faced expulsion from Scientology if they were unsuccessful and the GO prevailed.



Accordingly, on July 13, 1981, with no advance warning to the GO, a coordinated series of five CMO missions were sent out to take over the Guardian's Office.

The first of these missions, headed by David Miscavige, met with Mary Sue Hubbard to convince her to resign. This was essential as the GO consisted of around 1,500 staff who were loyal to Mrs. Hubbard. During a stormy meeting she refused to cooperate. She finally relented when Mr. Miscavige told her that regardless of what authority she attempted to invoke, when both public and staff Scientologists were briefed on the crimes of the GO they would demand the GO leadership step down. It would result in a war of wills involving the entire congregation. She would lose, and there would be a lot of bad blood created to the detriment of the religion. Realizing the outrage that would ensue and that the GO would lose any such struggle, she wrote her resignation.

The other missions were then sent out as soon as this resignation was obtained. One mission was sent into the Intelligence Bureau with its principal objective to uncover any and all illegal activities and the persons responsible. Another mission was sent into the Office of the Controller, comprised of assistants under Mrs. Hubbard for each of the areas of Legal, Intelligence, Public Relations and Finance. The Deputy Controller and the Controller Assistants for these areas were all removed from post. They, along with Jane Kember and a number of the individuals who were directly involved in the criminal proceedings were then turned over to another separate ethics mission. This mission, aptly titled the Crim (criminal) Handling Mission, commenced internal ethics and justice actions on these individuals and began the process of removing them from Church employ. Any staff determined by any of the missions to have been involved in any illegalities were put under the charge of this ethics mission to determine more fully each person's situation and to remove them from staff.

The fifth CMO mission sent at that time went to GO WW to organize that area as most of the executives who had been over it had been removed.

Within a day of Mrs. Hubbard's resignation, senior Guardian's Office officials including Jane Kember and the head of Intelligence, Jimmy Mulligan, secretly met with Mrs. Hubbard and conspired to regain control of the GO. Mrs. Hubbard signed a letter revoking her resignation and condemning the actions by the CMO. Scores of GO staff responded, locking CMO INT Missionaires out of their premises and were intending to hire armed guards to bar access to the Sea Org. Mr. Miscavige confronted the mutineers,

and persuaded Mrs. Hubbard to again resign which ended the last vestige of resistance. While the GO still existed, it was now operating under the direct supervision of CMO missions.

In early August 1981 a Scientology ecclesiastical justice action was convened concerning eleven Worldwide and U.S. Guardian's Office senior executives who had been removed from their positions, including Jane Kember and three of the other persons who had been charged in the criminal case. In early October each of these individuals formally resigned their staff positions.

It was not until September 1981 that Mr. Hubbard was informed about what had taken place with the Guardian's Office, when he again contacted the CMO requesting to be updated on current activities in Scientology. He expressed shock at what had been found in the Guardian's Office and praised those in the CMO who took action on their own initiative.

CMO INT missions and investigations into GO WW in England and the United States Guardian's Office in Los Angeles continued through the end of 1981 and into 1982, weeding out anyone found to have had any part in anything that appeared to have been illegal or who had knowledge of and condoned the GO's illegal acts. Anyone found to be in this category was removed from Church employ.

Beginning in October of 1981 missions were also sent to the other continental Guardian's Offices, such as Canada and Europe, to find out what, if any, illegal activity had occurred there. This process continued throughout 1982 with missions going to virtually all GO offices around the world. Any GO staff who had taken part in criminal activities as well as any staff who believed the GO should operate autonomously and without regard to Church policy were dismissed. During this period the staff of the GO network was reduced by hundreds. Directives were issued that required all orders or communications affecting churches of Scientology originating from the GO to go through the Watchdog Committee of CMO INT.

After the completion of over 50 Sea Org missions into all echelons of the Guardian's Office, in early 1983 it was decided that cleaning up and maintaining the Guardian's Office was not workable and that it needed to be disbanded altogether. This was accomplished by a new series of CMO Int missions sent to GO offices around the world. The pattern of the missions was to remove all GO staff from their positions and put them on estates work and physical labor around the Church. Concurrently, each person was

required to make a full confession of past misdeeds (not limited to illegal acts but also any other violations of Church policy) as part of his or her ethics handlings. Depending on what was found, the person was either dismissed from staff or put on a rehabilitation program. In some cases if the person was relatively clean and willing to abide by Church policy, he or she was retained on church staff but in a lower position on a probationary status. All GO directives and issues of any kind were cancelled across the boards.

Before being disbanded the GO's Finance Bureaux had monitored some aspects of the Church's finances, including the production of and maintenance of accounts and financial records. With the disbanding of the GO, this function was taken over by the International Finance Network where it remains. Public relations activities were put under the direction and supervision of the LRH Personal Public Relations Officer International and his staff. All GO social betterment functions - drug rehabilitation, criminal rehabilitation and education reform, were taken over by a new organization known as Social Coordination. Later this function was assumed by Association for Better Living and Education ("ABLE"). To administer legal affairs, the Office of Special Affairs (OSA) was formed from a mixture of Sea Org staff who had been on one or more of the missions that had disbanded the GO, new staff recruited to work in the area and some former GO staff who had survived investigation and scrutiny and had undergone ethics clean-ups relating to their former affiliation in the GO.

The Office of Special Affairs is not an autonomous group. OSA International is part of the Flag Command Bureaux and the highest OSA management position is that of CO OSA INT. The Watchdog Committee has a WDC member, WDC OSA, whose sole job is to see that OSA INT effectively performs its functions and operates according to Church policy. Continental OSA units are part of the Continental Liaison Offices and local OSA representatives, called Directors of Special Affairs, are staff at their local church subject to the supervision of its Executive Council.

These measures guarantee that the office handling legal matters for the Church will never be autonomous.

Since the disbandment of the GO further steps have been taken to make sure that the negative influences of the GO that were eradicated can never again arise. In 1986 the Church instituted firm policy which makes it mandatory for any former GO staff member to request and get permission from the International Justice Chief before being allowed employment. Any staff who were dismissed

because of involvement in illegalities are not permitted to return to staff under any circumstances. In 1987 another policy was implemented governing the eligibility of Ex-GO staff for advanced level Scientology religious services as parishioners. Such parishioners are required to request permission from the International Justice Chief and must demonstrate to him that they have been rehabilitated, completed their ethics handlings, are leading ethical lives and that they have made significant contributions toward the overall welfare of the Church.

Summary:

The illegal acts of the GO and its perversion and abandonment of Church policy were not taken lightly by Church management once they became known. It required many months of investigation and severe measures by dedicated members of CMO INT to finally cleanse the Church of this corruption. There are no longer any autonomous groups or networks within the Church. All staff are measured against a standard of compliance with church Scripture and against their performance in advancing the religion in terms of ministering to the Scientology religious community and in attracting new members.

In early 1983, the Service was advised, in response to a similar request, that none of the eleven individuals convicted of involvement in criminal activities was then on staff at any church of Scientology, nor was any of them eligible to be on staff in the future.

This continues to be true today and will remain so. Additionally, the Church dismissed a number of others who were determined to have had some part in illegal activities and, although never charged or convicted, are not eligible to be Church of Scientology staff members in the future.

Question 10(a)

10(a). The Service has expressed its concerns relating to violations of public policy committed in the past by certain individuals affiliated with Scientology and by various Scientology-related organizations. What assurances can the Service be provided that these violations are not continuing as of December 31, 1989, and that those who were involved in the commission of the acts described in the CSC case are no longer affiliated in any capacity or employed by the Church of Scientology, including any Scientology-related organization?

The Service's ongoing concerns about "violations of public policy committed in the past by certain individuals affiliated with Scientology and by various Scientology-related organizations" appear to be based on the Tax Court's decision in CSC. The misconduct that gave rise to the Tax Court's public policy findings in CSC was the criminal misconduct of individuals within the Guardian's Office. As discussed in detail in response to question 3(a), the Guardian's Office has been disbanded, the principal wrongdoers removed from staff permanently barred from ever serving on staff of any Scientology church in any capacity, and other former GO staff with lesser involvement removed and retrained. The procedures instituted that prevent recurrence of misconduct by Church staff in their official capacity apply equally here -- the legitimate functions of that office now are carried out under full and direct ecclesiastical supervision, and there are no organizations or groups performing church functions in the practice and propagation of the religion of Scientology or its affiliated social welfare and public benefit activities which can operate independently of CSI and the ecclesiastical hierarchy.<sup>1/</sup>

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<sup>1/</sup> Church of Spiritual Technology is autonomous from the CSI hierarchy. CST has its own unique activities and purposes which require it to be autonomous. CST's autonomy does not create a risk of a recurrence of the Guardian Office misconduct, because CST is not involved in any way with the ministry of religious services to the public, the proselytization of the Scientology religion, or the performance of its social welfare and public benefit functions.

Question 10(b)

b. The term "Snow White" referred in the 1970s to a covert operation carried out by the Guardian's Office under which illegal acts were perpetrated, including burglarizing the National Office of the Internal Revenue Service. Is any operation known as "Snow White" still in existence? If not, please describe and document the method by which it ceased operations. If an operation under the name still exists, please describe the operation and provide supporting documentation. In addition, please describe any operation of whatever name that may be designed to achieve goals similar to the "Snow White" operation that existed in the 1970s.

As discussed in our responses to Questions 3(d) and 10(a), during the 1970s the Information Bureau of the Guardian's Office ("GO") carried out a series of operations to infiltrate government offices, including the National Office of the IRS, to obtain copies of documents concerning the Church. While the GO used various names to refer to those operations, we do not believe it ever used the name "Snow White" to designate those operations. However, we understand that the term Show White may have been misused within a program involving infiltration of government agencies. This may be the source of the misconception about this program conveyed by the Service's question. The term "Snow White" correctly refers to a program written by L. Ron Hubbard in 1973 for the purpose of correcting false governmental reports about the Church of Scientology through strictly legal means.

Mr. Hubbard wrote the Snow White Program because several countries bordering the Mediterranean Sea had denied entry to their ports to the ship Apollo, which at that time housed the Church's senior ecclesiastical management bodies, as a result of false reports concerning the Church that were being distributed primarily by certain governmental officials in England and the United States. Mr. Hubbard wanted to correct the record and to seek redress for religious persecution. Accordingly, Mr. Hubbard wrote:

To engage in various litigation in all countries affected so as to expose to view all such derogatory and false reports, to engage in further litigation in the countries originating such reports, to exhaust recourse in these countries and then finally to take the matter to the United Nations (that now being possible for an individual and a group) and to the European Commission on Human Rights, meanwhile uprooting and cancelling all such files and reports wherever found.

This program did not contemplate anything illegal whatsoever, and in fact expressly stated its "Ideal Scene" to be "All false and secret files of the nations of operating areas brought to view and legally expunged . . . ." (Emphasis added).

An example illustrating the use of the Snow White Program, why it was necessary and its results, concerns the country of Portugal. Between 1969 and the first half of 1974 the Apollo frequently docked at ports in Portugal with no problems and good relations with the people and ~~first surfaced at ports in Spain in 1972 and as a result of this and other false reports the ship had been denied entry into some Spanish ports. Although the rumor continued to surface in 1973 and 1974 in Portugal, the Apollo nonetheless continued to be welcome in Portuguese ports without major incident.~~

On October 3, 1974, when the Apollo was docked at the port of Funchal on the island of Madeira, Portugal, it was attacked by a large crowd throwing rocks and shouting "CIA ship." The local police and army stood by and watched, doing nothing to hold the crowd back. As a result some Church staff aboard the ship were injured and property was damaged or destroyed. Cars and motorcycles belonging to the Church and Church staff were thrown off the dock into the bay. The ship crew had to fight off the attackers with fire hoses while the ship made an emergency departure to escape the violence, without being able to take on food, fuel or water. The Apollo and her crew were forced to wait miles offshore for over a day while order was restored so she could return to load fuel, food and water and sail to a safe country.

Documents obtained from the U.S. State Department through the Freedom of Information act pursuant to the Snow White Program, trace the "CIA ship" rumor to a State Department telex in April of 1972 sent to various European countries that contained this and other false reports. Following the Snow White Program procedure of locating and expunging false reports and seeking redress for religious persecution, a suit was filed in Lisbon by the company that owned the Apollo, Operation Transport Corporation ("OTC"), against the government of Portugal seeking damages as a result of this riot. In June of 1985 the Administrative Court of Lisbon awarded damages to OTC finding that the riot in October of 1974 had been sparked by the CIA ship rumor, and that this rumor was false. These damages were sustained by an appellate court in 1987.

Based on these decisions and clearing up of the false

information originally generated by the U.S. government, in April of 1988 the Minister of Justice in Portugal officially authorized the registration of the Church of Scientology in Portugal, accomplishing the Snow White Program's objective for that country.

The principal activities in the United States under the Snow White Program have consisted of filing Freedom of Information Act requests with all Federal governmental agencies and public record requests at the state and local level, pursuing litigation to compel disclosure of records being withheld, and the filing and prosecution of a large lawsuit in 1978 against a number of federal government agencies for the purpose of expunging all false reports on the Church and Mr. Hubbard contained in their files. Other activities under the aegis of Snow White, both in the U.S. and abroad, had to do with investigating and exposing Interpol as an autonomous police agency serving as a conduit for false reports on the Church and others.

The Osler Decision:

The Service need not simply rely on our representations about the Snow White Program as we are providing a copy of the original program with this write-up as Exhibit 10-A. Additionally, Justice Osler of the Supreme Court of Ontario, Canada, reviewed this program in 1985 to determine whether an Ontario Provincial Police officer should be cross-examined on an affidavit he had sworn in support of a search warrant against a Church of Scientology in Canada. The officer had characterized the Snow White Program as calling for illegal actions.

In an opinion dated January 23, 1985, after reviewing the Snow White Program document and other related evidence, Justice Osler noted that

". . . it is not without significance that the affidavit of Fletcher Prouty, appearing in Volume 8A of the record at tab KK, makes it appear that he formed the conclusion, as a highly placed official of the Central Intelligence Agency of the United States that since 1950 there has been a definite campaign of harrassment against this organization (Scientology) for nearly thirty years primarily by means of the dissemination of false and derogatory information around the world to create a climate in which adverse action would be taken against the Church and its members. Defense against this type of activity was, of course, the stated objective of the SNOW WHITE program.



Decision of Supreme Court of Ontario, Osler, J., pp. 33-34.

Concluding that the document on its face called for actions to "legally" expunge files and that the word "legally" appeared to have been purposely left out of the officer's affidavit, Justice Osler ordered that the cross-examination of the officer go forward.

Following the cross-examination, on February 7, 1985, Justice Osler issued a second opinion stating that while he did not believe that the officer's mischaracterization of the Snow White Program rose to the level of a fraudulent misrepresentation, he did find that the officer had made "errors in judgment" in characterizing the program as calling for illegal actions.

Current Snow White Activities:

The Snow White program is not being executed today. It was a very specific program tailored to a particular state of affairs at the time it was written. However, over the years the term Snow White became synonymous with the activity of legally locating and correcting false reports on the Church. So the term may be heard in connection with this activity from time to time. The Church's legal bureau, working with Church counsel, utilize the Freedom of Information Act and similar statutes around the world to locate false reports on Churches. When located they seek cooperation of the agencies involved in expunging and correcting such reports.

These staff and attorneys carry out no activities that are in any way illegal, and neither does any other unit or function in the Church.

A copy of the Snow White Program as issued in 1973 is attached as Exhibit II-10-A.