

HUBBARD COMMUNICATIONS OFFICE
Saint Hill Manor, East Grinstead, Sussex

Gen Non-Remimeo

A/Gs

Legal HCO POLICY LETTER OF 20 AUGUST 1971
Issue III

LEGAL STATISTICS

By HCO Policy Letter of 25th February 1968, the Legal Statistic may only consist of

Successfully Completed Cycles of Action.

Types of legal cycles are 4 in number, namely:

1. Defensive - any action which handles an incoming threat merely by stopping it - often litigation.
2. Offensive - any action which handles a threat or past attack by attacking the source of the threat - often litigation.
3. Protection (positive) - any action which increases the legal safeguards surrounding LRH, Scientology, Dianetics, the Org(s) and its people - generally not litigation, but can be.
4. Protection (negative) - any action which if not done threatens the legal standing of LRH, Scientology, Dianetics, the Org(s) and its people - generally not litigation, but can be.

Examples:

(a) An org has non-profit status, the government revokes it. The org fights and wins it back. That is Defensive. The org is now in the same position as it was before.

(b) A newspaper libels us. We sue and win damages and an apology. That is offensive.

(c) A patent is secured for the E-Meter. That is positive protection.

(d) Annual Returns are filed with the authorities as required by law. That is negative protection, as the consequence of not doing it can be serious.

(e) A psychiatric front group sues us for a libel in Freedom. They lose the case and have to pay the entire costs of the suit. That is a defensive suit, but the fact of our causing them to lose the case makes our handling of it offensive, as they will now suffer heavy financial loss.

(f) A government attempts to prohibit the use of E-Meters. We challenge its right to do so (defensive suit) and counter-sue it for violation of constitutional religious freedom and claim damages (offensive).

(g) The police arrest a student and hold him for an hour. We sue for false imprisonment and recover damages (offensive).

Renewing a student's visa is a legal cycle. So is handling a letter from an irate parent who is threatening legal action. So is handling a major suit against a government or newspaper. The first may take 10 minutes, the second an hour, the third two years. The legal stat of successfully completed cycles of action should reflect these differences on the following basis:

Stats:

Non-Litigation

1. Incoming Threat Successfully (not destructive of ourselves) Handled

1. From an individual	2
2. From a firm (creditor)	2
3. From a Government Department	10
4. From a newspaper	5
5. From a psychiatric or other hostile group	5
6. From the police	5
7. From a local government authority	5
8. Tax cycle successfully handled without litigation	15

Negative Protection cycle handled (non-litigation)

1. Draft exemption secured	2
2. Visa renewal	1
3. Minute Book kept in P.T.	1
Failure to do so	Minus 10
4. Annual Returns filed	5
Failure to do so	Minus 10
5. Resignations sent to W;W.	1
Failure to do so	Minus 5
6. Corporate filing required by authorities --	
Done	2
Failure to do so	Minus 5
7. Insurance secured annually	2
Failure to do so	Minus 5
8. Any handled legal threat not elsewhere covered	2
Any failure to handle	Minus 5

2. Positive protection cycle handled

1. Patent registered	15
2. Trademark registered	15
3. Charity registered	20
4. Non profit status obtained	75
5. Contract, commitment or arrangement approved	2

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| 6. Proper Church corporate structure obtained for an org | 10 |
| 7. Copyright registered | 15 |
| 8. Religious status of Scientology recognised in writing by Courts or government of any country | 20 |
| 9. Right of Scientology Ministers to perform marriages recognised by State or Country | 10 |

Litigation

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| 1. Defensive (a cycle is defensive if the result of winning it is merely to prevent loss) | |
| 1. Interlocutory matter won | 15 |
| 2. Interlocutory matter lost | Minus 15 |
| 3. Suit won (against a Government) | 75 |
| 4. Suit lost (against a Government) | Minus 75 |
| 5. Suit won (against others) | 35 |
| 6. Suit lost (against others) | Minus 35 |
| 7. Any action taken which has the effect of caving in the enemy or passing the initiative to us (making it an offensive move) | 15 |
| 2. Offensive (a cycle is offensive if the result of winning it is some positive advantage to Scientology) | |
| 1. Interlocutory matter won | 20 |
| 2. Interlocutory matter lost | Minus 15 |
| 3. Suit won (against a Government) | 100 |
| 4. Suit lost (against a Government) | Minus 60 |
| 5. Suit won (against others) | 75 |
| 6. Suit lost (against others) | Minus 50 |
| 7. Starting an offensive suit, and every action taken which has the effect of maintaining our initiative or further caving in the enemy | 10 |

Charles Parsello
Deputy Guardian Legal WW

for Jane Kombar
The Guardian WW

for Mary Sue Hubbard
Controller

for L. RON HUBBARD
FOUNDER