

HUBBARD COMMUNICATIONS OFFICE
Saint Hill Manor, East Grinstead, Sussex

All Hco Offices HCO POLICY LETTER OF AUGUST 24, 1959
and Assocn.Secs.

HCO FINANCIAL ARRANGEMENTS ALTERED

Effective on receipt to the nearest prop.income Thursday, the following financial arrangements will be in effect.

On all new franchises including those now being drafted for Central Organisations, and all permanent franchises, any office which has the personnel serves of an Area HCO Office shall pay 15% of its gross income and no other sums to HCO. (It is now 18%).

This will be apportioned as follows: 5% will be held by the area office for its own payroll and expenses. This 5% as a separate cheque shall be deposited to the local HCO Acct and will have as its signatories, L. Ron Hubbard, Mary Sue Hubbard, and the HCO Secretary in that area. To this same account will be added, books, tapes, special events and any other sums.

The other 10% will be transferred directly as royalties from the organisation or franchise holder as a royalty payment to HCO WW, Barclays Bank, East Grinstead, Sussex and the transfer will be weekly.

If any franchise holder is granted the presence and majority service of an HCO Office his franchise payment shall be increased to 15%. If he has no HCO local office, he may not train above the level of HAS as the professional course could not be properly certified examined and assisted.

In the case of an HCO City Secretary devoting full time to HCO duties, it is necessary to attach the office of HCO to the largest franchise holder in the city and increase the franchise payment from 10% to 15% and handle the matter as above.

This applies worldwide. All transfers of funds and arrangements of these matters is the responsibility of the Treasurer of HCO, Mary Sue Hubbard, and the HCO Area Secretary in the organisation involved.

I feel these are fairer terms.

All Central Organisations should return to 50% of their prop. income for their salary sum and HCO should now pay its own personnel..

Responsibility for solvency of any HCO Area Office now rests wholly with the HCO Area Secretary.

HCO Area Existing Accounts.

All HCO Area Accounts balances not due on immediate HCO Area bills should be forwarded at once as collected royalties to HCO WW, HCO Sec: This means send HCO WW your full account balance as of effective date.

Existing Debts Not Altered.

This arrangement does not in any way alter existing debts to HCO. These should be computed and collected at once and forwarded to HCO WW as soon as possible.

Collections From Sterling Areas

Regular royalty payments have been found to be feasible to obtain government permits for.

However, if this is found completely impossible the HCO Area Secretary is authorised to employ a shares broker to regularly buy bonds for shipment to England which can be sold for a similar price in London, providing this is not specifically legislated against by the government.

Communications Expenses

Central Organisations or franchise holders are to bear communication costs in their own areas for HCO. HCO WW will in its turn pay its costs of communications to HCO offices and Central Organisations.

Any Telex installations and costs are included in this arrangement.

L. RON HUBBARD

LRH Founder Cheques

All cheques for LRH Founder 10% including U.S. organisation cheques for LRH are now to be made out to "Hubbard Communications Office Royalties", instead and mailed to HCO WW.

Cheques Designations

All cheques, regardless of for what, are to be made out to Hubbard Communications Office. They can be further designated, "Royalty 10%" or "Area Office 5%" or "Book Refund" or whatever. But Payee in all cases is: Hubbard Communications Office.

Any cheque to be signed as a disbursement by an HCO Office anywhere must be entered first on a Disbursement Voucher machine (exactly like an invoice machine except it says "Disbursement Voucher With the Compliments of the Hubbard Communications Office" instead of "Invoice.")

Any cheque made out by an HCO office may be signed only as follows:

Hubbard Communications Office
by L. Ron Hubbard

Hubbard Communications Office
by Mary Sue Hubbard

or: Hubbard Communications Office
(signature of HCO Secretary)
by the Authority of L. Ron Hubbard

No other types or styles of signature will be permitted.

HCO Account Signatories

All HCO Bank Accounts must carry each of the following signatures for any withdrawal:

L. Ron Hubbard - singly.
Mary Sue Hubbard - singly.
HCO Area Sec. singly or with another.

L. RON HUBBARD