HUBBARD COMMUNICATIONS OFFICE Saint Hill Manor, East Grinstead, Sussex

HCO POLICY LETTER OF 26 OCTOBER 1980

Remimeo All Orgs -All Conts All Registrars Treasury Sec Dir Income Cashier FBO AGF

ADVANCED ORG/SAINT HILL PRICES -

WHAT THE PUBLIC PAYS

These are times of fluctuating currency values and although prices at the different AOs and Saint Hills are initially set to be equal in all currencies, they can be quickly thrown out of balance due to a suddem change in the value of one currency against another. In the past, this has sometimes led to a loss of public for some AO/SHs due to these differences in prices. To keep prices fair between the Advanced Orgs/Saint Hills and to prevent distractions to the orgs and their publics due to price differences the following provision is made:

Public paying for Advanced Org or Saint Hill services pay the price in the currency of their own home country regardless of which AO/SH they go to for service.

Price lists in all the major currencies have been computed so they are comparable and have been made available to all AOs and SHs. Public from countries for which there is no established AO/SH price list for their currency pay prices in the currency of the country in which the AO/SH they are attending is located (US Dollars for AOLA/ASHO, Pounds for AOSH UK, Danish Kroner for AOSH EU).

Example on how the above procedure works (the prices used are just examples):

If a German resident decides to take his OT I at AOSH EU he pays Deutsche marks (DM) 760.31. If he instead decides to go to AOSH UK for his OT I he still pays DM 760.31 or that amount converted into British Pounds. The same applies if he wishes to go to AOLA - he pays DM 760.31 or that amount converted into US Dollars. No matter which Advanced Org he decides to go to the price for the service remains the same for him.

The only exception to the above procedure occurs when a UK citizen goes to an AO/SH other than AOSH UK. AOSH UK Pounds prices have been set lower to compensate for the VAT (currently at 15%) which is required to be paid on all services in the UK (VAT is Value Added Tax - a UK Government tax). Therefore when going to another AO/SH the UK citizen pays his AOSH UK Pounds rates plus an additional 15% (or current %) to compensate for the VAT which is not charged outside the UK.

On the other hand, whenever a non-UK resident wishes to take a service at AOSH UK he pays the price established in his own currency (or that amount converted into British Pounds). The AOSH UK registrar or cashier when accepting this money deducts the necessary 15% (or current %) for VAT and invoices the remainder for the service. This is easily calculated by taking the full amount of the donation and dividing it by 1.15. This new amount is the amount credited for the service and the difference between the original amount and this new amount is the 15% for VAT. This arrangement keeps the prices between AOs/SHs fair. The public pays the same price at any AO/SH, it is just invoiced differently in the UK due to VAT.

The above system is intended to restore stability and predictability to Advanced Org/Saint Hill pricing for both staff and public and if followed exactly will allow everyone to get on with the job of getting public up the Bridge as fast and in as great a volume as possible.

THE BOARDS OF DIRECTORS of the CHURCHES OF SCIENTOLOGY

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