

**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**

<b>1a</b> Full name of organization (as shown in organizing document) Church of Spiritual Technology		<b>2</b> Employer identification number (if none, see instructions.) 95 3781769
<b>1b</b> c/o Name (if applicable)	<b>3</b> Name and telephone number of person to be contacted if additional information is needed Thomas C. Spring (202) 588-8488	
<b>1c</b> Address (number, street, and room or suite no.) 419 Larchmont, suite 162	<b>4</b> Month the annual accounting period ends December 31	
<b>1d</b> City or town, state, and ZIP code Los Angeles, Ca. 90004-3013	<b>5</b> Date incorporated or formed May 28, 1982	<b>6</b> Activity codes (See instructions.) 001
<b>7</b> Check here if applying under section: a <input type="checkbox"/> 501(e) b <input type="checkbox"/> 501(f) c <input type="checkbox"/> 501(t)		<b>8</b> 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. See page 1A. <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<b>9</b> 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

*Russell Bellin*  
 (Signature)

*President*  
 (Title or authority of signer)

8/18/93  
 (Date)

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

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

Note. This document is only partly searchable: some pages are formatted "pdf-image", therefore not searchable, while others are "Text" formatted, therefore searchable through Ctrl+F, in Adobe Reader

2

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Church of Spiritual Technology  
419 Larchmont, Suite 162  
Los Angeles, CA 90004-3013  
Form 1023

Page 1A

Part I, Question 8 – Previous Exemption Application

Church of Spiritual Technology ("CST") filed an application for recognition of its tax exemption under section 501(c)(3) on August 24, 1983. That application was denied by an adverse ruling dated July 8, 1988. CST challenged the denial through a declaratory judgment action in the United States Claims Court, which affirmed the IRS's action on grounds of failure to establish. With this application under section 501(c)(3), CST is reapplying for recognition of its exempt status.

**Part II** Activities and Operational Information

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-2L attached.

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

See pages 2L-2M

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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.

See pages 2M-2N

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Church of Spiritual Technology  
419 Larchmont, Suite 162  
Los Angeles, CA 90004-3013  
Form 1023

Page 2N

**Part II, Question 3, Fundraising Program**

shareholder of ASI has ever received any dividend or other distribution of ASI's profits as a result of their status as shareholders.

Once CST's tax-exempt status is recognized and Mr. Hubbard's estate is distributed to CST, ASI will become a wholly-owned subsidiary of CST and continue managing the properties bequeathed by Mr. Hubbard to CST. CST will receive all income from such properties and will compensate ASI for its services at a rate equal to ASI's cost plus ten percent. ASI currently produces and sells various special properties derived from Mr. Hubbard's intellectual properties, such as art work and leatherbound books. When ASI becomes CST's wholly-owned subsidiary, CST will receive any profits ASI may realize as a result of its business and property management activities in the form of dividends and donations.

Once ASI becomes a wholly-owned subsidiary of CST it will conduct fundraising activities for CST by selling special properties with part of the purchase price earmarked as a donation to go to CST to support CST's preservation project.

**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.

b Annual Compensation

See page 3A attached

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.

See pages 3B-3C attached

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.

But CST provides periodic grant reports to Mr. Hubbard's testamentary trust as required pursuant to the provisions of the trust's grants.

**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." Real estate, archival vaults, archival equipment and original writings, recordings, and films by L. Ron Hubbard, and options in re Scientology marks and advanced technology.

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.

N/A

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.

N/A

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

N/A

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? N/A  
 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.)

N/A

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? N/A  
 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.

N/A

**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 N/A

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 checked="" type="checkbox"/> As a church or a convention or association of churches<br>(CHURCHES MUST COMPLETE SCHEDULE A).   | Sections 509(a)(1)<br>and 170(b)(1)(A)(i)                             |
| (b) <input type="checkbox"/> As a school (MUST COMPLETE SCHEDULE B).   | Sections 509(a)(1)<br>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)<br>and 170(b)(1)(A)(iii)                           |
| (d) <input type="checkbox"/> As a governmental unit described in section 170(c)(1).  | Sections 509(a)(1)<br>and 170(b)(1)(A)(v)                             |
| (e) <input 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)<br>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)<br>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)<br>and 170(b)(1)(A)(vi)<br>or<br>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: N/A  
 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.

N/A

- 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 \_\_\_\_\_ N/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?	X		A
Is the organization, or any part of it, a school?		X	B
Is the organization, or any part of it, a hospital or medical research organization?		X	C
Is the organization a section 509(a)(3) supporting organization?		X	D
Is the organization an operating foundation?		X	E
Is the organization, or any part of it, a home for the aged or handicapped?		X	F
Is the organization, or any part of it, a child care organization?		X	G
Does the organization provide or administer any scholarship benefits, student aid, etc.?		X	H
Has the organization taken over, or will it take over, the facilities of a "for profit" institution?		X	I

6

Church of Spiritual Technology  
419 Larchmont, Suite 162  
Los Angeles, CA 90004-3013  
Form 1023

Page 3A

Part II, Question 4 – Officers, Directors and Trustees

Trustees

JOHN M. ALLCOCK  
7051 Hollywood Blvd.  
Los Angeles, CA 90028

DAVID H. LANTZ  
7051 Hollywood Blvd.  
Los Angeles, CA 90028

RUSSELL BELLIN  
25426 Highway 189  
Twin Peaks, CA 92391

DIRECTORS AND OFFICERS

RUSSELL BELLIN – DIRECTOR AND PRESIDENT  
25426 Highway 189  
Twin Peaks, CA 92391

THOMAS K. VORM – DIRECTOR, VICE PRESIDENT  
25426 Highway 189  
Twin Peaks, CA 92391

CATHERINE SCHMIDT – DIRECTOR, TREASURER  
25426 Highway 189  
Twin Peaks, CA 92391

JANE MCNAIRN – SECRETARY  
25426 Highway 189  
Twin Peaks, CA 92391

The officers, directors and trustees of CST are not compensated for the duties they perform in those capacities. One trustee (Russell Bellin) and all directors and officers of CST also are CST staff members, and are compensated for the work they perform in their staff capacity as described in the response to Part II, Question 1. Their specific compensation is listed in the schedule attached in response to Part IV, line 17, "Compensation of Officers, Directors and Trustees."

Church of Spiritual Technology  
419 Larchmont, Suite 162  
Los Angeles, CA 90004-3013  
Form 1023

Page 3B

Part II, Question 5 – Relationship With Other Organizations

CST controls a wholly-owned subsidiary, Mile High, Inc., which serves as a title-holding company for property CST uses. Mile High has only nominal expenditures, and CST advances it whatever funds it may need. Mile High files its own tax return each year.

CST at one point also formed a second wholly-owned subsidiary corporation, Media Storage, Inc., to transfer the Scripturess securely and confidentially in times of natural disaster. This corporation is currently dormant.

In the future, once CST is recognized as exempt, it will become the sole shareholder of Author Services, Inc., as discussed in the response to Part II, Question 1.

Although CST does not function within the established authority of the ecclesiastical hierarchy of the churches of Scientology, CST is related to all churches and organizations within the hierarchy as a result of certain rights it holds with respect to two important Scientology religious properties – certain marks associated with the religion (such as the terms "Dianetics," "Scientology," and the name, initials and signature of L. Ron Hubbard, the Founder of Scientology), and the upper levels of Scientology Scriptures (called the religion's "advanced technology").

The marks and advanced technology are critical to the orthodox practice of the Scientology faith. Scientology churches assure parishioners that their services are orthodox by providing them under the imprimatur of these marks. When Scientology parishioners see these marks they know for certain that the services they are receiving are orthodox and have been taken directly from the Scripturess.

Religious Technology Center ("RTC"), a California nonprofit religious corporation, owns the Scientology religious marks and the right to use the advanced technology in the United States and is licensed the right to use the advanced technology outside of the United States. RTC delegates rights to use the advanced technology and religious marks to churches in the ecclesiastical hierarchy and then supervises their activities to ensure compliance with Scriptural requirements. (Copies of the gift documents pursuant to which RTC received its rights to the marks and advanced technology are attached as Exhibits D and E, respectively.)

Church of Spiritual Technology  
419 Larchmont, Suite 162  
Los Angeles, CA 90004-3013  
Form 1023

Page 3C

Part II, Question 5 - Relationship With Other Organizations

CST protects the security of the marks and the advanced technology through rights it has to these properties pursuant to two options it received from Mr. Hubbard in 1982. These two options give CST the limited power to acquire RTC's rights to the advanced technology in the United States and to the religious marks worldwide if, and only if, they (i) are not preserved in accordance with the Scientology Scripturess, (ii) are used in a way that both is contrary to the Scripturess and seriously damages the Scientology religion or Mr. Hubbard's image, or (iii) are in danger of appropriation by an entity outside of or hostile to the religion. (Copies of the gift documents granting CST these rights are attached as Exhibits F and G.)

However, CST has not and does not conduct any activities with respect to its rights to the Scientology religious marks and advanced technology. (CST acts as the ultimate failsafe for Scientology orthodoxy as described in the response to Schedule A, Question 1.)

**Part IV Financial Data CHURCH OF SPIRITUAL TECHNOLOGY**

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.**

		<b>A. - Statement of Revenue and Expenses</b>				
		Current tax		3 prior tax years or proposed budget for 2 years		
		(a) From May_	(b) 19 9_2__ I	(c) 19 91 _ I	(d) 19?0__	
		to DeCQ2	RYE 4/30/92	FVE 4/30/91	FYE 4/3Q/9Q	
1	Gifts, grants, and contributions received (not including unusual grants-see instructions) .....	<u>2398885</u>	<u>18921844</u>	<u>51872841</u>	<u>9151865</u>	<u>82345435</u>
2	Membership fees received .....					
3	Gross investment income (see instructions for definition) .....	<u>6 2 7 6 0 2</u>	<u>1706604</u>	<u>898882</u>	<u>875449</u>	<u>4108537</u>
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) .....	<u>- 179</u>	<u>-97</u>	<u>- 511</u>	<u>- 326</u>	<u>- 1 1 1 3</u>
8	<b>Total (add lines 1 through 7)</b> .....	<u>3026308</u>	<u>20628351</u>	<u>52771212~</u>	<u>10026988</u>	<u>864528"5T</u>
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 .....		<u>19417</u>	<u>15163</u>	<u>j-gj-<sup>22?</sup></u>	<u>225803</u>
10	<b>Total (add lines 8 and 9)</b> .....	<u>3026308~"</u>	<u>20647768</u>	<u>52786375</u>	<u>30218211"</u>	<u>86678662</u>
11	Gain or loss from sale of capital assets (attach schedule) .....	<u>6373</u>	<u>23579</u>	<u>-38142</u>	<u>1837</u>	<u>-6353</u>
12	Unusual grants					
13	<b>Total revenue (add lines 10 through 12)</b> .....	<u>3032681</u>	<u>20671347</u>	<u>52748233</u>	<u>10220048</u>	<u>86672309</u>
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) .....	<u>22099</u>	<u>32416</u>	<u>20737</u>	<u>17430</u>	
18	Other salaries and wages] [!!!!!!	<u>115254 "</u>	<u>17778T</u>	<u>934^j~</u>		<u>101TM"</u>
19	Interest .....			<u>30</u>	<u>8</u>	
20	Occupancy (rent, utilities, etc.) .....	<u>479487~</u>		<u>6942"3^</u>		
21	Depreciation and depletion .....	<u>1823744</u>		<u>26358"9~9"</u>		<u>2160473</u>
22	Other (attach schedule) .....	<u>10415158~</u>	<u>11507078""</u>	<u>9669285</u>		<u>2729029 ^</u>
23	<b>Total expenses (add lines 14 through 22)</b> .....	<u>12855742</u>	<u>15047367</u>	<u>12421249</u>	<u>4487961</u>	
24	Excess of revenue over expenses (line 13 minus line 23) .....	<u>[-9823061 I</u>	<u>5623980</u>	<u>40326984</u>	<u>5732087</u>	

**Part IV Financial Data (Continued) CHURCH OF SPIRITUAL TECHNOLOGY**

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

ite12/31792

**Assets**

1	cash		<u>1</u>	<u>24533538</u>
		<b>i</b>		
2	Accounts receivable, net	_____	<u>2</u>	_____
3	Inventories	_____	<u>3</u>	_____
4	Bonds and notes receivable (attach schedule)	_____	<u>4</u>	<u>J.oO</u>
5	Corporate stocks (attach schedule)	_____	<u>5</u>	_____
6	Mortgage loans (attach schedule)	_____	<u>6</u>	_____
7	Other investments (attach schedule)	_____	<u>7</u>	<u>2468</u>
8	Depreciable and depletable assets (attach schedule)	_____	<u>8</u>	<u>46624216</u>
9	Land	_____	<u>9</u>	<u>2766899</u>
10	Other assets (attach schedule)	_____	<u>10</u>	<u>21003</u>
<b>11</b>	<b>Total assets</b> (add lines 1 through 10)	_____	<u>11</u>	<u>73949304</u>

**Liabilities**

12	Accounts payable	_____	<u>12</u>	_____
13	Contributions, gifts, grants, etc., payable	_____	<u>13</u>	_____
14	Mortgages and notes payable (attach schedule)	_____	<u>14</u>	_____
15	Other liabilities (attach schedule)	_____	<u>15</u>	_____
<b>16</b>	<b>Total liabilities</b> (add lines 12 through 15)	_____	<u>16</u>	_____

**Fund Balances or Net Assets**

17	Total fund balances or net assets	_____	<u>17</u>	<u>73949304</u>
<b>18</b>	<b>Total liabilities and fund balances or net assets</b> (add line 16 and line 17)	_____	<u>18</u>	<u>73949304</u>

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 \_\_\_\_\_

Church of Spiritual Technology

Federal I.D. Number 95-3781769

Form 1023

Period Ended: 31-Dec-92

i

Part IV Section A Line 7 Other Income

<u>Type of Income Source</u>	<u>Amount</u>
Unrealized Loss on Precious metal	(179)
	(\$ 179)

Church of Spiritual Technology

Federal I.D. Number 95-3781769

Form 1023

Period Ended: 30-Apr-92

Part IV Section A Line 7 Other Income

<u>Type of Income Source</u>	<u>Amount</u>
Unrealized Loss on Precious metal	(97)
	(\$ 97)

Church of Spiritual Technology

Federal I.D. Number 95-3781769

Form 1023

Period Ended: 30-Apr-91

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Part IV Section A Line 7 Other Income

<u>Type of Income Source</u>	<u>Amount</u>
Unrealized Loss on Precious metal	(511)
	(\$ 511)

Church of Spiritual Technology

Federal I.D. Number 95-3781769

Form 1023

Period Ended: 30-Apr-90

Part IV Section A Line 7 Other Income

<u>Type of Income Source</u>	<u>Amount</u>
Unrealized Loss on Precious metal	(326)
	(\$ 326)

Church of Spiritual Technology

Federal I.D. Number 95-3781769

Form 1023

Period Ended: 31-Dec-92

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>
Ford Explorer Wagon	Bob Turner Ford Country	17,377	11,450	12,300	6,373

\$ 6,373

Schedule 5

Church of Spiritual Technology

Federal I.D. Number 95-3781769

i

Form 1023

Period Ended: 30-Apr-92

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>
Honda 2WD Wagon	Spreen Honda	11,832	5,602	3,700	(2,530)
Honda Civic (blue)	Spreen Honda	11,939	6,329	5,380	(230)
Honda Civic (blue)	Spreen Honda	11,959	5,663	4,100	(2,196)
John Deere Backhoe	Barnes Tractor	38,571	38,571	23,760	23,760
Sony Digital Recorder	TC Sound Service	30,749	21,524	14,000	4,775

\$ 23,579

Schedule 6

Church of Spiritual Technology

Federal I.D. Number 95-3781769

I

Form 1023

Period Ended: 30-Apr-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>
Ford Truck	Fortuna Ford	12,197	10,337	5,000	3,140
Garage	N/A (Demolished)	25,000	4,500		(20,500)
CMC "Jimmy" 4WD Wagon	Capital Ford	5,781	3,075	2,000	(706)
Honda 2WD Wagon	Spreen Honda	11,175	2,771	4,500	(3,904)
Honda Civic (red)	Spreen Honda	10,016	5,822	4,600	406
Log Cabin	Donated to Historical Society	25,000	4,500		(20,500)
Toyota Truck	Capital Ford	8,125	8,047	4,000	3,922
					(\$ 38,142)

Church of Spiritual Technology

Federal I.D. Number 95-3781769

Form 1023

Period Ended: 30-Apr-90

i

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>
Chevrolet Truck	T & Y Dismantling	8,275	8,275	950	950
Ford Van Aerostar	Moss Bros.	11,474	9,562	4,250	2,338
Honda 4WD Wagon	Spreen Honda	11,829	11,829	2,000	2,000
Honda Civic (blue)	Spreen Honda	10,079	5,040	3,000	(2,039)
Honda Civic (silver)	Spreen Honda	10,241	5,120	3,000	(2,121)
Realized Loss on Foreign Currency Conversion to US \$	Commercial Banks				(63)
Sleep-in Trailer	Worker	2,500	2,500	772	772
					\$ 1,837

Church of Spiritual Technology

Federal I.D. Number 95-3781769

v

Form 1023

Period Ended: 31-Dec-92

i

Part IV Section A Line 17 Compensation of Officers/ Directors, and Trustees

<u>Name</u>	<u>Position</u>	<u>Time Devoted</u>	<u>Compens at ion</u>
John Allcock	Trustee		As necessary 0
David Lantz	Trustee		As necessary 0
* Russ Bellin	Trustee, Director, President		As necessary 7,079
* Thomas Vorm	Director, Vice-President		As necessary 5,832
* Catherine Schmidt	Director, Treasurer		As necessary 3,812
* Jane McNairn	Secretary		As necessary 5,376

\$ 22,099

\* The compensation to these individuals was only for their service as staff of the organization, not their service as Officers, Directors or Trustees.

Church of Spiritual Technology

Federal I.D. Number 95-3781769

Form 1023

Period Ended: 30-Apr-92

Part IV Section A Line 17 Compensation of Officers, Directors, and Trustees

<u>Name</u>	<u>Position</u>	<u>Time Devoted</u>	<u>Compensation</u>
John Allcock	Trustee	As necessary	0
David Lantz	Trustee	As necessary	0
* Russ Bellin	Trustee, Director, President	As necessary	12,150
* Thomas Vorm	Director, Vice-President	As necessary	10,415
* Catherine Schmidt	Director, Treasurer	As necessary	3,450
* Jane McNairn	Secretary	As necessary	6,401
			\$ 32,416

\* The compensation to these individuals was only for their service as staff of the organization, not their service as Officers, Directors or Trustees.

Church of Spiritual Technology

Federal I.D. Number 95-3781769

Form 1023

Period Ended: 30-Apr-91

Part IV Section A Line 17 Compensation of Officers, Directors, and Trustees

<u>Name</u>	<u>Position</u>	<u>Time Devoted</u>	<u>Compensation</u>
John Allcock	Trustee	As necessary	0
David Lantz	Trustee	As necessary	0
* Russ Bellin	Trustee, Director, President	As necessary	7,846
* Thomas Vorm	Director, Vice-President	As necessary	5,890
* Arthur Bolstad	Director, Treasurer	As necessary	120
* Catherine Schmidt	Director, Treasurer	As necessary	4,723
* Jane McNairn	Secretary	As necessary	2,158
			\$ 20,737

\* The compensation to these individuals was only for their service as staff of the organization, not their service as Officers, Directors or Trustees.

Church of Spiritual Technology

Federal I.D. Number 95-3781769

Form 1023

Period Ended: 30-Apr-90

t

Part IV Section A Line 17 Compensation of Officers, Directors, and Trustees

<u>Name</u>	<u>Position</u>	<u>Time Devoted</u>	<u>Compensation</u>
John Allcock	Trustee	As necessary	0
Marion Dendiu	Trustee	As necessary	0
Terri Gamboa	Trustee	As necessary	0
David Lantz	Trustee	As necessary	0
* Russ Bellin	Trustee, Director, President	As necessary	5,376
* Thomas Vorm	Director, Vice-President	As necessary	4,972
* Nancy Levin	Director, Treasurer	As necessary	899
* Arthur Bolstad	Director, Treasurer	As necessary	2,051
* Jane McNairn	Secretary	As necessary	4,132
			\$ 17,430

\* The compensation to these individuals was only for their service as staff of the organization, not their service as Officers, Directors or Trustees.

Church of Spiritual Technology

Federal I.D. Number 95-3781769

Form 1023

Period Ended: 31-Dec-92

t

Part IV Section A Line 22 Other Expenses

<u>Other Expenses</u>	<u>Amount</u>
Archival CDs for Preservation of Tape Lectures	72,000
Archival Metal Plates for Preservation of Written Materials	1,173,272
Archival Metal Records for Preservation of Tape Lectures	29,022
Archival Research	97,989
Archival Supplies for Preservation of Written Materials	983,413
Archival Time Capsules	7,113,037
Audit & Accountancy Fees	5,950
Bank Charges	59,761
Cleaning & Laundry	4,980
Dissemination	22,225
Equipment Rental	3,060
Legal & Professional Fees	375,245
Office & Administration	14,972
Postage & Shipping	44,252
Printing	2,893
Repairs & Maintenance	167,740
Staff Enhancement Expenses and Materials	6,150
Staff Room & Board and Other Benefits	113,387
State Franchise Tax	2,400
Telephone	50,242
Travel & Transport	73,168

\$ 10,415,158

Schedule 13

Church of Spiritual Technology

Federal I.D. Number 95-3781769

Form 1023

Period Ended: 30-Apr-92

i

Part IV Section A Line 22 Other Expenses

<u>Other Expenses</u>	<u>Amount</u>
Archival CDs for Preservation of Tape Lectures	61,589
Archival Metal Plates for Preservation of Written Materials	662,413
Archival Metal Records for Preservation of Tape Lectures	16,724
Archival Research	88,696
Archival Supplies for Preservation of Written Materials	752,519
Archival Time Capsules	8,301,823
Audit & Accountancy Fees	10,933
Bank Charges	19,341
Bulk Purchases of Tape for Preservation of Tape Lectures	800
Cleaning & Laundry	7,461
Dissemination	46,385
Equipment Rental	6,818
Legal & Professional Fees	599,993
Office & Administration	39,938
Postage & Shipping	27,340
Printing	1,791
Repairs & Maintenance	460,005
Staff Enhancement Expenses and Materials	19,754
Staff Room & Board and Other Benefits	165,996
State Franchise Tax	2,400
Telephone	76,690
Travel & Transport	137,629

\$ 11,507,038

Schedule 14

Church of Spiritual Technology

Federal I.D. Number 95-3781769

Form 1023

Period Ended: 30-Apr-91

i

Part IV Section A Line 22 Other Expenses

<u>Other Expenses</u>	<u>Amount</u>
Archival CDs for Preservation of Tape Lectures	8,910
Archival Metal Plates for Preservation of Written Materials	453,893
Archival Metal Records for Preservation of Tape Lectures	2,136
Archival Research	140,948
Archival Supplies for Preservation of Written Materials	579,062
Archival Time Capsules	7,136,591
Audit & Accountancy Fees	11,851
Bank Charges	24,822
Bulk Purchases of Tape for Preservation of Tape Lectures	97,765
Cleaning & Laundry	19,424
Dissemination	24,500
Equipment Rental	4,093
Legal & Professional Fees	529,931
Loans Written Off	6,663
Office & Administration	47,609
Postage & Shipping	12,091
Printing	1,864
Repairs & Maintenance	158,785
Staff Enhancement Expenses and Materials	1,296
Staff Room & Board and Other Benefits	148,717
State Franchise Tax	2,115
Telephone	96,295
Travel & Transport	159,924

\$ 9,669,285

Schedule 15

Church of Spiritual Technology

Federal I.D. Number 95-3781769

Form 1023

Period Ended: 30-Apr-90

i

Part IV Section A Line 22 Other Expenses

<u>Other Expenses</u>	<u>Amount</u>
Archival Metal Plates for Preservation of Written Materials	78,675
Archival Research	508,816
Archival Supplies for Preservation of Written Materials	195,134
Archival Time Capsules	26,026
Audit & Accountancy Fees	9,376
Bank Charges	34,252
Bulk Purchases of Tape for Preservation of Tape Lectures	472,527
Cleaning & Laundry	2,927
Dissemination	1,090
Equipment Rental	19,480
Legal & Professional Fees	671,535
Office & Administration	79,876
Postage & Shipping	20,462
Printing	995
Repairs & Maintenance	143,856
Staff Enhancement Expenses and Materials	7,789
Staff Room & Board and Other Benefits	217,626
State Franchise Tax	600
Telephone	87,578
Travel & Transport	150,409

\$ 2,729,029

Schedule 16

Church of Spiritual Technology

Federal I.D. Number 95-3781769

Form 1023

Period Ended: 31-Dec-92

i

Part IV Section B Line 4 Bonds and Notes Receivable

<u>Name of Borrower</u>	<u>Obligation</u>	<u>Rate of Return</u>	<u>Due Date</u>	<u>Amount</u>
Bruce Bolstad	Loan to Staff Member	Interest-free	None	180

Total \$ 180

Schedule 17

Church of Spiritual Technology

Federal I.D. Number 95-3781769

Form 1023

Period Ended: 31-Dec-92

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Part IV Section B Line 7 Other Investments

<u>Type of Investment</u>	<u>Description</u>	<u>Amount</u>
Precious Metal	Gold & Silver Ingots & Coins	3,468
		\$ 3,468

Church of Spiritual Technology

Federal I.D. Number 95-3781769

Form 1023

Period Ended: 31-Dec-92

t

Part IV Section B Line 8 Depreciable and Depletable Assets

Accumulated Depreciation/ Description of Asset	Cost	Amortization	Book Value
Buildings & Improvements	51,038,252	6,512,280	44,525,972
Computer & Other Equipment	3,017,017	2,047,538	969,479
Furniture & Equipment	1,886,495	852,896	1,033,599
Motor Vehicles	364,486	269,320	95,166
	\$ 56,306,250	\$ 9,682,034	\$ 46,624,216

Church of Spiritual Technology

Federal I.D. Number 95-3781769

Form 1023

Period Ended: 31-Dec-92

t

Part IV Section B Line 10 Other Assets

<u>Other Assets</u>	<u>Amount</u>
Assets Held in Custody	1
Bond for IRS FICA Taxes	13,609
Telephone Deposit	20
Road Paving Deposit	7,173
Options	200
	\$ 21,003

### Schedule A.—Churches

**1** Provide a brief history of the development of the organization, including the reasons for its formation.

See pages Sch-A1 - A2

**2** Does the organization have a written creed or statement of faith?  Yes  No  
If "Yes," attach a copy. The Creed is stated in Article IV of the ByLaws attached as Exhibit C.

**3** Does the organization require prospective members to renounce other religious beliefs or their membership in other churches or religious orders to become members?  Yes  No  
See page Sch-A2

**4** Does the organization have a formal code of doctrine and discipline for its members?  Yes  No  
If "Yes," describe. See pages Sch-A3 - A4

**5** Describe your form of worship and attach a schedule of your worship services.  
See page Sch-A4

**6** Are your services open to the public?  Yes  No  
If "Yes," describe how you publicize your services and explain your criteria for admittance.

But see page Sch-A-5

**7** Explain how you attract new members.

See page Sch-A5

**8 (a)** How many active members are currently enrolled in your church?

34

**(b)** What is the average attendance at your worship services?

34

**9** In addition to your worship services, what other religious services (such as baptisms, weddings, funerals, etc.) do you conduct?  
Baptisms ("Naming Ceremonies"), weddings and funerals. Celebration of Scientology religious holidays.

**Schedule A.—Churches (Continued)**

See page Sch-A5

**10** Does the organization have a school for the religious instruction of the young?  Yes  No

**11** Were your current deacons, minister, and pastor formally ordained after a prescribed course of study?  Yes  No

**12** Describe your religious hierarchy or ecclesiastical government.

See pages Sch-A6-A7

**13** Does your organization have an established place of worship?  Yes  No

If "Yes," provide the name and address of the owner or lessor of the property and the address and a description of the facility.

See page Sch-A7

If you have no regular place of worship, state where your services are held and how the site is selected.

**14** Does (or will) the organization license or otherwise ordain ministers (or their equivalent) or issue church charters?  Yes  No

If "Yes," describe in detail the requirements and qualifications needed to be so licensed, ordained, or chartered.

See page Sch - A7

**15** Did the organization pay a fee for a church charter?  Yes  No

If "Yes," state the name and address of the organization to which the fee was paid, attach a copy of the charter, and describe the circumstances surrounding the chartering.

**16** Show how many hours a week your minister/pastor and officers each devote to church work and the amount of compensation paid each of them. If your minister or pastor is otherwise employed, indicate by whom employed, the nature of the employment, and the hours devoted to that employment.

CST staff, including its ministers, devote approximately 14 hours per day to their religious duties or study of scripture.

**Schedule A.—Churches (Continued)**

- 17** Will any funds or property of your organization be used by any officer, director, employee, minister, or pastor for his or her personal needs or convenience?  Yes  No

If "Yes," describe the nature and circumstances of such use.

- 18** List any officers, directors, or trustees related by blood or marriage.

None.

- 19** Give the name of anyone who has assigned income to you or made substantial contributions of money or other property. Specify the amounts involved.

None, although L. Ron Hubbard has bequeathed to CST the bulk of his estate on the condition CST obtains tax-exempt status. The bequest was valued at \$30,317,899 in October 1986.

**Instructions**

Although a church, its integrated auxiliaries, or a convention or association of churches is not required to file Form 1023 to be exempt from Federal income tax or to receive tax deductible contributions, such an organization may find it advantageous to obtain recognition of exemption. In this event, you should submit information showing that your organization is a church, synagogue, association or convention of churches, religious order or religious organization that is an integral part of a church, and that it is carrying out the functions of a church.

In determining whether an admittedly religious organization is also a church, the Internal Revenue Service does not accept any and every assertion that such an organization is a church. Because beliefs and practices vary so widely, there is no single definition of the word "church" for tax purposes. The Internal Revenue Service considers the facts and circumstances of each organization applying for church status.

The Internal Revenue Service maintains two basic guidelines in determining that an organization meets the religious purposes test:

- (a) that the particular religious beliefs of the organization are truly and sincerely held, and

- (b) that the practices and rituals associated with the organization's religious beliefs or creed are not illegal or contrary to clearly defined public policy.

In order for the Internal Revenue Service to properly evaluate your organization's activities and religious purposes, it is important that all questions in this Schedule are answered accurately.

The information submitted with this Schedule will be a determining factor in granting the "church" status requested by your organization. In completing the Schedule, the following points should be considered:

- (a) The organization's activities in furtherance of its beliefs must be exclusively religious.
- (b) An organization will not qualify for exemption if it has a substantial nonexempt purpose of serving the private interests of its founder or the founder's family.

# 8

Church of Spiritual Technology  
419 Larchmont, Suite 162  
Los Angeles, CA 90004-3013  
Form 1023

Page SCH-A1

Schedule A, Question 1 - History of Development of the Organization

CST was incorporated under the California Nonprofit Religious Corporation Act on May 26, 1982. (Exhibit A).

Until early 1982, L. Ron Hubbard owned all rights and interests in the Scientology religious marks and advanced technology (confidential advanced religious levels). He permitted churches and missions of Scientology that used them for religious purposes to do so pursuant to informal verbal licenses.

At about this-time, Mr. Hubbard became concerned about the disposition of the marks and the advanced technology after his death. He was particularly concerned that some system of checks and balances might be necessary to ensure that delivery of the technology always remained standard. Mr. Hubbard desired to leave the marks and the advanced technology to the religion, as he had always promised, but he perceived an inherent conflict of interest if he were to give full ownership, with the attendant obligations to supervise use, to the same entity that would actually use the materials. He also was uncertain whether the supervising entity, if one were formed, would be able to discharge its obligations over all the millions of years Scientology will be practiced.

Mr. Hubbard decided that the best way to satisfy these concerns would be to divide his ownership of the marks and advanced technology into separate rights. Each right would be given to a different church organization that served a particular function. One organization would delegate responsibility for delivering the technology and then supervise the actual delivery, while the other would serve as a "fail safe" mechanism to preserve the Scripturess in the event they or the Scientology technology were threatened. Mr. Hubbard thought the failsafe mechanism might be useful sometime during the millions of years Scientology will be practiced.

Thus in May 1982 Mr. Hubbard assigned to RTC the rights to the Scientology religious marks worldwide and all rights to the use of the advanced technology in the United States, both subject to an option he granted to CST to acquire RTC's rights in the event the marks or advanced technology are used in a way that is inconsistent with the Scripturess. (See also response to Part II, Question 1.)

Church of Spiritual Technology  
419 Larchmont, Suite 162  
Los Angeles, CA 90004-3013  
Form 1023

Page SCH-A2

Schedule A, Question 1 - History of Development of the Organization

Mr. Hubbard also made a testamentary gift to GST of the bulk of his estate, including all retained interests in the marks and the advanced technology, his copyrights to the Scientology Scripturess (including the advanced technology), and all other property he owned that related to the religion, as well as his copyrights to fictional work and nonreligious properties. Basically, except for specific bequests to his wife and to certain of his children and grandchildren, Mr. Hubbard left his estate, including all his property, to CST on the condition that CST obtain recognition of its exemption under section 501(c)(3).

Thus CST was formed for the unique purpose of acting as the ultimate failsafe for Scientology orthodoxy for all time. Since GST's formation, in addition to carrying out this sacred trust, its only activities have consisted of ministering Scientology religious services to its staff and its preservation activities which are described in detail in the response to part II, Question 1.

Schedule A, Question 3 - Renunciation of Beliefs of or Membership in Other Churches or Religious Orders

The Church of Scientology has no policy or Scriptural mandate that requires Scientologists to renounce other religious beliefs or membership in other churches or religious orders. As a practical matter Scientologists usually become fully involved with the Scientology religion to the exclusion of any other faith. Scientology Scripturess, auditing and training, provide the answers to the fundamental questions of their existence.

Thus a Scientologist who grew up in the Jewish faith who continues membership with the synagogue he grew up in and occasionally attends synagogue services violates no Scientology policy or tenet. On the other hand, such a person is not permitted to mix the practices of another faith into his practice and understanding of Scientology in such a way as to alter orthodox Scientology in any way.

The above applies to Scientologists generally. In the case of CST, its members are all full-time staff personnel who have pledged the next billion years of their lives to the Scientology religion as members of the Sea Org. They are thus totally committed to the Scientology faith. (See the response to Part II, Question 1.)

Church of Spiritual Technology  
419 Larchmont, Suite 162  
Los Angeles, CA 90004-3013  
Form 1023

Page SCH-A3

Schedule A, Question 4 - Formal Code of Doctrine and Discipline

Scientology is a religion based upon the research, writings and recorded lectures of its founder, L. Ron Hubbard, which collectively constitute the Scriptures of the religion. The Scientology Scriptures are the sole source of all the doctrines, tenets, sacraments, rituals and policies of the Scientology faith. They encompass more than 500,000 pages of writings, nearly 3,000 taped lectures and over 100 films.

The basic tenet of the Scientology religion is that man is an immortal spirit who is basically good and ethical who has lived through countless previous lifetimes and who will live again and again. Although he has a mind and a body, he is himself a spiritual being. The ultimate goal of Scientology is "a civilization without insanity, without criminals and without war, where the able can prosper and honest beings can have rights, and where Man is free to rise to greater heights."

The principal religious practices in Scientology are "auditing" and "training," which consist of a gradient scale of religious services addressing the spirit. The purpose of auditing is to unburden man of past painful experiences and to orient him as a spiritual being. Auditing results in an increase in spiritual awareness and ability. Ultimately the person achieves certainty of himself as a spirit and freedom from unwanted burdens. At this point he also is certain of immortality. "Training" also increases spiritual awareness and ability for the individual and enables a person to utilize the religious technologies of Scientology to improve conditions with himself or herself and others.

Scientology is an exact faith, and a fundamental doctrine of the religion is that its religious services must be orthodox. It holds that spiritual salvation can be attained if, and only if, the path to salvation outlined in the Scriptures's religious technology is followed without deviation.

Scientology doctrine also includes a code of social conduct by which mankind can accomplish the Scientology goal of a new civilization. This code, generally referred to as the

Church of Spiritual Technology  
419 Larchmont, Suite 162  
Los Angeles, CA 90004-3013  
Form 1023

Page SCH-A4

Schedule A, Question 4 - Formal Code of Doctrine and Discipline

Scientology system of ethics, is enunciated throughout Scientology Scriptures both in general principle and actual application. The guidelines and rules of Scientology ethical conduct influence all aspects of a Scientologist's existence. Scientologists are expected to apply the principles of Scientology ethics to themselves through self-discipline, to help them lead ethical and productive lives.

Where a Scientologist fails to do so, Scientology Scriptures defines a code and justice procedures to help stop unethical conduct. The ultimate penalty under Scientology ethics and justice codes is expulsion from the Church.

These doctrines and code of discipline are applicable to all churches of Scientology and their parishioners, including CST.

Schedule A, Question 5 - Worship Services

Scientologists attain spiritual enlightenment and salvation through auditing and training as described in the response to Question 4 above. Participation in these services raises the individual to higher states of spiritual awareness as defined in the Scriptures. Auditing and training are thus the core religious practices in Scientology.

CST ministers religious services to its own community of staff members through a regularly-scheduled program of religious services. Each CST staff member participates in Scientology auditing or training in Scientology Scriptures or training in their religious duties a minimum of 12 1/2 hours per week on a schedule of 2 1/2 hours per day. Four of CST's staff devote all their time to the spiritual well-being of CST's staff through the ministry of Scientology religious services. These staff are fully qualified to minister Scientology religious services to CST's staff, enabling them to progress up Scientology's Bridge to Total Freedom in the same manner as staff of other churches of Scientology and public Scientologists.

Church of Spiritual Technology  
419 Larchmont, Suite 162  
Los Angeles, CA 90004-3013  
Form 1023

Page SCH-A5

### **Schedule A, Question 6 - Availability of Services**

As a general matter, parishioners of other churches of Scientology do not visit CST to receive religious services because CST is located in a very remote area, far from other Scientology churches, and CST's archival activities are not open to the public. However, should a qualified parishioner of another Church of Scientology visit CST and wish to participate in religious services while there, CST's ministers would certainly provide the religious services requested.

### **Schedule A, Question 7 - Methods Used to Attract New Members**

CST's membership is limited to its own staff. To qualify for a position within CST, an individual must be an experienced Scientologist with a proven history of service to the religion and a member of the Sea Org. Thus prospective members of CST must be experienced staff personnel of other churches of Scientology who wish to become a member of CST's staff. When a person indicates a desire to serve the religion through CST, he or she is contacted directly by CST's personnel office.

### **Schedule A, Question 10 - Religious Instruction of the Young**

Study of the Scientology Scriptures is available to any person of any age so long as he or she is able to comprehend the information contained in the Scriptures. CSI compiles, edits and publishes Scriptural materials for children in order to make the information more accessible at an early age. Thus religious instruction of children is available at any church of Scientology as soon as the particular child has a suitable level of comprehension.

CSI has a boarding school near its Hemet, California facility for the children of its staff that teaches Scientology catechism as well as secular subjects. Church of Scientology Western United States has a similar facility located on a rural property north of Los Angeles near Valencia for children of all Sea Org staff at Churches of Scientology in Los Angeles. Children of CST staff also attend these schools.

Church of Spiritual Technology  
419 Larchmont, Suite 162  
Los Angeles, CA 90004-3013  
Form 1023

Page SCH-A7

Schedule A, Question 12 - Religious Hierarchy or Ecclesiastical Government

The Advisory Council also meets routinely to discuss medium-range planning and coordination of preservation activities and to develop new preservation programs or changes for recommendation to the Executive Council.

Schedule A, Question 13 - Established Place of Worship

See the response to Schedule A, Question 5. CST ministers its central religious practices, auditing and religious training, at its principal location in San Bernardino, California. At this location auditing is ministered in individual sessions conducted one on one between a Scientology minister and the parishioner in private rooms which CST maintains exclusively for this purpose. Religious training is ministered in a large course room where CST's congregation assembles for this purpose.

Schedule A, Question 14 - Qualifications for Ordination of Ministers

Churches of Scientology, including CST, ordain ministers. To qualify for ordination a minister must be in good standing with CSI as the Mother Church and must have completed a seminary training which includes: the study of the basic tenets and doctrines of the Scientology religion; study of and application of Scientology religious technology for assisting the sick or injured; study and application of Scientology pastoral counseling for assisting people with marital, familial or other problems; study and application of the Scientology religious ceremonies, including naming ceremonies (i.e.. baptisms), marriages and funerals; and study of religion in general, which includes study of the history and basic tenets of the major religions of the world.

Ministerial students receive some auditor training as part of their seminary training and often have been previously trained for ministering auditing. They are encouraged to continue such training after ordination.

Church of Spiritual Technology  
419 Larchmont, Suite 162  
Los Angeles, CA 90004-3013  
Form 1023

Page SCH-A6

## Schedule A, Question 12 - Religious Hierarchy or Ecclesiastical Government

As a church of the Scientology religion CST cooperates with CSI in matters of Church polity and with RTC with respect to maintaining the orthodoxy of Scientology religious technology. However, CST is not part of the Scientology ecclesiastical hierarchy and is not involved with the usual day-to-day activities of the Church of Scientology.

CST carries out its own day-to-day activities subject to its own ecclesiastical government that consists of two ecclesiastical governing bodies - the Executive Council and its subordinate, the Advisory Council. The Executive Council is the executive level of CST's ecclesiastical hierarchy and is responsible for making high-level managerial decisions and for approving proposed activities and budgets. The Advisory Council is responsible for managing CST's daily activities, executing all planning approved by the Executive Council, and advising the Executive Council on needed changes in activities and policies.

CST's highest ecclesiastical official is its Commanding Officer, Russell Bellin. Immediately below the Commanding Officer in CST's hierarchy are three Deputy Commanding Officers. Each Deputy Commanding Officer is responsible for one of three areas of religious concern relating to CST's religious purposes and activities known as Internal, Production (preservation) and External. The Executive Council consists of the Commanding Officer and the three Deputy Commanding Officers, who each have staff assisting their areas of concern.

CST's activities are managed primarily through its Advisory Council (comprised of the executive heads of CSTs various divisions), under the direction and control of the Executive Council. The two Councils work in close coordination in carrying out their tasks.

CST's activities and programs generally are planned on a weekly basis. Every week the Advisory Council meets to review each Division's progress, to prepare a report on what was accomplished during the prior week, and to prepare a program of objectives for the upcoming week. The weekly report and preservation program are sent to the Executive Council for review and approval or modification. Once approved, the program is sent to each staff member to use during the following week.