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ADVANCED TECHNOLOGY
COVENANT - ESTATE/RTC

THIS COVENANT, effective this 30 day of November, 1988, is hereby executed by and between NORMAN F. STARKEY, as Executor of the Will of L. Ron Hubbard, doing business as L. Ron Hubbard Library (hereinafter referred to as "the Estate"), and RELIGIOUS TECHNOLOGY CENTER, a California non-profit religious corporation (hereinafter referred to as "RTC").

RECITALS

A. L. Ron Hubbard was the founder of the religion of Scientology, which is based on a body of truths, and the technology for applying them, that was discovered, described, and refined by L. Ron Hubbard through forty years of research and study, and is contained in the writings and recorded spoken words of L. Ron Hubbard relating to the religion of Scientology and the organizations formed to disseminate the religion of Scientology. Such writings and recorded spoken words of L. Ron Hubbard are hereinafter referred to as the "Scientology Scriptures." The Scientology Scriptures are the sole source of all the doctrines, tenets, sacraments, rituals and policies of the religion of Scientology.

B. L. Ron Hubbard published much of the Scientology Scriptures for the use and benefit of mankind through the religion and organizations of Scientology. The portion of the Scientology Scriptures that constitutes the upper levels of

spiritual awareness of the religion is called the religion's "Advanced Technology." The Advanced Technology is a substantial body of copyrighted unpublished written information that has been protected and maintained as highly confidential property, and that is to be made available only to Scientology organizations that qualify to deliver the Advanced Technology (referred to herein as the "Advanced Scientology Organizations").

C. The Advanced Technology is the most sacred part of the Scientology Scriptures and is maintained and used in strict accordance with Scientology Scriptural requirements. These Scriptural requirements ensure the sanctity of the Advanced Technology and the orthodox and ethical practice of the Scientology faith for all time.

D. A fundamental doctrine of the religion of Scientology is that the Advanced Technology can be grasped and utilized only by Scientologists who, through processing, have attained an appropriate preclear or pre-OT grade on the Scientology Classification, Gradation and Awareness Chart, as described in the particular level of Advanced Technology. Under this doctrine, revelation of Advanced Technology to one who has not attained the appropriate preclear or pre-OT grade risks spiritual harm.

E. Orthodox and ethical Scientology religious practice therefore requires that Advanced Technology be used without alteration and consistent with the Scriptures, that the

confidentiality of Advanced Technology be absolutely maintained, and that Advanced Technology be revealed only to Scientologists who have advanced to the appropriate level of spiritual awareness.

F. RTC was formed by Scientologists, with the approval of L. Ron Hubbard, for the exclusive purpose of protecting the religion of Scientology by ensuring that Scientology religious services are orthodox and comport with all Scriptural requirements. RTC accomplishes its religious purpose by authorizing and supervising the use of Scientology religious trademarks by the Church of Scientology International, the Mother Church of the Scientology faith, and by authorizing and supervising the use of Advanced Technology by Advanced Scientology Organizations.

G. L. Ron Hubbard died on January 24, 1986 and Norman F. Starkey was, on February 18, 1986, duly appointed the Executor of the Will of L. Ron Hubbard by the Superior Court in and for the County of San Luis Obispo, California, Case No. 20885. Case No. 20885 remains pending as of the date of execution of this Covenant, and therefore the Estate currently owns all rights in the Advanced Technology that were owned by L. Ron Hubbard at the time of his death and has the right to control the use of such Advanced Technology. The Estate is now prepared to grant authority to RTC to protect and control the utilization of the Advanced Technology throughout the world in accordance with Scientology Scriptural requirements.

H. It is the purpose of this Covenant to authorize the orthodox and ethical use of the Advanced Technology identified in Exhibits 1 and 2 attached hereto throughout the world, excluding the United States and its territories and possessions (hereinafter referred to as the "Territory"), and to enable RTC to permit Advanced Scientology Organizations to utilize the Advanced Technology in the Territory in accordance with the terms and conditions contained herein.

NOW, THEREFORE, in consideration of the mutual covenants and conditions contained herein, the Estate and RTC covenant as follows:

1. Recitals. The Recitals set forth in paragraphs A through H above are made a part of this Covenant.

2. Grant of Authority. The Estate hereby grants to RTC the exclusive authority to:

(a) permit Advanced Scientology Organizations in the Territory as RTC may select:

(i) to use the Advanced Technology identified in Exhibit 1 attached hereto for the purpose of processing preclears and pre-OTs in the Advanced Technology; and

(ii) use the Advanced Technology identified in Exhibit 2 attached hereto in the Territory to train persons for the purpose of processing preclears and pre-OTs in the Advanced Technology;

(b) make such copies of the Advanced Technology as are required to comply with covenants between RTC and Advanced Scientology Organizations, and to distribute such copies to Advanced Scientology Organizations in accordance with the limitations set forth in Paragraph 3 of this Covenant, but RTC may not permit any third parties to copy or distribute the Advanced Technology; and

(c) protect and enforce all rights in the Advanced Technology in the Territory, including copyright rights and trade secret rights, and to collect damages for any past, present, or future infringement or misappropriation of such rights by third parties.

3. Limitations. RTC shall use the Advanced Technology, and shall ensure that it is used by Advanced Scientology Organizations, without alteration and strictly in accordance with the Scientology Scriptures, particularly with that portion of the Scientology Scriptures known as the Scientology system of ethics; and justice and its related administrative policies.

4. Distribution of Contributions.

(a) RTC shall not be required to make any monetary payments to the Estate for the grant of authority set forth in paragraph 2 of this Covenant.

(b) It is understood and agreed that RTC will establish appropriate rates of contribution for the use of the Advanced Technology by Advanced Scientology Organizations as a way to provide financial support for RTC's religious activities and for the dissemination and growth of the religion of Scientology.

(c) RTC shall apply to religious and charitable purposes, other than the support of RTC and its operations, at least ninety percent (90%) of the total contributions that RTC receives from authorizing the Advanced Scientology Organizations to use the Advanced Technology. Such religious and charitable purposes shall be determined by the Directors of RTC, and must be either consistent with the purposes of the religion of Scientology according to the Scientology Scriptures, or for the general purpose of advancing the moral and ethical level of mankind. Without limiting the generality of the foregoing, acceptable purposes for the uses of such contributions shall be:

- (1) establishing and maintaining an indestructible record of the Scientology Scriptures;
- (2) establishing and maintaining a museum of the religion of Scientology;
- (3) establishing religious schools, scholarships and retreats;
- (4) supporting other qualified organizations of the religion of Scientology; and
- (5) publishing, disseminating and promoting literature that is not part of the Scientology Scriptures but which, in the judgment of the Directors of RTC, is in concert with the broad goals of Scientology and is worthy of support for the general benefit of mankind.

(d) RTC may retain for the purposes of paying RTC's operating and overhead expenses up to ten percent (10%) of the total contributions received by RTC from authorizing the Advanced Scientology Organizations to use the Advanced Technology.

5. Term and Termination.

(a) The term of this Covenant shall be perpetual, subject to the provisions of paragraphs 5(b) through 5(d) below.

(b) This Covenant is subject to termination at any time by any successor of the Estate to the rights in the Advanced Technology. Any continuation of this Covenant after such a succession will be at the will of the Estate's successor.

(c) The Estate retains the right to terminate this Covenant at any time if it determines, in its sole and absolute discretion, that RTC has failed to preserve and maintain the confidentiality, purity, and ethical use of the Advanced Technology in accordance with the Scientology Scriptures and the Scientology system of ethics and justice, or that RTC in any way, has placed the Advanced Technology in danger of appropriation by any entity that is outside of or hostile to the religion of Scientology, or that RTC has permitted and is permitting use of the Advanced Technology in any way that is contrary to the Scientology Scriptures or the Scientology system of ethics and justice or seriously damages the religion of Scientology.

(d) On termination of this Covenant for any reason, RTC shall immediately cease all use of the Advanced Technology, shall promptly account to the Estate for each

physical copy of the Advanced Technology, and shall transfer all such copies within RTC's possession, custody, or control to the Estate or to the Estate's successor, or to the designee of the Estate or the Estate's successor.

6. Indemnification.

(a) RTC acknowledges the full responsibility of RTC and the Advanced Scientology Organizations for the ethical and proper use and delivery of the Advanced Technology according to the Scientology Scriptures, and agrees that it will make no claim that the Estate is responsible for the content or delivery of the Advanced Technology. RTC hereby indemnifies and waives any claim against the Estate or its agents, employees, representatives or successors, and agrees to hold them harmless from all costs, liabilities, and claims of any kind that arise from or relate to the use or misuse of the Advanced Technology by RTC or the Advanced Scientology Organizations. All such claims shall be defended at the expense of RTC.

(b) The writings of L. Ron Hubbard are a record of research and observation by him into the nature of the human mind and spirit. These writings contain a spiritual and religious 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 practicing medical arts or sciences. The Estate makes no claim that the nature or purpose of the Advanced Technology exceeds this description of

Scientology or that the application of the Advanced Technology will have any particular effect on any particular parishioner.

(c) RTC shall include the disclaimer set forth in paragraph 7(b) above in all agreements with Advanced Scientology Organizations relating to the Advanced Technology and shall require the Advanced Scientology Organizations to obtain from all persons to whom the Advanced Technology is to be delivered a waiver identical to the waiver set forth in Exhibit 3 attached hereto.

7. Title and Copyrights.

(a) RTC acknowledges that all copyright rights covering the Advanced Technology are retained and owned exclusively by the Estate.

8. Protection and Enforcement of Rights.

(a) RTC shall initiate suits against any third party who infringes RTC's rights granted under this Covenant if the opinion of RTC's counsel is that such infringement should be enforced. The conduct of such lawsuits initiated by RTC shall be within the sole control of RTC, who shall vigorously prosecute such suits. However, the Estate may at its option and its own expense (1) participate in such suits in an advisory capacity, (2) be joined in such suit as a party, or (3) initiate suit on its own behalf.

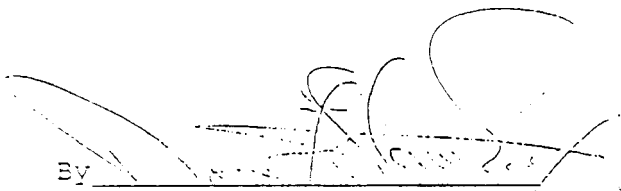
(b) RTC shall pay all legal expenses incurred in connection with the conduct of litigation hereunder that it institutes and shall be entitled to retain any award or damages

received pursuant to such litigation. To the extent that the Estate participates in such suits, any award in damages received shall be divided between the Estate and RTC in proportion to their share of expenses incurred in connection with such litigation.

9. Assignability. This Covenant shall be considered personal to RTC, and RTC may not assign any of its rights or duties under this Covenant.

IN WITNESS WHEREOF, and intending to be legally bound, duly authorized representatives of RTC have executed this Covenant below.

Date: November 30, 1988

BY 
NORMAN F. STARKEY
As Executor of the Will of
L. Ron Hubbard

Date: Dec 15, 1988

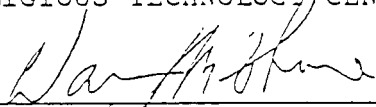
RELIGIOUS TECHNOLOGY CENTER
BY 
Name: WARREN MESCHERY
Title: SECRETARY

Exhibit 1

PRECLEAR/PRE-OT PROCESSING LEVELS

<u>GRADE/LEVEL</u>	<u>MATERIALS/STATE ATTAINED</u>
Grade V & VA Release	The Power and Power Plus Processes (Power Release)
Grade VI Release	R6 End Words (Whole Track Release)
Clear	Clearing Course
OT I	Section One Operating Thetan
OT II	Section Two Operating Thetan
OT III	Section Three Operating Thetan
New OT IV	Operating Thetan Drug Rundown Completion
New OT V	Audited New Era Dianetics for Operating Thetans
New OT VI	Hubbard Solo New Era Dianetics for Operating Thetans Auditing Course
New OT VII	Solo New Era Dianetics for Operating Thetans Completion
New OT VIII	Truth Revealed
New OT IX	Character
New OT X	Operating
New OT XI	Future
L - 10	List 10
L - 11	New Life Rundown
L - 12	Flag OT Executive Rundown
OT Review Auditing	

Exhibit 2

AUDITOR TRAINING

<u>CLASS/DESCRIPTION</u>	<u>CERTIFICATE/FORMAL NAME</u>
Class VII Auditor	Hubbard Graduate Auditor
Class VII Case Supervisor	Hubbard Graduate Case Supervisor
Class VIII Auditor (Confid. Section)	Hubbard Standard Technical Specialist
Solo Case Supervisor	Hubbard Solo Case Supervisor
Class X Auditor	Class X Auditor
Class X Case Supervisor	Class X Case Supervisor
Class XI Auditor	Class XI Auditor
Class XII Auditor	Class XII Auditor
Class XII Case Supervisor	Class XII Case Supervisor
NED for OT's Auditor	Hubbard Advanced Courses Specialist
NED for OT's Case Supervisor	Hubbard Advanced Courses Specialist Case Supervisor
Confidential Section of the Solo Auditor Course (R6EW Materials)	
Senior NOT's Course	
New Vitality Rundown Auditor's Course	
New Vitality Rundown Case Supervisor Course	

Exhibit 3

Waiver

1. The undersigned hereby acknowledges that:

a. The writings of L. RON HUBBARD ("LRH") are a record of observation and research by him into the nature of the human mind and spirit. These writings contain a spiritual and religious 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 practicing medical arts or sciences. L. Ron Hubbard and his Estate, RELIGIOUS TECHNOLOGY CENTER ("RTC"), and [Advanced Scientology Organization] make no claim that the nature or purpose of the Advanced Technology exceeds this description of Scientology or that the application of the Advanced Technology will have any particular effect on any particular parishioner.

b. The undersigned relies on [Advanced Scientology Organization] alone, without the participation of any other person or entity, for the ethical and proper delivery of the Advanced Technology according to the Scriptures.

c. The undersigned hereby waives any claim against L. Ron Hubbard and his Estate, RTC, [Advanced Scientology Organization] and the agents, employees, representatives, predecessors, successors, assigns, and affiliates of any of them, which is inconsistent with the preceding paragraph, and will hold them harmless from any related or resulting cost or liability, including attorneys' fees.

Dated: _____

ADDENDUM

The promises, covenants, agreements and declarations made and set forth herein are intended to and shall have the same force and effect as if set forth at length in the body of the Advanced Technology Covenant-Estate\RTC, by and between NORMAN F. STARKEY, as Executor of the Will of L. Ron Hubbard, doing business as "L. Ron Hubbard Library", and RELIGIOUS TECHNOLOGY CENTER, a California nonprofit religious corporation, dated the 30th day of November, 1988 ("Agreement"), to which this Addendum is attached. To the extent that the provisions of the Addendum are inconsistent with the terms and conditions of the Agreement, the terms of this Addendum shall control. For purposes of this Addendum, the capitalized terms and words of art, unless defined herein, shall have the same meanings as the terms defined in the Agreement.

1. L. Ron Hubbard died on January 24, 1986, and Norman F. Starkey was appointed Executor of his Will by the San Luis Obispo County Superior Court on February 18, 1986. On January 3, 1989, said Superior Court ordered distribution of the Estate of L. Ron Hubbard, including ownership of the Advanced Technology, to Norman F. Starkey, Trustee of Author's Family Trust-B, whose address is 6515 Sunset Boulevard, Suite 202, Hollywood, California 90028.

2. Paragraph 2(b) is hereby deleted in its entirety and the following is substituted in lieu thereof:

"(b) make such copies of the Advanced Technology as are required to comply with covenants between RTC and Advanced Scientology Organizations, and to distribute such copies to Advanced Scientology Organizations in accordance with the limitations set forth in Paragraph 3 of this Covenant, but RTC may not permit any third parties to copy or distribute the Advanced Technology; except that RTC may authorize Church of Scientology International to make copies of the Advanced Technology and distribute copies thereof to Advanced Scientology Organizations, so long as such reproduction and distribution is under the supervision of RTC; and"

In all other respects, the Agreement is hereby ratified, republished and reconfirmed by the parties hereto.

DATED: 13 May 1991


**NORMAN F. STARKEY, Trustee of
Author's Family Trust-B**

DATED: 8 May 91

RELIGIOUS TECHNOLOGY CENTER

By 