

Question 9

Relationship to Scientology-related organizations

a. Please describe the relationship between IAS and Scientology-related organizations, as well as the relationship of IAS parishioners. For example, please include in this description the benefits of membership in IAS, including any discount or other benefit available with respect to the receipt and/or purchase of services or products from Scientology-related organizations include all Class V Churches and Missions, regardless of whether the entity was listed in question 1. Please include representative documentation of the relationships described in your response to this question.

The IAS is a voluntary membership association formed to promote and preserve the Scientology religion worldwide. It is an unincorporated religious membership association composed of individuals, churches of Scientology and national associations of Scientologists. The IAS is not part of the Church of Scientology hierarchy. It has its own separate Board of Directors elected annually from among its members, and it functions autonomously from CSI and the rest of the Church hierarchy. CSI, acting in its capacity as the Mother Church, adopted the IAS as the official membership organization for the Church of Scientology in 1984. The purposes of IAS are to assure the continued practice and expansion of Scientology throughout the world, to assist Churches of Scientology when needed, and to maintain communications with Scientologists on matters of common concern.

Benefits of membership in the IAS:

1. Membership card identifying him/her as a member.
2. IMPACT Magazine, issued 6 times per year.
3. Special Publications.
4. Information summaries to keep members abreast of international developments in Scientology.
5. Invitations to events sponsored by the IAS.
6. Participation in IAS Award Games.
7. Participation in IAS projects to assist in the expansion of Scientology around the world.

Benefits extended to members of the IAS by Scientology Churches:

While CSI advises subordinate churches to extend the following benefits to IAS members, Churches do not generally check for IAS membership. As a result, all Scientology parishioners are routinely afforded these benefits.

8. Certificates in force.
9. Participation as a Field Staff Member and Field Auditor.
10. Training Scholarship Awards and Professional Rates on processing.
11. Discount of 20 percent on donations requested for religious services at Churches of Scientology.
12. Discount of 20 percent on Church of Scientology bookstore items.
13. Discount of 50 percent on "I Want To Go OT" Club membership fee.

Representative documentation is attached as Exhibit II-9-A.

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b. Is there any written or oral agreement regarding the benefits of membership in IAS? If yes, and unless already provided under a. above, please provide documentation and a description. If any oral agreement exists, please describe the agreement including who has knowledge of such agreements.

(See Exhibit II-9-B).

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c. Is membership in IAS solicited at or through the auspices of any Scientology-related organizations? If so, please describe the method of solicitation, any documentation regarding the solicitation, and the period of time during which such solicitations have occurred.

Scientologists who are members of the IAS encourage fellow Scientologists to join the Association wherever they come in contact, including Churches of Scientology. In addition, Church staff members, all of whom are IAS members, encourage new parishioners to join the IAS on an introductory basis. The IAS offers a free six-month introductory membership to all Scientologists.

Since the formation of the IAS in 1984 and its recognition by CSI as the official membership association of the Church of Scientology, CSI has encouraged all Scientology-related organizations to help expand the membership of the IAS. CSI has done this in a variety of ways, including sponsoring membership drives, issuing policy statements regarding membership, and directing all Churches of Scientology to include a "membership officer" on staff. The membership officer ordinarily assumes this title as part of another staff position in the Church and is the individual Scientologists can contact for information about the IAS and membership applications. Churches of Scientology around the world often place advertisements in their local Scientology publications promoting membership in the IAS.

The only documentation used in soliciting members to the IAS are Membership application forms, a copy of which was provided in response to question 9a, above. IAS applications are not submitted to Churches of Scientology. They are forwarded directly to the IAS for acceptance.

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d. Are donations to or for the benefit of IAS solicited at or through the auspices of any Scientology-related organizations? If so, please describe the method of solicitation, provide documentation regarding the solicitation, and describe the period of time during which such solicitations occurred.

Donations above the amount of the annual and lifetime membership dues are in almost all cases solicited by the Membership Tours (discussed at page 2 of the supplemental letter from Monique Yingling regarding IMU). The Membership Tours generally do not solicit donations on the premises of Churches of Scientology, however, such contact may occur as some Membership Tours have office space located in Churches of Scientology. Neither CSI staff nor the staff of other Scientology-related organizations is ordinarily involved in the solicitation of such donations.

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e. Does any Scientology-related organization provide (or in the past provided) office space or staff for, or directly or indirectly pay expenses (or subsidize the costs) of, any solicitations for membership in or donations to IAS?

As discussed in the response to "c" above, at the direction of CSI, Churches of Scientology generally have a "membership officer" who provides information on the IAS to Church parishioners.

Membership Tours with office space located in Churches of Scientology generally pay rent to the Church for the space used. The Membership Tour for Germany has paid rent to the Church of Scientology Munich since 1990. We have been unable to ascertain whether the Munich Church charged any rent in earlier years. The Denmark Membership Tour has paid rent for the office space it uses in the Danish Church for the last 18 months. Before that time, we understand there was no rent charged by the Church. The Italy Membership Tour (located in the Milan Church) has recently paid rent. Until recently, no rent was charged by the Milan Church. The Clearwater Membership Tour has always paid rent to Church of Scientology Flag Service Organization for the space it uses. The Swiss Membership Tour has always paid rent to the Church in Zurich. The United Kingdom Membership Tour, Canada Membership Tour, and Japan Membership Tour, have also paid rent. The Church of Scientology in New York provides a small work room for the Membership Tour of the Eastern United States at no charge when that Tour is in New York. The Western United States Membership Tour does not use space on Church property.

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f. Does IAS have (at present or in the past) any direct or indirect relationship, financial or otherwise, to the ownership or operation of the M.V. Freewinds, or any entity related to the ownership or operation of the ship? Please include in your response the role, if any, of IAS in purchasing or financing of the M.V. Freewinds.

The IAS was involved in the initial fund raising for the search and purchase of an ocean-going motor vessel to be used as a religious retreat for Scientologists. The IAS directly sponsored this project from late 1984 to early 1986. In early 1986, this project was assumed by the Flag Ship Trust. The IAS fully funded the costs of the ship project throughout 1985 and 1986. In addition, between 1985 and 1988, the IAS paid fundraising commissions and some operating costs of the Ship Project. The amounts expended by the IAS with respect to the Ship Project are as follows:

1985	\$ 26,477.00
1986	\$ 746,630.00
1987	\$ 543,565.00
1988	\$ 42,207.00

IAS Administrations currently operates aboard the M.V. Freewinds and pays rent on a weekly basis to Majestic Cruise Lines for the space occupied.

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g. Please describe the management structure of IAS, including the names of those who manage the affairs of IAS or sit on the governing body or bodies of the entity. To what extent are Scientology-related organizations involved in or represented in IAS? Please describe the selection of delegates and officers in IAS. Please include in your response the governing documents of IAS as in effect on the date of this letter.

In accordance with its Constitution, the International Association of Scientologists is governed by a Board of Directors, originally elected by the Delegates to the founding convention. Annual Delegates are selected by Churches of Scientology in accordance with Article VII of the Constitution. The Constitution provides that the Board of Directors shall adopt Rules (which must be consistent with the Constitution) for the governance of the IAS, the conduct of its activities and the qualifications, rights, privileges and duties of its members. The Board exercises general oversight over the operations of the two corporations it has contracted with to administer its activities, IAS Administrations and Theta Management Limited. The Board ensures that the Constitution of the IAS is followed and sets the location of each annual Convention of Delegates. The IAS Delegates establish the time of the next Convention of Delegates. Each year, the Delegates decide the Association's goals for the coming year.

The current members of the Board of Directors of the IAS are:

Ms. Maureen Brigatti, Australia
Ms. Pauline Chatterton, New Zealand
Mr. Carl Heldt, Sweden
Ms. Janet Light, United Kingdom
Mr. Marc Yager, United States

The Delegates to the most recent annual Convention of Delegates were:

Ms. Valerie Rollins, Africa
Ms. Sue McClintock, Australia
Ms. Gabrielle Rupp, Austria
Mr. Pascal Carminati, Belgium and Luxembourg
Ms. Marina Mackie, Canada
Ms. Ditte Nielsen, Denmark
Mr. Olli Toivonen, Finland

Mr. Alain Frank Rosenberg, France
Ms. Weibke Hansen, Germany
Mr. Michel Czimbalmos, Greece
Ms. Ester Rood, Holland
Ms. Antonia Navarro, Spain
Mr. Trino Tirale, Italy
Mr. Hector Vidales, Latin America
Ms. Marion Moffat, New Zealand
Ms. Laila Breivik, Norway
Ms. Yoko Takeda, Japan
Ms. Martina Blanes, South America
Ms. Eva-Lena Alvang, Sweden
Ms. Vreni Schoenenberger, Switzerland
Mr. Brian Wordie, United Kingdom
Mr. Thomas Welch, Eastern United States
Ms. Margaret Brueske, Western United States

Scientology-related organizations may be members of the IAS but are not involved in its management.

The only governing instrument of the IAS is its Constitution, a copy of which is attached as Exhibit II-9-C.

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h. Please describe CSI's recognition of IAS as the sole worldwide membership organization for Scientology parishioners. Is there any written agreement or other document regarding this recognition? If so, please provide a copy. Otherwise, please provide a description regarding such recognition, including the terms of any oral agreement. Has CSI or any other Scientology-related organization recognized any membership organization, e.g. country-wide or continent-wide membership organizations (other than DAS or EAS)? If so, please list and describe.

After the IAS was formed and had stated its purpose "To unite, advance, support and protect Scientology and Scientologists in all parts of the world so as to achieve the aims and purposes of Scientology," CSI determined to support the IAS fully in its crusade and the fight for religious freedom. CSI elected to recognize membership in the IAS as the official membership for its parishioners.

CSI and the former Mother Church of the Scientology religion, Church of Scientology of California, previously recognized the Hubbard Association of Scientologists International ("HASI") as the official membership of the Church. Lifetime members of HASI receive the same benefits the Church extends to IAS members.

In addition to DAS and EAS there are other national Scientology membership associations required by local laws. For example, the Church of Scientology in Germany is a membership association.

Relevant documentation regarding CSI's recognition of IAS as the official membership organization of Scientologists is attached as Exhibit II-9-D.

Question 9

i. Does IAS use any intangible or intellectual property, including any trademarks, service marks, logos, copyrights, patents, or other property that is owned by any Scientology-related organization? Please separately indicate which, if any of this property is owned by Estate of L. Ron Hubbard, Authors Family Trust or Author Services, Inc. If IAS uses property, does IAS pay for such use?

CSI's trademark counsel has advised that the IAS does not "use" the Scientology trademarks or service marks: "Technically, the IAS does not use any of the trademarks or service marks of Religious Technology Center. The word "use" is a technical word in the trademark law (15 U.S.C Section 1127) and does not include mere references to the marks in [the] magazine, IMPACT, and other literature." RTC, the owner of the Scientology religious marks, has never licensed IAS as a user of the marks. Relevant correspondence acknowledging IAS's reference to the marks in its literature is attached as Exhibit II-9-E.

IAS regularly reprints portions of the Scientology Scriptures that are copyrighted and owned by the Author's Family Trust in IMPACT magazine and other literature. The Trustee has acknowledged copyrighted materials are used by the IAS, but never required a license or payment for such limited use.

Question 9

Receipts and Expenditures

The information requested regarding IAS receipts and expenditures is voluminous and not readily available to CSI or any other Scientology-related organization. Accordingly, CSI is providing IAS receipts and expenditure information from 1989 forward, the same period of time to which substantially all of the Service's requests for financial information relate.

a. Please list all transfers of funds, property (of whatever kind) or other assets from any Scientology-related organization to IAS. This list should include the amount or fair market value transferred, the purpose, the date and the transferor's name.

During the period January 1, 1989 to December 31, 1991, the only transfers of funds, property or other assets to the IAS from Scientology-related organizations were payments for advertisements in IMPACT magazine. In consideration for these payments, the various Churches and church-related organizations have had promotional materials included in IMPACT. Since 1991, payments for advertisements in IMPACT have been made directly to IAS Administrations. A detailed list of the advertisement payments follows:

APPLIED SCHOLASTICS INCORPORATED

1989	11,925.00
1990	2,160.00

ASSOCIATION FOR BETTER LIVING AND EDUCATION

1989	7,400.00
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AUTHOR SERVICES, INC.

1989	7,125.00
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CHURCH OF SCIENTOLOGY ADVANCED ORGANIZATION SAINT HILL EUROPE AND AFRICA (AOSH EU & AF)

1989	950.00
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CHURCH OF SCIENTOLOGY CELEBRITY CENTRE INTERNATIONAL

1989	4,250.00
1990	2,400.00

CHURCH OF SCIENTOLOGY FLAG SERVICE ORGANIZATION, INC.

1989	25,200.00
1989	51,751.88
1990	24,525.00
1990	32,500.00

CHURCH OF SCIENTOLOGY INTERNATIONAL

1989	500.00
1989	6,275.00

CHURCH OF SCIENTOLOGY RELIGIOUS EDUCATION COLLEGE, INC.

1990	7,603.50
1991	106.31

CHURCH OF SCIENTOLOGY WESTERN UNITED STATES

1989	14,700.00
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DIANETIK ZURICH MISSION DER SCIENTOLOGY KIRCHE

1990	1,648.86
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FOUNDATION CHURCH OF SCIENTOLOGY FLAG SHIP SERVICE ORGANIZATION

1989	43,950.00
1990	67,400.27
1991	1,000.00

INTERNATIONAL HUBBARD ECCLESIASTICAL LEAGUE OF PASTORS

1989	14,400.00
1990	16,400.00
1991	600.00

MAJESTIC CRUISE LINES INC.

1989	24,877.50
1990	29,850.00

SCIENTOLOGY MISSIONS INTERNATIONAL

1989	3,038.00
1990	9,300.00

WORLD INSTITUTE OF SCIENTOLOGY ENTERPRISES

1989	3,800.00
1990	12,980.00
1991	5,000.00

In February 1990, CSI returned to IAS \$522,373.08 of the \$2,100,000 IAS had advanced to cover bail and legal costs of Scientologists arrested in Spain in 1988. An additional \$472,816.55 had been returned to the IAS in April 1989 by CSI's Spanish counsel, Gomez-Acebo Pombo.

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ANDREA FECHNER

1989	5,508.17
1990	7,352.04
1991	4,104.01

DETLEF FOULLOIS

1990	74,442.98
1991	124,691.37

KARL ERICH HELIG

1990	2,656.66
1991	29,525.14

ANTON KUCHELMEISTER

1989	1,960.31
1990	22,017.28
1991	14,593.71

GUDRUN KUGLER

1991	10,532.26
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HERBERT NONNEN

1989	47,368.32
1991	38.65

MONIKA NONNEN

1989	12,863.06
1991	29.56

RAINER OTTENWELLER

1991	26,084.25
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GABI SCHAEFER

1989	1,134.75
1990	9,667.22
1991	179.75

JOHN DONAGHY

1989	13,441.20
1990	30.00
1991	5,201.30

STEVE EDELSTEIN

1989	5,763.00
1990	5,976.87
1991	14,007.66

MARK FREEDMAN

1991	15,503.87
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JOHN D. FUTRIS

1989	970.00
1991	19,255.24

H.D.B. CONSULTANTS

1989	8,502.48
1990	124,460.13
1991	225,295.41

ROBERT & MARY HUSS

1989	340.00
1990	6,260.00
1991	7,155.00

LAWRENCE G. JAFFE

1989	23,762.47
1990	2,889.44
1991	30.00

PENNY ATWELL JONES

1989	2,440.00
1990	665.00
1991	13,776.91

BARRY KLEIN

1989	25,979.00
1990	2,230.00
1991	3,904.20

RANDY MERRILL

1989	3,654.00
1990	8,775.31
1991	3,800.00

CHUCK OVERFELT

1990	26,079.50
1991	210.00

BILL PELLETIER

1989	21,673.14
1990	3,764.62

MICHAEL DAVID PHILLIPS

1989	1,530.00
1990	10,480.00
1991	1,265.00

JEFF POMERANTZ

1989	619.00
1991	115,055.34

MICHAEL D. ROBERTS

1989	8,757.50
1990	13,972.00
1991	58,093.77

LORAL SELWAY

1990	230.00
1991	12,513.54

SHARON SKONETSKI

1989	22,596.18
1990	47,037.46
1991	17,178.44

STERLING MANAGEMENT LTD.

1990	7,082.50
1991	25,700.80

DAVID W. STOBBE

1989	12,086.71
1990	120.00
1991	319.00

HANS PETER TSCHUPP

1989	118,440.87
1990	20,059.16

ANNIE WHITE

1989	54,654.24
1990	68,969.70
1991	53,676.93

DAVID WORTHEN

1989	2,490.00
1990	5,190.00
1991	2,700.60

HERBERT ZERDEN

1989	140,946.81
1990	50,341.78
1991	1,000.00

VENEZUELA

AGUSTIN PINTO

1989	3,688.00
1990	7,138.29
1991	200.00

In addition to the fundraising commissions, above, paid directly to individual Scientologists, the IAS transferred amounts during the relevant periods to IMU, IASA, TML and MSA for payment of commissions to Membership Tours. The amounts paid to Membership Tours reflect gross amounts from which the tours paid their expenses of operations, staff, travel, etc. The payments to the tours were as follows:

PAYMENTS TO MEMBERSHIP TOURS

ANZO MEMBERSHIP TOUR

1989	7,188.73
1990	27,254.72

CANADA MEMBERSHIP TOUR

1990	13,222.71
1991	41,563.87

CW MEMBERSHIP TOUR

1989	217,523.64
1990	273,441.84

EUS MEMBERSHIP TOUR

1989	27,245.19
1990	61,746.75
1991	85,985.45

EUROPEAN MEMBERSHIP TOUR

1991	22,489.52
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FRANCE MEMBERSHIP TOUR

1989	13,311.18
1990	20,204.94

GERMAN MEMBERSHIP TOUR

1989	105,838.97
1990	269,629.15
1991	274,333.74

ITALY MEMBERSHIP TOUR

1989	23,350.52
1990	56,143.25
1991	100,707.07

JAPAN MEMBERSHIP TOUR

1989	2,243.55
1990	23,012.49
1991	27,276.04

LATIN AMERICA MEMBERSHIP TOUR

1989	41,045.70
1990	22,524.44
1991	17,954.28

NW US MEMBERSHIP TOUR

1989	20,636.90
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SCANDINAVIA MEMBERSHIP TOUR

1989	24,222.52
1990	53,974.93
1991	118,437.05

SPAIN MEMBERSHIP TOUR

1990	2,383.85
1991	11,997.26

SOUTH AMERICAN TOUR

1989	18,145.08
1990	18,013.33

SWISS MEMBERSHIP TOUR

1989	28,810.72
1990	86,633.00
1991	101,173.87

UK MEMBERSHIP TOUR

1989	21,458.41
1990	68,197.94
1991	91,828.47

WUS MEMBERSHIP TOUR

1989	57,021.41
1990	182,867.94
1991	407,052.46

VENEZUELA MEMBERSHIP TOUR

1990	18,145.08
1991	18,013.33

Note: The 1989 figures, above, include only nine months of 1989 as CSI was advised the records for September- November 1989 could not be located.

PAYMENTS TO SCIENTOLOGY RELATED ORGANIZATIONS OVER \$50,000

While not requested in this question 9b, in addition to the expenditures listed below, the IAS transfers funds to the service companies it has contracted with, i.e. IMU, IASA, TML, to cover the expenses of those entities.

GRANTS

1) CITIZENS COMMISSION ON HUMAN RIGHTS

1989	\$	64,900.00
1990	\$	6,208.46
1991	\$	26,082.00

2) CHURCH OF SCIENTOLOGY INTERNATIONAL

1990	\$	114,541.00	(Interpol booklets Germany, France)
1990	\$	29,373.82	(War booklet)
1991	\$	46,339.00	(Interpol booklets, Germany)
1991	\$	61,000.00	(What Is Scientology booklet)

3) CHURCH OF SCIENTOLOGY INTERNATIONAL FOR USA TODAY ADS

1991	\$	2,909,608.00
1991	\$	3,308,854.00

4) NARCONON INTERNATIONAL

1989	\$	24,000.00	(Chilocco)
1990	\$	39,225.00	(Russia)

5) CHURCH OF SCIENTOLOGY ITALY (Legal costs and related expenses)

1989	\$	365,240.81
1990	\$	161,492.18
1991	\$	180,583.22

6) CHURCH OF SCIENTOLOGY SPAIN (Legal costs and related expenses)

1989 \$ 91,540.00

REIMBURSEMENT OF EXPENSES

1) CHURCH OF SCIENTOLOGY INTERNATIONAL (Reimbursement of travel expenses)

1989 \$ 7,663.18

2) CHURCH OF SCIENTOLOGY INTERNATIONAL (Golden Era Productions) (IAS Annual Convention costs)

1989 \$ 103,247.99

3) CHURCH OF SCIENTOLOGY RELIGIOUS EDUCATION COLLEGE (For promotional costs for annual IAS convention)

1989 \$ 38,202.14

4) CHURCH OF SCIENTOLOGY FSO (Reimbursement of expenses for IAS Patron Dinner)

1990 \$ 25,000.00

5) BERT RONHAAR (Reimbursement of expenses for IAS Patron Dinner)

1990 \$ 13,000.00

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Relevant documents, including a copy of the invitation to the founding convention and a copy of the Pledge to Mankind are attached as Exhibit II-9-F.

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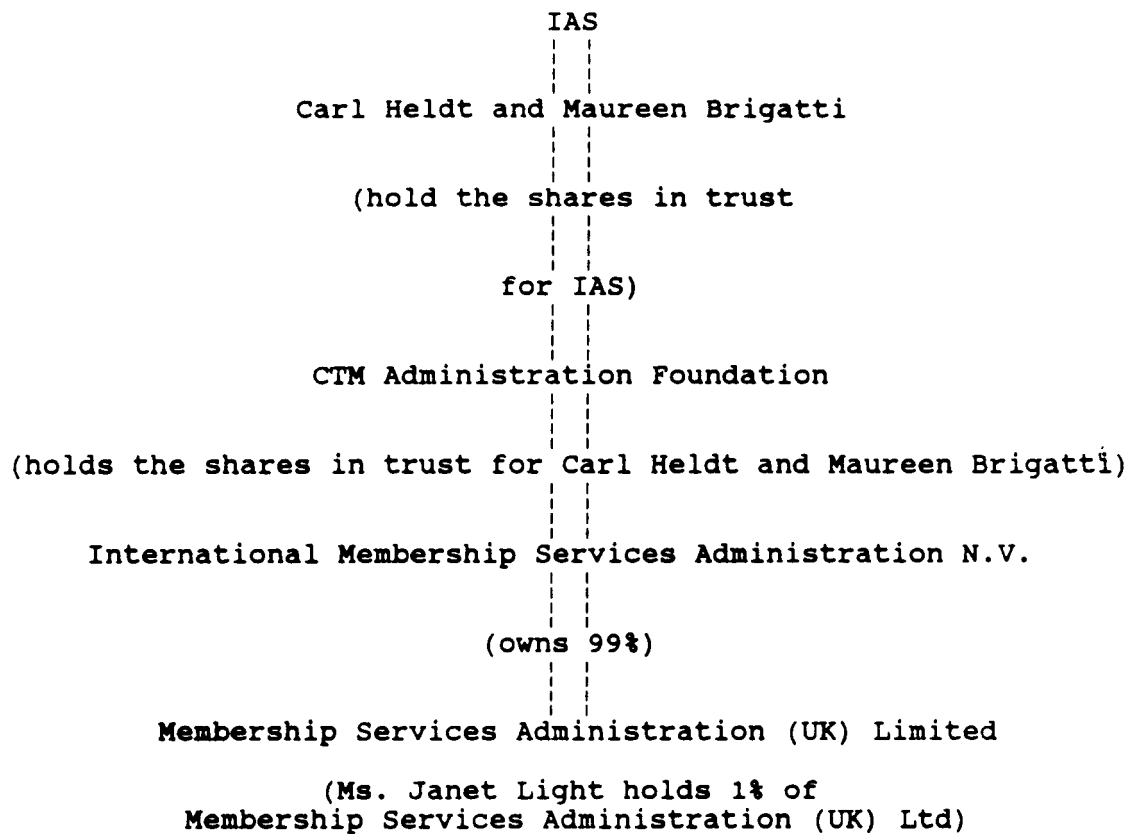
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Question 9

Operating Entities

Please describe in detail the ownership of the three operating arms of IAS.

As an unincorporated association the IAS cannot hold property in its own name under the laws of the jurisdictions in which the service companies IAS has contracted with are incorporated. Thus, individuals hold the stock of these service companies on behalf of the IAS.



IAS

Pauline Chatterton and Helen Wehl

(hold the shares in trust for IAS)

Costas Kemidjis and Taslaw Nominees Ltd.

(nominees for P. Chatterton and H. Wehl)

Theta Management Ltd.