

QUESTION 3-f

f. As required on Part II of the Schedule A, Form 990, please name the 5 highest paid service providers and list the amounts paid to them by Scientology-related organizations, in calendar years 1989, 1990 and 1991. "Service Providers," for purposes of this Question 3-f, excludes all Scientology-related organizations and individuals (including but not limited to individuals listed in response to Question 3A-c (i)-(iii) below). To identify the service providers to be listed, please aggregate all payments from all Scientology-related organizations. Please explain the services and purposes for which payment was made and separately list each payor and the amount it paid.

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Following is the list of the 5 highest paid service providers for each of the calendar years 1989, 1990 and 1991.

This information was gathered from all major Scientology-related organizations including US Class V Churches and the larger US missions. While the Church does not maintain service provider compensation information in centrally located files, we believe that we have compiled materially complete aggregate payment figures.

Year 1989

INTERNATIONAL COMMUNICATIONS GROUP

\$ 2,841,062.00	FSO
322,281.64	WISE
211,086.02	CSWUS
174,464.00	CSI
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\$ 3,484,950.66	

International Communications Group is a media booking agency that was paid by various Scientology-related organizations to book media time to air various productions concerning Scientology and Dianetics for the proselytization of the religion. Their services encompassed acquiring time or space in print media (newspapers and national news and feature magazines); on radio (national radio networks, city-wide radio stations); and on television (national and local cable TV, syndicated TV and national network television). The productions were designed to interest the public in books about Scientology and Dianetics or invited the people to attend lectures and seminars about the religion. These payments cover the actual time and space purchased.

WILLIAM KANAYAN CONSTRUCTION

\$ 2,592,750.31 CST

William Kanayan Contruction built several buildings at CST's central repository and archival production facility in Southern California. CST is engaged on an enormous project to preserve the Scientology scriptures for all time. To date CST has spent over \$52,000,000 on these projects and expects to spend another \$114,000,000 in the next 5 years to complete the current phase of its program. Many of the archival scriptures are produced, assembled, packaged and staged at the Nile High facility in buildings especially constructed by William Kanayan Construction. One of them is a 4 story production building. (Exhibit binder, III-3-E, Photos A1 - A9). Preservation activities conducted in this building include preserving the scriptures on etched stainless steel plates. Scriptures are also reproduced and protected in such media as archival laser disks and copper records protected by a nickel coating. The archival scriptures are then placed in capsules made of pure, indefinite-life titanium. (These were shown to you during our October 1991 presentation of CST's activities and the wherewithal and materials it uses for preservation and storage.) (Photos A10 - A17).

The vault at Mile High is an underground facility that protects the original scriptures from any conceivable environmental hazard or act of war. It consists of two 100 foot long heavy gauge steel underground structures which provide maximum protection against earthquakes and which are fully conditioned for both temperature and humidity so as to maintain perfect storage conditions for the priceless originals stored in the vault. (Photos A18 - A31)

DENMAN 4 ASSOC.. INC.,

\$ 2,509,692.57 CST

During the 1980's CST constructed a 700 foot tunnel vault in New Mexico. The vault is designed and built to last a minimum of 1,000 years. It is a rock tunnel, constructed by drilling and blasting, which has high strength concrete floors and walls made of high durability and water resistant materials. The tunnel finish is gunnite followed by troweled lime for long

term durability, followed by a spray applied layer of acrylic/marble dust mixture for extreme hardness and water resistance, followed by three coats of polyurethane paint. Several complete sets of the archival scriptures will be stored in this vault. In order to maintain the facility and to properly protect and service the vault and its contents, it was necessary for Denman & Associates, Inc. to construct ancillary facilities to support the vault, such as miles of roads, irrigation lines, utility lines, gatekeeper/material receiving building and maintenance structures. (Exhibit B1 - B27)

#### NIELSEN CONSTRUCTION.

\$ 2,344,415.98      CSI

In 1989 Nielsen Construction was involved in major construction and renovations projects at Gilman Hot Springs related to Golden Era Productions. These included a large building for Golden Era Productions which includes manufacturing facilities for the reproduction of Mr. Hubbard's taped lectures on Dianetics and Scientology and for the Hubbard Electrometer. (See Photos C1 through C8.) The communal dining hall and kitchen facilities for the 700 Sea Org members based at Gilman Hot Springs also underwent extensive renovations. (See Photos C9 through C15.)

#### IGSS, INC.,

\$ 2,106,725.03      CST

In order to better guarantee the preservation of the Scientology scriptures against large-scale disasters, a variety of vault sites have to be established. Therefore, in Northern California a horizontal underground vault has been constructed in addition to the Mile High and the New Mexico facilities. This additional vault consists of two levels, each 372 feet long, which are covered with up to 30 feet of earth. This facility, too, is designed to remain safe and accessible for 1000 years without maintenance. The uniquely segmented structure can withstand earthquakes of a 8.5 Richter magnitude without rupture. Each of the 540 segments was individually constructed of 8 inch thick high-strength concrete completely encased with a 1/4 inch thick, continuously welded steel plate. When assembled, the vault segments formed over 5.8 linear miles of joints which were bolted together and sealed with material allowing for utmost flexibility. This construction, which took one year to design, was created by IGSS, Inc. (Exhibits D1 - D15) Like the New Mexico facility mentioned above, this vault will contain several complete sets of scriptures preserved on

the most durable and longest lasting materials known to man at this time. (Exhibit C16)

YEAR 1990

INTERNATIONAL COMMUNICATIONS GROUP

\$ 4,916,841.68	FSO
3,495,507.37	CSWUS
9,213.11	CSI
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\$ 8,421,562.16	

As discussed above, International Communications Group is paid by various Scientology-related organizations to book media time Scientology and Dianetics productions. These payments cover the actual time and space purchased.

IGSS, INC.

\$ 7,289,036.39	CST
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The aforementioned Sunset View vault construction in Northern California continued in 1990 when over half of the cost was incurred. The vault was equipped with seven concrete and steel blast resistant doors custom designed for CST utilizing stainless and other corrosion resistant steels. The larger doors in the facility weigh up to 10,000 lbs each. The vault is now capable of absorbing the shock of the most severe earthquake and to withstand a near direct nuclear blast. (Photos D14 - D16)

TAIWAN DANPORT CO.

\$ 4,188,250.00	CST
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As described above, CST's archival preservation program includes storage of the Scientology scriptures in specially designed and engineered pure, indefinite-life titanium capsules. Written scriptures are first etched into stainless steel plates and are then placed in titanium time capsules which are filled with an inert gas and hermetically sealed. These time capsules cost over \$2,000 apiece and CST projects that it will need at least and additional 10,500 units for which it will have to spend over \$21,000,000. The Taiwan Danport company is the manufacturer of these capsules. CST's current program will utilize over 15,000 of these capsules. (Photos A16 - A17)

PENMAN & ASSOC INC.

\$ 3,531,218.30 CST

These funds were paid to Denman t Associates, Inc. to complete the work performed at the New Mexico vault site as described under the payment to this company in 1989.

BOWLES AND MOXON

\$ 1,681,806.20	CSI
311,579.24	CSWUS
47,450.00	ORANGE COUNTY CHURCH
33,946.22	FSO
19,454.50	CST
17,199.20	BPI
14,374.75	ASI
10,783.16	SAN FRANCISCO CHURCH
6,842.64	AUTHOR'S FAMILY TRUST
4,944.75	SACRAMENTO CHURCH
4,671.64	NARCONON
4,068.53	CSC
3,715.00	LOS ANGELES CHURCH
3,450.00	STEVENS CREEK CHURCH
1,800.23	CC INT CHURCH
1,617.50	TWIN CITIES CHURCH
1,457.00	AUSTIN CHURCH
1,000.00	ABLE
1.70	LONG ISLAND CHURCH
2.00	IHELP
3.50	CC LAS VEGAS CHURCH
4.00	NEPI
5.00	APPLIED SCHOLASTICS
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\$ 2,172,515.76	

Bowles & Moxon is the law firm which does the majority of the day to day legal work of Church of Scientology International (CSI) and other Churches of Scientology in the United States. CSI retained the firm at its formation in 1987 in an effort to save money on legal expenses and increase the efficiency of its legal representation by consolidating as much of its legal work as possible in one firm.

Since its formation, Bowles & Moxon has expanded its resources and facilities to take on increasing portions of the legal work of CSI and other Churches of Scientology. In 1989, Bowles & Moxon consisted of six attorneys, including partners, associates and attorneys of counsel to the firm. At this

writing, Bowles & Moxon has grown to 14 attorneys, including partners, associates and attorneys of counsel to the firm. There is also secretarial and other support personnel working for the law firm. The highest paid attorney in the firm in 1990 was Kendrick Moxon who received \$110,270 in compensation.

Bowles & Moxon contains specialized departments which deal with corporate and transactional matters, litigation prevention, civil and government litigation, including litigation brought under the Freedom of Information Act. The above figures include fees and costs.

YEAR 1991

LUCKY CITY ENTERPRISES. LTD. - NEW NAME FOR TAIWAN DANPORT CO.

\$ 7,615,504.80 CST

Lucky City Enterprises Ltd., formerly Taiwan Danport Co., manufactures the titanium time capsules for CST's archival preservation program which were fully described above. (They were also shown to you as part of CST's presentation in Washington in October 1991.)

JAN GILDERSLEEVE. formerly with INT'L COMMUNICATIONS GROUP

\$ 4,281,951.59 CSI  
8,734.57 BPI  
3,036.00 CSWUS

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\$ 4,293,722.16

Jan Gildersleeve worked for International Communications Group ("ICG") until 1991 when she left to start her own firm. She handled Church accounts while at ICG, and continues to perform media purchasing and placement services for the Church. These payments cover the actual time and space purchased.

BOWLES AND MOXON

\$ 3,199,232.53	CSI
162,191.45	WUS
61,442.54	AUTHOR SERVICES INC.
48,210.86	CST
43,265.37	CC INT CHURCH
42,018.11	NARCONON
37,814.74	FSO
17,244.58	SAN FRANCISCO CHURCH
13,358.00	ORANGE COUNTY CHURCH
12,762.50	WISE
11,600.00	SMI
8,690.00	BPI
8,574.60	BOSTON CHURCH
8,414.20	STEVENS CREEK CHURCH
1,388.70	COLUMBUS CHURCH
6.00	VALLEY CHURCH
7.00	ANN ARBOR CHURCH
8.00	LOS ANGELES CHURCH
9.00	APPLIED SCHOLASTICS
10.00	ILLINOIS CHURCH
11.00	AUSTIN CHURCH
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\$ 3,678,259.18	

The specific role and functions of Bowles & Moxon was explained above. The increase in funds paid to the firm is due to more legal work being assigned to Bowles & Moxon; the firm increased the number of its attorneys accordingly.

The highest paid attorney in the firm in 1991 was Marcello di Mauro who received \$ 123,027 in compensation.

IGSS. inc..

\$ 3,607,845.75 CST

IGSS, Inc. constructed the vault at CST's Sunset View site in Northern California. The character and purpose of this archival preservation and storage site is fully explained above in the descriptions of the payments to this company in 1989 and 1990.

**Arcata**

\$	475,701.70	AUTHOR'S FAMILY TRUST
	2,986,735.61	,BPI
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\$	3,462,437.31	

Areata is a large printing firm which **was** used by both BPI and Author's Family Trust to print books authored by L. Ron Hubbard. Bridge Publications, Inc. publishes and sells books by L. Ron Hubbard and utilizes Areata for printing and binding. Author's Family Trust contracted Areata to print, bind and store leatherbound books by L. Ron Hubbard for the purpose of making especially aesthetic editions of **these** books available for collectors of L. Ron Hubbard's written works.

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