

arrangements commenced on January 10, 1994 and continued through February 4, 1994. I am informed that Geertz's counsel was not willing to discuss a mutually acceptable date for my testimony, particularly at the end of that period, when Geertz's counsel declined even to propose a date for my deposition. In the meantime, while refusing to depose me, he threatens me with contempt for not having been deposed. I am convinced that this entire tactic of attempting to bring me into a case where my only involvement stems from this pursuit of my testimony, is for the purpose of harassment and to forward a litigation tactic of avoiding litigation of the actual case by use of abusive and irrelevant discovery tactics.

15. As a result, I feel I should make whatever effort I can to set the record straight on many of the false and inflammatory allegations that have been injected into this case. Therefore, I am using this written declaration to inform the Court of what my testimony would have been. I also am making my testimony available, because of my great concern that my name has been attacked in such a way that the Court has made rulings regarding my appearance based entirely on falsehoods presented by Geertz's counsel and Vaughn and Stacy Young.

NO KNOWLEDGE OF DEFENDANTS

16. I first heard the name Steven Fishman in the summer of 1990, when it was brought to my attention that someone by that name had been sentenced to prison for mail fraud and obstruction of justice and that in the course of being sentenced, he had referred to me by name and it had been alleged that illegal acts he had committed were as a result of Fishman being "implanted" and caused pain by inserting BIC pens in his penis and forcing him to smell human feces. As I had never heard of Fishman and because the allegations were such tabloid rot, I assumed this was some new form of "insanity defense" and that Fishman had picked my name out of the press or something. I never thought about the matter again, until 1991, when I read the 8 page cover story in Time Magazine concerning CSI in the May 6, 1991 edition. At no time, either before or since I read their names in that magazine, have I met with, spoken to, communicated with or otherwise had any contact or communication of any kind with either Geertz or Fishman. It was when I read that article that I first heard the name Uwe Geertz.

17. Geertz has submitted copies of purported correspondence from defendant Steven Fishman to Church members making reference to me as a participant in Fishman's mail fraud crimes. These references to me are pure fiction. Indeed, I have been informed that CSI has filed with the Court an un rebutted declaration of a typewriter expert who concluded that these letters could not have been created on the dates claimed by Fishman.

18. Other than the falsified documents of a convicted felon, the defendants have identified no other "evidence" that I even knew Fishman, much less ordered or condoned crimes for which he was imprisoned. Instead, Geertz has submitted two

vicious declarations, from Vaughn and Stacy Young, which attack and vilify me personally without reference to any issue in this case. Most significantly, neither of the Young's ever suggests that they ever heard me or any other senior official in the Scientology religion mention Steven Fishman or Uwe Geertz in their presence. At no time does either one even suggest that they know anything that connects me to any issue in this case. The reason they have failed to do so is clear: they have no such evidence of my involvement with Fishman or Geertz because no such evidence exists.

19. Exemplifying the unsupportable, irrelevant and malicious nature of Vaughn Young's personal assault on me is his false and repugnant insinuation that I was involved with the death of my mother-in-law, Mary Florence Barnett. Not only is there no evidence to support this claim by Young, but there is clear evidence to the contrary. With the reports of the coroner and the medical examiner's investigator, and with the deposition of the medical examiner taken by Geertz's counsel at hand -- all to the unanimous, unequivocal conclusion that Ms. Barnett died from self-inflicted gunshots -- Young has the temerity to suggest that I should be investigated to determine what he calls my role in that tragic suicide. With complete disdain for the facts and no regard whatsoever for any sense of decency, Young has taken a personal tragedy in my family's life, the suicide of my mother-in-law, and attempted to make this an issue in this lawsuit by twisting it to imply non-existent wrongdoing on my part. I not only had nothing to do with this tragic incident, but Vaughn Young's gratuitous embellishment that I ordered the matter "hushed up" is equally false. My only association with this tragedy was to console my wife who was understandably emotionally traumatized and grief stricken. Vaughn Young's effort to exploit this tragedy is malicious in and of itself, but his innuendo and attempts to recast the incident, despite the uncontroverted evidence as to the true cause of Ms. Barnett's death, show the depths to which he is willing to sink.

20. At this point, I have stated all I know of Steve Fishman and Uwe Geertz and anything that could possibly be relevant to this case. However, Vaughn and Stacy Young have taken it upon themselves to introduce into this case their version of my history with the Church. I cannot understand the relevance of this under any circumstances, but since counsel has now refused to take my deposition while concurrently leveling threats, I feel I am forced to give a brief history of what actually occurred to be in compliance with the Court's order if such is considered relevant, and to show in proper context how Vaughn and Stacy Young are simply incapable of competently testifying to events they have "described" in their declarations.

HISTORY OF FALSE ALLEGATIONS

21. False allegations leveled against me in the context of litigation or in the media are nothing new. I raise this point only so that the Court will understand that the sort of scurrilous personal attack on me launched by Geertz's counsel and Vaughn Young is the latest in a pattern of such attacks

in litigation over the years. I recognize that it is not uncommon for leaders of organizations and movements to be subjected to such attacks. I can only assume that I am attacked because I am visible as the ecclesiastical leader of the Scientology religion. I note that I am the ecclesiastical leader of the religion, not the Church. The mischaracterization of my role made by the editors of Premiere magazine in an editorial note cannot convert me from the leader of the religion to the head of the Church. Neither can the imprecise use of language by Ted Koppel on ABC's Nightline Show. Both of those erroneous designations are examples of the media not understanding the nature of what I do or the nature of my relationship to the Church. In the case of Premiere, the same article that contained the erroneous statement by the editors, also contained a photo caption which I did compose and which did correctly identify my position as "David Miscavige, Chairman of the Board of Religious Technology Center, Holder of the Trademarks of Dianetics and Scientology." On "Nightline," I was sitting on live, nationwide TV, engaged in rebutting a set up video for the show, containing 15 minutes of false and outrageous charges about Scientology and did not deem it important to pause from correcting those false charges so I could educate Mr. Koppel on matters of corporate structure.

22. My name has now been dragged through the mud in this litigation, not only by means of a mean-spirited personal attack, but also as part of what appears to be a tactic of hurling false and irrelevant allegations against Church of Scientology International, the Scientology religion and its Founder. It is unfortunate that I am now put in the position of defending my reputation and refuting lies about my religion that have become part of the record in this case. In that regard, I must note that in reviewing the sordid and outrageous allegations made about me by Geertz's counsel and Mr. Young, I was struck by their technique of using vague, innuendo-filled vignettes and unsubstantiated rumors in an effort to sound authoritative. I was also struck by the way that their declarations attempt to portray normal things as abnormal. I can only submit that trying to make the usual seem strange and trying to color events by innuendo are the tools by which bigotry is crafted and prejudice is spread.

23. The personal attacks on me, as well as many other irrelevant and malicious falsehoods that have been brought in this case, have largely been introduced through declarations of Robert Vaughn Young and Stacy Young and forwarded by Geertz's lawyer, Graham Berry. The Youngs left Scientology almost five years ago, have no personal knowledge of the current activities of RTC, CSI, or any other part of Scientology and, by their own admission, have no personal knowledge of the defendants in this case. Neither Vaughn nor Stacy Young ever worked with me or even near me during the entire time I have been employed by RTC. They couldn't possibly testify to any of my activities as RTC's Chairman of the Board since 1987 because they simply were in no position even to observe such activities. They are not experts on anything relating to Scientology, but have apparently been hired to file inflammatory declarations on non-issues in this suit. The Youngs are, however, generally aware of the fact

that, through the years, attempts to malign me personally and create a false picture of the Church with sensational allegations have been the stock-in-trade of litigants opposing the Church and the former Scientologists upon whom counsel rely to swear to matters they do not know and to make false allegations for which they have no basis. I believe that the Youngs' awareness of that litigation ploy explains their involvement in this case and defines the role they are playing.

24. For example, part of Vaughn Young's attack is his complete mischaracterization of my role in the dismantling and permanent disbanding of the Guardian's Office ("GO"). The Guardian's Office and the fallout that resulted from it is particularly significant as it is the linchpin of a litigation tactic that has been employed for years against me and the Church. Vaughn Young is simply revisiting the same path trod by others before, but as this has now been injected into the case I feel it important to address this matter, even if necessarily briefly.

25. Young would have the Court believe that I was an opportunist, using the jailing of Mary Sue Hubbard as a means of taking control of the GO, while leaving its criminally tainted substance unchanged and operating under a different name. This is a complete perversion of the true events, as set forth below. I would not have expected Young to know all of the details of how I directed the disbanding of the GO and the permanent expulsion of its leaders and other wrongdoers, as he was in a low level position in the GO at the time. However, he knows that when the staff of other Church units completely took over the GO offices and put an end to it as an organization, literally hundreds of his fellow GO staff members were dismissed, expelled from the religion, and forever barred from ever holding any position in any Church organization again.

DISBAND OF THE GUARDIAN OFFICE

26. To understand the magnitude of this upheaval, a description of the history, power and authority of the GO is vital. The GO was 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. During the 1970s the GO operated as an entirely autonomous organization unchecked and unsupervised by the ecclesiastical management of the Church. The power of the GO was absolute. Unless a member of the GO, one could not even enter their locked offices. They held all corporate directorships. They and they alone dealt with legal affairs of the Church. The GO operated in complete secrecy, and conducted its affairs independently of the Church and its management and personnel. Any attempt to find out their affairs, by Church ecclesiastical staff or any Scientologist, was met with the same "treatment" they handed out to others. For instance, GO staff carried out illegal programs, such as the infiltration of government offices for which eleven members of the GO were

prosecuted and convicted. There were also instances in which GO staff used unscrupulous means to deal with people they perceived as enemies of the Church -- means that were completely against Scientology tenets and policy, not to mention the law.

27. In 1981, a Church investigation was begun into the activities of the GO. That investigation was prompted by the existence of a number of civil law suits which had been filed at that time against Church of Scientology of California and Mr. Hubbard, and which the GO was supposed to be responsible for handling. Not only was the GO not handling these suits, the GO, and particularly Mary Sue Hubbard, even refused to answer our questions about the suits because they viewed themselves answerable only to persons within the GO. My involvement in the purge of the GO arose from my position at the time, Action Chief CMO International. My duties included directing Church missionaries conducting the investigation of the GO to determine the reasons for the GO's ineffectiveness and why the GO had departed from its original purpose.

28. Our attempts to get information were thwarted by Mary Sue Hubbard. She informed us that she did not appreciate our investigation of the GO and that if one were needed she would do it. In March 1981 she cut all of our 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, a fact that she was well aware of. This, plus her absolute control of the GO, made it difficult for the Church missionaries to get anything done.

29. In April 1981, in an unprecedented move and without Mary Sue Hubbard's knowledge, I sent a mission to the headquarters of the GO in England -- GO World Wide ("GOWW") -- to inspect the Legal Bureau under the guise that it had been authorized by Mary Sue Hubbard. What the mission found confirmed our worst suspicions.

30. We discovered that the GO had grossly mismanaged the legal affairs with which it had been entrusted, and displayed a disdain for the basic policies by which a Scientology organization is supposed to be guided. Whatever else the GO was, it was not Scientology, and it was not adhering to Scientology policy. Moreover, the GO continued to withhold from Church management the darkest of its secrets -- the criminal acts committed by GO staff against the United States government and others. We only learned of these crimes when we read copies of GO documents attached as exhibits to court papers filed by litigation adversaries. These documents had been removed by the GO from its own files in order to continue to hide their criminality from the Church. While the FBI had seized these documents in their 1977 raid of the Church, the GO had obtained an order sealing these materials from the public, including the Church. During a short period, the Court had lifted its sealing order and litigation adversaries obtained copies. And that is why we were only able to start discovering these acts when filed by the opposition in civil litigation.

31. When further investigation proved the documents to be authentic, it was made clear that we had no choice but to overthrow the GO and dismiss everyone who had violated Church policy or the law. These activities ultimately led to a complete disband of the GO. I gathered a couple of dozen of the most proven Church executives from around the world and briefed them on the criminal and other unethical conduct of the GO. Together, we planned a series of missions to take over the GO, investigate it and reform it thoroughly. On July 13, 1981, a matter of weeks after we had uncovered what was going on, and with no advance warning to the GO, a coordinated series of CMO missions were sent out concurrently to take over the GO.

32. However, there were a number of obstacles to overcome before the termination of the GO could be accomplished. Mary Sue Hubbard was still asserting her authority over the GO from her position as Controller. Contrary to Young's statements, she was not in jail, but was still very much in control of the GO. At the same time, Mary Sue Hubbard was covertly attempting to expand her power through her friendship with and influence over Laurel Sullivan, a Church staff member who was in charge of a project she referred to as the "MCCS project" -- the purpose of which was to "sort out" the corporate structure of Church of Scientology of California.

33. Instead of addressing a sensible reorganization of that Church, Sullivan and her GO supporters were making their own plans to establish trusts and for-profit entities which would have placed even greater corporate control of the Church in the hands of Mary Sue Hubbard and other GO executives in a fashion that would have assured the permanency of GO dominance and power.

34. Shortly before the purge of the Guardian's Office, I discussed with Laurel Sullivan various illicit GO activities we had already uncovered. Sullivan was aware of these activities. Sullivan did not agree that the acts the GO had committed were atrocious and that Mary Sue Hubbard and the rest of her criminal group needed to be removed. She insisted that Mary Sue Hubbard remain in power and that at all costs she and the Guardian's Office should maintain total control of the organization regardless of the criminal acts exposed by the government and others, in which Sullivan felt the GO was completely justified in committing.

35. Upon learning of Laurel Sullivan's alliance with the GO and the plans to reorganize the Church under Mary Sue Hubbard and her GO allies, I removed Sullivan from her position and disbanded the MCCS project altogether. In fact, recently released documents reveal that Laurel Sullivan -- who would later become an adverse witness against the church and me -- long ago admitted to law enforcement officials that the corporate restructuring of the Church actually implemented, differed entirely from that envisioned in her MCCS project.

36. Contrary to Young's claims, Mary Sue Hubbard was removed from her post before she went to jail. I know, because I

personally met with her and obtained her resignation. Vaughn Young was not present at that meeting nor was he present at any of the events described here. He does not and cannot know what occurred. I do. At first, Mary Sue Hubbard was not willing to resign. Eventually she did so. Mary Sue Hubbard and the GO, however, did not simply capitulate.

37. Within a day of Mary Sue Hubbard's resignation, senior GO officials secretly met with Mary Sue Hubbard and conspired to regain control of the GO. Mary Sue Hubbard signed a letter revoking her resignation and condemning the actions of the CMO. Scores of GO staff responded, locking the missionaries out of their premises and were intending to hire armed guards to bar access by me and the other Church officials who had ousted them. I then confronted the mutineers, and persuaded Mary Sue Hubbard to again resign, which ended the last vestige of GO resistance.

38. When it was decided that cleaning up and maintaining the Guardian's Office in any form was not workable and that it needed to be disbanded altogether, this was accomplished by a 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. Before being disbanded the GO's Finance Bureau 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 L. Ron Hubbard Personal Public Relations Officer International and his staff. All GO social betterment functions - drug rehabilitation, criminal rehabilitation and educational 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"), recognized as a tax-exempt organization by the IRS. 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. Completely unlike the GO, the Office of Special Affairs is not an autonomous group. OSA International is part of the Flag Command Bureau 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. Local OSA representatives, called Directors of Special Affairs, are staff at their local church subject to the supervision of the church's Executive Council.

39. To further ensure that the old GO influence was completely terminated, all "Guardian Orders," the non-standard issues which GO staff followed instead of Mr. Hubbard's policies, were canceled. These numbered in the thousands. Today, none of the individuals involved in the

criminal activities of the Guardian's Office are serving on the staff of any organization within the Church hierarchy. During the years 1981 through 1983, the Church kept a record of the names of individuals we found to have been involved in illegal activities, who condoned them, or who were in a position where they should have known and done something to stop them. Any individuals who were found at that time to be on staff were dismissed and informed never to apply for reemployment. A list of names of ex-GO members either involved in, condoning, or being in a position to stop criminal acts is maintained by the International Justice Chief (IJC) at Flag Bureaux. Church organizations are required to check with IJC prior to hiring any ex-Guardian's Office staff member; that means anybody who was ever employed by the GO, whether he was involved in or cognizant of any criminal acts or not. The IJC then checks the names against the list of those banned from staff and informs the local Church organization whether it can hire the individual or not. The Church has thus ensured that no individuals involved in the criminal activities of the GO ever serve on staff. Ironically, the lone exception, discussed below, was created by Vicki Aznaran.

40. Vaughn Young displays his ignorance of the actual facts concerning the dissolution of the GO, for this was no mere "cosmetic alteration," as he so ridiculously asserts. In a police interview, Laurel Sullivan, the GO ally and architect of the stillborn MCCA project, characterized the purge of the GO as a "blitzkrieg," in marked contrast to Vaughn Young's vastly understated description. It was, in fact, a major, dramatic, and permanent overhaul, with over 800 GO staff dismissed as unqualified or because of their disagreements with Church policies or because of their complicity in criminal conduct. It required approximately 50 separate missions to purge the GO. The posts of Guardian and Controller were abolished.

41. As a direct result of the GO corruption and its ultimate overthrow, the Church embarked on a complete corporate reorganization, in part to prevent such criminality from ever occurring again and to make sure a "new GO" could never come about. This is where CSI and RTC came into existence and the reasons for their place in the Church hierarchy are clearly stated in the Church of Scientology International reference book What is Scientology?

NOVEMBER 1, 1981

The Church of Scientology International was founded, signaling a new era of Scientology management. A strong standardized corporate structure was required to facilitate the rapid expansion of Scientology and maintain high ethical standards in a widespread international network of churches. This followed a series of Sea Org inspections that discovered that the Guardian's Office (which had been established in 1966 to protect the Church from external attacks and care for its legal matters) had become entirely autonomous and corrupt. The Guardian's Office had been infiltrated by individuals antithetical to Scientology and had become an organization that operated completely apart from the

day-to-day activities of the Church. Their secret actions in violation of Church policy had resulted in eleven members being jailed for obstruction of justice. Sea Organization executives overthrew the Guardian's Office and disbanded it. Part of the measures taken to ensure a similar situation could never recur was the formation of the Religious Technology Center on 1 January 1982. L. Ron Hubbard bestowed the trademarks of Scientology to RTC, whose purpose is to safeguard the proper use of the marks and ensure they remain in good hands and are properly used.

42. Vaughn Young calling the dismantling of the GO "cosmetic" is the functional equivalent of someone referring to World War II as a "tiff." He wasn't where the dismantling occurred, he doesn't know what happened, and he has no clue.

43. It is important to point out how far from the actual practice of Scientology the GO had departed and to point out the reason that Young is attempting to trivialize the purge of the GO. Unless Young characterizes the GO dismantling as "cosmetic," he cannot argue that his allegations of what he calls "Fair Game" continued to be committed after the GO was eradicated. It is a standard ploy for opposing litigants to point to the GO and allege "Fair Game" being practiced today on the basis of what the GO did thirteen or more years ago. In Young's "Fair Game" accusations, he is merely trying to stigmatize the Church today by dredging up the type of illicit activity in which the GO indulged and falsely ascribing it to the people who are responsible for ridding Scientology of the GO. What the GO did in the 1970's was not pursuant to "Fair Game." One should call their actions by the precise term that describes them: illegal. But which side was Vaughn Young on during the early 1980s when all of this criminal conduct came to light? I was cleaning out the GO; Young was in the GO. We became aware of the acts of the Guardian's Office and were more horrified by the GO and its crimes than law enforcement officials and others outside the Church. Eleven people were indicted by the authorities; we discharged 800 GO staff. There isn't one iota of evidence concerning my involvement in any GO activities, or that of any other current Church executive. None of us had any involvement in the GO other than to obliterate it forever. Moreover, there isn't one iota of evidence that any current Church staff or executive ever engaged in any conduct reminiscent of the GO.

44. Once the Guardian's Office was disbanded there was much that needed to be done to deal with the legal and public relations matters that had been mishandled by that office for so many years. The years of neglect and the GO's destructive acts had put the Church in a position where it was repeatedly being attacked in civil cases, and even the Founder of the religion was being pulled into these suits, despite the fact that he had no connection with any of the claims or acts alleged by civil litigants.

FORMULATION OF AUTHOR SERVICES

45. Mr. Hubbard took no part in the disbanding of the GO or removal of Mary Sue Hubbard. In fact, the first he heard of

it was five months after the initial purge, in July of 1981. While he had been out of communication and uninvolved in Church activities for the previous two years, he had engaged in further researches on Dianetics and Scientology. More relevant, however, was that he had also, for the first time since the release of Dianetics in 1950, resumed his writing of fiction. Mr. Hubbard understood that the representation of these works and their publication could not be handled within the Church. Accordingly, in 1982, Author Services was formed to manage the personal affairs of L. Ron Hubbard including his literary, financial and legal matters. As I was held in some regard by Mr. Hubbard, I was given the opportunity to be part of this new endeavor. Beginning in 1982, I devoted my full time and attention to Mr. Hubbard's personal affairs from my position as Chief Executive Officer of Author Services. Youngs's contention that I was somehow managing all Scientology Churches internationally at the same time that I was supervising Mr. Hubbard's affairs is preposterous.

FALSE ALLEGATIONS AS A LITIGATION TACTIC

46. Since the purge of the GO, I have been repeatedly forced to deal with the points of false allegations that Mr. Young has made here, as well as other lies circulated by a handful of the very individuals I had kicked out. I have become the target of attack for the activities of the very individuals I purged from the Church. In this litigation, Fishman has made numerous allegations about my "involvement" in his criminal enterprise. These allegations are not only false, but resulted in his criminal conviction. Vaughn and Stacy Young have littered the record of this matter further by giving "expert" testimony to support Fishman's allegations by stating, "they might have occurred" based on the acts of the old GO. This is not the first time this tactic has been used as a litigation ploy to harass me and divert the Court's attention from the actual facts in litigation. Each time similar allegations have been raised in the past, however, I have been completely vindicated.

47. The first bizarre episode -- of which Mr. Young is aware, but of which he makes no mention -- illustrates Mr. Young's knowledge of the tactic of generating false allegations as a litigation ploy. This particular episode led to an FBI investigation and a bogus lawsuit, but ultimately led to complete exoneration of me. Shortly after I became Chief Executive Officer of ASI, a call came in to ASI from a New England-based bank. The phone caller was calling to verify that a check supposedly signed by Mr. Hubbard should be cleared. After ascertaining that the check was not valid, I stopped payment on it in my capacity as the Chief Executive Officer of Mr. Hubbard's personal, business and literary agency. The matter of this forged check, however, assumed even greater proportions when a so-called "probate" action was commenced against the "estate" of L. Ron Hubbard.

48. The probate action was filed by a Boston-based personal injury attorney who induced Ron DeWolfe (L. Ron Hubbard's estranged son who had long since been written out of his will), to claim that Mr. Hubbard's estate was being looted and that DeWolfe should be appointed to "protect it." This