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12. UNITED STATES DISTRICT COURT  
13. NORTHERN DISTRICT OF CALIFORNIA  
14. SAN JOSE DIVISION

15. RELIGIOUS TECHNOLOGY CENTER, a  
California non-profit corporation; and BRIDGE  
16. PUBLICATIONS, INC., a California non-profit  
corporation,  
17.

Plaintiffs,

v.

19. DENNIS ERLICH, an individual,  
20.

Defendant.  
21.  
22.

23. **AND RELATED COUNTERCLAIMS**  
24.  
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28.

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MAR 18 1999

RICHARD W. WIEKING  
CLERK, U.S. DISTRICT COURT  
NORTHERN DISTRICT OF CALIFORNIA  
SAN JOSE

No. C-95-20091 RMW (EAI)

**DECLARATION OF JESSE PRINCE  
IN SUPPORT OF MR. ERLICH'S  
MOTION FOR RECONSIDERATION  
OF SEPTEMBER 30, 1998  
SUMMARY JUDGMENT ORDER**

Date: N/A

Time: N/A

Ctrm: Hon. Ronald M. Whyte

PRINCE DECLARATION IN SUPPORT OF  
MOTION FOR RECONSIDERATION  
Case No. C-95-20091 RMW (EAI)

1 I, Jesse Prince, declare as follows:

2 1. This declaration is of my own personal knowledge and if called upon to testify to the  
3 facts herein I could and would be competently able to testify thereto.

4 2. I was in Scientology for 16 years (1976 - 92) and served in the highest ranks, including  
5 as the second in command of the Religious Technology Center ("RTC"). Because of this experience,  
6 I am intimately familiar with the Scientology organizations, the Scientology movement, and the  
7 beliefs of Scientology. At that time, my position was "Deputy Inspector General, External." I was in  
8 charge of all activities inside and outside the Scientology organization. This included being in charge  
9 of all litigation by or against any Scientology organization, intelligence (e.g. spying and covert  
10 operations) against perceived "enemies" (ranging from critics to media to the courts), trademark  
11 registration, and the licensing of trademarks to other Scientology organizations.

12 3. I first became involved with Scientology in September 1976, in San Francisco. In late  
13 1976, I joined the elite Scientology paramilitary organization known as the Sea Organization, also  
14 known as the "Sea Org" or "SO." The Sea Organization is the organization that actually controls the  
15 Scientology empire. SO personnel are authorized to take over and control any Scientology  
16 organization. This is also true of the nominally secular organizations, such as Bridge Publications.  
17 The control by SO is possible because all the executives in these organizations are selected for their  
18 agreement that the SO is the commanding organization. This weeding out process guarantees there  
19 will be nobody to resist the SO's management. In this manner SO can control the entire Scientology  
20 empire.

21 4. Before I was recruited into RTC in 1982, most of my Scientology experience was with  
22 technical material; the codified methods and techniques used within the Scientology organizations.  
23 During these years, I became intimately familiar with the technical material of Scientology, most of  
24 which was written by Scientology founder L. Ron Hubbard. It was that familiarity that prompted my  
25 promotion to a technical position at RTC.

26 5. When I moved to RTC, I was transferred to and lived and worked at what is known as  
27 "Golden Era Studios," near Hemet, California. It is also known as "Gold" or simply "the base."  
28 RTC's presence at Gold was known to all at the base, but was kept hidden from others, to try to make

1 it appear that Gold was merely a video production studio. In reality, the studio is a front for the top  
2 of Scientology's actual power structure. (The security system at Gold is elaborate; it includes motion  
3 detectors, buried sensors, high-speed cameras, night cameras; motorcycles guards, and barbed wire  
4 fences). RTC was, at that time, the most powerful organization within Scientology. All RTC  
5 members were also Sea Org members, as were all at the base.

6 6. L. Ron Hubbard died in 1986. His widow was Mary Sue Hubbard, who was by then an  
7 elderly and fragile woman. David Miscavige, then, as now, the leader of Scientology, had Mary Sue  
8 Hubbard watched at her home and received daily reports as to her condition and activities. Mary Sue  
9 Hubbard was under constant surveillance by the Church of Scientology and Miscavige.

10 7. A number of weeks after L. Ron Hubbard's death, I was present at a meeting where  
11 David Miscavige and a group of 12-17 other Scientologists coerced Mary Sue Hubbard into  
12 relinquishing her legal rights to the Scientology writings of the recently-deceased L. Ron Hubbard. I  
13 participated in that meeting in my capacity as a high-level member of RTC and Sea Org. The day  
14 before this meeting, David Miscavige told me and a group of other senior Scientology executives that  
15 he wanted a group, including me, to go over to Mary Sue Hubbard's home in Los Angeles in order to  
16 get Mary Sue Hubbard to sign an agreement relinquishing her claims to L. Ron Hubbard's estate.  
17 Miscavige said he wanted a group to go the house because he wanted, in his words, a "show of force"  
18 and that the group would stay at Mary Sue Hubbard's house until the agreement was signed. The  
19 next day the meeting did take place at Mary Sue Hubbard's home. The group that went to her house,  
20 including myself, went over with the intent to overwhelm Mary Sue Hubbard and get her to sign an  
21 agreement. That was something we had openly discussed and was the purpose and intention of our  
22 going over there. The meeting lasted about 3 hours, from about 12:30 to 3:30 in the afternoon. I was  
23 personally present at this meeting, along with a number of Scientology officers and officials,  
24 including David Miscavige, Norman Starkey, Lymon Spurlock, Marty Rathbun, Vicki Aznaran, Mark  
25 Yeager, Ray Mithoff, and Mark Ingber. I believe that Warren McShane was also present, as well as a  
26 Scientology lawyer, Earl Cooley. At the end of the meeting Mary Sue Hubbard was forced to sign an  
27 agreement in which she transferred her rights to L. Ron Hubbard's works to various Scientology  
28 entities. Those works included copyrights, trademarks, bank accounts, and other property —

1 anything of value related to the Scientology fortune. In "exchange" Mary Sue was compensated with  
2 a monetary amount. I believe it was \$100,000. Diana, Suzette, and Arthur Hubbard, the children of  
3 L. Ron also received a monetary amount. I believe those amounts to be \$50,000 each. All of those  
4 amounts, individually and in total, were trivial in relation to the value of the L. Ron Hubbard fortune,  
5 which I understand was then valued at between \$200 and \$400 million, possibly more. David  
6 Miscavige also personally informed me that he obtained similar agreements from L. Ron Hubbard's  
7 other children, outside the Hubbard family.

8 8. Based on my personal observations at this meeting, Mary Sue Hubbard did not make the  
9 transaction voluntarily. At the time of the meeting, Mary Sue Hubbard appeared elderly, in her late  
10 60s or early 70s, and seemed obviously sickly and was overdressed in that she was wrapped in  
11 clothes. She remained seated throughout the whole meeting. Based on my observations, including  
12 her appearance, mannerism and some of the things she said, she did not seem altogether coherent. At  
13 times she seemed to rant or speak non-sequiturs. At the beginning of the meeting, Mary Sue Hubbard  
14 was introduced to everyone in the group and told their positions in Scientology, and things were  
15 cordial. When David Miscavige asked Mary Sue Hubbard to sign an agreement things changed.  
16 Mary Sue Hubbard stated that she would not sign the agreement proposed by Miscavige because she  
17 did not agree with it. She told everyone that she did not trust Miscavige and felt he was destructive to  
18 Scientology. She made reference to Miscavige as a "deceptive, power-hungry person" bent on taking  
19 over everything and said she was not going to go along with it. However, Mary Sue Hubbard was  
20 confronted by Miscavige and 12-17 others, including myself. Most of the others, including myself,  
21 were large men who wore the para-military uniforms of the Sea Org. David Miscavige screamed at  
22 her to sign the document and screamed that she *would* sign the document Miscavige also told her  
23 that: "Everything that L. Ron Hubbard did, he did for the church. We are the church, not you.  
24 Therefore everything is staying right here with us." Miscavige also told her that the persons who  
25 were there would stay until she did sign the agreement. The combination of Miscavige screaming at  
26 her, sometimes very close to her face, and the rest of us browbeating her, was an intimidating and  
27 coercive environment, particularly for a frail and elderly woman. There was an implicit threat that  
28 she and her family would be subject to various Scientology sanctions such as "auditing," "ethics," or

1 "sec checking" involving long interrogations if she did not comply with the demands to sign the  
2 documents. Mary Sue Hubbard was told that the group would stay there no matter how long it took,  
3 and it could either be done the easy way or the hard way. During the entire proceeding, Mary Sue  
4 Hubbard was never left alone; she was always in the presence of Scientology members bent on  
5 getting her to sign the legal documents that would strip her of her legal interest in L. Ron Hubbard's  
6 Scientology works.

7 9. A Scientology lawyer, I believe it was Earl Cooley, was at this meeting, but he did not  
8 advise Mary Sue Hubbard of her legal rights. At no time during the process was Mary Sue Hubbard  
9 advised of her legal rights, either community property rights or her inheritance rights. Mary Sue  
10 Hubbard had no personal counsel present at this meeting. The only directions given by the  
11 Scientology lawyer was that the agreement would make things better for Scientology and Mary Sue  
12 Hubbard was told where to sign the documents.

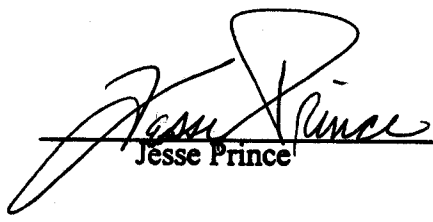
13 10. I was informed by David Miscavige that although Mary Sue Hubbard and L. Ron  
14 Hubbard had been separated and had not talked for a long time, she was saddened by the death of her  
15 husband. Miscavige told me he would use this to his advantage. Also, before the meeting took place,  
16 Ray Mithoff told me, in the presence of David Miscavige, that he couldn't wait to tell Mary Sue  
17 Hubbard that L. Ron had not asked about her before his death. Mithoff seemed anxious for Mary Sue  
18 Hubbard to ask him about this and appeared gleeful at the opportunity to tell her this. Near the end of  
19 the meeting, Mary Sue Hubbard did in fact ask if L. Ron Hubbard had said anything about her or had  
20 asked about her before he died. Ray Mithoff then told her that Hubbard had not even mentioned her  
21 name. At that point, after the hours of browbeating, the screaming by Miscavige, which was  
22 sometimes done very close to her face, the implicit threats, the emotional turmoil, and the general  
23 coerciveness of the situation, Mary Sue Hubbard became silent, bowed her head and proceeded to  
24 sign anything Miscavige and his minions put before her. I saw her sign multiple documents and she  
25 did not seem to pay any attention to them she just signed them. She then said words to the effect that  
26 you got what you want, now you leave.

27 11. I do not believe that either Mary Sue Hubbard or her family knew that the L. Ron  
28 Hubbard estate was worth between \$200 and \$400 million. I base this on the fact that neither Mary

1 Sue or any of L. Ron Hubbard's children were on the Board of Directors of any of the umbrella  
2 corporations of Scientology, such as Author Services, Inc., RTC, CST or CSRT. Because of my  
3 position within the organization, I know that it was the policy of the corporations to keep the financial  
4 information secret. Under the coercive conditions she was put under and the information she was  
5 given, Mary Sue Hubbard did not knowingly or voluntarily relinquish her claims to the L. Ron  
6 Hubbard estate. I do not believe that Mary Sue Hubbard would have signed the agreement had she  
7 been advised of her legal rights and provided additional information, particularly information  
8 regarding the value of the L. Ron Hubbard Scientology fortune. It is also my belief, based on what I  
9 saw happen at this meeting, the Mary Sue Hubbard felt very threatened by David Miscavige and the  
10 rest of us. Mary Sue Hubbard was allowed to read the documents, but because of her actions and  
11 words that day, I do not believe she understood what she was reading. I regret that I had any part in  
12 this and am saddened because I realize now that this was destructive and wrong.

13 12. I left Scientology on October 31, 1992. From the time Mary Sue Hubbard got out of  
14 jail, which I believe was 1981, until the time that I left my post at RTC, Mary Sue Hubbard was cared  
15 for around the clock by two Scientologists, Neville and Leslie Potter. The Potter's provided a  
16 detailed report to Norman Starkey, a Trustee of RTC, and David Miscavige, also a Trustee, every day  
17 on Mrs. Hubbard's activities, even including trips to go shopping. Because Starkey and Miscavige  
18 were trustees for RTC, RTC was always acutely aware of Mrs. Hubbard's whereabouts, and always  
19 would have been able to produce her if needed for a deposition.

20 I declare, under penalty of perjury under the laws of the United States of America that the  
21 foregoing is true and correct. Signed this 17<sup>th</sup> day of March, 1999 at Boulder, Colorado.

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24   
25 Jesse Prince  
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