HUBBARD COMMUNICATIONS OFFICE Saint Hill Manor, East Grinstead, Sussex

Remimoo

HCO POLICY LETTER OF 6 OCTOBER 1966RA ISSUE II REVISED 28 JANUARY 1980

(Revisions in Script) (Ellipsis Indicates Deletion)

{Re-revised to restore the name HCO
Book Account and to include additional
authorized HCO Book Account expenditures.}

ADDITION TO HCO BOOK ACCOUNT POLICY

(Amplifies HCO Policy Letter of 11 May 1965.)

(This Policy Letter was twice incorrectly "updated" by others than myself. The "updating" issues are CANCELLED and the original Policy Letter restored with names changed to reflect current operations.)

The HCO Book Account . . . has very rigid policy on how its money can be spent. The reason for this is that money must be safeguarded to provide for adequate promotion and sale of books. BOOK SALES have always been your FIRST LINE OF DISSEMINATION and will always be so.

Improper use of this money has resulted in depletion of the HCO Book Account in some orgs leaving insufficient funds to order adequate book stocks, print and mail the magazine and provide for other vital book promotion. Book promotion and book sales are an absolute must for the continued health of any org. The most important and successful dissemination line is book sales and about three months later the buyers come in for service. To cut this line by reducing book sales will seriously damage the org income three months later.

NEW POLICY

Because poor book sales could result in a collapse of the orgs and misappropriation of the HCO Book Account can make it impossible to buy and promote books, violation of HCO Book Account policy now becomes a HIGH CRIME.

HCO Book Accounts are now to be monitored by Pubs Orgs. Each Org Exec Sec is to see that an exact accounting of the HCO Book Account expenditures and deposits with full information on who, what for, how much and when monies are paid into and out of the account are sent monthly to the Treasury Sec Pubs. Failure to comply with this order and other orders regarding bank mandates, sending of cheque books, etc., will result in immediate Ethics action being called for by CS-3.

POLICY ON USE OF THE HCO BOOK ACCOUNT

Following is an exact list of items that the HCO Book Account may be used for. No others are allowed:

- 1. Books ordered from Pubs Orgs (other orgs when and if allowed to print).
- 2. Meters and material for re-sale only ordered from Pubs or Flag.

HCO PL 6.10.66RA II Rev. 28.1.80

- 3. Authorized book printing, meter and material manufacture.
- 4. Books, meters and material packing, shipping costs.
- 5. Printing or ordering of books, meters and book fliers, and book promotion material.
- 6. Assist in <u>defraying</u> the costs of the printing and mailing of continental magazines. (This does not mean that the HCO Book Account is obligated to pay any amounts for such.)
- 7. Ads and promotion for books in newspapers and magazines.
- 8. Mailing list purchase and rental for book promotion purposes only.
- 9. Special book promotion projects other than the above. (Not usual, but possible if approved for project status by Flag.)
- 10. Direct public event expenses for items used specifically and only for a public event. Examples: hall rental, sound equipment rental, program printing, advertising, Flag speaker fees to Flag, hall decoration, visual aids, tape and film charges.
- 11. Printing membership cards, applications for memberships and membership promotion expenses for the sale or renewal of memberships.
- 12. Tapes for org use and public tape plays.
- 13. Commissions paid on the sale of books, meters, tapes/ cassettes, course packs and insignia.
- 14. 50% of HCO Book Account profits to the org's Corrected Gross Income. (The definition of profits is: All monies remaining after costs of books, promo, postage, shipping, commissions, etc. have been paid.)

Examples of <u>illegal</u> uses of HCO Book Account monies in the past are: Staff member fares from Saint Hill, Flag speakers' expenses and fares, Release pins and course certificates and flowers for staff members having babies.

To be paid into the HCO Book Account are:

- 1. All receipts for books, meters and material sales (called Gross Book Sales).
- 2. All membership fee receipts.
- 3. All public event and tape play receipts.

L. RON HUBBARD FOUNDER

Revision assisted by Bob Browning

for the

BOARDS OF DIRECTORS of the CHURCHES OF SCIENTOLOGY

BDCS:LRH:BB:dr Copyright © 1966, 1980 by L. Ron Hubbard ALL RIGHTS RESERVED