

**[THIS DOCUMENT HAS BEEN REFORMATTED
BASED ON THE ORIGINAL, EXECUTED DOCUMENT]**

ORGANIZATIONAL COVENANT -
ADVANCED TECHNOLOGY - U.S.

THIS COVENANT dated for reference January 1, 1982, is entered into by RELIGIOUS TECHNOLOGY CENTER ("RTC") and CHURCH OF SCIENTOLOGY INTERNATIONAL ("CSI").

RECITALS

A. The religion of Scientology exists based on a body of truths and technology for applying them discovered, described, and refined by L. RON HUBBARD ("the Founder") through research and study which has continued for more than forty years.

B. In order to cooperate with the efforts of the churches of Scientology to ethically disseminate Scientology and to assure the use of the religious technology in an ethical manner, the Founder has transferred certain rights to RTC.

C. RTC was formed by Scientologists to act as the protector of the religion and to maintain the purity and ethical use of the religious technology. In transferring rights to RTC, the Founder confirmed his belief and confidence in the devotion to Scientology and its system of ethics and justice possessed by the founders of RTC, and to their deep understanding of the religious technology.

D. The rights transferred to RTC by the Founder include ownership and control of advanced technology in the United States. Technology is the body of Scientology truths and the methods for applying it. Advanced technology is that part of the religious technology which can be grasped and utilized only by those who through processing have attained an appropriate preclear or pre-OT grade on the Scientology Classification, Gradation and Awareness Chart, as described in the particular advanced technology. It is a precept of Scientology that to reveal advanced technology to one who has not attained the appropriate preclear or pre-OT grade risks spiritual and bodily harm, and that the ethical use of advanced technology requires that its confidentiality be absolutely maintained. A list of the existing advanced technology being made available to CSI under this Covenant is attached as Exhibit 1 (Preclear/Pre-OT Processing Levels) and Exhibit 2 (Auditor Training).

E. It is the purpose of this Covenant to authorize CSI to ethically utilize the advanced technology in accordance with the terms and conditions contained herein.

COVENANT

1. Recitals. The recitals hereby are made part of this Covenant.
2. Grant of Authority. RTC hereby grants to CSI the authority (a) to process preclear and pre-OT staff members in the

advanced technology listed on Exhibit 1 and any additional advanced technology and refinements later made available to CSI under this Covenant; and (b) to train those needed to process preclears or pre-OT's in accordance with the advanced technology listed on Exhibit 2 and any additional advanced technology and refinements later made available to CSI under this Covenant.

3. Limitations. The grant of authority is subject to the following limitations:

a. CSI shall deliver the advanced technology only to its staff members;

b. CSI shall use advanced technology strictly in accordance with its rules and laws and with the Scientology system of ethics and justice, and its administrative policy;

Editor's Note: "CSI shall use... strictly in accordance with its rules and laws..." Not in accordance with the dictates of RTC. See paragraph 4 below: RTC shall "monitor" CSI's "use" and have the right to "audit" CSI's records.

c. Except as specifically authorized by this Covenant, CSI shall not authorize any other person or entity to utilize advanced technology in any way;

d. CSI shall not deliver advanced technology to preclears or pre-OTs on a permanent basis outside the United States;

e. To maintain physical security and confiden-

tiality, CSI shall handle the advanced technology materials ("Materials") in a secure manner in accordance with existing church policy and as RTC may further require.

4. Consideration by CSI. CSI shall make no payments to RTC for use of the advanced technology. **Nevertheless, RTC shall have the right to monitor CSI's use of the advanced technology and to audit its records relating to the advanced technology.**

5. Termination. **RTC will assist CSI where necessary in assuring the security and confidentiality of the advanced technology and Materials and its ethical and standard use. This assistance will include attempts to correct any deficiencies in CSI's use and handling of advanced technology and Materials.** A fee shall be charged for missions to CSI to improve or reorganize its use or handling of the advanced technology. **RTC retains the right to terminate this grant of authority** at any time that it determines in its absolute discretion that any use or handling of the advanced technology by CSI is not subject to correction and that termination is required by ethical precepts or the interests of Scientology. On termination of this grant of authority for any reason, CSI promptly shall account to RTC for each copy of the Materials and shall dispose of them in accordance with RTC's instructions.

6. Destruction of Materials. In the event that any act of war, act of civil authorities, threatened military or civil

____, or any other event endangers the security and confidentiality of the Materials, CSI shall take whatever action is necessary to assure security and confidentiality. This shall include the destruction or return of the Materials and of all notes or other particles which may reveal the advanced technology.

7. Indemnification. CSI hereby indemnifies RTC and its agents, employees, representatives, successors, assigns, and affiliates and holds them harmless from all costs, liabilities and claims of any kind, including attorneys fees, which arise from or relate to the use of the advanced technology by CSI, its employees, servants, agents, representatives, directors, parish ioners, public, students or any other person who may for whatever reason gain access to the Materials through CSI. All such claims shall be defended at the expense of CSI through legal counsel acceptable to RTC.

8. Non-exclusivity of Use. CSI's authorization to use the advanced technology is not exclusive; RTC may grant authority to other Scientology groups as it determines in its sole judgment to be in the best interests of Scientology.

9. Lack of Agency. Neither party shall be deemed to be the agent, joint venturer, or partner of the other, and neither shall have the authority to act in behalf of the other in any matter, including acceptance of service of process.

10. Resolution of Differences. Any difference between

the parties, other than termination of CSI's authority with respect to the advanced technology, which arises from or relates to this Covenant shall be determined by arbitration. RTC and CSI shall attempt to agree upon a single arbitrator and, if they are unable to do so, they shall select separate arbitrators who shall choose a third arbitrator. Each arbitrator shall be an ordained minister in good standing of a Scientology church and shall have attained grade OT III or higher as then known within Scientology. The arbitrator(s) shall act in accordance with the Scientology system of ethics and justice, and their decision shall be a final determination of the issue. The issue of instructions from RTC to destroy or return the Materials shall not be subject to arbitration. CSI shall carry out such instructions faithfully and promptly upon receipt.

ORIGINAL SUBSCRIBED TO BY:

For CHURCH OF SCIENTOLOGY INTERNATIONAL

Heber Jentsch, President & Ellen Reynolds, Secretary

For RELIGIOUS TECHNOLOGY CENTER

Warren McShane, President & Lyman Spurlock, Secretary

Exhibits Attached to Original

Exhibit 1: auditing levels covered by the license are set forth

Exhibit 2: training levels covered by the license are set forth