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BYLAWS

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HUBBARD DIANETICS RESEARCH FOUNDATION

(A Nonprofit Religious Corporation  
formed and operated pursuant to the  
laws of the State of California.)

PREAMBLE

HUBBARD DIANETICS RESEARCH FOUNDATION (hereinafter referred to as "the corporation"), an association of persons having incorporated exclusively for religious purposes under the laws of the State of California as the same relate to Nonprofit Religious Corporations, does by these Bylaws prescribe the manner in which and the officers and agents by whom the purposes of its incorporation shall be accomplished.

ARTICLE I

Definition of Terms

As they are used in these Bylaws:

- a. "Articles" shall mean the Articles of Incorporation of this corporation filed on 10 July 1985, as may be amended from time to time.
- b. "Bylaws" shall mean the code of rules prescribed herein, which are subordinate in authority to the

corporation's Articles and which are to be used, adopted and recognized for the regulation and management of the affairs of the corporation;

c. "Religion of Scientology", "Scientology" "Dianetics" and "Dianetics spiritual healing technology" shall mean the religious doctrines, beliefs, tenets, practices, applied religious philosophy and technology as developed by L. Ron Hubbard and as the same may hereafter be developed by L. Ron Hubbard.

d. "Scriptures" shall mean the writings and recorded spoken words of L. Ron Hubbard with respect to Scientology applied religious philosophy, Dianetics spiritual healing technology, and organizations formed for the purposes thereof.

e. "Mother Church" and "hierarchy of the Mother Church" shall mean the ecclesiastical hierarchy presently organized and operating under the aegis of the Church of Scientology International, a non-profit religious corporation, and its respective successors in ecclesiastical authority, and shall not mean or be construed to mean or refer to mean said nonprofit religious corporation;

f. "Notice" shall mean written notice actually received by the prescribed recipient not less than three (3) days prior to the event of which notice is given, written notice actually delivered to the prescribed recipient not less than three (3) days prior to the event of which notice is given, or

written notice mailed to the prescribed recipient of the notice, by first class mail, not less than five (5) days prior to the event of which notice is given.

g. "Mailed" shall mean deposited in the United States mail, postage prepaid, addressed according to the records of the corporation.

h. Unless the context in which they are used clearly requires otherwise, terms denoting number shall include both the singular and the plural, and terms denoting gender shall include all of the masculine, the feminine, and the neuter.

## ARTICLE II

### Purposes

This corporation shall espouse, present, propagate, practice, ensure and maintain the purity and integrity of the religion of Scientology to the end that any person desiring participation, or participating, in Dianetics may derive the greatest possible good of increased awareness as an immortal spirit.

Believing that man's best evidence of God is the God he finds within himself, and trusting with enduring faith that the Author of the Universe intended life to thrive within it, the corporation is founded with the following general goals:

a. Establishment of a religious body and entity to

promote, protect, administer and encourage the religion of Dianetics and its goals;

b. Publication and distribution of religious literature and other sectarian aids in order to propagate and disseminate Dianetics spiritual healing technology; and

c. Establishment of religious cultural centers.

d. Ministering to the spiritual needs of the parishioners and congregants of the Foundation through the conduct of services, both group and individual.

### ARTICLE III

#### Membership

This corporation shall have no members.

### ARTICLE IV

#### Trustees

Section 1. Purpose. The sole purpose of the Board of Trustees shall be to elect Directors of the corporation. In furtherance of this purpose the Trustees may remove a Director who fails to meet the qualifications of a Director or who conducts himself in a manner which is contrary to the provisions of Articles I and II of these Bylaws and to the survival of Dianetics spiritual healing technology. In addition, the Trustees shall have the power to change the number of Trustees, as provided in Section 2 below.

Section 2. Number of Trustees. The authorized number of

Trustees shall be three (3) until changed by a bylaw amending this Section 2 duly adopted by the unanimous vote of the Trustees; provided however that the Trustees shall not have the power to reduce the number of Trustees below three (3) or increase the number above seven (7).

Section 3. Qualifications. In order to serve as Trustees of the corporation whether as initial Trustees or successor Trustees, and in order to continue to serve as a Trustee of the corporation, Trustees shall be persons who possess and continue to possess, the following qualities and attributes. That is to say, a person may serve and continue to serve, as Trustee of the corporation only so long as he is and remains:

- a. Well-versed in the Scriptures;
- b. Well-versed in the Scientology Ethics and Justice System;
- c. A proven Scientology executive, as evidenced by statistics;
- d. A duly ordained minister of Scientology in good standing with the Mother Church of Scientology; and
- e. Has attained the age of majority

Section 4. Election. The initial Trustees of the corporation shall be elected at the first meeting of the Board of Directors. The Trustees shall have lifetime tenure, subject, however, to termination as provided in Section 7.

Section 5. Vacancies. A vacancy in the Board of Trustees shall be deemed to exist in case of the death, resignation or

termination of any Trustee as provided in Section 7.

a. Vacancies in the Board of Trustees may be filled by a majority of the remaining Trustees, though less than a quorum, or by a sole remaining Trustee.

b. In the event the Board of Trustees is unable to fill vacancies because of the death or disqualification of the entire Board of Trustees or sole remaining Trustee, then that person holding the ecclesiastical post within the Mother Church of Executive Director International shall (and only in this unlikely event and only as a singular circumstance) appoint individuals to fill all vacancies on the Board of Trustees, who must themselves meet the qualifications of a Trustee as provided in Section 3.

Section 6. Voting and Other Rights. Each Trustee shall be entitled to one vote. Each Trustee shall have access at all times to the books and records of the corporation.

Section 7. Termination as Trustee.

a. A person's post as Trustee shall terminate at his death or upon receipt by at least one other Trustee of a written notice of his resignation.

b. Pursuant to the Scientology ethics and justice system, a person's post as Trustee may be terminated for actions deemed contrary to the provisions of Articles I and II of these Bylaws, by the unanimous vote of the other Trustees.

c. A person's post as Trustee shall automatically terminate if he or she at any time fails to meet the

qualifications for Trustee which are stated in paragraphs (a), (b), (c) and (d) of Section 3 of this Article.

Section 6. Meetings of Trustees.

a. Annual Meeting. A meeting of the Trustees shall be held in the month of June of each year. The time and place of the annual meeting may be fixed by unanimous resolution of the Trustees, and, once so fixed, shall not be subject to the notice requirements of subsection (d). The time and place of the annual meeting may be changed by vote or written consent of a majority of the Trustees, and notice of any such change shall be given to each Trustee. If proper notice is given of any such change in the time or place of the annual meeting, notice need not be given of subsequent annual meetings held at the same time and place.

b. Agenda at Annual Meeting. At the annual meeting of Trustees, consideration shall be given only to the following matters:

1. Election or removal of Directors.
11. Election or removal of Trustees.

c. Call of Meetings. A special meeting of the Trustees may be called by any Trustee.

d. Notice of Meetings. When required, notice of a meeting of the Trustees shall be given to each Trustee in writing. A notice of meeting need not specify the purpose of the meeting.



e. Waiver of Notice. The transactions at any meeting of the Trustees, however called, however noticed, and wherever held, are as valid as though taken at a meeting duly held after regular call and notice if a quorum is present, and if, either before or after the meeting, each of the Trustees who was absent signs a written waiver of notice and consent to the holding of such meeting. A Trustee shall be deemed to have waived notice and consented to the holding of a meeting, if he votes to approve the minutes of that meeting. All written waivers and consents shall be filed with the minutes of meetings of the Trustees. Notice of a meeting shall also be deemed given to any Trustee who attends a meeting without protesting, before or at its commencement the lack of proper notice to him.

f. Quorum. A quorum for any meeting of the Trustees shall be a majority of the total number of the Trustees.

g. Minutes. The Trustees shall cause minutes of their meetings to be kept and to be maintained with other records of the Trustees in a secure place.

h. Adjournment. A majority of the Trustees present whether or not a quorum is present, may adjourn any meeting of the Trustees to another time and place. Notice of the time and place of holding an adjourned meeting need not be given to absent Trustees if the time and place is fixed at the meeting adjourned.

i. Use of Conference Telephones. The Trustees may meet

through the use of conference telephone facilities or similar communications equipment, so long as all Trustees participating in the meeting can hear and address one another.

3. Action without Meeting. Any action required or permitted to be taken by the Trustees may be taken without a meeting if all Trustees consent in writing to that action. Such action by written consent shall have the same force and effect as a unanimous vote of the Trustees.

## ARTICLE V

### Board of Directors

#### Section 1. Function and Authority of the Board

a. Generally. The activities and affairs of the corporation, as distinguished from the ecclesiastical affairs of the Foundation, shall be managed and conducted, and all corporate powers shall be exercised, by or under the direction of a Board of Directors, consisting of three (3) natural persons. The authorized number of directors may be changed by a bylaw amending this Section 1(a) duly adopted by the unanimous vote of the Directors; provided however that the Directors shall not have the power to reduce the number of Directors below (3) or increase the number above five (5). The Directors in general shall have all applicable powers conferred, permitted, or authorized by law as directors of a nonprofit religious corporation, including the power to purchase, lease, encumber by mortgage or deed of trust, sell, pledge and convey property of the corporation and to borrow

funds for the use and benefit of the corporation. Each Director shall have access at all times to the books and records of the corporation.

b. Particular Functions. More particularly, and without limiting its power and authority in general, the Board of Directors may, in its sole discretion:

i. Borrow money and incur indebtedness on behalf of the corporation, and cause to be executed and delivered therefor, in the corporate name, promissory notes, bonds, debentures, deeds of trusts, mortgages, pledges, hypothecations, or other evidences of debt and securities therefor;

ii. Make and perform such contracts as are necessary or convenient to attain or further the purposes and objects of the corporation, as set forth in the Articles and in these Bylaws;

iii. Delegate to the corporation's officers, or to other agents, regular and special duties of the Board of Directors, the delegation of which is permitted by law and consistent with the Articles;

iv. Publish and disseminate books, periodicals, pamphlets, tracts, sermons, films, tapes and pictures in furtherance of the purposes of the corporation; and

v. Change the principal office of the corporation from one location to another, and establish and locate subsidiary offices of the corporation.

c. Special Duty of the Board. It shall be a special duty of the Board of Directors to

assure:

i. That no part of the net earnings of the corporation inure to the benefit of any person;

ii. That no substantial part of the activities of the corporation are directed to influencing legislation by propaganda or otherwise;

iii. That the corporation and its agents refrain from participation or intervention in any political campaign on behalf of or in opposition to any candidate for public office;

iv. That the property, assets and net income of the corporation remain irrevocably dedicated to charitable and religious purposes; and

v. That, upon the dissolution or winding up of the corporation, its assets remaining after payment of or provision for payment of all debts and liabilities of the corporation are distributed to a nonprofit fund, foundation, or corporation which is organized and operated primarily and exclusively for charitable and religious purposes, and which is exempt from general income taxation as an organization described in Section 501(c)(3) of the Internal Revenue Code of 1954, as amended.

Section 2. Election and Tenure of Directors.

a. Election. Directors shall be elected by majority vote of the Trustees of the corporation. The Trustees shall elect one of the Directors Chairman of the Board. Trustees may not cumulate votes in electing Directors. Regular

elections of Directors shall be held at the annual meeting of the Trustees. Special elections may be held as necessary to fill vacancies on the Board of Directors. Directors may not be elected from among the Trustees. Directors shall hold office for one year or until the next annual meeting of the Trustees, whichever period is shorter. Directors may be re-elected.

b. Compensation. Directors shall receive no compensation for their service as Directors, but shall be entitled to reimbursement for expenses incurred on behalf of the corporation, whether or not such expenses are incurred in their capacities as Directors.

c. Qualifications. In order to serve as a Director and in order to continue to serve as a Director, each Director shall be a person who possesses and continues to possess the following qualities and attributes: That is to say, a person may serve and continue to serve as a Director only so long as he is and remains:

- i. Well-versed in the Scriptures;
- ii. Well-versed in the Scientology Ethics and Justice system;
- iii. A proven Scientology executive, as evidenced by statistics;
- iv. A duly ordained minister of Scientology in good standing with the Mother Church; and
- v. Has attained the age of majority.

d. Removal. Upon an affirmative vote of a majority of the Trustees, a director may be removed, on the following

grounds:

1. Failure to continue to meet the qualifications set forth in subparagraphs (i) through (iv) of subsection (c) above.

11. Failure to exercise the duties of a Director in pursuance of the goals, aims and purposes of the corporation, the Foundation, Dianetics spiritual healing technology and Scientology applied religious philosophy, as set forth in Articles I through IV of these Bylaws.

Section 3. Meetings of Directors.

a. Call of Special Meetings. Special meetings of the Board of Directors may be called by the Chairman, or by any two Directors, or by the President.

b. Notice. Notice of all special meetings of the Board of Directors, or of an annual meeting to be held at a time or place other than a time or place fixed by resolution of the Board of Directors, shall be given to each Director.

c. Waiver of Notice. Transactions of any meeting of the Board, however called, however noticed, and wherever held, are as valid as though adopted at a meeting duly held after regular call and notice if a quorum is present and if, either before or after the meeting, each of the Directors not present signs a written waiver of notice and consent to the holding of such meeting. A Director shall be deemed to have waived notice and consented to the holding of a meeting if he votes to approve the minutes thereof. All such waivers or consents shall be filed with the minutes of meetings of the Board of Directors. Notice of a meeting shall also be deemed given to any Director

who attends a meeting without protesting, before or at its commencement, the lack of proper notice to him.

d. Quorum. A majority of the Directors authorized shall constitute a quorum of the Board of Directors for transaction of business or for taking of action which may be taken with less than unanimous consent of all Directors.

e. Minutes. The Directors shall designate one of their number or an officer of the corporation to keep minutes of their meetings.

f. Adjournment. A majority of the Directors present, whether or not a quorum is present, may adjourn any Directors' meeting to another time and place. Notice of the time and place of holding an adjourned meeting need not be given to absent Directors if the time and place be fixed at the meeting adjourned.

g. Regular, Annual and Special Meetings. Meetings of the Board of Directors shall be held no less often than annually. Meetings designated as annual meetings shall be held in the month of June of each year, subsequent to the annual meeting of the Trustees. Meetings other than annual meetings shall be called regular meetings or special meetings. The time and place of annual meetings may be fixed by unanimous resolution of the Board of Directors, and, once so fixed, shall not be subject to the notice requirements of subsection (b).

h. Use of Conference Telephones. Directors may meet through the use of conference telephone facilities or similar communications equipment, so long as all Directors

participating in the meeting can hear and address one another.

1. Action Without a Meeting. Any action required or permitted to be taken by the Board of Directors may be taken without a meeting if all Directors consent in writing to that action. Such action by written consent shall have the same force and effect as a unanimous vote of the full Board. Such written consent or consents shall be filed with the minutes of the meetings of the Board of Directors.

## ARTICLE VI

### Officers of the Corporation

Section 1. Required Officers. Officers of the corporation as distinguished from ecclesiastical posts, shall be elected by majority vote of the Board of Directors, and shall include a President, a Secretary, and a Treasurer, each of whom shall serve at the pleasure of the Board. Each of said offices may be held by a person who is also a Director. The Board of Directors may elect the same person to the offices of Secretary and Treasurer.

Section 2. Optional Officers. The Board of Directors may elect one or more Vice-Presidents, and one or more Assistant Secretaries and Assistant Treasurers and such other subordinate officers as the Board of Directors shall from time to time deem appropriate.

Section 3. Duties of Officers.

a. The President shall have general supervisory



responsibility for the business affairs of the corporation. In addition, he shall perform all other acts and duties which the Board of Directors shall direct. The President shall be the Chief Executive Officer of the corporation, to whom other officers and their agents shall report and be responsible for the proper performance of their duties.

b. The Vice-President, if any, shall carry out such duties on behalf of the corporation as may be assigned to him by the Board of Directors or by the President. In the absence or disability of the President, the duties of the President shall be discharged by the Vice-President.

c. The Treasurer shall be the Chief Financial Officer of the corporation and shall have custody of its corporate funds, books and financial records. The Treasurer shall have authority to receive and accept money, collect debts, open bank accounts, and make disbursements in the name of the corporation. The Treasurer shall keep or cause to be kept proper books of account reflecting all business done by the corporation and of all monies received and disbursed, and shall prepare or cause to be prepared financial statements at the request of the Board of Directors. The Treasurer shall deposit all money and other valuables in the name and to the credit of the corporation, with such depositories as may be designated by the Board of Directors. The Treasurer shall disburse funds of the corporation at the direction of the Board. The Treasurer shall, whenever requested to do so by the President or Board of

Directors, account for all transactions engaged in or authorized by him as Treasurer.

d. The Assistant Treasurer, if any, shall carry out such duties on behalf of the corporation as may be assigned or delegated to him by the Board of Directors, by the President, or by the Treasurer. In the absence or disability of the Treasurer, the Assistant Treasurer shall discharge the duties of the Treasurer.

e. The Secretary shall keep or cause to be kept a book of minutes of all meetings of the Trustees and of the Board of Directors, and of the meetings of any committee for which the Board requires that minutes be kept. The Secretary shall keep or cause to be kept, at the principal office of the corporation a copy of these Bylaws. The Secretary shall keep the seal of the corporation and shall attest all certificates or other legal documents requiring certification on behalf of the corporation.

f. The Assistant Secretary, if any, shall carry out such duties on behalf of the corporation as may be assigned or delegated to him by the Board of Directors, by the President, or by the Secretary. In the absence or disability of the Secretary, the Assistant Secretary shall discharge the duties of the Secretary.

Section 4. Execution of Contracts. Contracts, instruments of conveyance or encumbrance, or other obligations of the corporation may be executed and delivered on behalf of the

corporation by any two (2) officers of the corporation unless the Board of Directors provides otherwise by general or special resolution.

#### ARTICLE VI

##### Liability of Directors and Officers

Directors, Officers, Trustees and other agents of the corporation, and the property of such persons, shall not be subject to or chargeable with payment of corporation debts or obligations.

#### ARTICLE VII

##### Principal Office

The corporation's principal office shall be located at such place, within or without the State of California, as a majority of the Board of Directors may, in its discretion, determine from time to time.

#### ARTICLE VII

##### Seal

The corporation shall have a seal, the form of which shall be determined and adopted by the Board of Directors.

#### ARTICLE VIII

##### Amendments

Unless otherwise provided in these Bylaws, these Bylaws may