

INSPECTOR GENERAL
NETWORK
FORM 1023 APPLICATION

Internal Revenue Service

Department of the Treasury

Washington, DC 20224

Inspector General Network
1710 Ivar Avenue, Ste. 1100
Los Angeles, CA 90028

Person to Contact:

J. Rotz

Telephone Number:

(202) 622-8100

Refer Reply to:

E:EO:R:2

Date:

OCT - 1 1993

Employer Identification Number: 95-3990433
Key District: Los Angeles, CA
Accounting Period Ending: December 31
Foundation Status Classification: 509(a)(3)
Form 990 Required: No

Dear Applicant:

Based on information supplied, and assuming your operations will be as stated in your application for recognition of exemption, we have determined you are exempt from federal income tax under section 501(a) of the Internal Revenue Code as an organization described in section 501(c)(3).

We have further determined that you are not a private foundation within the meaning of section 509(a) of the Code, because you are an organization described in the section(s) above.

If your sources of support, or your purposes, character, or method of operation change, please let your key district know so that office can consider the effect of the change on your exempt status and foundation status. In the case of an amended document or bylaws, please send a copy of the amended document or bylaws to your key district. Also, you should inform your key District Director of all changes in your name or address.

As of January 1, 1984, you are liable for taxes under the Federal Insurance Contributions Act (social security taxes) on remuneration of \$100 or more you pay to each of your employees during a calendar year. This does not apply, however, if you make or have made a timely election under section 3121(w) of the Code to be exempt from such tax. You are not liable for the tax imposed under the Federal Unemployment Tax Act (FUTA).

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Since you are not a private foundation, you are not subject to the excise taxes under Chapter 42 of the Code. However, you are not automatically exempt from other federal excise taxes. If you have any questions about excise, employment, or other federal taxes, please contact your key District Director.

Donors may deduct contributions to you as provided in section 170 of the Code. Bequests, legacies, devises, transfers, or gifts to you or for your use are deductible for federal estate and gift tax purposes if they meet the applicable provisions of sections 2055, 2106, and 2522.

Donors (including private foundations) may rely on this ruling unless the Internal Revenue Service publishes notice to the contrary. However, if you lose your 509(a) status as shown above, donors (other than private foundations) may not rely on the classification shown above if they were in part responsible for, or were aware of, the act that resulted in your loss of such status, or they acquired knowledge that the Internal Revenue Service had given notice that you would be removed from that classification. Private foundations may rely on the classification as long as you were not directly or indirectly controlled by them or by disqualified persons with respect to them. However, private foundations may not rely on the classification shown above if they acquired knowledge that the Internal Revenue Service had given notice that you would be removed from that classification.

If your organization conducts fund raising events such as benefit dinners, auctions, membership drives, etc., where something of value is received in return for contributions, you can help your donors avoid difficulties with their income tax returns by assisting them in determining the proper tax treatment of their contributions. To do this you should, in advance of the event, determine the fair market value of the benefit received and state it in your fund raising materials such as solicitations, tickets, and receipts in such a way that your donors can determine how much is deductible and how much is not. To assist you in this, the Service has issued Publication 1391, Deductibility of Payments Made to Organizations Conducting Fund Raising Events. You may obtain copies of Publication 1391 from your key district office.

You are not required to file federal income tax returns unless you are subject to the tax on unrelated business income under section 511 of the Code. If you are subject to this tax, you must file an income tax return on Form 990-T, Exempt Organi

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zation Business Income Tax Return. In this letter we are not determining whether any of your present or proposed activities are unrelated trade or business as defined in section 513 of the Code.

You are required to make a copy of your exemption application, and supporting documents, and this exemption letter available for public inspection. Failure to make these documents available for public inspection may subject you to a penalty of \$10 per day for each day there is failure to comply. See Internal Revenue Service Notice 88-120, 1988-2 C.B. 454, for additional information.

This ruling is based on evidence that your funds are dedicated to the purposes listed in section 501(c)(3) of the Code. To assure your continued exemption, you should maintain records to show that funds are expended only for those purposes. If you distribute funds to other organizations, your records should show whether they are exempt under section 501(c)(3). In cases where the recipient organization is not exempt under section 501(c)(3), there should be evidence that the funds will remain dedicated to the required purposes and that they will be used for those purposes by the recipient.

If distributions are made to individuals, case histories regarding the recipients should be kept showing names, addresses, purposes of awards, manner of selection, and relationship (if any) to members, officers, trustees or donors of funds to you, so that any and all distributions made to individuals can be substantiated upon request by the Internal Revenue Service. (Rev. Rul. 56-304 1956-2, C.B. 306.)

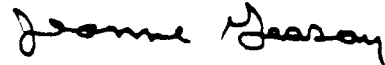
In this letter, we have not determined the effect on your tax-exempt status of financing your activities with the proceeds of tax-exempt bonds since you have not indicated that you intend to use such methods now or in the future.

You need an employer identification number even if you have no employees. Please use that number on all returns you file and in all correspondence with the Internal Revenue Service. We are informing your key District Director of this ruling. Because this letter could help resolve any questions about your exempt status and foundation status, you should keep it in your permanent records.

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If you have any questions about this ruling, please contact the person whose name and telephone number are shown in the heading of this letter. For other matters, including questions concerning reporting requirements, please contact your key District Director.

Sincerely,



Jeanne S. Gessay
Chief, Exempt Organizations
Rulings Branch 2

**Application for Recognition of Exemption
 Under Section 501(c)(3) of the Internal Revenue Code**

Read the instructions for each Part carefully.

A User Fee must be attached to this application.

If the required information and appropriate documents are not submitted along with Form 8718 (with payment of the appropriate user fee), the application may be returned to you.

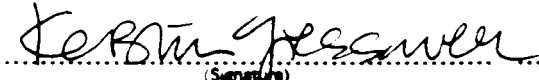
Part I Identification of Applicant

1a Full name of organization (as shown in organizing document) INSPECTOR GENERAL NETWORK		2 Employer identification number (If none, see instructions.) 95 3990433	
1b c/o Name (if applicable)		3 Name and telephone number of person to be contacted if additional information is needed Thomas C. Spring (202) 588-8488	
1c Address (number, street, and room or suite no.) 1710 IVAR AVENUE, SUITE 1100		4 Month the annual accounting period ends 31 December	
1d City or town, state, and ZIP code Los Angeles, CA 90028		7 Check here if applying under section: a <input type="checkbox"/> 501(e) b <input type="checkbox"/> 501(f) c <input type="checkbox"/> 501(k)	
5 Date incorporated or formed October 24, 1984	6 Activity codes (See instructions.) 004 029		
8 Did the organization previously apply for recognition of exemption under this Code section or under any other section of the Code? If "Yes," attach an explanation.		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
9 Has the organization filed Federal income tax returns or exempt organization information returns? If "Yes," state the form numbers, years filed, and Internal Revenue office where filed.		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	

- 10 Check the box for your type of organization. BE SURE TO ATTACH A COMPLETE COPY OF THE CORRESPONDING DOCUMENTS TO THE APPLICATION BEFORE MAILING.
- a Corporation— Attach a copy of your Articles of Incorporation, (including amendments and restatements) showing approval by the appropriate State official; also include a copy of your bylaws. Exhibits A, B & C.
 - b Trust— Attach a copy of your Trust Indenture or Agreement, including all appropriate signatures and dates.
 - c Association— Attach a copy of your Articles of Association, Constitution, or other creating document, with a declaration (see instructions) or other evidence the organization was formed by adoption of the document by more than one person; also include a copy of your bylaws.

If you are a corporation or an unincorporated association that has not yet adopted bylaws, check here

I declare under the penalties of perjury that I am authorized to sign this application on behalf of the above organization and that I have examined this application, including the accompanying schedules and attachments, and to the best of my knowledge it is true, correct, and complete.

Please Sign Here  SECRETARY 8/18/93
 (Signature) (Title or authority of signer) (Date)

For Paperwork Reduction Act Notice, see page 1 of the instructions.

Complete the Procedural Checklist (page 7 of the instructions) prior to filing.

Part II Activities and Operational Information

- 1 Provide a detailed narrative description of all the activities of the organization—past, present, and planned. Do not merely refer to or repeat the language in your organizational document. Describe each activity separately in the order of importance. Each description should include, as a minimum, the following: (a) a detailed description of the activity including its purpose; (b) when the activity was or will be initiated; and (c) where and by whom the activity will be conducted.

See pages 2A - 2C attached.

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- 2 What are or will be the organization's sources of financial support? List in order of size.

See response to Part II, Question 1. This organization's expenses are all paid by Religious Technology Center, which grants such amounts to the organization as are necessary. The organization has no other sources of income.

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- 3 Describe the organization's fundraising program, both actual and planned, and explain to what extent it has been put into effect. Include details of fundraising activities such as selective mailings, formation of fundraising committees, use of volunteers or professional fundraisers, etc. Attach representative copies of solicitations for financial support.

The organization has no fundraising program.

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Part II, Question 1 Statement of Activities

Inspector General Network ("IGN") was formed as a California nonprofit public benefit corporation on October 24, 1984 (originally under the name "Hubbard Dianetics Foundation") to serve as an integrated auxiliary of Religious Technology Center ("RTC"), which owns, enforces and protects the religious marks of the Scientology religion. IGN's purpose and sole activity are to serve as the registered owner of the Scientology religious marks as nominee for RTC in countries that do not enforce contracts executed by religious corporations, such as Mexico, Pakistan, Qatar and Ras-Al-Khaimah. (These countries hereinafter shall be referred to as "secular countries.") Thus, IGN was organized as a secular nonprofit corporation rather than a religious nonprofit corporation.

Although organized as a secular corporation, IGN plays an integral role in the international ecclesiastical hierarchy of the Scientology faith, particularly with respect to the expansion of the religion and the continued assurance of its orthodox practice. IGN's activities are described below. Detailed information concerning the organizational structure, religious activities and financial affairs of the international Scientology ecclesiastical hierarchy is contained in the administrative record of the exemption determination proceeding for Church of Scientology International ("CSI"), the Mother Church of the Scientology religion.

As discussed in CSI's administrative record, Scientology churches assure parishioners that their religious services are orthodox by providing them under the imprimatur of certain marks associated with the religion. These Scientology religious marks include the terms "Dianetics", "Scientology" and Mr. Hubbard's name, initials and signature. When Scientology parishioners see these marks they know for certain that the services they are receiving are orthodox and have been taken directly from Scientology Scriptures. As noted above, these marks are owned by RTC. RTC is a California nonprofit religious corporation that functions as the ultimate authority within the Scientology ecclesiastical hierarchy as to matters concerning the orthodox practice of the faith.

RTC permits Scientology churches and their related organizations to use these marks through a written covenant it has entered into with CSI. This covenant provides that an organization cannot legally use the marks and thus cannot call itself a Scientology organization without CSI's written authority

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Part II, Question 1 Statement of Activities

(represented by a sublicense agreement) and RTC's approval. Basically these agreements formalize the relationship among the churches within the hierarchy and create legal rights and duties with respect to the marks that can be enforced in court. Thus, if a church continues to minister services under the name Scientology despite CSI's objections, CSI is able to stop the practice through the civil judicial system.

However, this arrangement is not effective in the secular countries since their judicial systems do not enforce contracts by religious corporations. In order to establish a system that can assure continued orthodox religious practice in these countries RTC and CSI formed a hierarchy of secular nonprofit corporations to mirror their own roles in licensing the religions marks within the Scientology religious hierarchy. Under this secular system, rights to the Scientology religious marks are nominally held for the benefit of RTC by IGN, which serves as RTC's nominee. RTC retains reversionary rights to the marks if, in the sole judgment of RTC, IGN fails to preserve the ethical use of the marks in accordance with Scientology Scripture and policy. Thus, IGN functions as RTC in secular countries. A copy of the license agreement between RTC and IGN is attached as Exhibit D.

Since the organizational structure of the secular licensing system is to duplicate the Scientology ecclesiastical hierarchy on a secular level, two other secular corporations were formed in order to complete this arrangement. One corporation, Dianetics Foundation International ("DFI"), was formed to serve as an integrated auxiliary of CSI by licensing large organizations similar in size to Class V churches of Scientology. Another corporation, Dianetics Centers International ("DCI"), was formed to serve as an integrated auxiliary of CSI by licensing small organizations similar in size to Scientology missions.

Pursuant to the authority it received from RTC, IGN has granted DFI the authority to permit organizations to use the marks in countries where IGN is the nominal trademark owner. (A copy of the license agreement between IGN and DFI is attached as Exhibit E.) DFI, in turn, has licensed DCI the right to permit newly-formed and smaller organizations operating in secular countries to use the Scientology marks. (A copy of the license agreement between DFI and DCI is attached as Exhibit F.)

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Part II. Question 1 Statement of Activities

Thus DFI maintains the same basic relationship with IGN in the secular countries that CSI maintains with RTC in all other countries; similarly, DCI maintains the same basic relationship with DFI in the secular countries that Scientology Missions International, the Mother Church of Scientology missions, maintains with CSI in the non-secular countries.

Although these licenses give IGN the right to issue standards as to orthodox religious practice and to supervise such practice, IGN does not undertake any activity in this respect since it does not have any staff personnel. Instead, RTC continues to perform such functions on behalf of IGN, just as it does in the nonsecular countries.

Thus, although organized as a secular corporation, IGN's purpose and activities are wholly dedicated to the protection and furtherance of the Scientology religion. IGN is controlled by and operates solely for the benefit of RTC, to accomplish RTC's religious purpose in countries where RTC's contracts are not enforceable.

Prior to IGN's formation, WISE, Inc., a for-profit corporation, served the same role as IGN, i.e., as RTC's nominee for registration of the Scientology religious marks in the secular countries. WISE, Inc. is in the process of transferring the marks it holds to IGN. (See Assignment Agreement enclosed as Exhibit G.) When all transfers are completed, WISE, Inc. will dissolve. At present WISE, Inc. is a wholly-owned subsidiary of IGN. The directors and officers of WISE, Inc. are the same persons who hold those positions for IGN.

All of IGN's officers, directors and trustees are staff members of RTC and two of IGN's trustees, Mark Rathbun and Warren McShane, are directors of RTC and its President and Secretary, respectively. Mark Rathbun and IGN's director, Mike Sutter, are also trustees of CSI. IGN has no staff of its own, and its activities, which consist of registering, maintaining and enforcing the Scientology religious marks in certain countries, are carried out by the staff of RTC. Its operating budget, which for the past three years has averaged less than \$2,000, is provided for solely by RTC in the form of contributions. IGN has only nominal assets other than the rights it holds pursuant to its agreements with RTC and WISE, Inc.

Part II Activities and Operational Information (Continued)

4 Give the following information about the organization's governing body:

a Names, addresses, and titles of officers, directors, trustees, etc.

See page 3A attached.

b Annual Compensation

See page 3A.

c Do any of the above persons serve as members of the governing body by reason of being public officials or being appointed by public officials? Yes No
If "Yes," name those persons and explain the basis of their selection or appointment.

d Are any members of the organization's governing body "disqualified persons" with respect to the organization (other than by reason of being a member of the governing body) or do any of the members have either a business or family relationship with "disqualified persons"? (See the specific instructions for line 4d.) Yes No
If "Yes," explain.

5 Does the organization control or is it controlled by any other organization? Yes No
Is the organization the outgrowth of (or successor to) another organization, or does it have a special relationship with another organization by reason of interlocking directorates or other factors? Yes No
If either of these questions is answered "Yes," explain.

IGN is controlled by RTC. See response to Part II, Question 1 and Schedule D.
IGN controls WISE, Inc., its wholly-owned subsidiary. See response to Part II, Question 1.

6 Does or will the organization directly or indirectly engage in any of the following transactions with any political organization or other exempt organization (other than 501(c)(3) organizations): (a) grants; (b) purchases or sales of assets; (c) rental of facilities or equipment; (d) loans or loan guarantees; (e) reimbursement arrangements; (f) performance of services, membership, or fundraising solicitations; or (g) sharing of facilities, equipment, mailing lists or other assets, or paid employees? Yes No
If "Yes," explain fully and identify the other organizations involved.

7 Is the organization financially accountable to any other organization? Yes No
If "Yes," explain and identify the other organization. Include details concerning accountability or attach copies of reports if any have been submitted.

Inspector General Network is financially accountable to Religious Technology Center
See response to Part II, Question 1.

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Part II, Question 4 Officers, Directors and Trustees

TRUSTEES COMPENSATION

Mark Rathbun 0
1710 Ivar Avenue, Suite 1100
Los Angeles, CA. 90028

Warren McShane 0
1710 Ivar Avenue, Suite 1100
Los Angeles, CA. 90028

The third trusteeships is vacant at the moment but will be filled shortly.

DIRECTORS

Mike Sutter 0
1710 Ivar Avenue, Suite 1100
Los Angeles, CA. 90028

Kerstin Giessauer 0
1710 Ivar Avenue, Suite 1100
Los Angeles, CA. 90028

Sue Piche 0
1710 Ivar Avenue, Suite 1100
Los Angeles, CA. 90028

OFFICERS

President - Mike Sutter 0
1710 Ivar Avenue, Suite 1100
Los Angeles, CA. 90028

Secretary - Kerstin Giessauer 0
1710 Ivar Avenue, Suite 1100
Los Angeles, CA. 90028

Treasurer - Sue Piche 0
1710 Ivar Avenue, Suite 1100
Los Angeles, CA. 90028

Part II Activities and Operational Information (Continued)

8 What assets does the organization have that are used in the performance of its exempt function? (Do not include property producing investment income.) If any assets are not fully operational, explain their status, what additional steps remain to be completed, and when such final steps will be taken. If "None," indicate "N/A."

Rights to use the Scientology religious marks.

9a Will any of the organization's facilities or operations be managed by another organization or individual under a contractual agreement? Yes No

b Is the organization a party to any leases? Yes No

If either of these questions is answered "Yes," attach a copy of the contracts and explain the relationship between the applicant and the other parties.

10 Is the organization a membership organization? Yes No
If "Yes," complete the following:

a Describe the organization's membership requirements, and attach a schedule of membership fees and dues.

b Describe your present and proposed efforts to attract members, and attach a copy of any descriptive literature or promotional material used for this purpose.

c What benefits do (or will) your members receive in exchange for their payment of dues?

11a If the organization provides benefits, services or products, are the recipients required, or will they be required, to pay for them? N/A Yes No
If "Yes," explain how the charges are determined, and attach a copy of your current fee schedule.

b Does or will the organization limit its benefits, services or products to specific individuals or classes of individuals? N/A Yes No
If "Yes," explain how the recipients or beneficiaries are or will be selected.

12 Does or will the organization attempt to influence legislation? Yes No
If "Yes," explain. Also, give an estimate of the percentage of the organization's time and funds which it devotes or plans to devote to this activity.

13 Does or will the organization intervene in any way in political campaigns, including the publication or distribution of statements? Yes No
If "Yes," explain fully.

Part III Technical Requirements

1 Are you filing Form 1023 within 15 months from the end of the month in which you were created or formed? Yes No
If you answer "Yes," do not answer questions 2 through 6.

2 If one of the exceptions to the 15-month filing requirement shown below applies, check the appropriate box and proceed to question 7.

Exceptions—You are not required to file an exemption application within 15 months if the organization:

- (a) Is a church, interchurch organization, local unit of a church, a convention or association of churches, or an integrated auxiliary of a church;
- (b) Is not a private foundation and normally has gross receipts of not more than \$5,000 in each tax year; or,
- (c) Is a subordinate organization covered by a group exemption letter, but only if the parent or supervisory organization timely submitted a notice covering the subordinate.

3 If you do not meet any of the exceptions in question 2, do you wish to request relief from the 15-month filing requirement? Yes No

4 If you answer "Yes" to question 3, please give your reasons for not filing this application within 15 months from the end of the month in which your organization was created or formed. (See the instructions before completing this item.)

5 If you answer "No" to both questions 1 and 3 and do not meet any of the exceptions in question 2, your qualification as a section 501(c)(3) organization can be recognized only from the date this application is filed with your key District Director. Therefore, do you want us to consider your application as a request for recognition of exemption as a section 501(c)(3) organization from the date the application is received and not retroactively to the date you were formed? Yes No

6 If you answer "Yes" to question 5 above and wish to request recognition of section 501(c)(4) status for the period beginning with the date you were formed and ending with the date your Form 1023 application was received (the effective date of your section 501(c)(3) status), check here and attach a completed page 1 of Form 1024 to this application.

Part III Technical Requirements (Continued)

- 7 Is the organization a private foundation?
- Yes (Answer question 8.)
- No (Answer question 9 and proceed as instructed.)

- 8 If you answer "Yes" to question 7, do you claim to be a private operating foundation?
- Yes (Complete Schedule E)
- No

After answering this question, go to Part IV.

- 9 If you answer "No" to question 7, indicate the public charity classification you are requesting by checking the box below that most appropriately applies:

THE ORGANIZATION IS NOT A PRIVATE FOUNDATION BECAUSE IT QUALIFIES:

- | | |
|---|---|
| (a) <input type="checkbox"/> As a church or a convention or association of churches
(CHURCHES MUST COMPLETE SCHEDULE A). | Sections 509(a)(1)
and 170(b)(1)(A)(i) |
| (b) <input type="checkbox"/> As a school (MUST COMPLETE SCHEDULE B). | Sections 509(a)(1)
and 170(b)(1)(A)(ii) |
| (c) <input type="checkbox"/> As a hospital or a cooperative hospital service organization, or a
medical research organization operated in conjunction with a hospital
(MUST COMPLETE SCHEDULE C). | Sections 509(a)(1)
and 170(b)(1)(A)(iii) |
| (d) <input type="checkbox"/> As a governmental unit described in section 170(c)(1). | Sections 509(a)(1)
and 170(b)(1)(A)(v) |
| (e) <input checked="" type="checkbox"/> As being operated solely for the benefit of, or in connection with, one
or more of the organizations described in (a) through (d), (g), (h), or (i)
(MUST COMPLETE SCHEDULE D). | Section 509(a)(3) |
| (f) <input type="checkbox"/> As being organized and operated exclusively for testing for public
safety. | Section 509(a)(4) |
| (g) <input type="checkbox"/> As being operated for the benefit of a college or university that is
owned or operated by a governmental unit. | Sections 509(a)(1)
and 170(b)(1)(A)(iv) |
| (h) <input type="checkbox"/> As receiving a substantial part of its support in the form of
contributions from publicly supported organizations, from a
governmental unit, or from the general public. | Sections 509(a)(1)
and 170(b)(1)(A)(vi) |
| (i) <input type="checkbox"/> As normally receiving not more than one-third of its support from
gross investment income and more than one-third of its support from
contributions, membership fees, and gross receipts from activities
related to its exempt functions (subject to certain exceptions). | Section 509(a)(2) |
| (j) <input type="checkbox"/> We are a publicly supported organization but are not sure whether we
meet the public support test of block (h) or block (i). We would like the
Internal Revenue Service to decide the proper classification. | Sections 509(a)(1)
and 170(b)(1)(A)(vi)
or
Section 509(a)(2) |

If you checked one of the boxes (a) through (f) in question 9, go to question 14.
If you checked box (g) in question 9, go to questions 11 and 12.
If you checked box (h), (i), or (j), go to question 10.

Part III Technical Requirements (Continued)

- 10 If you checked box (h), (i), or (j) in question 9, have you completed a tax year of at least 8 months?
 Yes—Indicate whether you are requesting:
 A definitive ruling (Answer questions 11 through 14.)
 An advance ruling (Answer questions 11 and 14 and attach 2 Forms 872-C completed and signed.)
 No—You must request an advance ruling by completing and signing 2 Forms 872-C and attaching them to your application.

- 11 If the organization received any unusual grants during any of the tax years shown in Part IV-A, attach a list for each year showing the name of the contributor; the date and the amount of the grant; and a brief description of the nature of the grant.

- 12 If you are requesting a definitive ruling under section 170(b)(1)(A)(iv) or (vi), check here and:

- a Enter 2% of line 8, column (e) of Part IV-A _____
 b Attach a list showing the name and amount contributed by each person (other than a governmental unit or "publicly supported" organization) whose total gifts, grants, contributions, etc., were more than the amount you entered on line 12a above.

- 13 If you are requesting a definitive ruling under section 509(a)(2), check here and:

- a For each of the years included on lines 1, 2, and 9 of Part IV-A, attach a list showing the name of and amount received from each "disqualified person."
 b For each of the years included on line 9 of Part IV-A, attach a list showing the name of and amount received from each payer (other than a "disqualified person") whose payments to the organization were more than \$5,000. For this purpose, "payer" includes, but is not limited to, any organization described in sections 170(b)(1)(A)(i) through (vi) and any governmental agency or bureau.

- 14 Indicate if your organization is one of the following. If so, complete the required schedule. (Submit only those schedules that apply to your organization. Do not submit blank schedules.)

	Yes	No	If "Yes," complete Schedule:
Is the organization a church?			A
Is the organization, or any part of it, a school?			B
Is the organization, or any part of it, a hospital or medical research organization?			C
Is the organization a section 509(a)(3) supporting organization?	X		D
Is the organization an operating foundation?			E
Is the organization, or any part of it, a home for the aged or handicapped?			F
Is the organization, or any part of it, a child care organization?			G
Does the organization provide or administer any scholarship benefits, student aid, etc.?			H
Has the organization taken over, or will it take over, the facilities of a "for profit" institution?			I

Part IV Financial Data INSPECTOR GENERAL NETWORK

Complete the financial statements for the current year and for each of the 3 years immediately before it. If in existence less than 4 years, complete the statements for each year in existence. If in existence less than 1 year, also provide proposed budgets for the 2 years following the current year.

A. - Statement of Revenue and Expenses

	Current tax year	3 prior tax years or proposed budget for 2 years			(e) TOTAL
		(a) From JAN to DEC 92	(b) 19 91	(c) 19 90	
Revenue					
1 Gifts, grants, and contributions received (not including unusual grants-see instructions)	1000		3000	3000	7000
2 Membership fees received					
3 Gross investment income (see instructions for definition)	20	62	79	39	200
4 Net income from organization's unrelated business activities not included on line 3					
5 Tax revenues levied for and either paid to or spent on behalf of the organization					
6 Value of services or facilities furnished by a governmental unit to the organization without charge (not including the value of services or facilities generally furnished the public without charge)					
7 Other income (not including gain or loss from sale of capital assets) (attach schedule)					
8 Total (add lines 1 through 7)	1020	62	3079	3039	7200
9 Gross receipts from admissions, sales of merchandise or services, or furnishing of facilities in any activity that is not an unrelated business within the meaning of section 513					
10 Total (add lines 8 and 9)	1020	62	3079	3039	7200
11 Gain or loss from sale of capital assets (attach schedule)		476			476
12 Unusual grants					
13 Total revenue (add lines 10 through 12)	1020	538	3079	3039	7676
Expenses					
14 Fundraising expenses					
15 Contributions, gifts, grants, and similar amounts paid (attach schedule)					
16 Disbursements to or for benefit of members (attach schedule)					
17 Compensation of officers, directors, and trustees (attach schedule)					
18 Other salaries and wages					
19 Interest					
20 Occupancy (rent, utilities, etc.)					
21 Depreciation and depletion					
22 Other (attach schedule)	1490	1800	1130	2166	
23 Total expenses (add lines 14 through 22)	1490	1800	1130	2166	
24 Excess of revenue over expenses (line 13 minus line 23)	-470	-1262	1949	873	

H763

2W8589 1.000

Part IV Financial Data (Continued) INSPECTOR GENERAL NETWORK

B. - Balance Sheet (at the end of the period shown)

Current tax year Date 12/31/92

Assets		
1	Cash	850
2	Accounts receivable, net	
3	Inventories	
4	Bonds and notes receivable (attach schedule)	
5	Corporate stocks (attach schedule)	50
6	Mortgage loans (attach schedule)	
7	Other investments (attach schedule)	
8	Depreciable and depletable assets (attach schedule)	
9	Land	
10	Other assets (attach schedule)	839
11	Total assets (add lines 1 through 10)	1739
Liabilities		
12	Accounts payable	
13	Contributions, gifts, grants, etc., payable	
14	Mortgages and notes payable (attach schedule)	
15	Other liabilities (attach schedule)	
16	Total liabilities (add lines 12 through 15)	0
Fund Balances or Net Assets		
17	Total fund balances or net assets	1739
18	Total liabilities and fund balances or net assets (add line 16 and line 17)	1739

If there has been any substantial change in any aspect of your financial activities since the end of the period shown above, check the box and attach a detailed explanation

Inspector General Network

Federal I.D. Number 95-3990433

Form 1023

Period Ended: 31-Dec-91

Part IV Section A Line 11 Gain or Loss from Sale of Capital Assets

<u>Asset</u>	<u>To Whom Sold</u>	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>Sale Price</u>	<u>Gain(Loss)</u>
Trademarks	Religious Technology Center	125		601	476
					----- \$ 476 =====

Schedule 1

Inspector General Network

Federal I.D. Number 95-3990433

Form 1023

Period Ended: 31-Dec-92

Part IV Section A Line 22 Other Expenses

<u>Other Expenses</u>	<u>Amount</u>
Accountancy Fees	260
Bank Charges	105
Secretary of State Filing Fees	5
State Franchise Tax	800
Trademark Maintenance	320

	\$ 1,490
	=====

Schedule 2

Inspector General Network

Federal I.D. Number 95-3990433

Form 1023

Period Ended: 31-Dec-91

Part IV Section A Line 22 Other Expenses

<u>Other Expenses</u>	<u>Amount</u>
Accountancy Fees	475
Bank Charges	99
Postage	49
State Franchise Tax	980
Trademark Maintenance	197

	\$ 1,800
	=====

Schedule 3

Inspector General Network

Federal I.D. Number 95-3990433

Form 1023

Period Ended: 31-Dec-90

Part IV Section A Line 22 Other Expenses

<u>Other Expenses</u>	<u>Amount</u>
Accountancy Fees	195
Bank Charges	97
State Franchise Tax	521
Trademark Maintenance	317

	\$ 1,130
	=====

Schedule 4

Inspector General Network

Federal I.D. Number 95-3990433

Form 1023

Period Ended: 31-Dec-89

Part IV Section A Line 22 Other Expenses

<u>Other Expenses</u>	<u>Amount</u>
Accountancy Fees	235
Bank Charges	89
Postage	433
Secretary of State Filing Fees	3
State Franchise Tax	600
Trademark Maintenance	806

	\$ 2,166
	=====

Schedule 5

Inspector General Network

Federal I.D. Number 95-3990433

Form 1023

Period Ended: 31-Dec-92

Part IV Section B Line 5 Corporate Stocks

<u>Name of Corporation</u>	<u>Capital Structure</u>	<u>No. of Shares</u>	<u>Par Value</u>	<u>Book Value</u>	<u>Fair Market Value</u>
World Institute of Scientology Enterprises, Inc.	2000 Shares - Voting, Common Shares outstanding	2,000	\$0.025	\$ 50	\$ 50
				----- \$ 50 =====	----- \$ 50 =====

Schedule 6

Inspector General Network
Federal I.D. Number 95-3990433

Form 1023

Period Ended: 31-Dec-92

Part IV Section B Line 10 Other Assets

<u>Other Assets</u>	<u>Amount</u>
Trademarks	839

	\$ 839
	=====

Schedule 7

Schedule D.—Section 509(a)(3) Supporting Organization

1a Organizations supported by the applicant organization: Name and address of supported organization	b Has the supported organization received a ruling or determination letter that it is not a private foundation by reason of section 509(a)(1) or (2)?
Religious Technology Center 1710 Ivar Ave., Los Angeles, CA 90028	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
.....	<input type="checkbox"/> Yes <input type="checkbox"/> No
.....	<input type="checkbox"/> Yes <input type="checkbox"/> No
.....	<input type="checkbox"/> Yes <input type="checkbox"/> No
.....	<input type="checkbox"/> Yes <input type="checkbox"/> No

c If "No" for any of the organizations listed in 1a, explain.

Religious Technology Center is a church and is therefore not a private foundation. A 1023 application for Religious Technology Center is being filed at the same time as this application.

2 Does the organization you support have tax-exempt status under section 501(c)(4), 501(c)(5), or 501(c)(6)? Yes No
If "Yes," attach: (a) a copy of its ruling or determination letter, and (b) an analysis of its revenue for the current year and the preceding three years. (Provide the financial data using the formats in Part IV-A (lines 1-13) and Part III (questions 11, 12, and 13).)

3 Does your governing document indicate that the majority of your governing board is elected or appointed by the supported organizations? Yes No
If "Yes," skip to question 9.
If "No," you must answer questions 4 through 9.

4 Does your governing document indicate the common supervision or control that you and the supported organizations share? Yes No
If "Yes," give the article and paragraph numbers. If "No," explain.
See response to Part II, Question 1 and the Reversion and Reservation Agreement between Religious Technology Center and this organization attached as Exhibit D.

5 To what extent do the supported organizations have a significant voice in your investment policies, in the making and timing of grants, and in otherwise directing the use of your income or assets?
This organization has no income or assets except as granted by Religious Technology Center as described in the Reversion and Reservation Agreement attached as Exhibit D and as described in the response to Part II, Question 1.

6 Does the mentioning of the supported organizations in your governing instrument make you a trust that the supported organizations can enforce under state law and compel to make an accounting? Yes No
If "Yes," explain.
The supported organization is not mentioned in our governing instrument.

7a What percentage of your income do you pay to each supported organization?
This organization has no income except for amounts received from Religious Technology Center to cover our operating expenses. See Part II, Question 1.

b What is the total annual income of each supported organization?
Inspector General Network does not support financially Religious Technology Center. Rather, it exists and operates solely for the benefit of Religious Technology Center by acting as its nominee. See Part II, Question 1.

c How much do you contribute annually to each supported organization?
This organization does not contribute financially to Religious Technology Center.

For more information, see back of Schedule D.

Schedule D.—Section 509(a)(3) Supporting Organization (Continued)

8 To what extent do you conduct activities that would otherwise be carried on by the supported organizations? Explain why these activities would otherwise be carried on by the supported organizations. As described in Part II, Question 1, IGN was formed to provide a legal entity to carry out certain activities for RTC in countries where contracts by religious organizations are not enforced. Thus IGN is RTC's nominee in such countries for purposes of being the registered owner of the Scientology religious marks for the benefit of RTC. If contracts of religious organizations were enforced in such countries these activities would be carried on by RTC directly.

9 Is the applicant organization controlled directly or indirectly by one or more "disqualified persons" (other than one who is a disqualified person solely because he or she is a manager) or by an organization which is not described in section 509(a)(1) or (2)? Yes No
If "Yes," explain.

Instructions

For an explanation of the types of organizations defined in section 509(a)(3) as being excluded from the definition of a private foundation, see Publication 557, Chapter 3.

Line 1.—List each organization that is supported by your organization and indicate in item 1b if the supported organization has received a letter recognizing exempt status as a section 501(c)(3) public charity as defined in section 509(a)(1) or 509(a)(2).

If you answer "No" in 1b to any of the listed organizations, please explain in 1c.

Line 3.—Your governing document may be articles of incorporation, articles of association, constitution, trust indenture, or trust agreement.

Line 9.—For a definition of a "disqualified person," see specific instructions for Part II, line 4d, on page 3 of the application's instructions.

Schedule D. — Section 509(a)(3) Supporting Organization (Continued)

- 8 To what extent do you conduct activities that would otherwise be carried on by the supported organizations? Explain why these activities would otherwise be carried on by the supported organizations.

This is fully explained in the response to Part II, Question 1.

- 9 Is the applicant organization controlled directly or indirectly by one or more "disqualified persons" (other than one who is a disqualified person solely because he or she is a manager) or by an organization which is not described in section 509(a)(1) or (2)? Yes No
If "Yes," explain.

Instructions

For an explanation of the types of organizations defined in section 509(a)(3) as being excluded from the definition of a private foundation, see Publication 557, Chapter 3.

Line 1.—List each organization that is supported by your organization and indicate in item 1b if the supported organization has received a letter recognizing exempt status as a section 501(c)(3) public charity as defined in section 509(a)(1) or 509(a)(2).

If you answer "No" in 1b to any of the listed organizations, please explain in 1c.

Line 3.—Your governing document may be articles of incorporation, articles of association, constitution, trust indenture, or trust agreement.

Line 9.—For a definition of a "disqualified person," see specific instructions for Part II, line 4d, on page 3 of the application's instructions.