

HUBBARD COMMUNICATIONS OFFICE  
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ISSUE II

URGENT

CORPORATE STRUCTURES  
WESTERN HEMISPHERE

(Does not apply to the UK and Commonwealth Offices).

Note: This neatng up of corporate relationships is urgently needed now before we start a boom.

All Organization Secretaries in the United States and Canada are advised to consolidate their corporate structures as follows:

WESTERN ZONE U.S.

That the Church of Scientology of California take immediate and effective steps to bring in all ways the corporation The Hubbard Association of Scientologists, Inc. of Arizona up to date in Arizona and make sure it is properly constituted and active.

That HASI, Inc. of Arizona buy the C of S of California, from FCDC, for the sum of \$1 and other valuable consideration, attested by proper bill of sale.

That the Church of Scientology of California then and thereafter act as the Mother Church of all Scientology Churches in Mexico and the United States West of the Mississippi, Hawaii, Alaska and Western Canada.

That the Church of Scientology of California issue a charter to each active state church in its zone, that church accepting it in writing, supplanting any existing charter.

The new charter from the Church of Scientology California, the Mother Church, consists of the following:

1. That all property and assets of the state church belong to the Mother Church, Church of Scientology of California.
2. That the Mother Church, Church of Scientology of California may appoint or remove at its sole discretion any board member of the state church.
3. That the state church reports on its activities as directed from time to time to such persons as the Mother Church, Church of Scientology of California may designate.
4. That the state church may sell memberships, Lifetime and International in the Mother Church, Church of Scientology of California and use the money for dissemination under the direction of the Mother Church, Church of Scientology of California.
5. That the state church contribute 10% of its gross receipts less membership monies, to research and transmit the money as designated by the Mother Church, Church of Scientology of California.
6. That the state church contribute 5% of its gross income to the Mother Church, Church of Scientology of California to cover administrative expenses.
7. That the state church be granted the right to become a Central Organization if approved by the Mother Church, Church of Scientology of California.
8. That the state church be granted the right to set up City churches within its state or area if the office is specifically approved by the Mother Church, Church of Scientology of California.
9. That any City church so set up pay its 10% of gross income less memberships to research.
10. That any City church so set up pay 5% of its gross income to the state church which retains 3% for its administrative expenses and forwards 2% to the Mother Church, Church of Scientology of California for its administrative expenses.

11. That the state church may buy books from Washington DC or Saint Hill for a 50% discount, and that book income is also exempt from the gross used to compute the 10% and 5%.
12. That any City church set up by the state church have a 33 1/3 percent discount.
13. That the state church be permitted to teach HAS, HQS and HCA courses if specifically permitted and to have a full Academy if fully qualified, but all at the discretion of the Mother Church, Church of Scientology of California.
14. That those City Churches set up by a state church shall have the right to teach HAS, HQS and HCA courses at the discretion of the Mother Church, Church of Scientology of California.
15. That the state church shall abide by all the policies of the Mother Church.
16. That the state church shall be exclusive for its state or area.
17. That the state church shall issue none but valid certificates and memberships.
18. That the mailing lists of the state church are always the property of the Mother Church.
19. That the state church shall maintain an HCO.
20. That the state church may use the name Scientology and exercise freely the various rights given to it.

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LEGAL ACTIONS

The legal actions consist of the employment of proper legal assistance, the drawing up of the charters and writing, the appropriate board minutes for signature.

The Org Sec of Church of Scientology of California and the Continental Director should care for their various actions as above.

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EASTERN ZONE U.S.

The Founding Church of Scientology of Washington, D.C. do everything necessary to rehabilitate in any needful respect the Hubbard Association of Scientologists International of Washington, D.C., not turning the matter over to some disinterested Attorney but performing the necessary actions itself. The corporation charter of HASI, Inc., D.C. should be improved and expanded.

The Continental Director must forward all recommendations and papers to the HASI, Inc., now at Saint Hill.

As the ECDC was founded by the HASI of Arizona in 1955 the board of HASI Inc. D.C. will assume full ownership of ECDC.

ECDC, now the Mother Church, will resume or assume control of all state churches and the area East of the Mississippi, Eastern Canada, Bermuda, the Caribbean Islands and South America, issuing new charters to all existing state churches, as outlined for the Church of Scientology of California.

The Continental Director and Org Secs in the East are responsible for carrying out these actions.

SUMMARY

In this way we will make it possible to neat up U. S. corporate structure and make it possible for:

- (1) Field Auditors to become Franchise Holders under Saint Hill;
- (2) City Churches (City Offices) to be formed by Franchise Holders.
- (3) City Churches to be organized under the chartered State Church.
- (4) The State Church to become a Central Organization.
- (5) For the Zonal Organization to handle State Churches.

Thus we will have a workable structure.

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