

HUBBARD COLLEGE OF ADMINISTRATION

SUBLICENSE AGREEMENT

(Educational Services)

This Agreement is made this 3rd day of February, 1993 by and between:

HUBBARD COLLEGE OF ADMINISTRATION, a California non-profit public benefit corporation having an office at 3540 Wilshire Boulevard, Suite 810, Los Angeles, California 90010 (hereinafter referred to as "LICENSOR") AND

HUBBARD COLLEGE OF ADMINISTRATION OF Santa Clara Valley, a non-profit corporation having an office/at 401 Campbell Way Ste 140 Campbell CA 95008 (hereinafter referred to as "LICENSEE").

(RECITALS)

A. WORLD INSTITUTE OF SCIENTOLOGY ENTERPRISES ("WISE") is a nonprofit religious corporation one of whose purposes is the uniting of businesses, professional individuals and organizations of all kinds that use the technology discovered, developed and refined by L. Ron Hubbard (LRH) for administrative, business and improvement purposes ("LRH administrative technology").

B. LRH originated and used, both personally and through licensees operating under his supervision, service marks and trademarks for goods and services relating to the religion of Scientology and the organizations and operations thereof, including the marks that are described on Exhibit "A" attached hereto and by this reference made a part hereof ("Marks"). LRH assigned the Marks and all registrations and applications for registration thereof to Religious Technology Center, a California nonprofit religious corporation ("RTC"), for use and licensing by RTC in connection with the religion of Scientology but reserved certain rights to license and contract with others to make appropriate use of the Marks in connection with administrative technology services based upon the secular application of the technology of LRH in non-religious fields.

C. Norman F. Starkey, Trustee of Author's Family Trust, a successor in interest to LRH ("Trustee") has granted exclusive licenses for the publication of certain literary works of LRH by New Era Publications International ApS ("NEPI") and Bridge Publications, Inc. ("BPI") for their respective areas of operation, and the Trustee has granted to WISE a license for itself and its members for the publication of collective and derivative works of and from the literary works of LRH as described in Exhibit "B" attached hereto and by this reference made a part hereof ("Works"), and for appropriate use of the marks and the Works in connection with LRH administrative technology, with the consent of NEPI and BPI.

D. LICENSOR has been established to operate exclusively for the purpose of providing education in the administrative technology discovered, developed and refined by LRH, both directly and through affiliated colleges located throughout the world. LICENSOR has obtained from WISE a special license under the rights that have been granted to wr-3E so that LICENSOR may accomplish its educational objectives.

E. LICENSEE has been organized to operate exclusively for educational purposes as described in section.

501(c)(3) of the Internal Revenue Code, to operate as a local college under the supervision of Licensor and wishes to obtain from LICENSOR a special license under the rights granted to LICENSEE so that LICENSEE may provide education in LRH administrative technology.

F. LICENSOR is willing to extend such a license to LICENSEE pursuant to the terms and conditions contained herein.

NOW, THEREFORE, in consideration of the foregoing Recitals, which are incorporated herein by this reference, and of the mutual covenants and conditions contained herein, the parties agree as follows:

1. (Grant of Rights).

a. (Educational Service?). LICENSOR hereby grants to LICENSEE the non-exclusive right and license to use the Marks and the Works in connection with services that relate to LRH administrative technology that are educational as defined in Section 501(c)(3) of the Internal Revenue Code.

b. {LRH Name}. LRH used his name, initials and parts thereof as marks, and reserved all rights of an individual to continue using his name, initials and parts thereof in reference to himself and his works. The grant in Paragraph 1.a includes the right to use HUBBARD as part of the name of LICENSEE in connection with the educational services of LICENSEE and in the advertising and promotion of those services by LICENSEE, and the right to use his name in an authorized manner in reference to LRH and his works, but does not include the right to apply his name, initials or parts thereof to any other product, service or material as an indication of source, authorship or sponsorship.

c. (Limitations On Services). The grants in Paragraphs 1.a and 1.b are limited to the use of the Marks and the Works in connection with educational services relating to LRH administrative technology and do not include the right to use the Marks or the Works in connection with services of other kinds, such as business consulting services or religious services.

d. {Sublicenses}. LICENSEE shall have no right to grant sublicenses of any kind under the rights granted to licensee by this agreement.

2. (Control and Supervision).

a. {Quality Control}. LICENSOR, WISE, the Trustee and P.TC, to the extent required of a trademark owner, reserve the right to control the quality and nature of the following:

(1) All materials produced by LICENSEE which display or otherwise utilize the Marks;

(2) All materials based upon or using the Works; and

(3) All services rendered by LICENSEE under the Marks.

Without limiting the generality of the foregoing, the following of control included:

(1) The right of LICENSOR, WISE and the Trustee to inspect and approve, before publication, the nature, content and quality of all materials to be associated in any way with any of the Marks, or with the name or initials of LRH, or parts thereof, and to reject any materials deemed to be unsuitable or inappropriate; and

(2) The right to inspect and approve, before publication, all advertising and promotional materials relating to any materials or service to be associated in any way with any of the Marks, or with the name or initials of LRH, or parts thereof, and to reject or rewrite any advertising or promotional materials deemed to be unsuitable or inappropriate.

(3) The right to prescribe standards and specifications for all materials bearing any of the Marks, and all services to be associated with the Marks, and guidelines for the manner of use and display of the Marks. Until such time as WISE issues new standards and guidelines, those presently in existence shall remain in full force and effect.

(4) The right, at reasonable times, to inspect all premises where LICENSEE produces materials bearing any of the Marks.

(5) The Trustee reserves the right of prior approval regarding all advertising and promotional materials using or based on the Works, and reserves the right to impose restrictions and conditions.

c. {Review of Materials}. Before introducing any new material bearing any of the Marks, LICENSEE shall submit three (2) specimens of such material to LICENSOR, showing the Marks as they are to be used, for approval. Upon request (but not more than once during any three (3)-month period), LICENSEE shall furnish to LICENSOR at least three (3) samples of all materials on which any of the Marks is in use.

3. (Consideration).

a. LICENSEE acknowledges that LICENSOR exists to further the educational purpose of bettering society by educating members of the general public in the administrative technology of L. Ron Hubbard and not for any commercial purpose. LICENSEE further acknowledges the burden of expenses placed on LICENSOR connected with carrying out this objective such as preparation of an appropriate curriculum and course materials and activities to make the administrative technology broadly known. Accordingly, LICENSEE agrees to pay to LICENSOR weekly ten percent (10%) of its income from the use of the Marks and the Works as consideration for the grant made herein.

b. The only other consideration required from LICENSEE for the grants made in this Sublicense Agreement is the full and faithful performance of the obligations of this Sublicense Agreement and the use of its best efforts and due diligence in promoting and providing educational services relating to LRH administrative technology.

c. This License Agreement does not grant to LICENSEE any right to make or publish compilations or derivative works of and from the Works. A separate license is required for such rights.

4. (Accountings and Payments)

LICENSEE shall keep and maintain accurate books and records pertaining to all income received from LICENSEE'S use of the Marks and Works under this agreement. LICENSOR shall have the right to examine LICENSEE'S books and records at reasonable intervals during LICENSEE'S normal hours of operation, for the purpose of verifying the statements and payments of LICENSEE.

Licensee shall prepare and submit to LICENSOR

statements showing all income received by LICENSEE from use of the Marks and the Works during the preceding calendar quarter, for each calendar quarter during this Agreement, as follows:

From January 1 to March 31;

From April 1 to June 30;

From July 1 to September 30; and

From October 1 to December 31.

LICENSEE shall mail each statement to LICENSOR within forty-five (45) days after the last day of the calendar quarter, and shall include in the statement identification of each transaction from which income was received and the amounts of fees charged and collected for that transaction.

c. With each quarterly statement, LICENSEE shall pay to LICENSOR any amount shown by the statement to be due to LICENSOR for the calendar quarter covered by the statement.

5. {Enforcement of Trademarks and Copyrights}.

a. {Unauthorized or Improper Use}. LICENSEE shall inform LICENSOR promptly with respect to any unauthorized or improper use of the Marks or Works that comes to the attention of LICENSEE. LICENSEE shall not take any legal action to enforce any rights in any of the Marks or the Works.

b. {Trademark Enforcement}. LICENSEE shall have no rights to take any legal action based upon the Marks, and shall have no rights to any proceeds of any legal action.

c. {Action by Trustee, NEPI or BPI}. In the event that the Trustee, NEPI or BPI decides to take any enforcement action with respect to unauthorized or improper use of the copyrights, LICENSEE shall cooperate fully with the Trustee, NEPI or BPI in all such actions. LICENSEE shall have no right to any proceeds of such enforcement actions.

6. {Proper Use of Trademarks and Copyrights}.

a. {Proper Use}. LICENSEE acknowledges LICENSEE'S full responsibility for the proper use of the Marks and copyrights that are licensed under this Agreement, and for the materials produced and educational services rendered pursuant to this Agreement, and covenants that neither LICENSEE nor any of LICENSEE'S agents, employees or affiliates will make any claim against LICENSOR, WISE, the Trustee, RTC or any person employed by or affiliated with any of the foregoing. LICENSEE shall indemnify LICENSOR, WISE, the Trustee and RTC, and their respective agents, officers, directors, employees, representatives, successors, assigns and affiliates, and hold them harmless from and against all costs, liabilities, claims and actions of any kind, including attorneys' fees and court costs, which arise from or relate to any activity of LICENSEE under this Agreement. All such claims and actions shall be defended at the expense of LICENSEE through legal counsel acceptable to LICENSOR, WISE, the Trustee and RTC.

b. {Disclaimer}. LICENSEE shall include in all published works and other materials based upon or using the Works an appropriate disclaimer, in a form approved by LICENSOR and WISE, unless use of a disclaimer has been waived by the Trustee.

7. {Ownership} .

LICENSEE acknowledges and agrees that all of the Marks are owned by RTC (subject to a reservation of rights) and that all of the Works are owned by the Trustee; and that all uses of the Marks by LICENSEE shall support the ownership of the Marks by RTC as if those uses were made directly by RTC.

ft. (Best Efforts) .

LICENSEE acknowledges and agrees that, in accepting the grant of rights made hereunder, LICENSEE is undertaking an important responsibility and will use LICENSEE'S best efforts, due diligence, and the highest standards of practices in fulfilling this responsibility.

9. (Term).

The term of this Agreement shall commence as of the date hereof and shall continue until the end of the first full calendar year after that date. Thereafter, this Agreement shall be renewed automatically and indefinitely for additional and successive one (1)-year terms, unless one of the parties gives written notice of non-renewal during the thirty (30) day period preceding the end of any term or unless sooner terminated in a manner provided herein.

13. (Default and Termination).

a. (Automatic Termination). WISE has granted to LICENSEE corporate membership in WISE, and has waived all fees from LICENSEE. This membership is limited only to LICENSEE'S educational activities and shall not extend to any person, particularly including any Board Member, Officer, employee, staff member, incorporator of LICENSEE, or another person related to LICENSEE. This Agreement shall automatically terminate if LICENSEE ever ceases to be a member of WISE in good standing.

b. (Optional Termination). LICENSOR, WISE, RTC or the Trustee may terminate this Agreement upon the occurrence of any of the following:

(1) If LICENSEE attempts to assign or terminate this Agreement, or substantially abandons its use of the rights that are licensed under this Agreement; and

(2) If LICENSEE materially breaches any obligation under this Agreement, including failure to satisfy its best efforts obligations under Paragraph 7 above or failure to operate exclusively for educational purposes as described in Section 501(c)(3) of the Internal Revenue Code. LICENSOR may give LICENSEE thirty (30) days' written notice of such breach, specifying in the notice the nature of the breach, and stating LICENSOR'S intent to terminate at the end of the thirty (30)-day period, unless the breach has been corrected in the interim. In the event the breach is not substantially corrected at the end of the thirty (30)-day period, LICENSOR may declare the license to have been terminated, in whole or in specified part; and

(3) If the rights of LICENSOR under this agreement are terminated, WISE, RTC and the Trustee may terminate this Agreement by giving notice of such termination.

c. (RTC's Right to Terminate). In the event of my misuse of any of the Marks, RTC may terminate the license immediately as to the Marks misused, subject to reinstatement after correction of the misuse.

11. (Consequence of Termination).

Upon termination of the license herein granted for

any reason, LICENSEE shall immediately discontinue all licensed activities under this License Agreement, including rendering educational services under the Marks; production and procurement of materials bearing the Marks; and making and publishing advertising and promotional material based upon or using the Works as to which the license has been terminated, and thereafter shall refrain from all future use of the Marks, and from all use of colorable imitations and confusingly similar marks, and from all publishing of advertising and promotional materials based upon or using the Works.

12. {Registrations and Recordings}.

Upon the request of RTC, LICENSEE shall execute and deliver to RTC any license agreements, registered user agreements, and other documents that RTC deems necessary or desirable for the purpose of registering or recording the right of LICENSEE to use the Marks in any country. LICENSEE shall assign to RTC, or cancel (at RTC's option) any registrations or agreements of LICENSEE that are in conflict with RTC's ownership of the Marks.

13. (Lack of Agency).

Neither party shall be deemed the agent, joint venturer, or partner of the other, or of the others' representatives, successors, heirs or assigns, or of the Trustee or RTC, and neither shall have the authority to act on behalf of the other, or for the Trustee or RTC, in any matter, including acceptance of service of process.

14. (Governing Law).

This Agreement shall be governed in all respects according to the internal laws and Judicial decisions of the State of California.

15. {Non-Assignability and Binding Effect}.

This Agreement is personal to LICENSEE, and shall not be assignable or otherwise transferable by LICENSEE without prior written approval of LICENSOR. In the event of any attempted assignment by LICENSEE of its rights under this Agreement, whether voluntarily or involuntarily, all the rights that have been granted to LICENSEE with respect to the Marks and the Works under this Agreement shall immediately terminate. This Agreement shall be binding on the parties and upon their respective heirs, administrators and successors.

16. {Arbitration}.

LICENSOR and LICENSEE agree that any controversy or dispute which arises out of or relates to this Agreement, including, without limitation, the efficiency or performance by LICENSEE of any obligations made by LICENSOR, which cannot be settled by informal means or through the aid of a third party arbitrator mutually acceptable to the parties and through procedures mutually acceptable to the parties, shall be settled through arbitration held in Los Angeles or at such other location as LICENSOR may choose. If the parties are unable to settle the matter through informal means, then either party may demand arbitration by serving upon the other party a written demand for arbitration containing the name of an arbitrator to participate in the proceeding. Within ten (10) days after receipt of such notice, the party upon whom demand was served shall select an arbitrator. The two arbitrators shall select a third arbitrator. The decision in writing of the arbitrator or a majority of the arbitrators appointed by the parties shall be final and conclusive as to all parties to the dispute. Should either party fail to appear or participate in

in arbitration proceeding, the arbitrator or arbitrators shall so
appoint may decide the dispute on the evidence presented
in the arbitration proceeding by the other party or parties;
to this dispute. The arbitrator or arbitrators shall have
the power to award to any party or parties to the dispute
any sums for costs, expenses, and attorneys' fees that the
arbitrator or arbitrators may deem proper. Judgment may be
entered on the award in any court of competent jurisdiction.
Arbitration shall not be required with respect to any matter
in connection with which injunctive relief or specific
performance is sought by any party.

Each arbitrator shall be a member of the Sea Org
and well versed in the Scientology ethics and justice
system.

17. (No Waiver).

This Agreement constitutes the complete
understanding of the parties and no waiver or modification
of any provisions shall be valid unless in writing, signed
by LICENSOR and LICENSEE in writing, if appropriate, approved by
WISE, P.T.C, or the Trustee. The waiver of a breach or of a
default in any provision hereof shall not be deemed a
waiver of any subsequent breach or default.

15. (Notice).

Any notice required to be sent hereunder shall be
sent by first-class mail, postage prepaid, return receipt
requested, to LICENSOR or LICENSEE at the address given in
the Preamble of this Agreement, which address may be changed
by either of them by written notice to the other. Any such
notice deposited in the mail shall be conclusively deemed
delivered to and received by the addressee ten (10) days
after deposit in the mail, if all of the foregoing
conditions of notice shall have been satisfied.

18. (Headings).

The headings and captions of the various paragraphs
are for convenience only, and they shall not limit, expand
or otherwise affect the construction or interpretation of
this Agreement.

20. (Entire Agreement).

This Agreement supersedes and replaces all other
previous agreements between the parties hereto regarding the
subject matter of this Agreement and may not be amended
except in writing signed by both parties hereto.

19. (Severability).

Each and every provision of this Agreement is
severable from any and all other provisions of this
Agreement. Should any provision or provisions of this
Agreement be, for any reason, unenforceable, the balance
shall nonetheless be of full force and effect.

In WITNESS WHEREOF the parties hereto have
executed this agreement as of the date first above written.

HBBARD COLLEGE OF ADMINISTRATION
(Licensor)

By _____

By _____

HBBARD COLLEGE OF ADMINISTRATION

OF Santa Clara Valley

LICENSEE

By Sam Plimble

By Carl Wilson