

UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF FLORIDA
TAMPA DIVISION

MARGERY WAKEFIELD)	
Plaintiff)	
vs.)	CASE NO. 82-1313-Civ-T-10
THE CHURCH OF SCIENTOLOGY)	
OF CALIFORNIA a/k/a THE)	
CHURCH OF SCIENTOLOGY OF)	
CALIFORNIA, INC.)	
Defendant)	
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SETTLEMENT AGREEMENT

Plaintiff, MARGERY WAKEFIELD (hereinafter referred to as "Plaintiff"), and THE CHURCH OF SCIENTOLOGY OF CALIFORNIA, INC., (hereinafter referred to as the "Church"), hereby agree to settle all claims of Plaintiff and the Church against each other, including, but not limited to, those claims identified in the above-styled action, on the following terms and conditions:

1. It is understood by all parties to this Agreement that the settlement referred to herein is a compromise of doubtful and disputed claims, and that it is not intended to be, or construed as, in any form or fashion, an admission of liability by either Plaintiff or the Church, but is made in the full settlement and compromise of disputed claims which Plaintiff and the Church have against each other, and for which Plaintiff and the Church have denied, and still deny, liability. Moreover, the parties herein agree that liability for any claims, of any nature, which the Plaintiff and the Church have, or may have, against each other is expressly denied, and this settlement shall never be treated as an admission of liability, or responsibility, at any time, for any

purpose.

2. On execution of this Agreement, Plaintiff and the Church will execute a Mutual Release, an unexecuted copy of the original of which is attached hereto, and made a part hereof, as Exhibit "1".

3. On execution of this Agreement, the Church will remit to Plaintiff the sum of Two Hundred Twenty Thousand Dollars (\$220,000.00) and release any claim or interest in those certain funds provided to the Plaintiff by the Church in July, 1981, maintained in escrow by Plaintiff's counsel, which approximate Twenty Thousand Dollars (\$20,000.00), with accumulated interest.

4. On execution of this Agreement, Plaintiff and the Church, through counsel, will execute a Joint Motion and Stipulation of Voluntary Dismissal, an unexecuted copy of the original of which is attached hereto, and made a part hereof, as Exhibit "2".

5. The Plaintiff and the Church hereby promise and agree, for the valuable considerations recited herein, to perform and comply with each and every term, condition, provision and undertaking contained in the transcript of in camera proceedings of July 11, 1986, a copy of which is attached hereto as Exhibit "3". By this reference the parties incorporate into this Settlement Agreement the said transcript in its entirety.

6. Within ten (10) days after the execution of this Agreement, Plaintiff and plaintiff's counsel, and the Church, and its counsel, shall execute, and exchange, affidavits of compliance attesting to the fact that they have complied with the terms and conditions of this Settlement Agreement pertaining to the delivery to each other of all documents which, by the terms of this Settlement Agreement, each party and their counsel is obligated to turn over to the other. The parties and their counsel agree that the form of the affidavit of compliance shall be that of the form attached hereto as Exhibit "4".

7. All parties to this Agreement and their counsel shall maintain in strict confidence the terms and conditions expressed herein, and will not disclose, in any form or fashion, either directly or indirectly, to any person or entity any term or condition contained herein, or any term or condition reflected in the Release to be executed by the parties, an unexecuted copy of which is attached hereto, and made a part hereof, as Exhibit "1". However, nothing herein shall be construed to prevent any of the parties or their counsel from disclosing the fact that all claims which they have against each other have been amicably settled. *over* *X*

8. At the time of the execution of this Agreement, the parties represent to each other that they are not under the influence of any drug, narcotic, or other mind-influencing substance, condition or ailment such that their ability to fully understand the meaning of this Agreement and the significance thereof is adversely affected or otherwise impaired. *A*

9. All parties have entered into this Agreement freely, knowingly, willingly, and voluntarily, without any threats, coercion, intimidation, or pressure of any kind whatsoever, and have executed this Agreement of their own free will.

10. Prior to the execution of this Agreement, Plaintiff and the Church, as well as their respective counsel, have engaged in sufficient deliberation and conducted an adequate investigation, either personally, or through other sources of their choosing, and Plaintiff and the Church have obtained the advice of counsel regarding the terms and conditions herein, so that the parties would be in a position to intelligently exercise their own judgment in determining whether to execute this Agreement.

11. The parties hereto have carefully read this Agreement, and fully and explicitly understand each of the terms and conditions herein.

12. The Plaintiff and the Church will each bear their respective costs with respect to this litigation and with respect to the negotiation and drafting of this Agreement, as well as with reference to all acts required of them by the terms and conditions of this Agreement.

13. To the extent that this Agreement inures to the benefit of persons or entities not parties to it, this Agreement is, nonetheless, made for their respective benefits and uses.

14. This Agreement shall not be construed against the party preparing it, but shall be construed as if both parties prepared it.

15. In the event any term or condition of this Agreement is determined to be unenforceable, such a determination shall not affect the enforceability of any of the other terms or conditions contained in it.

16. The parties hereto, including any officer, director, agent, servant, employee, representative, or attorney of, or for, any party, have made no statement, representation, or promise to the other party regarding any fact material to this Agreement except as expressly set forth herein. Moreover, except as expressly stated in this Agreement, the parties, in executing it, do not rely on any statement, representation, or promise by the other party.

17. The signatories to this Agreement have the full right, power, and authority to enter into this Agreement on behalf of the parties for whom they are signing.

18. This Agreement contains the entire agreement between the parties hereto, and its terms and conditions are contractual, and not a mere recital. No other prior, or contemporaneous agreements, oral or written, respecting the matters herein, which are not specifically incorporated herein, shall be deemed to in any way exist, or bind any of the parties hereto.

19. The parties agree that this Settlement Agreement shall be filed with the Court under seal.

20. This Agreement and the mutual release provided for herein may be executed in two or more counter-parts, each of which shall be deemed to be a duplicate original, but all of which, together, shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement, on the date opposite their names.

DATED: Aug 11, 1986

Margery Wakefield
MARGERY WAKEFIELD

Judith Kargala
Witness

Debra A. Parker
Witness

DATED: August 13, 1986

Meryl Dubay
MERYL DUBAY, for
CHURCH OF SCIENTOLOGY OF
CALIFORNIA, INC.

Charles B. Smith
Witness

J. J. Keller
Witness

Wakefield2 : CS12

MUTUAL RELEASE OF ALL CLAIMS

THIS INDENTURE WITNESSETH: That I, MARGERY WAKEFIELD (hereinafter referred to as "Plaintiff"), for and in consideration of good and valuable consideration of which I herewith acknowledge I have received, do hereby for myself, and for my heirs, executors, administrators, personal representatives, assigns, and representatives, fully acquit, release, remise and forever discharge THE CHURCH OF SCIENTOLOGY OF CALIFORNIA, INC., (hereinafter the "Church"), as well as its officers, directors, employees, servants, agents, members, assigns, successors, and representatives, and L. Ron Hubbard, his heirs, his estate, and its executor, Author's Family Trust and its trustee, Mary Sue Hubbard, Author Services, Inc., The Church of Scientology International, The Church of Spiritual Technology, The Church of Scientology Western United States, The Church of Scientology Flag Service Org., Inc., Scientology Missions International, Religious Technology Center, Church of Scientology, Mission of Atlanta, Inc., Church of Scientology of Florida, Inc., Church of Scientology of Missouri, Inc., Church of Scientology Celebrity Centre International, The Founding Church of Scientology of Washington, D.C., Church of Scientology of Los Angeles, Inc., any other Scientology organization or entity, as well as all officers, directors, employees, servants, agents, members, assigns, successors and representatives of each of the forgoing persons and entities, of and from any and all claims, demands, damages, costs, expenses, loss of services, actions, and causes of action of every kind and nature, whether arising at law or in equity, known or unknown, for, or because of, or arising from, any act, omission, or occurrence, up to the present time, which I may have had, may now have, or may hereafter have, against the foregoing persons and entities, including but not limited to, those claims referred to in that certain action, now pending in

Exhibit #1

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Form
Not complete
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revised*

the United States District Court for the Middle District of Florida, Tampa Division, styled Margery Wakefield v. The Church of Scientology of California a/k/a The Church of Scientology of California, Inc., Case No. 82-1313-Civ.T-10.

Plaintiff hereby declares that no representations about the nature and extent of any injuries, disabilities, or damages allegedly sustained by Plaintiff and made by any physician, attorney or agent of any person or entity hereby released, nor any representations regarding the nature and extent of legal liability or financial responsibility of any person or entity released, have induced her to make this settlement; that in determining the amount of the settlement herein there has been taken into consideration not only the alleged ascertained injuries, disabilities, and damages, allegedly suffered by Plaintiff, but also the possibility that these alleged injuries may be permanent and progressive and recovery therefrom uncertain and indefinite, so that consequences not now anticipated may result from the events alleged in Case No. 82-1313-Civ.T-10.

Plaintiff agrees, as a further consideration and inducement of this compromise settlement, that it shall apply to all unknown and unanticipated injuries and damages allegedly resulting from the events alleged in Case No. 82-1313-Civ.T-10, as well as to those now disclosed.

It is understood by Plaintiff and the Church that the acceptance of the aforescribed consideration, and the execution and delivery of this Release, is not to be considered, in any form or fashion, as an admission of liability on the part of any of the foregoing persons or entities, but is in the full settlement and compromise of disputed claims which Plaintiff has or may have, against the foregoing persons or entities, and for which they have denied, and still deny, liability.

The Church, for and in consideration of good and valuable consideration of which it herewith acknowledges it has received, does hereby for itself, and for its officers, directors, employees, servants, agents, members, assigns, successors, and representatives, fully acquits, releases, remises, and forever discharges Plaintiff, and her heirs, executors, administrators, personal representatives, and assigns, of and from any and all claims, demands, damages, costs, expenses, loss of services, actions, and causes of action of every kind and nature, whether arising at law or in equity, known or unknown, for, or because of, or arising from, any act, omission, or occurrence, up to the present time, which it may have had, or may now have, against Plaintiff, including, but not limited to, those claims referred to in its Counterclaim filed in Case No. 82-1313-Civ.T-10.

It is understood by Plaintiff and the Church that the acceptance of the aforescribed consideration, and the execution and delivery of this Release, is not to be considered, in any form or fashion, as an admission of liability on the part of Plaintiff, but is in the full settlement and compromise of disputed claims which the Church has against Plaintiff, and for which Plaintiff has denied, and still denies, liability.

The parties acknowledge that they have entered into this Release freely, knowingly, willingly, and voluntarily, without any threats, coercion, intimidation, or pressure of any kind whatsoever, they have executed this Release of their own free will, and with the advice of counsel. Finally, the parties acknowledge that they have carefully read this Release, fully and explicitly understands each of the terms and conditions herein, that the parties hereto, including any officer, director, agent, servant, employee, member, or representative, of, or for, any party, have made no statement, representation, or promise to the other party regarding any fact material to

this Release except as expressly set forth herein, and that, except as expressly stated in this Release, the parties, in executing it, do not rely on any statement, representation, or promise by the other party.

IN WITNESS WHEREOF the parties have executed this Release this 13 day of August, 1986.

CHURCH OF SCIENTOLOGY OF
CALIFORNIA, INC.

Meryl Dubay
BY: MERYL DUBAY

STATE OF CALIFORNIA
COUNTY OF LOS ANGELES

The foregoing instrument was acknowledged before me this 10th day of August, 1986, by MERYL DUBAY, on behalf of the Church of Scientology of California, Inc.



Rebecca A. Pook
Notary Public
My Commission Expires: 11 Aug 1986

MARGERY WAKEFIELD

STATE OF _____
COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of August, 1986, by MARGERY WAKEFIELD.

Notary Public
My Commission Expires: _____

Wakefield4:Cs12

this Release except as expressly set forth herein, and that, except as expressly stated in this Release, the parties, in executing it, do not rely on any statement, representation, or promise by the other party.

IN WITNESS WHEREOF the parties have executed this Release this 13 day of August, 1986.

CHURCH OF SCIENTOLOGY OF
CALIFORNIA, INC.

BY: MERYL DUBAY

STATE OF CALIFORNIA
COUNTY OF LOS ANGELES

The foregoing instrument was acknowledged before me this day of August, 1986, by MERYL DUBAY, on behalf of the Church of Scientology of California, Inc.

Notary Public
My Commission Expires:

Margery Wakefield
MARGERIE WAKEFIELD

STATE OF Michigan
COUNTY OF Houghton

The foregoing instrument was acknowledged before me this 11th day of August, 1986, by MARGERIE WAKEFIELD.

Judith M. Kargela
Notary Public JUDITH M. KARGELA
My Commission Expires: Notary Public, Houghton County, Michigan
My Commission Expires April 11, 1989

Wakefield4:Cs12

UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF FLORIDA
TAMPA DIVISION

MARGERY WAKEFIELD

Plaintiff

vs.


THE CHURCH OF SCIENTOLOGY
OF CALIFORNIA a/k/a THE
CHURCH OF SCIENTOLOGY OF
CALIFORNIA, INC.

Defendant

CASE NO. 82-1313-Civ-T-10

JOINT MOTION AND STIPULATION FOR DISMISSAL

Plaintiff, MARGERY WAKEFIELD, and Defendant, CHURCH OF SCIENTOLOGY OF CALIFORNIA, do hereby move the Court for entry of an Order dismissing the above entitled action with prejudice on the grounds that the parties have entered into a Settlement Agreement wherein they have settled all claims arising out of this action.


WALT LOGAN
708 Jackson Street
Tampa, Florida 33602
Attorney for Margery Wakefield

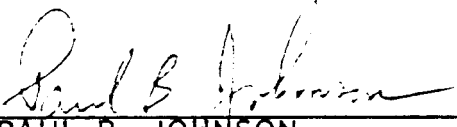

PAUL B. JOHNSON
501 E. Kennedy, Suite 1207
Tampa, Florida 33602
Attorney for The Church of
Scientology of California, Inc.

Exhibit #2

UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF FLORIDA
TAMPA DIVISION

NANCY MCLEAN,

Plaintiff,

vs.

CHURCH OF SCIENTOLOGY,

Defendants.

Case No. 81-174-Civ-T-17
Tampa, Florida
July 11, 1986
4:45 p.m.

...../

IN CAMERA
TRANSCRIPT OF PROCEEDINGS

BEFORE THE HONORABLE ELIZABETH A. KOVACHEVICH

APPEARANCES:

For the Plaintiffs
McLean, Burden, Wakefield
and Cazares:

WALT LOGAN, ESQUIRE
WAGNER, CUNNINGHAM, VAUGHAN &
MCLAUGHLIN
708 Jackson Street
Tampa, Florida 33602

MICHAEL FLYNN, ESQUIRE

LAWRENCE E. HELLER, ESQUIRE
Woodland West Building,
Suite 315
6400 Canoga Avenue,
Woodland Hills, California 91367

FOR ATTORNEY USE ONLY

Exhibit III to Settlement Agreement

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For the Defendants:

**PAUL JOHNSON, ESQUIRE
501 E. Kennedy
Tampa, Florida 33602**

**BENNIE LAZZARA, JR., ESQUIRE
606 E. Madison
Tampa, Florida 33602**

**MICHAEL LEE HERTZBERG, ESQUIRE
275 Madison Avenue
New York, New York 10016**

Court Reporter:

**CLAUDIA M. FRY, CSR, RPR
C.P., C.M.
P. O. Box 2434
Tampa, Florida 33601**

PROCEEDINGS

July 11, 1986

* * * * *

THE COURT: Thank you very much Ladies and Gentlemen. You may remain standing since it'll probably be easier if you will, gentlemen. I'm putting -- this is officially on the record so that there can be no misunderstanding about the negotiations that have been conducted today regarding the following cases. For the sake of clarity, will you please enumerate the numbers starting with the two case, et cetera, assigned to me, the McLean case and Burden case. Mr. Johnson do you have the numbers of the cases.

MR. JOHNSON: No, ma'am.

THE COURT: Do you, Mr. Logan?

MR. LOGAN: I sure do.

THE COURT: One case 81-174-Civil-T-17, McLean, M-C-L-E-A-N, versus the Church of Scientology and another case assigned to me is Burden versus Scientology, the number will be supplied subsequently, but I believe it's an '81 or '82 case, and then the two other cases that are assigned to Judges, they have consented for this Court to deal with in these settlement negotiations, are Judge Castagna's case which is Cazares, will you spell that.

MR. FLYNN: C-A-Z-A-R-E-S.

1 THE COURT: Versus --

2 MR. FLYNN: Church of Scientology, et al, in number
3 82-1313.

4 THE COURT: Civil-T-15, that would be Judge
5 Castagna's case. Wakefield case assigned to Judge Hodges,
6 that is the number that we don't know.

7 MR. JOHNSON: We'll furnish that, Your Honor.

8 THE COURT: If you'll do that. Who is going to
9 speak?

10 MR. FLYNN: Insofar as the Burden case --

11 THE COURT: For the record, identify yourself.

12 MR. FLYNN: Michael Flynn, counsel for Tony E.
13 Burden.

14 MR. HERTZBERG: So the record is clear, it was our
15 understanding the entirety of the remarks that we're going to
16 make in these proceedings will be kept under seal in
17 perpetuity.

18 THE COURT: That is correct. The only reason it
19 might have to be reviewed will be for this Court to enforce
20 the settlement which is being recited into the record because
21 it's my understanding that this proposed settlement of these
22 four cases will merge the merits into the settlement so it
23 would be the enforcement of the settlement, and that there
24 might be any subsequent matter that this Court might have to
25 address, correct?

1 MR. JOHNSON: Yes, ma'am, except we were only able
2 to put the concepts of the non-monetary aspects of the
3 settlement, we don't have the final language, but we
4 anticipate we'll have no problem because Mr. Heller and Mr.
5 Flynn have settled other cases together, they have worked out
6 the actual language, all we can do is give the concept.

7 THE COURT: You can certainly give me the dollar
8 figures and concepts and you can give me what the intent is
9 of the concepts so if you have difficulty with the language,
10 et cetera, if there's a problem with enforceability of that,
11 we can deal with that. But I certainly would not want to
12 have any misunderstanding about the good faith intentions of
13 all parties in settling and the intent that this settlement
14 would be, in fact, enforceable; correct, gentlemen?

15 MR. HELLER: Yes.

16 THE COURT: Is that right?

17 MR. HELLER: Legally, yes. Lawrence Heller from Los
18 Angeles. That is absolutely correct.

19 THE COURT: You understand that, Mr. Flynn?

20 MR. FLYNN: That is correct.

21 THE COURT: Mr. Logan?

22 MR. LOGAN: Yes, Your Honor.

23 THE COURT: All right. Now, please recite this into
24 the record.

25 MR. HELLER: Mr. Johnson will recite it into the

1 record and Mr. Johnson reminded me and I guess I'm
2 reiterating what he says, we have not specifically discussed
3 the releases. Mr. Flynn of course is aware of the releases
4 that we've previously entered into, so in a number of cases
5 which we've agreed upon, it's clear the releases herein will
6 follow those general lines if not specifically follow the
7 releases that Mr. Flynn and I have agreed upon.

8 THE COURT: You're using that as your frame of
9 reference on all four of these Plaintiffs' cases or just on
10 the Burden case?

11 MR. HELLER: I'm speaking now on the Burden case
12 between Mr. Flynn and myself.

13 MR. JOHNSON: But yes, we're using that as a frame
14 of reference, there will be people named on the release that
15 we would present that are not parties to the lawsuit.

16 THE COURT: You don't have any problems with using
17 those releases, do you, Mr. Logan?

18 MR. LOGAN: I've never seen them, Your Honor.

19 THE COURT: Oh, you haven't?

20 MR. HELLER: They are pretty standard releases, if
21 I'm correct, with some fairly specific language which we have
22 discussed which specifically relate to the returning of
23 documents and I think in one sense in the Cazares case, the
24 non-disclosure of certain material that underlies the cases
25 themselves. Other than that, they're quite standard and I

1 appreciate Mr. Logan hasn't seen them, there's nothing
2 unusual, I should state for the record.

3 THE COURT: Gentlemen, let's not have any
4 misunderstanding. You've done a fine job today in getting
5 this case to the point where you postured it in the
6 settlement posture. Now, let's not get hung up here. The
7 intent is that there be a settlement, that the language that
8 be used be consistent with the intent and spirit of
9 settlement for certain sums of money in all four of these
10 cases, as you're about to recite it. Let's hear the
11 recitation.

12 MR. JOHNSON: Let me start it out, please. I'll ask
13 my co-counsel to fill in. Your Honor, I would first say that
14 the McLeans are not here because we're starting with the
15 Burden case, but they want to be in here when their case is
16 heard. I would like to give the language as to all four
17 cases as we have agreed. How do we handle that?

18 MR. FLYNN: Your Honor, with the indulgence of the
19 Court, I'd like to make a 5:35 flight.

20 THE COURT: All right.

21 MR. FLYNN: I was hoping we could do Burden first.

22 THE COURT: Let's do Burden.

23 MR. JOHNSON: All right. The amount of money in
24 Burden is

25 That the non-monetary provisions were that the

1 Plaintiff, Mrs. Burden, will sign an affidavit or declaration
2 ~~which has been prepared in~~ agreed upon.

3 MR. HELLER: Correct.

4 MR. FLYNN: Correct, both as to the number, the
5 monetary amount in as to the declaration.

6 MR. JOHNSON: Right, ~~there is an agreement that will~~
7 ~~be non-disclosed by either party of the amount of the~~
8 ~~monetary settlement~~ in any way or any form or any mention of
9 the amount of the settlement, all right.

10 Next, that all documents in the possession of the
11 attorney or Mrs. Burden or any people associated with the
12 case that will be relating to the Church of Scientology ~~will~~
13 be returned or delivered to the Church of Scientology, both
14 documents we have turned over to them in discovery and the
15 documents they have developed during this discovery procedure
16 in preparation of the case.

17 MR. FLYNN: Except attorney/client privileged
18 material.

19 MR. JOHNSON: Of course.

20 MR. FLYNN: Those are documents relating to the case,
21 relating to the Burden case as opposed to documents relating
22 to other cases.

23 MR. HERTZBERG: On that point, I'd like to elaborate,
24 the understanding will be we get all copies of those
25 documents with the representation that they have been

1 forthcoming with all of the documents, also includes but not
2 be limited to the so-called seized documents that were
3 obtained from the files in Washington, D. C.

4 MR. FLYNN: No, those are used in other cases so it
5 does not contemplate those. I used those in the other
6 litigation. It contemplates all the documents in the Burden
7 case.

8 MR. HERTZBERG: In the Burden case.

9 THE COURT: In the Burden case, that's what I
10 understand, all the rest has to be a complete return, if it's
11 not complete, it's violative of the agreement.

12 MR. JOHNSON: All right. Yes, ma'am. Next, there
13 will be an agreement that Mrs. Burden will not give any
14 testimony in any proceeding either in law or
15 administrative-wise relating to the Church of Scientology
16 unless she's subpoenaed.

17 Next, that if there should be any further litigation
18 between the parties in this case, that any past activity,
19 either those alleged in this lawsuit or matters that would be
20 similar fact evidence that was developed during the course of
21 this lawsuit, will not be used by either party against the
22 other in any future litigation.

23 Next, that Mrs. Burden will not voluntarily
24 cooperate with any person adverse to Scientology in any
25 proceedings against Scientology.

1 MR. HELLER: The last thing we agreed upon, Mrs.
2 Burden forthwith will not speak to anyone and we can --
3 except I think her immediate family, about the facts that
4 underlie and act as the predicate for her complaint on file
5 in this matter.

6 THE COURT: You have any problem with that?

7 MR. FLYNN: No, we don't.

8 THE COURT: Okay. Is that it on the Burden case?

9 MR. HELLER: I think that's covers it.

10 MR. JOHNSON: Yes.

11 THE COURT: Is there any reason for Mr. Flynn to
12 remain?

13 MR. HERTZBERG: I wanted to add one thing. I
14 represent Mary Sue Hubbard who is a party in three of the
15 four cases we're discussing.

16 THE COURT: Your name is?

17 MR. HERTZBERG: Michael Hertzberg.

18 THE COURT: For the record.

19 MR. HERTZBERG: I want to be clear that on the
20 release Mrs. Hubbard will seek to have signed, I would like
21 the option to either join a general all-encompassing release
22 that will be tendered to the other side or enter into a
23 separate one to run between the Plaintiff and Mrs. Hubbard.

24 MR. FLYNN: No problem, Your Honor.

25 MR. LOGAN: The names on the settlement are in

1 regard to the lawsuit.

2 MR. JOHNSON: The names on the settlement, but the
3 names in the releases was done and the other cases involving
4 the Church of Scientology, there are other entities named in
5 the release that are not parties to this lawsuit which --

6 THE COURT: They're covered by this release?

7 MR. HELLER: That's right.

8 MR. FLYNN: Talking about the entities as opposed to
9 the individuals both, such as the same type of entities and
10 individuals in the other cases. We have no problem with
11 people associated with the Church or entities associated with
12 the Church.

13 THE COURT: No problem?

14 MR. HELLER: Yeah, against Mr. Flynn, and I have
15 entered into, in the past, a number of them have included
16 these and they're strictly entities and associates associated
17 with the Church of Scientology in California that are
18 involved in --

19 MR. JOHNSON: And other Scientology organizations
20 other than the Church of Scientology.

21 MR. HELLER: For instance, I'll give you a very
22 specific relevant one, not only in the Burden action but the
23 other actions is the estate of L. Ron Hubbard, they're not
24 technically in this litigation, but of course, we're going to
25 ask for a release for them in all of these actions. I didn't

1 specifically say this, Mr. Flynn knows I didn't specifically
2 state it to Mr. Logan, I assume that's there's no problem
3 with it, I assume that there's no problem.

4 MR. LOGAN: It's not.

5 MR. FLYNN: No.

6 THE COURT: The intent of this settlement is to
7 settle the claims of Burden, McLean, Wakefield and Cazares
8 with regard to all named parties as well as those persons who
9 would be reasonably related thereto.

10 MR. FLYNN: Correct.

11 THE COURT: Isn't that right, Mr. Logan?

12 MR. LOGAN: Right.

13 MR. HELLER: Absolutely correct.

14 THE COURT: Now. Does that complete Burden.

15 MR. HELLER: I believe so.

16 THE COURT: Mr. Flynn, you're excused, take your
17 client with you. And the rest of these are all going to go
18 two, three and four, so you can leave.

19 I would thank you, Mr. Flynn.

20 MR. FLYNN: Thank you.

21 THE COURT: You're excused. Thank you for your
22 cooperation.

23 Now, all right. Do you want to take the others and
24 then McLean last? Who do you want to do next?

25 MR. HELLER: Cazares.

1 THE COURT: All right. The Cazares settlement.

2 MR. JOHNSON: Judge, the Cazares' money figure is

3 [REDACTED]

4 THE COURT: All right.

5 MR. JOHNSON: The same non-monetary provisions that
6 I've just outlined here as far as Burden apply equally to
7 Cazares.

8 THE COURT: Are incorporated by reference.

9 MR. JOHNSON: Yes.

10 THE COURT: Go ahead.

11 MR. JOHNSON: And to supplement that, the
12 non-disclosure as to activities --

13 THE COURT: Who is coming in?

14 MR. LOGAN: The McLeans, I signalled them not to.

15 MR. JOHNSON: -- will include not only Mr. Cazares
16 not discussing anything relating to the alleged wrongs of the
17 Church, committed by the Church of Scientology, but any
18 similar fact evidence that was developed during the course of
19 this preparation for this trial, and further, there is an
20 agreement that in any further litigation between the parties,
21 that the slate is wiped clean, that is to say that neither
22 the Church nor Mr. Cazares could present as a party, have any
23 further litigation matters that occurred heretofore which are
24 a part of this case either as alleged or similar fact
25 evidence. In other words, the slate would be wiped clean in

1 the future.

2 MR. LOGAN: A specific paragraph we agreed upon was
3 the Plaintiffs shall not disclose to any person nor
4 disseminate in any fashion by writing or otherwise the
5 contents or substance of the documents which shall be
6 returned to the Church of Scientology in California pursuant
7 to this agreement.

8 MR. JOHNSON: Yes, ma'am, that is correct. We
9 agreed to that language in addition to the broader language I
10 previously have given, we will not discuss anything related
11 to this case here.

12 THE COURT: All right. Is that the understanding
13 with regard to the Cazares case?

14 MR. JOHNSON: I think that includes everything,
15 doesn't it?

16 MR. LOGAN: Only reference to the settlement is that
17 the case has been settled.

18 MR. JOHNSON: There would be no indication any wise
19 to indicate whether it's a large settlement, small
20 settlement, five figures, six figures.

21 MR. HELLER: Or any payment whatsoever.

22 THE COURT: Right.

23 MR. HELLER: The case has been settled.

24 THE COURT: I think that it's understood, the case
25 has been settled. Is that a problem?

1 MR. LOGAN: No.

2 THE COURT: That's no problem.

3 MR. LOGAN: The case has been settled and the terms
4 of settlement are providential.

5 MR. JOHNSON: Now you understand I incorporated by
6 reference all the matters he mentioned earlier in the Burden
7 discussion, we did that and that was the Burden --

8 THE COURT: We did that and the Court did it, if you
9 recall.

10 MR. JOHNSON: Yes.

11 THE COURT: Now, does that complete Cazares?

12 MR. HERTZBERG: As well, Your Honor, my standing
13 option here on the release running in favor of Mrs. Hubbard
14 from the Plaintiffs.

15 THE COURT: No problem, correct, Mr. Logan?

16 MR. LOGAN: That's no problem. There's no
17 declaration in Cazares, so that's an over-incorporation.

18 MR. JOHNSON: That's correct.

19 MR. HELLER: There was a declaration we referred to
20 in Burden, there is none in the Cazares, that's correct.

21 THE COURT: With that opt out exception, all right.
22 Now the next case is Wakefield.

23 MR. JOHNSON: Yes, ma'am. Wakefield will have the
24 same non-monetary stipulations and agreements as was done in
25 Cazares and in Burden and in addition to that, that we will

1 agree to pay to Mrs. Wakefield

2 thousand dollars plus allow her to retain the monies being
3 held in escrow by Mr. Logan which is the amount paid in
4 settlement earlier in the case, plus accrued interest.

5 MR. LOGAN: Tendered in settlement.

6 MR. JOHNSON: Tendered or paid in settlement.

7 THE COURT: How much is that again?

8 MR. JOHNSON: Judge, the new money would be

9 and he will retain his escrow
10 account.

11 THE COURT: And the escrow is how much?

12 MR. JOHNSON: Amounts to a little over
13 thousand, Judge.

14 THE COURT: Just so I have that.

15 MR. JOHNSON: May be

16 THE COURT: Whatever it is.

17 MR. LOGAN: We did have substantial negotiations or
18 conferences in front of Judge Jenkins and we did create a
19 record there. I would suggest that be subscribed to this
20 record and it all be treated in the same manner.

21 THE COURT: I don't think that's wise.

22 MR. LOGAN: You don't?

23 THE COURT: I don't think it's wise. The settlement
24 terms are now being announced in front of this Judge. I will
25 tell you that at the conclusion of this, at the conclusion of

1 this, I will be the one to sign all four of these orders of
2 dismissal.

3 MR. LOGAN: Okay.

4 THE COURT: I will not incorporate anything else in
5 this record other than what is being spoken to me right now.

6 MR. LOGAN: Fine.

7 MR. HERTZBERG: I would like to clarify one point
8 which would apply to each of the cases, that Mr. Logan is
9 counsel, lead counsel in the Cazares, Wakefield and McLean
10 cases, and that is, that the return of the documents in his
11 case would include all of the seized documents.

12 THE COURT: Do you have any problem with that? You
13 don't have any need for the seized documents. You don't --

14 MR. HERTZBERG: You're wiping the slate clean.

15 THE COURT: You don't have any need for the seized
16 documents?

17 MR. HERTZBERG: It's inter alia, the seized
18 documents.

19 MR. HELLER: Since there is no other litigation in
20 the lawsuit.

21 MR. LOGAN: No problem.

22 MR. HERTZBERG: With the representation --

23 THE COURT: That this is complete.

24 MR. HERTZBERG: All we ask is all the other documents
25 except their privileged attorney/client communications which

1 were --

2 MR. LOGAN: What do you mean other documents. Not
3 memorandums and so on.

4 MR. HELLER: Attorney/client would not --

5 MR. HERTZBERG: The same as Mr. Flynn.

6 THE COURT: Gentlemen, she can't take all of you.
7 Let me try. All of the seized documents, whether they were
8 procured in Washington or some other location, all of the
9 legal documents, all documents and exhibits that were going
10 to be used in aid of the prosecution of this case, either for
11 identification or exhibits or discovery, they will be
12 returned. The only exceptions to that is material which is
13 the work product, created work product of Mr. Logan that
14 needs not be returned, his mental processes, his memorandums
15 with the exception of those items, everything else can be
16 returned; right?

17 MR. LOGAN: That's right. As to Wakefield, they
18 would return all psychiatric records and depositions of
19 psychiatric personnel and we'll return the auditing.

20 MR. JOHNSON: That's agreed.

21 THE COURT: Is that agreed?

22 MR. JOHNSON: Yes. One other matter is in addition
23 that Ms. Wakefield will not disclose any of the matters
24 relating to the substance of her complaint or any similar
25 fact evidence or any other matters relating to her claim

1 against the Church. She will not disclose in any form any
2 upper level materials or confidential Church materials that
3 she has learned through her period of time associated with
4 the Church of Scientology.

5 MR. LOGAN: We agree.

6 THE COURT: Agree to that, all right. Now, does
7 that complete Wakefield?

8 MR. JOHNSON: I think so.

9 THE COURT: All right. The last is the McLeans.
10 Ask them to come in, please. Fellas, pity the poor Court
11 Reporter. There's five of you. You want to talk, that's why
12 I'm stopping you. All right, ma'am, sir, you can come in and
13 if you want to take a seat at the table, might be easier for
14 you to be more comfortable for you. Fine. I'm having the
15 attorneys remain standing because they're talking to me.

16 Now, the last case is this case, the McLean case.
17 I've already recited the names and number into the record.
18 The understanding of the settlement in this case, recite it,
19 Mr. Johnson.

20 MR. JOHNSON: Your Honor, the monetary amount of
21 settlement --

22 THE COURT: Loud enough so they can hear you.

23 MR. JOHNSON: The monetary amount of settlement is
24 six hundred and eighty-seven thousand five hundred dollars.
25 The non-monetary aspect of the settlement is the same as we

McLean

1 have related heretofore and we would like to incorporate that
2 by reference in this case.

3 MR. LOGAN: That doesn't --

4 THE COURT: I know that, you need to recite that
5 specifically for the McLeans. I'm attempting to do that, at
6 this time, incorporation by reference is acceptable, try and
7 do it concisely and if you need to help him with regard to it
8 Mr. Heller or someone else, do so.

9 MR. JOHNSON: All right. All documents in the
10 possession of the Plaintiffs which arose out of discovery in
11 this case, either was furnished by the Church of Scientology
12 or obtained by them by discovery or obtained by the McLeans
13 in any fashion and any source relating to the Church of
14 Scientology will be turned over to the Church of Scientology,
15 that the parties, neither the Plaintiffs or Defendants, will
16 reveal the amount of the settlement in any fashion
17 whatsoever, that the McLeans will not give testimony in any
18 proceeding, either legal or administrative, concerning the
19 Church of Scientology unless they are subpoenaed, that upon
20 this settlement, the slate will be wiped clean concerning any
21 activities or actions by the Church of Scientology toward the
22 McLeans or them towards the Church of Scientology, beginning
23 of time till the present time. This is to say if there
24 should be other litigation between the parties, anything
25 that's happened heretofore cannot be used or resurrected in

1 the other litigation. That the McLeans will not voluntarily
2 cooperate with any persons adverse to Scientology, any
3 proceedings relating to Scientology.

4 THE COURT: All right. Is that your -- and then you
5 wish to make reference with regard to your client.

6 MR. HERTZBERG: Yes.

7 THE COURT: Loud enough so they can hear you.

8 MR. HERTZBERG: Not only do I want to reserve the
9 right to choose at some later date whether I want a separate
10 release to run in Mrs. Hubbard's favor from the Plaintiffs or
11 not, I will reserve the right to have a separate release run
12 to Mrs. Hubbard or be in a general release involving all
13 parties to the litigation, but I also want the record to be
14 clear that with respect to all four of the cases that we've
15 discussed, we will intend to incorporate in the provisions
16 governing non-disclosure and in fact the burying the hatchet
17 provisions apply to Mrs. Hubbard as well as the Church. In
18 other words, that the Plaintiffs, the McLeans and the other
19 Plaintiffs, will not discuss what they perceived that Mrs.
20 Hubbard may or may not have done to them as well as to the
21 Church because Mr. Johnson addressed those points, generally,
22 he referred to the Church.

23 MR. JOHNSON: That's correct. When I'm using the
24 Church of Scientology, I'm using a generic sense including
25 all Scientology entities.

1 One other matter relating to the McLeans is that in
2 the releases we discussed in the other cases, the releases
3 will include other individuals and entities other than the
4 named parties in the lawsuit and in line with what has been
5 done with other Scientology cases settled which we had
6 discussed here today.

7 THE COURT: It is the understanding of the Court
8 that not only in the McLean case but in all of these cases
9 where the negotiations have been held and all settlements
10 have been reached in all four cases, that the parties have
11 arrived at settlements which will thereby provide benefits to
12 the Plaintiffs who are settling for certain sums of money for
13 non-disclosure with regard to circumstances concerning their
14 complaints against the Church and other related entities,
15 releases which will be prepared and have been used in
16 previous cases will include not only the named parties in
17 these various cases and specifically the McLean case, but in
18 the other cases, but will include persons and legal entities
19 that need to be named as parties to the release so that the
20 releases are what they're intended to be, full and complete
21 for everybody.

22 Now, is that your understanding?

23 MR. JOHNSON: Yes, ma'am.

24 MR. HERTEBERG: Yes.

25 THE COURT: Is that your understanding, Mr. Logan?

1 MR. LOGAN: Yes.

2 MR. HELLER: Excuse me, Your Honor, I hope I'm not
3 misinterpreting. I see heads shaking going back and forth.
4 I want to make sure that as long as they're here, it's the
5 McLeans' understanding as well.

6 THE COURT: Absolutely, the Court was going to
7 inquire of them next. Mr. Logan if you need to talk with
8 your clients so that they understand that the purpose of this
9 is payment of money, other return of documents in return for
10 which this matter is concluded, stopped, finished, for
11 everybody.

12 MR. LOGAN: There are some other questions that I
13 believe we agreed upon, one to do with a New York judgment
14 against Mr. McLean, that was going to be satisfied, there is
15 still a case in Canada that was part of the settlement, that
16 is going to be dismissed with prejudice, and there's no
17 declaration so by incorporating, we've again
18 over-reincorporated, there's no declaration involved in
19 McLean, there's no declaration involved in McLean, but there
20 is no --

21 THE COURT: I gather in this situation, when you say
22 no declaration, there's going to be no verbalized animosity;
23 is that correct.

24 MR. LOGAN: Well, in my references as we stated in
25 Surden, there is a specific declaration there and that's one

1 only case, so when we incorporate everybody from Burden,
2 we've overdone it, that's what I'm pointing out.

3 THE COURT: So the declaration is opted out?

4 MR. LOGAN: Yes.

5 MR. HELLER: He's talking about the written
6 affidavit.

7 THE COURT: The written affidavit?

8 MR. LOGAN: It's overdone it.

9 THE COURT: But the other things with regard to
10 that, saying there's a settlement, the terms are sealed
11 without specifying what those terms are, everybody
12 understands that, and that cuts both ways. The Plaintiffs
13 don't talk about it, the Defendant's don't talk about it.

14 MR. HELLER: Correct.

15 THE COURT: And what has been recited in the way of
16 releases as I understand it is to make it full and complete
17 in exchange for the money and the other things, dismisses all
18 of the lawsuits and all of that. On the other hand, the
19 Defendants feel that they're entitled to have it all
20 completely concluded so their minds can be at rest, that
21 everybody that should be named to be released and protected
22 is named so this case is over. It's over. It's done.

23 MR. HELLER: And Your Honor for maybe to go on ad
24 nauseum and completely say the McLeans under this also
25 includes what we incorporated with respect to their speaking

1 about the facts of their complaint and facts in the document
2 and everything up to today.

3 THE COURT: Well except their immediate family,
4 again respecting Scientology, I think you did cover that for
5 the Court.

6 MR. HELLER: I want to be ultra-complete.

7 THE COURT: I think it makes it clear that among the
8 members of their own family if they want to talk about their
9 feelings among their own family, that it not be limited to no
10 talking about it, but to have disclosure to third persons who
11 are not members of their immediate family, talking to the
12 press, talking with people who might be potential litigants,
13 this is what people are trying to avoid for the money and for
14 everything, that is what you're being paid for, so this is
15 over for both sides, that's in plain English.

16 MR. HELLER: Best expressed that way.

17 THE COURT: All right, now. You have recited your
18 position, does that take care of your position?

19 MR. LOGAN: I'm sure counsel understands that there
20 is a case that Scientology is not a party to, but may come up
21 in California, the Randolph case.

22 MR. HELLER: My understanding of that case, without
23 knowing anything specific about it, never seen the pleadings,
24 I first knew of that, it is a malicious prosecution case
25 dealing with a case that had been filed and should have

1 nothing to do with this case as I see it. Now, I don't
2 pretend to know all the facts in this case, but --

3 MR. LOGAN: She's not constrained, Mrs. McLean is
4 not constrained in the prosecution of that case in mentioning
5 or -- those are two different cases, so what she's constrained
6 about talking about are the facts of this case.

7 MR. JOHNSON: And any facts that arose out of this
8 case or any things that were done by the Church of
9 Scientology allegedly to her heretofore which was a part of
10 this case, either the litigation or similar fact evidence,
11 that you plan to use in this case.

12 MR. LOGAN: Yeah, that applies to any future
13 litigation between the parties. I have no -- we have no
14 problem with that.

15 MR. JOHNSON: Yes.

16 THE COURT: We're talking about future litigation
17 between the parties and related parties in this case. The
18 whole purpose of this is not to create a situation where
19 these people are settling their claims with this party.

20 MR. JOHNSON: Just to follow up on that Judge, in
21 addition to future litigation, I'll give you an example, for
22 example, a number of years ago there was a mock funeral in
23 Toronto, Canada, in which the Church of Scientology there in
24 Toronto conducted that sort of thing, for example, things
25 that occurred heretofore and which she complains about, that

1 sort of thing cannot then be discussed with anyone, not only
2 the litigation, but cannot be discussed and publicized to
3 anyone else.

4 THE COURT: Other than with members of their own
5 family. Is that a problem?

6 MR. LOGAN: Your Honor, we have a scope problem.

7 THE COURT: A scope problem?

8 MR. LOGAN: You see, the other litigation that may
9 or may not come up, it's not litigation between these
10 parties.

11 THE COURT: Let me ask you this: Let me see if the
12 Court can assist with regard to scope.

13 MR. LOGAN: Sure.

14 THE COURT: The name of the case is Randolph?

15 MR. LOGAN: Yes Nancy McLean versus Donald Randolph.

16 THE COURT: Okay. Now, the Court does not know who
17 Mr. Randolph is, but the intent of this settlement in this
18 case is for facts involved in the McLean versus Scientology
19 and all the parties in this cause in this Court, but the
20 facts and the discovery material and the parties that have
21 been raised herein cannot be used in the other case so as to
22 create potential problems as I perceive it for the Defendants
23 in this case to be joined, if not by Mrs. McLean, by other
24 people, and that is a justifiable concern because Mrs. McLean
25 may not join people on her own, but you see other parties who

1 are in your lawsuit have a right to do what we call filing a
2 cross-claim, then they become or file a cross-claim against
3 someone else, third parties bring them into the case, so that
4 even though you may not have intended to bring them in, other
5 people bring them in and that's what the Defendants here are
6 concerned with. Now, do you think, Mr. Logan, that assisted
7 in making the parties realize that Scientologists and the
8 people they represent, that the attorneys here do not want to
9 be confronted with that problem?

10 MR. LOGAN: I understand that, Your Honor, but --
11 and they would agree not to affirmatively use that, but if in
12 this case in the depositions they're asked about that area,
13 certainly we can't create any privilege here in Tampa
14 regarding out there. They would agree not to affirmatively
15 use that if they're asked.

16 THE COURT: I think the appropriate thing for them to
17 do is to say that is part of a Court sealed settlement which
18 is true, that's part of a Court sealed settlement and before
19 she would be permitted to answer any questions regarding
20 that, there would have to be an order of the Court which
21 means there would have to be argument that would have to be
22 held by somebody before this Court before that document or
23 those items could be released for disclosure. Now, let us
24 not play games with this.

25 MR. LOGAN: Could I have five minutes with my

1 clients?

2 THE COURT: Yes, you can have five minutes, go back
3 to the Jury room, walk through that door that way.

4 MR. HELLER: It's acceptable to us.

5 (Thereupon, there was a brief recess in the
6 proceedings.)

7 MR. LOGAN: There was an underlying case out in
8 California and the Defendants must know that part of these
9 documents like the funeral documents are of record in that
10 underlying case.

11 THE COURT: All right, filed?

12 MR. LOGAN: Yeah, we can limit it to those. I mean,
13 she has no control over those.

14 THE COURT: They've already been filed, already made
15 a public record?

16 MR. LOGAN: Yes.

17 THE COURT: You can't unring those bells, they're
18 already there.

19 MR. HERTZBERG: Your Honor, is it possible to have an
20 inventory of those prepared?

21 THE COURT: Well, I don't see why not, so you'd know
22 exactly what has been filed and what hasn't.

23 MR. HERTZBERG: That way, we'll eliminate a dispute
24 in the future.

25 THE COURT: Sure, as of today's date, July 11th,

1 1986, an inventory of the documents in that file so that we
2 can be clear that that which has already been filed is filed,
3 that which is not filed will not be filed in the future if
4 it's material to the subject of this settlement and
5 agreement, and should there be any future deposition or
6 testimony required of this party and that also should be done
7 prior to a trial so a trial Judge is not confronted with this
8 difficulty right when a person's in the witness box. There
9 should be an anticipation of a necessity for a Court ruling
10 if required to determine the parameters of a settlement
11 agreement because they would have standing to be heard. I'm
12 not telling you what would happen, but they would have
13 standing to be heard and we all understand that based upon
14 the terms of this agreement.

15 MR. LOGAN: It would seem the simple parameters
16 would be what is of record in that underlying case which is a
17 closed case.

18 THE COURT: Oh, is the case closed? Now are we
19 talking --

20 MR. LOGAN: Yes, the underlying case is the
21 underlying case to the present McLean v. Randolph case, it's
22 a malicious prosecution case, and what we're talking about is
23 the underlying case to the present malicious prosecution
24 case. It's a closed item.

25 MR. HELLER: My understanding, there is a malicious

prosecution case, I should again say Mr. Logan made a statement simply saying that surely the Defendants know that certain documents are in this case. I'll speak for myself, but I think I'm speaking with prior discussions with other attorneys, we know nothing about the case. When I say nothing, I mean zero. My understanding of Your Honor's order as it was made just now was that the documents that are in the present case, which I understand is known as Nancy McLean versus Don Randolph, et al, it's possible that those are now of public record and that there is nothing we can do to

ring that bell, not any other case, not any underlying case, not anything like that, and that Your Honor's comments go to that case and we'll receive an inventory in that case.

THE COURT: It's the current case you want an inventory on?

MR. LOGAN: I don't think there's any documents there. The documents are in the closed underlying case.

THE COURT: They're with the Clerk out there. It's Federal Court?

MR. LOGAN: Yes, it was Federal Court in Los Angeles.

MR. HELLER: I haven't the foggiest notion what documents there are.

MR. LOGAN: Nor do I.

THE COURT: You get the number of the case, you get

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1 incomplete and they're just trying to make sure that what --
2 they're not trying to limit you to what you're entitled to do
3 properly, but on the other hand, they're trying to make sure
4 that they're protected in the future based upon the money
5 that they're paying you, which is reasonable. You would feel
6 the same way about it yourselves. You want to make sure that
7 things are being properly protected.

8 Now Mr. Logan, have you got some other language
9 suggestions here? If not, we may have said enough. We need
10 to know if that's acceptable to the McLeans.

11 MR. HERTZBERG: May I have a point of clarification,
12 if you'll indulge me. I want it clear of course we cannot
13 recoup from the Court files the documents that were filed in
14 this underlying case.

15 THE COURT: In California.

16 MR. HERTZBERG: Details of which are unknown to us,
17 all of us over here on this side, however merely because a
18 document was filed once and resides in perhaps an inactive
19 Court file in California should not mean that it's excluded
20 from the scope of the copies that must be returned by the
21 McLeans and which are also in the prohibition about
22 discussion with others outside the immediate family.

23 MR. LOGAN: I'm sorry.

24 THE COURT: I know you missed part of that. In
25 essence, what he is saying is that unless it is necessary to

1 deal with the case that is in California, documents that are
2 contained in the underlying file and the current active file
3 should not be discussed nor should they be excluded from the
4 return of documents that are part of this settlement. If
5 there are duplicate copies, if there are items that were
6 procured from Washington or whatever, seized, that should be
7 returned as part of the McLeans' good faith settlement in
8 this case, then they ought to be returned. If there are
9 items that are already on file out there, then they're on
10 file out there. If you need to deal with those items on file
11 in the prosecution of that case, nobody's trying to stop you
12 from doing that. But they're just trying to make sure the
13 Scientology Defendants that are settling this case are not
14 being brought into a lawsuit out there in California 'cause
15 that would cause them to feel as though this agreement was
16 being breached and they would file a suit for breach of this
17 settlement, wouldn't they.

18 MR. JOHNSON: You can be assured of that, Your Honor.

19 MR. HELLER: Your Honor, you know if we get an
20 inventory and there are problems, I'm sure we can enter into
21 a sealing order in that case to make sure those documents are
22 only used for that case. I think I'm speaking without
23 authority, I assume with the intents, underlying intents we
24 discussed of my client, that would handle it.

25 THE COURT: I would think that it would. Do you see

1 a problem with that?

2 MR. HELLER: I need to go look at them and see what
3 they are.

4 THE COURT: He needs to look at the file, but if
5 there's duplicate copies that you possess, they should be
6 returned, Mr. Logan.

7 MR. LOGAN: Sure.

8 THE COURT: Is that acceptable to your clients?

9 MR. LOGAN: Yes.

10 THE COURT: All right. The Court records the
11 nodding by the McLeans with regard to this in the
12 affirmative. Now, that would complete the Court's
13 understanding of all the four settlements in these cases,
14 correct?

15 MR. JOHNSON: Yes, ma'am.

16 THE COURT: Mr. Johnson, Mr. Hertzberg?

17 MR. HERTZBERG: Yes.

18 THE COURT: Mr. Heller?

19 MR. HELLER: Yes.

20 THE COURT: Mr. Logan?

21 MR. LOGAN: Right, yes.

22 THE COURT: You may be seated Mr. and Mrs. McLean,
23 that's courteous of you to stand. You may be seated.

24 Now, this Court, even though it's not the Judge in
25 the two cases, Wakefield and Cazares, will want to see the

1 settlement proposal that you wish to file, the joint motion
2 for dismissal with prejudice, pointing out the merits of
3 these cases are now merged in the settlement so that nobody
4 has to worry about ever proving up allegations or defenses,
5 they are all merged, obviating the need for the record. See,
6 it's kind of important, here you're turning over records, I
7 want to make sure there's no misunderstanding that everything
8 is merged in the settlement, the merits, namely, and anything
9 that needs to be enforced through the settlement, and I will
10 be the Judge that will sign from my two assigned cases, as
11 well as the case Cazares, it's Judge Castagna's case, and the
12 Wakefield case which is Judge Hodges' case, I will sign.
13 They've already given me their approval to go forward with
14 the settlement. I think that's consistent to follow through
15 on it.

16 How many days do you want to get the papers to me?

17 MR. LOGAN: Housecleaning, there are other
18 Defendants who were not here because the definitive authority
19 was with the lead Defendant, and correct me if I'm wrong, can
20 you speak for those other Defendants?

21 THE COURT: They're speaking for them.

22 MR. LOGAN: They have spoken for them?

23 THE COURT: Yes, they have spoken for them. Now,
24 the question is how long. Today is July 11th, take all the
25 time you need except I better have it in less than a month.

1 MR. HERTZBERG: Within a month, we can have it.

2 THE COURT: That means that no later than August the
3 -- let me make sure that's a working day -- oh, it's a -- no,
4 it's not a Friday, it's a Monday. August 11, that sounds
5 like a good day to me and if people need to fly in town on
6 Sunday, they can. August 11, I want all those papers so I
7 can sign them. That's enough time to get everybody to sign,
8 get all your language together, get everything done. And I
9 don't want to hear about any problems.

10 MR. HERTZBERG: Your Honor, was it contemplated by
11 the Court that counsel be present on that day?

12 THE COURT: Not necessary.

13 MR. HERTZBERG: I have a Court engagement.

14 THE COURT: No, sir, not necessary, all I'm looking
15 for is papers to be delivered to me with all the signatures
16 on all the papers that I need to see or at least a
17 recognition that releases have been signed, agreements are in
18 camera, sealed, in the custody of certain law offices, and
19 based upon that, you acknowledge that that's all been
20 accomplished. You submit to the Court and name each of the
21 four of these cases or do them individually, this case is
22 settled, the terms are acceptable, whatever you want to put
23 in, joint motion for dismissal, the Court will retain
24 jurisdiction for enforcement of the settlement agreement and
25 it'll be done, it'll be over.

New York

1 MR. LOGAN: What would be the disposition of the
2 reporter's notes?

3 THE COURT: They're sealed, she deals with these
4 notes all the time. She'll be ordered to have them sealed
5 and she'll retain them. If you need to have it transcribed,
6 it'll be transcribed, and she deals with things like that all
7 the time here, criminal matters. Yes?

8 MR. JOHNSON: Judge also, I think it's self-evident
9 that there will be no disclosure of the fact that these
10 settlement discussions have taken place until the papers are
11 finally signed.

12 THE COURT: Absolutely. I think all parties are
13 directed not to release this to the news media because I
14 think that is counter-productive to your accomplishment of
15 the mission of settlement of this case. And as you well
16 know, part of the terms of settlement is to not disclose it
17 to outside persons, so I think that in the spirit of what you
18 agreed to, the news media should not be informed regarding
19 this at all.

20 Now, I don't mind on August 11th or whatever, that
21 you have a joint news release that people want to issue out
22 or you want to put something together, because you might as
23 well think about saying we've settled these cases because as
24 soon as it goes down there to get filed that these cases are
25 dismissed, the questions are going to rise, so you might as

1 well think about your language, each have settled, the terms
2 are secret, and that's it. When everybody contacts the
3 plaintiffs, the Plaintiffs are going to say it's settled, the
4 terms are secret, when they contacts Scientology, it's
5 settled, the terms are secret.

6 MR. HELLER: That's an excellent idea. There won't
7 be any ambiguity or misunderstanding.

8 THE COURT: I would target the news release on the
9 same day, if one of you wants to come here. You, Mr. Logan,
10 'cause you're local, and Mr. Johnson may be local, to come
11 and say Judge, here it is, will you sign it, I'm going to
12 sign it, and then there goes the news releases and
13 everything's done altogether at the same time. Is that all
14 right?

15 MR. HELLER: Yes. The only thing, don't come to me
16 with any problems, of course, I'm going to be rather west of
17 here.

18 THE COURT: I'm being optimistically facetious, I
19 don't want to see any difficulties. I think this is laid out
20 adequately, I think it is a settlement that has been worked
21 out in good faith and I want to commend both sides. I say
22 that in the presence of those parties and I wish other
23 parties were here. I want to commend both sides for this
24 because you're resolving cases and I believe all factors
25 considered, it's in the best interest of both sides to

1 amicably have these cases resolved. Yes?

2 MR. JOHNSON: Judge, we may have -- Cookie will
3 provide us the transcript of this, will she not?

4 THE COURT: If you wish to have it, she can. You
5 order it, you can pay her for it, and it will be sealed. Do
6 you want a copy of the transcript, Walt?

7 MR. LOGAN: Yes.

8 MR. JOHNSON: Yes, we would want it.

9 THE COURT: It's sealed, it's sealed, you understand
10 that, only with -- only use it for the --

11 MR. HELLER: We understand we would use it for -
12 purposes of preparation of anything of the settlement
13 agreement.

14 THE COURT: That's fine.

15 MR. HERTZBERG: We all understand on the record, we
16 understand it's sealed.

17 THE COURT: Mr. Logan, there's no question that you
18 understand this is sealed and since Mr. Flynn is gone,
19 representing one of the four people settling in this case?

20 MR. LOGAN: I represent Burden, too.

21 THE COURT: I know that, but you understand this is
22 sealed and cannot be used for any purpose, you understand
23 that?

24 MR. LOGAN: Yes.

25 THE COURT: Other than the preparation of making sure

1 you're getting the releases.

2 MR. HELLER: I'll take on the burden of informing
3 Mr. Flynn. In fact, I'll do it over the weekend. I have his
4 home number We will talk about the fact it is sealed and the
5 fact there's not to be any statements pending the signing of
6 the agreement.

7 THE COURT: And work on the news releases and all
8 that will be it, and you'll have control of that for both
9 sides.

10 MR. LOGAN: All of the terms of the settlement are
11 confidential, right, the return of the documents,
12 everything?

13 THE COURT: Everything.

14 MR. JOHNSON: That's right.

15 THE COURT: Everything, everything is confidential.
16 Your client wants to talk to you, Mr. Logan.

17 MR. LOGAN: Perhaps a deadline for the executory
18 exchange of documents.

19 THE COURT: Folks, when I sign that on August 11th,
20 all of that is supposed to be done, thirty days before I put
21 my John Hancock on this and it's says it's closed means the
22 executory is accomplished, period.

23 MR. HELLER: We'll get it to them in good time.

24 THE COURT: Documents, money, everything.

25 MR. HELLER: We'll get the documents for their

1 review in good time, there will be plenty of time to review
2 this dialogue.

3 THE COURT: I want the money and everything all done
4 so that it's all approved, it's all done, and when I sign it,
5 the settlement has been effectuated. What I'm doing is
6 merely ministerial on that day and the news releases are
7 ministerial on that day because everything executorial will
8 have been done.

9 MR. HELLER: You're speaking about passing the
10 checks at the time the clients sign the documents, not at the
11 time you sign the documents?

12 THE COURT: Oh, absolutely, when the releases and the
13 documents are signed, that's when the money should exchange,
14 that should be done before the 11th of August, absolutely.
15 Oh, yeah.

16 Now, have we got it said the way it should be said?

17 MR. JOHNSON: Yes.

18 THE COURT: That's all there is to say.

19 MR. JOHNSON: Thank you.

20 THE COURT: You're excused.

21 MR. HELLER: Thank you.

22 MR. LOGAN: Thank you.

23 MRS. MCLEAN: Thank you

24 (Thereupon, the proceedings were concluded.)
25

1 STATE OF FLORIDA)

2 COUNTY OF HILLSBOROUGH)

3 I, CLAUDIA M. FRY, Official Court Reporter for the
4 United States District Court, Middle District, Tampa
5 Division,

6 DO HEREBY CERTIFY, that I was authorized to and did,
7 through use of Computer Aided Transcription, report in
8 shorthand the proceedings and evidence in the above-styled
9 cause, as stated in the caption hereto, and that the
10 foregoing pages, numbered 1 to 41, inclusive, constitute a
11 true and correct transcription of my shorthand report of said
12 proceedings and evidence.

13 IN WITNESS WHEREOF I have hereunto set my hand in
14 the City of Tampa, County of Hillsborough, State of Florida,
15 this 13th day of July, 1986.

16
17
18 CLAUDIA M. FRY, Official Court Reporter

19
20
21 
22 By: _____
23
24
25

UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF FLORIDA
TAMPA DIVISION

MARGERY WAKEFIELD)

Plaintiff)

vs.)

CASE NO. 82-1313-Civ-T-10


THE CHURCH OF SCIENTOLOGY)
OF CALIFORNIA a/k/a THE)
CHURCH OF SCIENTOLOGY OF)
CALIFORNIA, INC.)

Defendant)
_____)

AFFIDAVIT OF COMPLIANCE

STATE OF FLORIDA
COUNTY OF HILLSBOROUGH

BEFORE, the undersigned authority, this day personally appeared WALT LOGAN, who, being duly sworn, deposes and states that Affiant has complied with the terms and conditions contained in that certain Settlement Agreement entered into in this action pertaining to the delivery of all documents which, by the terms of the Settlement Agreement, I am obligated to turn over to the other party and I have not retained any copy, record or facsimile of any of said documents.


WALT LOGAN

SWORN TO AND SUBSCRIBED before me this 13 day of August, 1986.


NOTARY PUBLIC

My Commission Expires

Wakefield:CS13

Exhibit #4a

UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF FLORIDA
TAMPA DIVISION

MARGERY WAKEFIELD)

Plaintiff)

vs.)

CASE NO. 82-1313-Civ-T-10

THE CHURCH OF SCIENTOLOGY)
OF CALIFORNIA a/k/a THE)
CHURCH OF SCIENTOLOGY OF)
CALIFORNIA, INC.)

Defendant)

AFFIDAVIT OF COMPLIANCE

STATE OF Michigan
COUNTY OF Houghton

BEFORE, the undersigned authority, this day personally appeared Margery Wakefield, who, being duly sworn, deposes and states that Affiant has complied with the terms and conditions contained in that certain Settlement Agreement entered into in this action pertaining to the delivery of all documents which, by the terms of the Settlement Agreement, I am obligated to turn over to the other party and I have not retained any copy, record or facsimile of any of said documents.

Margery Wakefield
Margery Wakefield

SWORN TO AND SUBSCRIBED before me this 11th day of August, 1986.

Judith M. Kargela
NOTARY PUBLIC JUDITH M. KARGELA
Notary Public, Houghton County, Michigan
My Commission Expires April 11, 1989
My Commission Expires

Wakefield5:CS12

Exhibit #4 b

UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF FLORIDA
TAMPA DIVISION

MARGERY WAKEFIELD)

Plaintiff)

vs.)

CASE NO. 82-1313-Civ-T-10

THE CHURCH OF SCIENTOLOGY)
OF CALIFORNIA a/k/a THE)
CHURCH OF SCIENTOLOGY OF)
CALIFORNIA, INC.)

Defendant)

AFFIDAVIT OF COMPLIANCE

STATE OF FLORIDA
COUNTY OF HILLSBOROUGH

BEFORE, the undersigned authority, this day personally appeared PAUL B. JOHNSON, who, being duly sworn, deposes and states that Affiant has complied with the terms and conditions contained in that certain Settlement Agreement entered into in this action pertaining to the delivery of all documents which, by the terms of the Settlement Agreement, I am obligated to turn over to the other party and I have not retained any copy, record or facsimile of any of said documents.



PAUL B. JOHNSON

SWORN TO AND SUBSCRIBED before me this 13th day of August, 1986.



NOTARY PUBLIC

Wakefield:CS13

My Commission Expires NOVEMBER 1, 1987

Exhibit #4c