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LICENSE AGREEMENT-DFI/DCI and the Centers

THIS AGREEMENT is made this 31<sup>st</sup> day of December,  
1991, by and between:

DIANETICS FOUNDATION INTERNATIONAL, a California non-profit corporation having a place of business at 6331 Hollywood Blvd., Los Angeles, California, Suite 801, 90028 (hereinafter referred to as "DFI"); and

DIANETICS CENTERS INTERNATIONAL, a California non-profit corporation having a place of business at 6331 Hollywood Blvd., Los Angeles, California, Suite 802, 90028 (hereinafter referred to as "DCI").

Recitals

A. Inspector General Network, a California non-profit corporation (hereinafter referred to as "IGN"), has as its principal purposes the teaching and dissemination of applied philosophy and spiritual technology in accordance with the writings and recorded spoken words of the noted philosopher L. Ron Hubbard (hereinafter "LRH"), and the maintenance of the purity and ethical use of that philosophy and technology (which hereinafter are referred to as "Hubbard Philosophy and Technology").

B. IGN is the owner of the service marks and trademarks associated

with the Hubbard Philosophy and Technology, with all of the rights and responsibilities that are incident to and required under applicable laws relating to ownership in order to maintain their validity, to protect the exclusivity of their use by authorized organizations, and to insure that the nature and quality of all services and products that are associated with the service marks and trademarks are in accordance with the writings and recorded spoken words of LRH, whose writings and recorded spoken words with respect to Hubbard Philosophy and Technology and the organizations and local centers formed for the purposes thereof hereinafter are referred to as "the Hubbard Writings".

C. Among the marks owned by IGN are certain service marks and trademarks formerly owned by LRH and pertaining to the Hubbard Philosophy and Technology, including DIANETICS for spiritual technology, and SCIEN TOLOGY for applied philosophy, and organizations and operations related thereto, including the name, initials and parts of the name of LRH, and the goodwill associated with these marks. The marks owned by IGN and subject to this Agreement are collectively identified as "the Marks", and are identified in the list attached hereto as Exhibit A.

D. IGN is the owner of registrations and pending applications for registrations of the Marks in many countries of this planet. The countries in which IGN owns rights in the Marks are indicated in the list attached hereto as Exhibit B.

E. IGN may acquire other marks pertaining to Hubbard Philosophy

and technology, spiritual technology, applied philosophy, and organizations and operations relating thereto, and may acquire rights in corresponding marks in other countries, which marks or countries, will be added to the Marks and the countries that are subject to this Agreement. If IGN ceases to own rights in any of the Marks or countries, those Marks and countries will be deleted from this Agreement.

F. IGN's ownership of the Marks is subject to the right of the successor of LRH, presently the Trustee of Authors Family Trust, conducting his affairs as L. Ron Hubbard Library ("the Trustee") to supply approved products and to license the contract with others to supply approved products relating to Hubbard Philosophy and Technology and organizations and local centers formed for the advancement thereof and bearing or embodying the assigned marks, with the approval of IGN.

G. DFI is organized to operate exclusively for the betterment of mankind through the organizations and local centers that are formed for the advancement and dissemination of the Hubbard Philosophy and Technology in accordance with the Hubbard Writings.

H. IGN and DFI have entered into a formal agreement granting DFI and the related local centers of the Hubbard Philosophy and Technology (hereinafter "the Centers") under the supervision and control of DFI the right to use the Marks in connection with services.

I. DCI is the managing organization for the Centers, under the

auspices and authority of DFI, and wishes to use the Marks as a related organization of DFI under DFI's supervision and control, and to supervise and control the use of the Marks by the Centers.

NOW, THEREFORE, in consideration of the following grant and mutual promises, and other good and valuable consideration, the parties agree as follows:

1. Grant

a. DFI, with the approval of IGN, grants to DCI the non-exclusive right and license to use each and all of the Marks in connection with services pertaining to the Hubbard Philosophy and Technology rendered by DCI and the Centers.

b. This grant extends to all activities of DCI and the Centers with respect to the Hubbard Philosophy and Technology that are under the supervision and control of DFI and the managing authority of DCI, so long as DCI and the Centers expressly agree and covenant to respect and abide by the terms and conditions of this grant, including recognition and acceptance of IGN as the owner and protector of the Marks, with the rights and responsibilities that accompany ownership.

c. This grant does not include the right to authorize or to license the use of the Marks by other entities of any kind, and the granting of further licenses is expressly prohibited.

d. This grant is limited to use of the Marks in connection with services. The right to sell products, including books and other

publications, embodying or bearing the Marks, except products obtained by or through the Trustee or another source authorized by the Trustee or IGN, is expressly excluded from this grant.

2. Consideration And Expense Reimbursement

a. The only consideration required of DCI and the Centers for the grant herein made is the acknowledgement, as a condition of this license, of the prior and continuing commitment to the full and faithful performance of the promises made herein, particularly including the promise to actively use the Marks in advancing and disseminating the Hubbard Philosophy and Technology in accordance with the Hubbard Writings, and to promote and protect the Hubbard Philosophy and Technology and the image of LRH, as the Founder, under and in connection with the Marks.

3. Control and Supervision

a. The governing standards for the nature and quality of all services rendered under and in association with the Marks shall be the Hubbard Writings, as they exist upon the effective date of this Agreement.

b. DFI shall have the right to disseminate standards, specifications and guidelines for the proper use and display of the Marks, and DCI shall insure that all of the Centers, and all of their staff, members and employees shall follow and abide by all such standards, specifications and guidelines. All standards, specifications and guidelines presently in use by the Centers shall remain in effect

until changes are disseminated by DFI.

c. Neither DCI nor any of the Centers shall engage in any activity that is in conflict with or hostile to the Hubbard Writings, or hostile to or derogatory to the image of LRH, nor use any of the Marks on or in connection with any matter that is not part of, or related to, the Hubbard Philosophy and Technology, or the approved services of SCIENTOLOGY applied philosophy and DIANETICS spiritual technology.

d. DFI and IGN shall have the right to monitor all operations of DCI and the Centers with respect to the Marks, inspect all books, records and facilities, pertaining to use of the Marks and receive sample specimens and summaries of literature, publications and products using the Marks, in reasonable numbers and with reasonable frequency, to insure compliance with all standards, specifications and guidelines.

e. DFI may, if it ever deems it necessary or advisable, send a corrective mission to DCI or any of the Centers to correct any deviation from the standards, specifications or guidelines of this Agreement, and DCI shall reimburse DFI for all of its costs of the corrective mission (or require the Center to do so), including travel and living costs of personnel and the time of such personnel, at rates not to exceed the then prevailing rates charged by DFI for corrective missions.

#### 4. Minimum Standards.

In addition to the standards that have been stated, the minimum requirements for qualification to use the Marks by a Center shall include:

a. Establishment of a body and entity for the advancement and dissemination of the Hubbard Philosophy and Technology, pursuant to the Hubbard Writings;

b. Maintenance of sufficient trained staff to effectively serve all members;

c. Proper and effective display of the Marks and the symbols of the Hubbard Philosophy and Technology, to enhance and preserve the image of Hubbard Philosophy and Technology as a philosophy, including display of a charter or certificate supplied by DCI and approved by DFI;

d. Rendering of services in accordance with the Hubbard Philosophy and Technology to executives, staff and members, and publication and distribution of literature and other aids to propagate and disseminate the Hubbard Philosophy and Technology;

e. Subject to local laws, satisfaction of all requirements for tax exempt status as a non-profit charitable organization, where appropriate; and

f. Maintenance of financial responsibility and solvency at all times.

g. Entry into a formal written agreement with DCI containing covenants to fulfill and abide by the terms of this Agreement with respect to the Marks.

5. Enforcement.



a. IGN and DFI are responsible for the enforcement of rights under the Marks against any unauthorized or improper use. DCI and the Centers shall report to DFI all unauthorized or improper use that comes to their attention, and shall render all assistance that may be required in correcting or terminating such use, but shall not initiate any legal action without the express written permission of DFI or IGN.

6. Indemnity and Disclaimer.

a. DCI acknowledges its full responsibility, and that of the Centers, for the ethical and proper use of the Marks and the Hubbard Philosophy and Technology according to the Hubbard Writings, and covenants that neither it nor any of the Centers, or any of their staff, members or employees, will make any claim against IGN, DFI, the Trustee, or any person or organization associated with IGN, DFI or the Trustee. DCI and each of the Centers shall indemnify and hold harmless IGN, DFI, the Trustee, and all of their agents, employees, representatives, heirs, successors and assigns, from and against all liabilities, claims and actions of any kind, and costs, including attorneys' fees, which arise from or relate to the use of the Marks, or relate to or arise from any of the services or products associated with the Marks.

b. The Hubbard Writings contain a record of research and observation of LRH into the nature of the human mind and spirit and a spiritual guide intended to assist persons to become more aware of themselves as spiritual beings, restoring respect for self and others, and not for treating or diagnosing human ailments of body or mind nor for engaging in teaching or practical medical arts or sciences. Neither

IGN, DFI nor the Trustee makes any claim that the nature or purpose of the Hubbard Writings exceeds this description or that the Hubbard Writings will have any particular effect on any particular individual.

c. DCI hereby acknowledges and agrees to the disclaimer of the preceding paragraph, and shall require the same of each of the Centers that is authorized to use the Marks under this Agreement.

d. DCI and the Centers, and their staff, members and employees, shall require all individuals who receive training or counselling services under the Marks to sign a disclaimer in a form prescribed by DFI.

7. Name And Ownership

DCI and the Centers may make appropriate use of the Marks in their names, but acknowledge and agree that:

a. This Agreement rescinds and replaces all previous agreements with respect to the Marks, and DCI and the Centers have no rights of any kind with respect to any of the Marks except those rights that are granted by this Agreement;

b. The Marks shall not become part of the assets of DCI or the Centers, and all use by DCI and the Centers of any of the Marks, in their names and otherwise, is and shall be pursuant to this Agreement alone, and shall support the ownership of the Marks by IGN with the same effect as if IGN had itself made that use; and

c. If this Agreement ever is terminated for any reason DCI and

the Centers shall immediately cease all use of each of the Marks, in their names and otherwise, and shall forever refrain from further use of any of the Marks, unless and until formally reinstated hereunder, and shall take a voluntary action to change and de-register any name containing any of the Marks if requested by IGN or DFI to do so.

8. Enforcement of Obligations of Performance.

a. This Agreement shall be perpetual in term, and shall be terminable by IGN and DFI only for cause as to DCI or any Center, and only after arbitration as provided herein has determined that no other effective alternative is available, except as provided in subparagraph 8d. At its own discretion, however, IGN may immediately suspend the right of DCI or any Center to use any of the Marks pending arbitration, if DCI or the Center is misusing any of the Marks in a manner that places the validity or enforceability of any of the Marks in serious danger under applicable laws.

b. As a condition of this license, DCI agrees that any dispute which arises out of or relates to this Agreement shall be determined by arbitration at Los Angeles, California, or such other location upon which the parties to the dispute may agree. In the event of arbitration, the parties to the dispute shall attempt to agree upon a single arbitrator to hear the dispute. If they are unable to do so, each party shall select a separate arbitrator, and the two arbitrators so selected shall choose a third arbitrator. Each arbitrator shall be a member in good standing under the Hubbard Philosophy and Technology, a member of the Sea Org, and well versed in the materials, in particular

those Hubbard Writings pertaining to ethics and justice. The decision of the arbitrator or arbitrators shall be final. Arbitration shall not be required with respect to any matter in connection with which injunctive relief or specific performance is sought by all or any of the parties hereto.

c. IGN and DFI, subject to the decisions in arbitration, shall have the authority to assess and collect monetary fines from DCI or any of the Centers in amounts that are commensurate with the circumstances.

d. If DCI or any of the Centers ever falls into hostile hands or engages in or condones propaganda against the Marks, the Hubbard Philosophy and Technology, or the image of LRH, or conducts itself in such a way as to endanger the name or repute of IGN, DFI or the image of LRH, or involves IGN, DFI or the Trustee, or any of their agents, in public litigation, or refuses to abide by a decision in arbitration pursuant to subparagraph 8b, this license is subject to cancellation.

9. Registrations and Recordings.

Upon the request of IGN, DCI and the Centers shall execute and deliver to IGN any license agreements, registered user agreements, and other documents that IGN deems necessary or desirable for the purpose of registering or recording this Agreement or the rights of either party under this Agreement, in any country on this planet. DCI and the Centers shall assign to IGN or cancel (at IGN's option), any registrations or agreements of DCI or the Centers that are in conflict with IGN's ownership of any of the Marks or registrations.

10. Lack of Agency.

Neither party shall be deemed to be the agent, joint venturer, or partner of the other, or of the Trustee or IGN, and neither shall have the authority to act in behalf of the other or for IGN or the Trustee in any matter, including acceptance of service of process.

11. Governing Law.

This Agreement shall be interpreted according to the laws of the State of California, United States of America.

12. Assignability and Binding Effect.

a. This Agreement is personal to DCI and the Centers, and the rights and obligations hereunder shall not be assignable or otherwise transferrable by DCI or the Centers, in whole or in part, without the prior written approval of DFI. In the event of any attempted assignment of transfer by DCI or any Center of its rights under this Agreement, whether voluntary or involuntary, all rights of DCI or that Center with respect to the Marks shall immediately terminate.

b. This Agreement shall be binding upon and for the benefit of the successors, assigns and legal representatives of IGN.

13. Notice.

Any notice required to be sent or given hereunder shall be sent by first-class mail, postage prepaid, return receipt requested, to DFI or DCI the addresses given in the Preamble of this Agreement, which

addresses may be changed by either of them by written notice to the other. Any such notice deposited in the mail shall be conclusively deemed delivered to and received by the addressee four (4) days after deposit in the mail, if all of the foregoing conditions of notice have been satisfied.

DIANETICS FOUNDATION INTERNATIONAL

By [Signature]  
Its President

By [Signature]  
Its Secretary

DIANETICS CENTERS INTERNATIONAL

By [Signature]  
Its President

By [Signature]  
Its Secretary

## TRADEMARKS

ARC STRAIGHTWIRE  
BOOK 1  
CENTER  
DIANETICS  
E-METER  
FALSE PURPOSE RUNDOWN  
HAPPINESS RUNDOWN  
HCO  
HUBBARD  
L. RON HUBBARD  
LRH  
MARK SUPER VII  
METHOD ONE  
NED  
NEW ERA DIANETICS  
OCA  
OXFORD CAPACITY ANALYSIS  
PURIFICATION  
PURIFICATION RUNDOWN  
SCIENTOLOGIST  
SCIENTOLOGY  
SCIENTOMETRIC  
STUDENT HAT  
THE BRIDGE

NOTE: This includes all approved translations and transliterations of the above word marks.



**SCIENTOLOGY**

Improving Life In A Troubled World



TRAIN FOR LIFE LOGO



SCIENTOLOGY: IMPROVING LIFE  
IN A TROUBLED WORLD LOGOS



SCIENTOLOGY SIGN SYMBOL



THE LION LOGO



STANDARD ADMIN BADGE (NON S.O)

**DIANETICS**

The Owners Manual  
For The Human Mind



DIANETICS: THE OWNER'S MANUAL  
FOR THE HUMAN MIND LOGOS

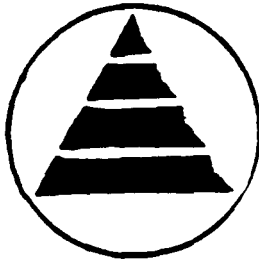




DIANETICS SYMBOL



HCO BADGE



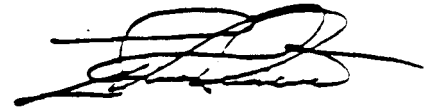
DIANETICS SYMBOL WITH CIRCLE



SCIENTOLOGY SYMBOL



DIVISION 6 BADGE



L. RON HUBBARD SIGNATURE



FAST FLOW STUDENT SYMBOL



LRF DEVICE



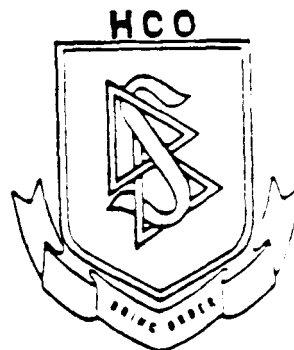
MARK SUPER VII LOGO



STANDARD ETHICS SYMBOL



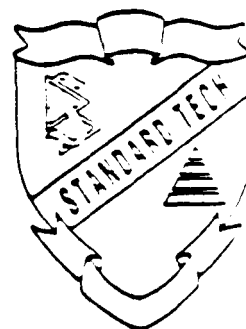
"RON" SIGNATURE



"BRING ORDER" BADGE



STYLIZED PURIFICATION & PURIFICATION RUNDOWN LOGOS



STANDARD TECH SYMBOL

**LIST OF COUNTRIES**

AFGANISTAN  
ALBANIA  
ALGERIA  
BAHRAIN  
BULGARIA  
CHINA  
CUBA  
EGYPT  
IRAN  
IRAQ  
JORDAN  
KOREA, NORTH  
KUWAIT  
LIBYA  
MEXICO  
MONGOLIA  
MOROCCO  
NICARAGUA  
OMAN  
PAKISTAN  
QATAR  
RAS-AL-KHAIMAH  
ROMANIA  
SAUDI ARABIA  
SOMALIA  
SUDAN  
SYRIA  
TUNISIA  
UNTIED ARAB EMIRATES  
USSR  
VIETNAM  
YEMAN, NORTH  
YEMAN, SOUTH