

**Affidavit In Support Of First Addendum  
To Citizen Complaint Of 02/25/2002**

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# **Affidavit In Support Of First Addendum To Citizen Complaint Of 02/25/2002**

## **I) Introduction**

This affidavit is written in support of the enclosed First Addendum to Citizen Complaint of 02/25/2002 to be filed with the U. S. Attorney's Offices in Boston (Massachusetts), Concord (New Hampshire), Los Angeles (California), and Tampa (Florida).

The affidavit proves that from November of 1997 until January of 2001 the individuals

- Michael J. Rinder, a corporate director of the "Church of Scientology International," a Californian non-profit corporation, and ecclesiastical head of the organization's "Office of Special Affairs" network,

- Elliot J. Abelson, an attorney from California and counsel for the "Church of Scientology International",

and the corporations

- Church of Scientology International, a Californian non-profit organization,

- Church of Scientology of Boston, Inc., a Massachusetts non-profit corporation,

have committed crimes under U. S Title 18, specifically with regards to

- Chapter 13, Section 241.

Secondly the affidavit proves that from May of 2000 until April of 2002 the individual

- Robert S. Minton from Sandown, New Hampshire,

and the corporation

- Lisa McPherson Trust, Inc., a Floridian corporation,

have committed crimes under U. S. Title 18, specifically with regards to

- Chapter 95, Section 1956.

In particular this affidavit shows that two Scientology corporations, the "Church of Scientology International" (CSI) and the "Church of Scientology of Boston, Inc." through their "Office of Special Affairs" network conducted between November 1997 and January 2001 an extensive and concerted harassment and intimidation campaign against its critic Robert Minton of New Hampshire by targeting not only him personally but also his immediate family members, relatives and former business partners. The goal of these campaigns was to stop Minton publicly criticizing Scientology and giving financial aid to other critics of Scientology who at that time were entangled in litigation against the organization.

Two individuals were instrumental in the initiation process and the later supervision of this campaign: Elliot Abelson, a California attorney and general counsel for the “Church of Scientology International” and Michael Rinder, a corporate director of CSI and the head of the organization’s intelligence unit “Office of Special Affairs.”

This document also shows that Robert Minton himself has laundered money of at least one and a half million U. S. dollars into the United States within the past two years while having lied during depositions and in court about the origins of these funds. Minton additionally pleaded his Fifth Amendment rights against self-incrimination when he was asked if he had committed tax fraud in connection with these monetary transactions.

In two instances Robert Minton did use the Floridian corporation “Lisa McPherson Trust, Inc.” to receive alleged “loan re-payments” in the amount of \$ 650,000 that allegedly had been sent to the organization by anonymous sources, when these donations had been in fact originated by Minton himself using overseas bank accounts.

Attached to this affidavit is a Compact Disc, which contains the exhibits that are listed in this document. The exhibits are scanned versions of documents, which support the statements of this affidavit. Additionally the CD contains a digital version of this affidavit with direct links to the individual exhibits for the purpose of easier reading.

## **Background**

My name is Martin Ottmann. I am 36 years old and a German citizen, currently living in France. My address is 54, rue Pierre Brossolette, 92300 Levallois-Perret.

In February of this year I filed a Citizen Complaint with the U. S. Attorney’s Offices in Los Angeles, California and Tampa, Florida against four Scientology corporations: “Religious Technology Center,” “Church of Scientology International,” “Church of Scientology of Western United States” and “Church of Scientology Flag Service Organization, Inc.” [Exh. No. 1]. The field offices of the Internal Revenue Service in Los Angeles [Exh. No. 2] and in Tampa [Exh. No. 3] are currently revising this complaint.

Three months ago I was notified about certain legal developments in a lawsuit in Pinellas County, Florida (“Estate of Lisa McPherson vs. Church of Scientology Flag Service Organization et al,” Circuit Court for Pinellas County, No. 00-5682-CI-11). The lawsuit was brought about by the dependents of a Scientologist, who had died at the headquarters of the Scientology organization in Clearwater in late 1995. The lawsuit alleges that the organization was responsible for the death of Lisa McPherson, who was under the care of Scientology staff members because of a psychotic breakdown she had experienced 17 days prior to her death.

On April 9<sup>th</sup>, during contempt hearings in a related lawsuit (“Church of Scientology Flag Service Organization vs. Dell Liebreich, Robert Minton & LMT,” Circuit Court for Pinellas County, No. 00-002750-CI-20), Robert Minton declared in court that he had previously lied in depositions about several issues in the wrongful death suit including the amount of money he had given to fund the suit on behalf of the estate of Lisa McPherson. He also claimed to have lied upon the request of the estate’s attorney, Kennan Dandar. Following Minton’s testimony the attorneys of the Church of Scientology submitted motions to the court to remove Dandar from the wrongful death case because of alleged abuse of process and conspiracy.

Subsequently the local media from Saint Petersburg [Exh. No. 4] and Tampa [Exh. No. 5] reported about the sudden turnaround of Minton who had been an outspoken critic of Scientology for the past five years. More court hearings followed during which Minton's allegations against Dandar were examined by the lawyers for both parties and by the court. On this occasion Minton announced that prior to his disclosures in court he had met with representatives of Scientology to discuss a possible settlement with the organization.

During the month of May I received the first court transcripts of Robert Minton's examination and due to the testimony not only with regards to Minton's financial transactions but also to the Church of Scientology's past operations against him, I decided to write an addendum to my prior Citizen Complaint in order to include these recent developments and put them in context with the current and past activities of Scientology.

## **II) Characteristics Of The Reported Organizations and Individuals**

### **Church of Scientology International (CSI)**

The Church of Scientology (CSI) is a non-profit corporation from Los Angeles, California. It was originally incorporated on November 19<sup>th</sup>, 1981 [Exh. No. 6]. The official address of CSI is 6331 Hollywood Boulevard, Los Angeles, CA 90028.

CSI's corporative agent is its in-house attorney Jeanne M. Gavigan from the law firm Moxon & Kobrin, 3055 Wilshire Boulevard, Suite 900, Los Angeles, CA 90010.

On its website CSI portrays itself as the "mother church of the Scientology religion" which exercises "ecclesiastical" control over its subordinate organizations, so-called "Scientology churches" and "missions" [Exh. No. 7]. The website states specifically:

"CSI provides ecclesiastical guidance to organizations, missions and groups and the broad planning and direction needed to advance Scientology around the world. [ ... ] As the mother church for the religion, CSI ensures that all Scientology churches [ ... ] operate in a coordinated manner to achieve the broader aims of Scientology."

For a further explanation of the functions and activities of CSI and other Scientology organizations I refer to my affidavit from February 25<sup>th</sup>, 2002 that describes in detail the structure of the organization, its activities and the belief system of Scientology in general.

### **Church of Scientology of Boston, Inc.**

The "Church of Scientology of Boston, Inc." is registered as a religious corporation in Boston, Massachusetts [Exh. No. 8]. The organization was originally incorporated on December 1<sup>st</sup>, 1969.

The official address of the organization is 448 Beacon Street, Boston, MA 02115. It has listed as its president Gerard Renna, who is at the same time a member of the "Office of Special Affairs" network.

The organization in Boston is part of the hierarchical, "ecclesiastical" system of Scientology. As a so-called "Class V organization" it is subordinate to CSI, the "mother church", and receives orders from its various management units in California.

The Boston organization sells and delivers various basic Dianetics and Scientology courses to its public members. It also tries to attract new members and is disseminating via the Internet [Exh. No. 9].

While it is considered within the Scientology hierarchy as a “service organization,” the “Scientology Church of Boston” also accommodates a unit of the “Office of Special Affairs” (OSA), which is responsible for all legal matters, public relations and investigations of its perceived enemies. The OSA branch of Boston is supervised by the “Office of Special Affairs International” (OSA Int.) in Los Angeles, which is part of CSI.

### **Michael Rinder**

Michael Rinder is a corporate director of CSI and the “Commanding Officer” of the “Office of Special Affairs International” (OSA Int.), the intelligence unit within CSI [Exh. No. 10, Excerpt]. His official address is 6331 Hollywood Boulevard, Suite 1200, Los Angeles, CA 90028.

As head of the OSA network Rinder is responsible for supervising and directing all public relations, legal and intelligence matters within the worldwide network of Scientology organizations [Exh. No. 11].

### **Elliot Jay Abelson**

Elliot Abelson is an attorney from Los Angeles, California. His official address is 8491 West Sunset Boulevard # 1100, Los Angeles CA 90069 [Exh. No. 12].

Abelson has been a general counsel for CSI for several years, mostly working for the organization as a media spokesperson or for out-of-court matters [Exh. No. 13].

Before representing the Church of Scientology he had been a lawyer for the pornography industry since the early seventies. During the famous MIPORN investigation Abelson defended Louis and Joseph Peraino and other well-known and mob-affiliated pornography producers in the government-initiated racketeering cases.

Prior to working for the pornography industry he had been an assistant district attorney for the County of Los Angeles until 1971 (This information has been retrieved from a quoted article of “Parade” magazine, 1979).

### **Robert S. Minton**

Robert S. Minton is a retired investment banker from New Hampshire. Since the summer of 1998 his official residential address is 137 Fremont Road, Sandown, NH 03873, prior to that time he principally lived at 39 West Cedar Street, Boston, MA 02114.

During the 1980s and until 1993 Minton worked in the field of debt trading for third world countries. From 1988 until 1992 Minton and his business partner Jeffrey Schmidt supervised a major debt buy-back operation for the government of Nigeria.

During the 1980s Minton founded together with Schmidt several corporations, including the Boston company “Triolet International” [Exh. No. 14].

## **Lisa McPherson Trust, Inc. (LMT)**

The “Lisa McPherson Trust, Inc.” (LMT), a for-profit and now defunct company, was set up by Robert Minton on October 18<sup>th</sup>, 1999 in Florida [Exh. No. 15]. Its initial agent and later president became Minton’s girlfriend and former Scientologist Stacy Brooks. The official address of the LMT was 33 North Fort Harrison Avenue, Clearwater, FL 33755. During the year 2000 the LMT was manned with 5 full-time employees and about the same number of part-time staff members.

While honoring the name of Lisa McPherson, the former mentioned Scientologist who had died at Scientology’s headquarters in Clearwater in 1995, the LMT was mainly established by Minton and Brooks to function as a clearing house to help Scientologists who thought about leaving the organization, to give ex-Scientologists advice in legal and financial matters and to inform the general public about the practices of Scientology.

Due to its increasing legal problems, Brooks dissolved the LMT on November 28<sup>th</sup>, 2001 [Exh. No. 16]. According to Brooks’ statements given to the local press, the LMT was supposed to continue to exist as “a more amorphous type of entity” [Exh. No. 17]. After its official dissolution the organization continued solely to operate through its website until June of this year [Exh. No. 18], when it was finally closed down. At that point the domain name (<http://www.lisatrust.net>) was registered upon Stacy Brooks as the site’s official registrant and contact person [Exh. No. 19].

## **III) The Public Controversy Surrounding Robert Minton**

The first public appearances of Robert Minton fell together with several legal battles between the Church of Scientology and some U. S. critics during the second half of the 1990s.

During 1995 the homes of two Ex-Scientologists, Dennis Erlich [Exh. No. 20] and Arnaldo Lerma [Exh. No. 21], and one anti-cult organization, “F.A.C.T.Net” from Colorado [Exh. No. 22] were raided by federal marshals, private detectives, representatives of Scientology’s “Religious Technology Center” (RTC) and its respective attorneys. The raids were executed upon writs of seizures that had been issued by federal district courts in San Jose (California), Alexandria (Virginia) and Denver (Colorado).

RTC brought about the raids and the subsequent lawsuits because it claimed that Lerma, Erlich and F.A.C.T.Net had violated the organization’s copyrights by posting some of Scientology’s unpublished and secret teachings on the Internet.

The raids by RTC caused much uproar, not only among the critics of Scientology but also among free speech and internet activists, as RTC named the internet providers of Erlich and the others as defendants in the complaints of the lawsuits.

During the course of the year 1995 the legal confrontation between the Church of Scientology and its Internet critics was even expanded into countries outside the United States. Two raids were conducted on behalf of RTC at an Internet provider (“XS4ALL”) in the Netherlands [Exh. No. 23] and at the office of an administrator of an anonymous remailer service in Finland [Exh. No. 24].

The critics responded to these actions by further posting critical and secret documents on the Internet newsgroup “alt.religion.scientology,” an Usenet discussion board where Scientologists and their critics can post their opinions about the subject of Scientology.

When the intellectual dispute evolved into the above-mentioned legal battles, the newsgroup “alt.religion.scientology” (ARS) had become not only the most important medium for exchange of information on Scientology but it also attracted various media outlets that stigmatized the controversy between Scientology and its critics as the first cyber war in the history of the Internet [Exh. No. 25].

## **1996 - Beginnings**

In 1995 Robert Minton became attracted to the Scientology controversy on the Internet and he began following up the discussions and newest events reported on the newsgroup. Angry about the legal actions of the Church of Scientology against its critics, he decided to become active and began alerting the United States government of the activities of the Scientologists.

In January of 1996, Minton wrote three letters, asking representatives of the U. S. government to start an investigation into the activities of Scientology. In his first letter on January 24<sup>th</sup> to then President Clinton [Exh. No. 26], Minton wrote:

“ [ ... ] I have never before written to an elected Federal Government official, but actions in the last year by the Church of Scientology compel me to ask something of my Government for a second time in my life. You, President Clinton, being the highest Federal official under my employ are respectfully requested to ask the Attorney General to look into the flagrant abuse by this entity of the First and Fourth Amendments to our Constitution; specifically, abuses by Scientology in copyright related civil court procedures of ex parte searches and seizures with expedited discovery. [ ... ] ”

Three days later, on January 27<sup>th</sup>, Minton sent out a similar sounding letters to U. S. senators, one to Robert Smith of New Hampshire, in which he complained about “Scientology’s flagrant abuse of the First and Fourth Amendment of the U. S. constitution” [Exh. No. 27]. As he would later do with most of his correspondence concerning Scientology, either received or sent, Minton posted these two letters on the Internet.

In March of 1996 Minton met with other Internet critics in Clearwater, Florida and participated for the first time in a demonstration against Scientology. Following the demonstration, Minton posted his impressions about Scientology’s presence in Clearwater on the Internet and offered the sum of \$ 360,000 for incriminating information about Scientology that would ultimately lead to a revocation of the organization’s tax-exempt status, which had been granted by the Internal Revenue Service in 1993 [Exh. No. 28].

From then on Minton gradually became more and more active. He continued to publicly protest and tried to make his position on Scientology also known to people outside of the Internet discussion group.

It was not until September 1997 when the Church of Scientology made the first attempt, through its attorney Elliot Abelson, to discourage Minton’s anti-Scientology activities [Exh. No. 29]. At that time Minton had also begun giving financial help to people involved in litigation against the organization.



## 1997 - Enter the Public Arena

Three months later, in December 1997, the first newspaper articles on Minton appeared in some U. S. newspapers. The articles focused on the dispute between Minton and the Scientologists, Minton's financial support of critics and his motives for engaging in such a confrontation. The "Boston Globe" wrote on December 9<sup>th</sup> [Exh. No. 30]:

" [ ... ] Robert Minton said he decided to fund church critics because he believes Scientology abuses some of its members and uses unfair, strong-arm tactics to intimidate its detractors.

"Minton, who is not a Scientologist, became aware of the church's activities through the Internet. He said he does not question Scientology's beliefs.

"But, he added, 'I am trying in a rather helpful way to force this organization to reform. If they want to be a good member of the world's religious communities, then they need to act like one.'

"Minton's tangle with the Church of Scientology began more than two years ago after the church took legal action against several people who were posting internal church documents on the Internet. The church charged that the postings violated copyright laws.

"Minton, who says he viewed the struggle as a free speech issue, was alarmed at what he considered the extremes to which the church would go to quash dissent. He became one of many activists around the world campaigning for change within the Church of Scientology.

"Eventually, Minton said, he decided to 'put my money where my mouth was and help individuals and organizations who were having problems with the church.' [ ... ] "

On December 21<sup>st</sup> the "New York Times" reported about Minton's financial support of Scientology's critics [Exh. No. 31]:

" [ ... ] In the spring of 1996, Minton posted a \$ 360,000 reward on the Internet for information leading to the revocation of the tax exemption that Scientology received in 1993 after a two-year inquiry by the Internal Revenue Service determined that it was a bona fide church. The reward expired unclaimed that fall, but by then Minton was committed.

"'He's a man of principle and a very tenacious person,' said Robert P. Smith, a Boston financier, who worked with Minton on many business deals.

"Over the objections of his wife and former business associates, Minton decided to finance some of the most vocal and persistent opponents of Scientology. He lent \$ 440,000 to a former Scientologist who has been trying for a decade to collect a civil judgment he won against the church. Minton and his wife bought a \$ 260,000 house on an island in Puget Sound and provided it to two former Scientologists who are persistent critics of the church.

"Some recipients of Minton's largesse operate Internet Web sites that are fiercely, and sometimes profanely, opposed to Scientology. Church officials say that some of those people have advocated violence against Scientologists.

"But the payment that seems to have angered Scientology officials and lawyers most is the \$ 100,000 that Minton gave recently to Kennan Dandar, a lawyer in Tampa, Fla., who represents the family of Lisa McPherson in a wrongful-death civil lawsuit against Scientology.

“Ms. McPherson’s death two years ago after a 17-day stay under the care of Scientologists in a church-owned hotel in Clearwater has become a rallying point for church critics. It was her death that Minton and others marked with their protest march earlier this month, and he was among several participants whose neighborhoods had been posted with leaflets. The local prosecutor is expected to decide in the coming weeks whether anyone will be charged in connection with the death.

“Minton, who said he promised to provide another \$ 250,000 for the McPherson case, if necessary, said the money was intended to level the playing field between Dandar, who runs a small law practice with his brother, and the church, which has hired a small army of lawyers. [ ... ] ”

Around this time, the Church of Scientology began to hire private detectives to look into Minton’s past and his current life. Concurrently members of the Scientology organization in Boston started to demonstrate in front of Minton’s home in Boston. Additionally neighbours received leaflets about Minton, accusing him of holding “a KKK-style rally against peaceful members of a religion.”

During an interview with journalist Leslie Miller from “Associated Press” the Scientology official and executive of the “Office of Special Affairs International” Kurt Weiland confirmed that an investigation of Minton was indeed under way [Exh. No. 32].

In the following months Scientology investigators continued not only to investigate Minton himself, but also his family, his relatives and his former and present business partners. Minton’s home in Boston and his second residential home in Sandown, New Hampshire were repeatedly picketed by either staff members of the Boston Scientology organization or by its public members.

Minton, on the other hand, continued to support Scientology’s critics, not only by giving them financial aid but also by assuming an official position of one anti-cult organization that was involved in litigation with Scientology. During spring of 1998 Minton became the vice-president of F.A.C.T. Net, the organization that had been sued by the “Religious Technology Center” in 1995 for copyright violation.

On April 19<sup>th</sup>, 1998 Minton was holding a speech at a conference of the “Cult Information Service” in Newark, New Jersey, where he explained his motives behind his efforts to reform the Church of Scientology and recounted his experiences and encounters with Scientology’s “Office of Special Affairs.” At one point Minton recalled a telephone conversation with a member of the Boston branch of OSA on October 14<sup>th</sup> of 1997:

“... In November [sic] I got a call from a woman at the Scientology org in Boston, whose name was Mary-Frances Newey. In a subtle but firm way she said that if I did not stop giving financial support to critics of Scientology, the church would attack me on five fronts: Family, children, ex-wives, former business partners and my federal and state tax status. ...”

On that same day, when Minton held the speech in New Jersey, a TV-documentary was aired in Germany by the private channel “SAT 1.” It portrayed “US millionaire” Minton and its “crusade against the cult.”

On June 16<sup>th</sup>, a second documentary on Minton was aired, this time in the United States by NBC’s “Dateline” program. Titled “The Crusader” it featured Minton efforts to help critics of Scientology, his plans to reform Scientology and the organization’s investigation of Minton’s family and his business partners [Exh. No. 33].

During May Minton began meeting Scientology representatives to discuss their mutual disagreements. Minton later reported that he spoke with Mark Rathbun and Michael Rinder, both corporate representatives from RTC and CSI, on three occasions in Boston and Los Angeles in May and in July [Exh. No. 34].

While Minton stated that the meetings were part of his reform efforts, the Scientology officials tried to use the opportunity to obtain a settlement agreement with Minton in order to get him to cease his activities directed at the Church of Scientology [Exh. No. 35]. Minton refused to sign an agreement and after the third meeting in July the talks were discontinued.

On July 9<sup>th</sup>, another article with a feature story on Robert Minton appeared in a major United States newspaper. Published by the “Boston Globe” it was titled “The improbable Crusade of Robert Minton” and described the activities of the Church of Scientology directed against Minton’s family and relatives and how they had effected the family life [Exh. No. 36].

### **1998 - Signs of Distress**

The summer of 1998 was a turning point for Minton, as for the first time he showed signs of great distress. Ironically enough, Minton caused a great part of his upcoming problems himself by severely disrupting his own family stability.

While still having been married to his wife Therese, Minton had started during the previous months a relationship with ex-Scientologist Stacy Young who at that time was married to former Scientologist Vaughn Young. Stacy, who later divorced Vaughn, would finally become Minton’s closest confidant in all matters concerning Scientology.

When the Scientologists became aware of the affair between Minton and Stacy, they began to accuse both of adultery. On July 25<sup>th</sup> the situation escalated when two OSA members, Gerard Renna and Kevin Hall, picketed in front of Minton’s home in Sandown. According to statements of Minton the two Scientologists trespassed onto Minton’s property and yelled obscenities at him and Stacy. Minton then went inside the house and fired two warning shots over their heads with his shotgun. Later the police arrived and temporarily confiscated Minton’s shotgun [Exh. No. 37].

On the same day of the shooting, Michael Rinder, the head of “OSA International”, wrote a letter to Minton’s still-wife Therese, informing her about the affair between her husband and Stacy. When he did not receive a response, Rinder wrote a second letter trying to arrange a meeting with her. A third and final letter by Rinder was sent to Mrs. Minton on August 26<sup>th</sup>. Robert Minton later posted the first [Exh. No. 38], the second [Exh. No. 39] and the third letter [Exh. No. 40] on the Internet. It is worthwhile noting that in his second letter from July 30<sup>th</sup> Rinder wrote:

“... Neither I nor anyone in the Church of Scientology has ever had any intention to interfere with your life and happiness. ...”

In a later interview with the “Saint Petersburg Times” Rinder confirmed sending these letters to Mrs. Minton, while he denied at the same time of having threatened Robert Minton with “IRS investigations” into his finances, which Minton had accused him to have done [Exh. No. 41].

In spite of Rinder's promise not to interfere with Therese's private life, Scientologists continued to picket in front of Minton's home in Boston and to distribute flyers in the immediate neighbourhood during the months of August and September. At that time Minton had separated from his wife and was residing at his home at Sandown in New Hampshire.

On September 10<sup>th</sup>, Minton and the Boston Scientologists clashed again. During a picket in front to the Boston Scientology organization Minton got into a physical confrontation with OSA member and PR spokesperson Frank Ofman. Both sides had previously engaged in a screaming match and had shouted obscenities at each other [Exh. No. 42]. The Boston police later arrived on the scene and arrested Minton for assault and battery. He was subsequently released on bail [Exh. No. 43].

Naturally this incident did neither stop the Scientologists of continuing picketing Minton and his family nor of investigating Minton's former business partners: On October 9<sup>th</sup> Minton reported on the Internet that the private investigator Peter Franks had delivered to Minton's former business partner Jeffrey Schmidt and the Nigerian Minister of Finance two "dead agent packs" containing discrediting material. This was done during an IMF conference in Washington [Exh. No. 44].

The very eventful year ended with more demonstrations: On December 5<sup>th</sup> and 6<sup>th</sup> critics of Scientology, among the Robert Minton, assembled in Clearwater to picket the organization's "spiritual headquarters" and to mourn the death of Lisa McPherson. On this occasion Minton stated at a press conference that he would continue to financially support the estate of Lisa McPherson in its civil litigation against the Clearwater Scientology organization.

One week later, on December 14<sup>th</sup>, Minton stood trial at a Boston court to face the assault and battery charges in connection with his arrest in September. The judge finally dismissed the charge on the condition that Minton would inform the Scientology organization in Boston on hour in advance every time he planned to do a picket in front of their building [Exh. No. 45].

The year 1999 began for Minton with settlement negotiations in the F.A.C.T.Net case. When an agreement with RTC was finally reached in March, Minton and his girlfriend Stacy Brooks (former Young) stepped down from their corporate positions at F.A.C.T.Net.

As during the previous years Minton continued to publicly speak out against Scientology and to demonstrate in front of Scientology's buildings in Boston and Clearwater. While he furthermore propagated his intention to reform the activities of the organization, his attitude towards Scientology and his manner of picketing changed to become more aggressive. Rather than addressing and informing the general public during pickets, he engaged in provoking and shouting at Scientology members and ridiculing certain of their beliefs.

Minton's financial support of critics who were involved in litigation against the Scientology organization caused him also to become more and more legally entangled with the organization, as his monetary contributions became the subject of hearings and depositions in various court cases (f. e. "Religious Technology Center vs. Grady Ward," United States District Court for the Northern District of California, No. C 96-20207 RMW; "Religious Technology Center vs. Keith Henson," United States District Court for the Northern District of California, No. C 96-20271 RMW).

In late October of 1999 Minton publicly announced plans to set up an organization, directed at Scientology. He stated that the foundation would operate in Clearwater and would provide so-called “exit counseling” to Scientologists who wanted to leave the organization. Minton’s plans were mentioned in an “Associated Press” press article, which also cited Minton saying that he had spent about \$ 2.5 million “fighting the church” during the previous three years [Exh. No. 46]. At the time of the article Minton had already in fact incorporated the “Lisa McPherson Trust, Inc.” (LMT) which had been registered on October 18<sup>th</sup> [Exh. No. 15].

On October 30<sup>th</sup> Minton visited Clearwater to find office space for his new-founded organization. Later in the evening he decided to picket the local Scientology organization. While picketing on Fort Harrison Avenue, Minton found himself closely followed by security staff member Richard Howd who filmed every move of Minton with his camera. Annoyed by Howd, Minton struck his picket sign at Howd. After he had been hit, Howd fell to the ground and was taken to a near hospital. Minton was later arrested by the police and then set free on a \$ 250 bail fee [Exh. No. 47].

In a follow-up interview with the local press, Minton complained that he was still constantly followed by private investigators and that Scientologist would send mailings with negative material about him not only to all the residents of Sandown, but also to business associates and to the schools that Minton’s daughters were attending [Exh. No. 48].

Soon after this incident Richard Howd filed a lawsuit requesting a temporary restraining order against Minton that would prohibit him in coming near Scientology’s buildings and its members. On November 15<sup>th</sup>, during one of the first hearings in the case, Minton stated that in spite of his newest legal conflict he had been successful in buying a building for the LMT in downtown Clearwater, directly in the neighbourhood of the Church of Scientology [Exh. No. 49].

## **1999 - Founding of the Trust**

Three weeks later, during a press conference at the annual picket in honor of the late Lisa McPherson, Minton announced that by establishing the LMT he would create a safe zone for Scientologists and others who wanted to find out the truth behind the official façade of Scientology. He also said that the organization would be headed by a board of directors and be manned with six full-time working staff.

When asked why he had set up the LMT as a for-profit corporation, Minton responded that he wanted to avoid financial reporting requirements of non-profit organizations, which Scientology would use to harass potential donors of the trust.

In an immediate response Scientology officials denounced the LMT as “a hate group set up for profit and for the personal benefit of Bob Minton.” OSA chief Michael Rinder declared Minton’s plans as a scheme to regain the money he had already spent to fight Scientology [Exh. No. 50].

On December 10<sup>th</sup> Minton posted the mission statements of the LMT on the Internet, which stated among other things that the LMT was there “to demystify and make transparent the coercive processes and practices of Scientology [Exh. No. 51].”



On January 6<sup>th</sup>, 2000 the LMT began officially operating. Soon after the opening of the LMT, the District Attorney in Tampa filed battery charges against Minton, based upon the confrontation with Richard Howd in late October 1999. At this time judge Pennick who presided over the Howd case issued a temporary restraining order against Minton and Howd. Under the order Minton was required to stay at least 10 feet away from 17 Scientology-owned buildings in Clearwater [Exh. No. 52].

With the arrival of Minton and the LMT in Clearwater, city officials were soon drawn into Minton's conflict with the Scientologists too. At a public meeting of the Clearwater city commission Minton accused the city of Clearwater of "being too cozy with Scientology" and that the commissioner for the city, Michael Roberto had tried to interfere with Minton's purchase of the LMT's office building [Exh. No. 53].

The prior mentioned restraining order did not however prohibit new confrontations between Minton, the LMT staff and the Scientologists. Soon after its opening Minton and LMT staff members began to picket the adjacent Scientology buildings while shouting at staff members and encouraging them to start a revolt inside Scientology and to dismiss the overall head of the organization, David Miscavige. The Scientologists in return immediately complained to the police and the city of Clearwater that the LMT staffers were violating the temporary restraining order against Minton [Exh. No. 54].

On February 9<sup>th</sup> the court reacted to the recent incidents with an extension of the existing restraining order [Exh. No. 55], while the legal department of the Clearwater police implemented immediately the new ruling in order to keep both sides separated from each other [Exh. No. 56].

Two months later, on April 2<sup>nd</sup> an article appeared in the British Sunday Times magazine that featured allegations of a well-known Nigerian celebrity about financial fraud that had taken place at the end of the 1980s. The former professional soccer player and millionaire John Fashanu decried that "billions of pounds disappeared from the Nigerian central bank in the late 1980s and the early 1990s." The article mentioned Robert Minton and his former business partner Jeffrey Schmidt as the ones who had allegedly funneled money out of the country through a debt buy-back scheme [Exh. No. 57].

This news story was one of several articles that would appear during 2000 and which would contain accusations of financial fraud in connection with the Minton's past Nigerian debt buy-back operation during the late 1980s.

On April 13<sup>th</sup> Minton responded to the article of the "Times" with an Internet posting in which he accused Rilwanu Lukman, the secretary general of OPEC, being the "conduit" for the operations against him and which were instigated by two private investigators working for Scientology, David Lee and Peter Franks [Exh. No. 58].

In Mid-April the Church of Scientology filed a lawsuit against the estate of Lisa McPherson and its attorney Kennan Dandar. The suit alleged a breach of contract by the estate when it had included in its latest amended complaint of December 1999 in the wrongful death suit the ecclesiastical leader of Scientology David Miscavige as a defendant, contrary to a prior agreement of both parties [Exh. No. 59]. At a later date Minton was added as a defendant in that suit.

On May 3<sup>rd</sup> a court hearing was held in the Lisa McPherson wrongful death case. This hearing would later trigger a series of fateful legal events for Minton. At the request of the Church of Scientology's attorney Kendrick Moxon the court granted a deposition of Robert Minton, which would take place on May 24<sup>th</sup>. At this point Minton had been deposed in the case in early 1998, but due to its very limited scope, judge Moody granted a second deposition that would deal with Minton's payments to witnesses and his contributions for funding the case [Exh. No. 60, Excerpt].

On May 22<sup>nd</sup> and 23<sup>rd</sup> Minton was again the subject of court proceedings. At a court in Tampa the criminal trial was held, which was based on the battery charge against Minton. After 40 minutes of deliberation the jury found Minton not guilty. Members of the jury mentioned later that they felt that Minton had been set up by the Scientologists [Exh. No. 61].

The day after the verdict the deposition of Minton in the wrongful death case began but was early terminated. Both parties agreed for a continuation of at a later date. [Exh. No. 62, Excerpt]. The continuation of the deposition was from then on the subject of numerous hearings, motions and court orders before it would be finally resumed in 2001.

In early June Minton traveled to Leipzig, Germany to receive the first "Alternative Charlemagne Award." A so-called "European-American Citizens Committee for Human Rights and Religious Freedom," which was composed by anti-cult activists and critics of Scientology, had previously created the award and had selected Minton as the first award winner. The purpose of the award was to counter the criticism by the U. S. government directed at Germany and France for their treatment of the Scientology organization. Ursula Caberta, a member of the committee and the head of a Scientology task force for the city of Hamburg presented the award to Minton during a ceremony [Exh. No. 63].

Caberta had also invited Minton to speak at a press conference in Hamburg. On this occasion he announced the filing of two libel suits against Scientology organizations in Paris, France and Berlin, Germany. The German organization had previously stated that "with the help of the Nigerian dictatorship Minton had put millions of dollars in his own pocket while Nigeria's population had been starving [Exh. No. 64]."

In July Ursula Caberta returned Minton's visit by coming to Clearwater and to speak as well at a press conference about the work of her office in Hamburg. At her arrival at the Tampa airport she was greeted by several Scientologists who shouted at her "Nazi, go home" and accused her of being a human rights violator [Exh. No. 65].

While staying in Clearwater Caberta was served with a summons for a civil case. The German Scientologist and U. S. resident Hubert Heller who had filed the federal lawsuit, accused her of tortious interference in his business. A sect filter that Caberta had propagated to businesses in Germany allegedly prohibited his software company from a business deal with a German corporation [Exh. No. 66].

At a subsequent deposition in the case Caberta disclosed that she had received a private loan from Minton. When asked about the amount of the loan, Caberta refused to answer. The Scientology church in Germany then used the information about the loan and filed in September a complaint for bribery against Caberta arguing that she had accepted money from a vocal Scientology critic while holding a public office.

On the 30<sup>th</sup> of November a court hearing was held in Saint Petersburg, Florida in view of how the temporary injunction against Minton and his staff would be applied during the upcoming annual Lisa McPherson memorial picket. It was concluded with an extension of the temporary injunction on all the protesters that would come to Clearwater and picket in front of Scientology's headquarters [Exh. No. 67].

Around the time of the picket the Nigerian weekly magazine "Tell" published an article that featured an interview with Minton. In this interview he explained his past business deals with the Nigerian government and the reasons for believing that the public controversy about it had been in fact manipulated by Scientology operatives [Exh. No. 68].

Although the Lisa McPherson picket took a normal course according to the police, it had nevertheless an aftermath in court. Both parties, Scientologists and picketers accused each other of having violated the injunction. Consequently several court hearings were subsequently held in January [Exh. No. 69] and in February of 2001.

### **2001 - Judgements and Departure from Clearwater**

On February 21<sup>st</sup>, the court issued its judgement in the TRO hearings. Robert Minton and another protester, Tory Bezazian, were found guilty of having violated the injunction. Minton was sentenced to a \$ 500 fine and a 6-month probation.

In a side note the judge also criticized the presence of off-duty police officers that were hired by the Church of Scientology as security guards. Using police officers, private investigators and their own security staff, the Church of Scientology had kept the LMT and its staff under constant surveillance [Exh. No. 70].

In March Minton went on a trip to Europe where he attended court hearings in his libel cases against Scientology organizations in France and Germany. While his court case in Paris remained unsolved, Minton reached a verdict against the Scientology Church in Germany on March 27<sup>th</sup>. Among other things the organization was enjoined to declare that Minton had stolen billions of dollars from the republic of Nigeria [Exh. No. 71].

Two months later Minton's friend and vice-president of the LMT, Jesse Prince had to stand a criminal trial due to a marijuana possession charge. The court declared a mistrial after a hung jury and the prosecution dropped the charges on the following day. During the trial the jury learned that a Scientology-hired private investigator had infiltrated Prince's private life and provided him with marijuana while at the same informing a narcotics officer about an alleged drug abuse by Prince.

The different trials and court hearings put also an additional financial strain on the LMT, which operations were almost entirely financed by Minton. Up to that point the LMT had spent \$ 150,000 in legal fees for the defense of its employees on three different misdemeanor charges [Exh. No. 72].

In June Minton and some LMT representatives traveled to Leipzig, Germany to attend the presentation of the human rights award with which he was awarded the previous year. On this occasion the film "The Profit" was presented to members of the audience. "The Profit", a parody on Scientology and its founder L. Ron Hubbard, had been financed by Minton and was planned to be shown in commercial theaters in the United States and Europe.



Upon his return from Europe Minton displayed the first rifts within his entourage when he accused on the Internet the former LMT board member Patricia Greenway and Ursula Caberta of a conspiracy against the LMT [Exh. No. 73].

In August the film “The Profit” was shown at a small movie theater in Clearwater. During an interview with the local press the director of the movie, Peter Alexander stated that the film had cost \$ 2 million. He denied that it had anything to do with Scientology or Hubbard. Despite Alexander’s affirmations a local Scientologist denounced the movie as a “hate propaganda film” [Exh. No. 74].

Then in November Minton publicly declared that the LMT was closing its doors and would leave Clearwater. Minton’s girlfriend, Stacy Brooks stated that the trust would continue to operate but through a more “amorphous type of entity [Exh. No. 17].”

The “Saint Petersburg Times” article from November 3<sup>rd</sup> which announced the departure of the LMT detailed the legal difficulties that Minton and the LMT had encountered since the organization was established in Clearwater and in particular since Minton was ordered by the court to be deposed in May of 2000:

“ [ ... ] The trust can’t close its offices yet because a judge has granted a church request for an independent review of trust records as part of a civil wrongful-death lawsuit that McPherson’s estate filed against the church.

“Even though Minton is not a party in the suit, both he and the trust have been drawn into the case, in part because Minton helped fund the lawsuit. Minton and trust staff have been deposed by church lawyers for hours.

“Minton and the trust have faced other legal blows. The courts ordered him to turn over all of his personal Florida bank records, now in the hands of Scientology.

“And recently, the church named Minton and the Lisa McPherson Trust as co-defendants with the estate of Lisa McPherson in a lawsuit Scientology has filed against the estate. [ ... ] ”

Following the announcement of the departure, Stacy Brooks dissolved the LMT on November 28<sup>th</sup> [Exh. No. 16].

On December 9<sup>th</sup> another article on Minton in the Saint Petersburg Times appeared. It discussed the recent developments in the Lisa McPherson civil suit and Robert Minton’s involvement in the case [Exh. No. 75]. A judge who at that time was presiding over the case was cited saying:

“ [ ... ] ‘It’s hard to distinguish the trust, Mr. Minton and the plaintiff in this case,’ Judge Beach said during a September deposition. ‘They’re so intertwined, as a matter of fact, it almost appears that Lisa McPherson has been overshadowed by the activities of the trust and Mr. Minton in pursuing this case against the Scientologists.’ [ ... ] ”

On April 2<sup>nd</sup> Scientology’s “Office of Special Affairs” in Germany began to distribute the newest edition of its newsletter “Freiheit.” The journal accused city official Ursula Caberta of having been bribed by Robert Minton when she had accepted the private loan from him.

On the first page of the journal a copy of a \$ 75,000 check was pictured. Apparently the check was drawn from a personal account of Minton and written out towards Caberta. The article also mentioned that the criminal complaint that the Scientology organization had filed against Caberta in September was still under revision by the District Attorney's office [Exh. No. 76].

## **2002 - Turnaround**

On April 20<sup>th</sup> the Tampa Tribune reported about a dramatic change in the so-called "breach of contract" case that the Church of Scientology had filed against the estate of Lisa McPherson and its attorney Kennan Dandar in April 2000.

The article described a recent court hearing where Minton had testified on behalf of the Scientologists and where he had accused Dandar of having him advised to lie under oath and to write false affidavits [Exh. No. 5]. Minton was cited stating that because he had been afraid to go to jail for having committed perjury he had recanted his prior testimony. Additionally he had accused Dandar of being "a lying thief."

The turnaround of Minton did set off a series of lengthy court hearings in the "breach of contract" case and in the McPherson civil case. The Church of Scientology immediately moved forward by using Minton's testimony to have Kennan Dandar dismissed from the McPherson case and ultimately to have the case as such dismissed altogether [Exh. No. 77].

Various witnesses were then called to testify in court about the manner the estate had conducted the suit and how Minton had influenced the litigation process. Minton himself and his girlfriend Stacy Brooks had to endure a lengthy examination by the court and the attorneys during the month of May.

On May 18<sup>th</sup> another article on Minton appeared in the Clearwater press. It listed the various financial contributions Minton had made over the past seven years to critics of Scientology in order "to nail the church" and which added up to the final amount of \$ 10 million [Exh. No. 78]:

" [ ... ] He dumped more than \$ 2-million into a now defunct anti-Scientology organization in downtown Clearwater called the Lisa McPherson Trust, named for a Scientologist who died in 1995 under the care of fellow Scientologists. Minton testified that he put up nearly \$ 2.5-million for the movie The Profit, made in the Tampa Bay area by two Scientology critics.

"His cash went into the bank accounts of Scientology critics and their lawyers around the country. Minton said he gave \$ 700,000 to Lawrence Wollersheim, a former Scientologist who recently collected an \$ 8.6-million settlement from Scientology, ending one of the longest-running lawsuits in California history. And he funded lawsuits against Scientology in places as distant as Germany and France.

"But the focus of his anti-Scientology efforts was the Pinellas County wrongful death lawsuit that blames the church for Lisa McPherson's death. Minton gave \$ 2-million to fund the litigation. [ ... ] "

The article also cited Kennan Dandar's suspicion that Minton was being blackmailed by the Scientology organization and that he was being forced by the Scientologists to turn against Dandar.

The court hearings continued through June. On June 13<sup>th</sup> a newspaper report by the “Saint Petersburg Times” indicated that Minton’s legal problems had indeed increased after he had come to court to evade even more troubles and to “set the record straight.”

The article cited judge Susan Schaeffer stating that she would turn over a report to the State Attorney’s office as soon as the hearings would be completed. Commenting on Minton she said that he was apparently not only in trouble in the current court case but also with the State Attorney’s Office and with the Internal Revenue Service [Exh. No. 79].

Meanwhile in Hamburg Ursula Caberta had to face the legal consequences of her acceptance of Minton’s loan during June of the year 2000. On June 27<sup>th</sup> the “Hamburger Abendblatt” reported that a district court of the city of Hamburg had issued a fine of € 7,500 against her, as it deemed the Minton loan as improper due to Caberta’s position in a public office [Exh. No. 80].

At the time of the writing of this affidavit the court hearings in Clearwater have not been concluded. Nevertheless the turnaround of Minton has left the critics of Scientology deeply polarized. While for some Minton has become a “traitor” and “collaborator” of Scientology’s “Office of Special Affairs”, for others he is a “victim” who eventually has given in after being under attack by the Scientologists for almost five years.

Minton and the Church of Scientology had repeatedly accused each other as human rights violators and criminals, while never questioning but stoically defending their own positions. Both sides claimed to be morally right with their actions, while relentlessly pursuing their individual agendas to harm the other side. The evidence presented in this document will show that in fact both sides did repeatedly overstep the mark that separates legal from illegal and criminal activity.

## **IV) Violations Of U. S. Title 18**

### **Chapter 13 - Civil Rights**

#### **Sec. 241 - Conspiracy against rights**

“If two or more persons conspire to injure, oppress, threaten, or intimidate any person in any State, Territory, Commonwealth, Possession, or District in the free exercise or enjoyment of any right or privilege secured to him by the Constitution or laws of the United States, or because of his having so exercised the same; [ ... ]

“They shall be fined under this title or imprisoned not more than ten years, or both;”

*Count 1: A four year campaign of harassment and intimidation conducted by the Church of Scientology’s “Office of Special Affairs” network that targeted American citizen Robert Minton, his immediate family members and his former business partners and that was designed to stop Minton’s exercise of his First Amendment rights.*

From November 1998 until January 2001 the Church of Scientology’s “Office of Special Affairs” network (OSA) under the guidance of its head and CSI’s corporate director Michael Rinder has engaged in a campaign to eventually intimidate Robert Minton from publicly criticizing the organization and from financially aiding other critics of Scientology.

Rinder and his subordinate members of OSA executed this campaign by targeting in particular Minton's wife Therese, his two underage daughters, his neighbours, his former business partners, his parents and other relatives.

The harassment campaign against Minton consisted of four different operations:

1. Private investigators hired by the "Church of Scientology International" (CSI) conducted "noisy investigations" among Robert Minton's parents, relatives and former business partners to spread negative and derogatory information about Minton. The purpose of these activities was to alienate Minton from his relatives, friends and business partners.
2. Members of the OSA network, staff members and "parishioners" of the Church of Scientology branch of Boston picketed numerous times the home of Robert Minton in Boston knowing that his underage daughters were living there as well. This was even done well after the time when they were aware that Robert Minton had separated from his wife, that he was living in Sandown, New Hampshire and that his daughters continued living with their mother in Boston. The purpose of these demonstrations was to increase the moral pressure on Robert Minton to discontinue his activities directed at Scientology by harassing his wife and his daughters.
3. Private investigators hired by CSI, members of the OSA network, staff members and public members of the Church of Scientology branch of Boston distributed leaflets and flyers with negative and derogatory information about Robert Minton to the residents of the neighbourhood in which he and his wife were living in with the purpose of alienating him and his family from their neighbours and friends.
4. From the start and until the end of these operations against Robert Minton, senior executives of CSI and the OSA network publicly portrayed him in the worst possible manner in order to execute a character assassination of Minton. These executives discussed apparent embarrassing details of Minton's private life in a public forum and even tried to interfere in Minton's relationship with his wife.

The following is a chronological list of selected incidents of the above-mentioned operations, which were designed to intimidate Robert Minton in such a way that he would finally cease criticizing the Church of Scientology.

**November 18<sup>th</sup>, 1997** - Elliot Abelson, general counsel for CSI sent a letter to Minton, in which he threatened Minton with legal action by the organization should he further financially support other critics of Scientology [Exh. No. 81]. In the letter Abelson stated specifically:

" [ ... ] You appear to have undertaken the financial maintenance of a significant number of litigants adverse to Scientology Churches in the United States. [ ... ] You're now even financing the travel of hate-filled individuals, some of whom have already been prohibited by courts from committing further acts of violence against members of the Churches of Scientology, from across the United States to the Church of Scientology's premises in Clearwater, Florida.

"You are, in this manner, a responsible party in fostering a climate of hatred in Clearwater, which endangers our staff and parishioners who work and live there. [ ... ]

“Association with lawbreakers such as these, combined with the monetary demands that inevitably accompany their involvement in litigation or similar fertile areas for attempts of extortion, make your actions of interest to the prosecutors to whom such conduct has been referred. My client holds you, your associates and backers, financial or otherwise, personally responsible for any and all damages it has suffered or will continue to suffer as a result of your tortious officious intermeddling in Church litigation.

“The Church will not tolerate such conduct. I demand that you immediately withdraw all financial support for such matters and am warning you that you and those you’re financing have crossed the threshold of legality. I advise you to inform me forthwith what you have done to cease fomenting and financing unlawful attacks against my client. [ ... ]”

**December 9<sup>th</sup>, 1997** - On this day the “Boston Globe” reported about the leafleting of Minton’s Boston neighbourhood by Scientologists and on comments of Scientology’s senior executives about Minton’s activities [[Exh. No. 30](#)]:

“ [ ... ] Church officials accuse Minton of harboring hatred toward Scientology and attempting to foment internal dissent. On Friday while Minton was in Florida, several church members passed out fliers on Beacon Hill with his picture, denouncing him.

“Frank Ofman, a spokesman for the Boston-area branch of the Church of Scientology, said church members distributed the leaflets to highlight Minton’s bias.

“‘The face of religious bigotry your neighbor, Robert Minton is not all what he seems,’ read the fliers, which were not identified as coming from the Church of Scientology.

“‘This week he is leading a KKK-style rally against peaceful members of a religion. When he’s not stirring up hatred in the streets, Minton is poisoning the Internet by filling it full of religious bigotry and intolerance.’ [ ... ]

“Church officials acknowledged that they have conducted their own investigation into Minton’s funding practices. ‘This is an extremely shady character because he covertly engages in a campaign to harm our religion,’ said Kurt Weiland, director of external affairs for the church. ‘It’s immoral and quite frankly perverse.’ [ ... ]”

On the same day the “Associated Press” published also a story on Minton. The article included statements of Scientology officials about the organization’s motive to investigate Minton [[Exh. No. 32](#)]:

“ [ ... ] ‘Who’s behind this guy?’ said Kendrick Moxon, an attorney for the Church of Scientology. ‘The man is going to be sued because he has committed torts all over the country and I want to know why is he trying to destroy religion and create chaos.’

“Kurt Weiland, a Los Angeles-based spokesman for the Scientologists, accused Minton of ‘covertly funding, and in this way, manipulating litigation.’

“Members of the Boston-area branch of the church passed out flyers on Beacon Hill last Friday, denouncing Minton. ‘This week he is leading a KKK-style rally against peaceful members of a religion,’ read the flyer. [ ... ]

“Weiland admitted the group’s lawyers had hired at least one private investigator to look into Minton’s private life. ‘If it takes five to get to the bottom of it to find out what are the hidden motives of this man, I will gladly endorse our lawyers to hire five.’ [ ... ]”

**January 6<sup>th</sup>, 1998** - On the Internet Minton reported that Scientologists had distributed leaflets in the immediate neighbourhood of his residence [Exh. No. 82]. The leaflet, which was issued by the “Church of Scientology of Boston,” stated [Exh. No. 83]:

“Hatred Hidden Behind ‘Free Speech’

“The face of religious bigotry: Your neighbor, Robert Minton of 39 West Cedar Street, is not all that he seems.

“He is leading a KKK-style attack against peaceful members of a religion. When he is not stirring up hatred in the streets, Minton is poisoning the Internet by filling it full of religious bigotry and intolerance.

“Minton’s hatred puts families at risk.”

**January 8<sup>th</sup>, 1998** - In another posting on the Internet Minton reported that during the course of an investigation of his family background the private detective David Lee had visited Minton’s mother, two brothers and his uncle [Exh. No. 84].

**January 26<sup>th</sup>, 1998** – On this day a new flyer was distributed in the area of Minton’s home in Boston [Exh. No. 85]. The flyer read:

“MANY OF THIS MAN’S NEIGHBORS ARE ASKING WHAT’S YOUR REAL AGENDA?

“ROBERT MINTON, OF 137 FREMONT ROAD, SANDOWN, NH HAS GIVEN \$ 1.25 MILLION TO COMPLETE STRANGERS TO DESTROY A RELIGION WHILE HIS MOTHER LIVES ON SOCIAL SECURITY. HE EVEN PUT A LIEN ON HER HOUSE AND CHARGED HER 10% INTEREST AS THE PRICE OF A LOAN.

“WHY IS HE SO MEAN AND CHEAP TO HIS OWN FAMILY WHILE SHOWERING RICHES ON RELIGIOUS BIGOTS TO FUND THEIR HATE CAMPAIGNS? LIKE MANY HATE MONGERS, HE HAS A HISTORY OF PSYCHIATRIC PROBLEMS.

“BUT A TROUBLED PAST IS NO EXCUSE FOR LEADING KKK-STYLE RALLIES AND SPREADING POISON ON THE INTERNET ABOUT A PEACEFUL RELIGION KNOWN FOR ITS HELPFUL LITERACY AND DRUG REHABILITATION PROGRAMS.

“WHAT’S YOUR GAME, ROBERT MINTON?

“This was written as a public service of STAND (Scientologists Taking Action for Non-Discrimination)”

**February 11<sup>th</sup>, 1998** - Minton reported about a picket in front of his Boston home on the previous day, where two Scientologists demonstrated and handed out leaflets [Exh. No. 86]. On this occasion Minton photographed the picketers [Exh. No. 87].

**June 16<sup>th</sup>, 1998** - NBC aired a feature on Minton’s “crusade” against Scientology in its program “Dateline.” The broadcast also discussed the pickets by the Scientologists and the investigations of Minton by the organization’s private investigators [Exh. No. 33]:

[ ... ] Hockenberry: (Voiceover) “There are plenty of critics of Scientology against whom the church takes no action. But the investigation of Robert Minton started last November, and it started with his family back in Tennessee.”



Ms. Carolyn Medwedef: “He came in and he said, ‘I am David Lee, and handed me his card. I am an investigator and I want to talk to you about Bob.’”

Hockenberry: (V) “Carolyn Medwedef is Bob Minton’s aunt. She works as a receptionist in her husband’s dental office. And when investigator David Lee, working on behalf of the church, just showed up one day in the office waiting room, she says he wasn’t just asking for information, he was also giving it out.”

Ms. Medwedef: “He was just trying to say that Bob had been terrible to his mother, and that he thought Bob should help his mother and get off of this Scientology kick.”

Hockenberry: (V) “Lee then tracked down Bob’s brothers, his father, his son from a previous marriage, and both of his ex-wives.”

Mr. Rinder: “You know, these people don’t have nice things to say about Bob Minton. His former wives talk about how he beat them up, and his son is pretty upset about how he was mistreated by his father.”

Hockenberry: (V) “Bob Minton denies beating his ex-wives, although his first wife told DATELINE Bob hit her once. But there’s no denying that Scientology has managed to stir up a lot of old animosities. For instance, Bob’s son Rob says he’s always had money issues with his father. But learning from a Scientology investigator that his dad spent a quarter of a million dollars to buy some strangers a house was deeply upsetting. He told DATELINE this the last straw between him and his father.”

Mr. Minton: “The Church of Scientology destroys families. They know how to stir those issues up. You know, they clearly were trying to do the same types of things with the relationship between me and my son, which is clearly a button that they saw I was vulnerable on and would like to push.”

Hockenberry: “And they pushed it.”

Mr. Minton: “And they did.”

Mr. Rinder: “His mother is upset about the fact that he’s dishing off hundreds of thousands of dollars to people whom he doesn’t even know.”

Hockenberry: “Now, we - let’s ...”

Mr. Rinder: “And yet, she does - has a mortgage on a house and he gives her a loan rather than gives her money.”

Hockenberry: “OK. A cynical view would say, if your investigator is going to Bob Minton’s mom and saying, ‘Did you know he’s giving away money?’, and she gets outraged, and that gets back to Bob, that sounds more like harassment to me.

Mr. Rinder: “It sounds more like an investigation to me. But, certainly, let - let’s put the shoe on the other foot for a minute. Bob Minton is going around to the media saying, ‘Did you know Scientologists do this, did you know Scientologists do that?’ You know, he characterizes that as free speech.”

Hockenberry: “Well, it is free speech.”

Mr. Rinder: “Well, certainly it’s no different.”

Hockenberry: (V) “But Bob Minton says there’s a significant difference. Scientology is a powerful organization that seeks out the powerless, to stir up trouble. Bob’s mother has severe emphysema and dementia, and Bob’s aunt Carolyn says the investigator took advantage of her, confusing her, putting words in her mouth and taking other statements out of context.”

Mr. Medwedef: “She has been in the hospital emergency twice since then. She’s in a nursing home. It devastated her when she found out what David Lee did.”

Hockenberry: (V) “And Bob’s current wife, Therese, says the church has brought its campaign right to her doorstep. Leaflets about Bob arrived on their daughter’s birthday.”

Hockenberry: “Which said what?”

Mrs. Therese Minton: “Oh, Bob’s a member of the Ku Klux Klan, he’s a religious bigot, he’s suppressing - the most un-, unbelievable garbage.”

Hockenberry: (V) “Therese Minton says hate leaflets, that church leaders deny having anything to do with, also found their way to the family’s vacation this past spring. On the beaches of the Caribbean, Minton was accused of having ‘exploited the people of the third-world countries’ to make millions, of brutally beating his ex-wives, and of and ‘supporting a ring which includes wife beaters, child molesters and a pornography editor.’ In fact, by this April, Minton says church investigators had managed to badmouth him to most of the people he had ever worked with or known, going back decades and on four continents.”

Mr. Minton: “It is pure and simple harassment. You know, they’ve tried to turn my family against me, they’ve tried to paint me as some insane person.”

Hockenberry: (V) “An associate of Minton says the investigators chillingly dropped hints that he was unstable, worried that Bob would suddenly walk into a church and begin shooting Scientologists.” [ ... ]

When asked for a comment during an interview for the show, OSA chief Michael Rinder denounced Minton as a criminal:

[ ... ] Mr. Rinder: “Bob Minton falls into a category similar to those anti-Semites who are out to make it seem like there is something wrong with being a Jew.”

Hockenberry: (V) “Senior Scientology Official Mike Rinder and his colleagues at the church think Minton is an impressionable man who’s been manipulated by the critics and misinformed.” [ ... ]

Hockenberry: “L. Ron Hubbard says, ‘we do not find critics of Scientology who do not have criminal pasts. Over and over we prove this. We have this technical fact: Those who oppose us have crimes to hide.’ Do you believe that?”

Mr. Rinder: “Sure.”

Hockenberry: “People who oppose you are undoubtedly criminals?”

Mr. Rinder: “I believe that, yeah.”

Hockenberry: “Is Bob Minton a criminal?”

Mr. Rinder: “I think that we will - we will discover that at some point.” [ ... ]



July 9<sup>th</sup>, 1998 - Another article of the “Boston Globe” summarized the campaign the Church of Scientology had launched against Minton and its effects upon his family. It also included comments on Minton made by the president of CSI, Heber Jentzsch [Exh. No. 36]:

“ [ ... ] Since last fall Minton has been greeted with anti-Minton fliers written by Scientologists and dropped on his and his neighbors’ doorsteps or pinned to trees lining the quaint streets of his upscale urban neighborhood. He’s looked out his windows to see groups from the church picketing his house. And he’s had detectives hired by the Scientologists checking every phase of his background both here and abroad - and this has affected the relationship between Minton and his mother and son. [ ... ]

“But what he found most disturbing were the anti-Minton fliers distributed while he was vacationing with his family on the Caribbean island of St. Barts in March. After a day at the beach, Minton returned to his car to find the church’s calling cards on his and more than a dozen other windshields. [ ... ]

“He wonders, for example, if the Scientologists are responsible for a dead cat he found on his doorstep in New Hampshire. And he wonders if they stole his laptop computer and address book from the trunk of his rental car in California, where he’d gone to picket the church’s April celebration of Hubbard’s birthday.

“Jentzsch acknowledges that the church hired detectives to look into Minton’s past, had an attorney contact him, and that Scientologists did distribute fliers in Boston. But he denies any church involvement in the cat and computer incidents. [ ... ]

“But it was the fliers that have been the most public and vitriolic. Some of the accusations: ‘Robert Minton, of ... West Cedar Street, has given \$ 1.25 million to complete strangers to destroy a religion while his own mother lives on Social Security.’

“Like many hate mongers, he has a history of psychiatric problems. But a troubled past is no excuse for leading KKK-style rallies and spreading poison on the Internet about a peaceful religion known for its helpful literacy and drug rehabilitation programs.’

“Mr. Minton refuses to help his own son with a loan to purchase a house, yet forked over \$ 1.5 million to fund the members of a known hate group in a campaign to create intolerance & hatred.’ Mr. Minton acts like a bully to anyone he can manipulate with his money. His second wife left him rather than put up with his brutal beatings.’

“The first of these fliers was unsigned, succeeding ones, with the exception of the St. Barts missive, carried the following identifier: ‘This is written as a public service of STAND (Scientologists Taking Action for Non-Discrimination).’ [ ... ]

“Jentzsch says he does not know anything about the fliers in St. Barts but does confirm that ‘individual Scientologists have distributed fliers in Boston to draw attention to what they felt was Minton’s religious bigotry.’

“Minton’s wife, Therese, says she supports her husband. His dedication does not surprise her, she says, because her husband has always had strong beliefs. But does she hope his involvement will end?

“Oh God, I hope so,’ she says during a short telephone interview. ‘But I know he has made a commitment and I feel my job is to protect my family and not let all this have a negative effect on our lives. I’ve tried to make it a positive experience for our girls. That their dad has strong beliefs and it’s important to have such beliefs and to stand up for what he believes is right.’

“She says they don’t thrash it out at the dinner table but talk about other things. ‘But I guess I do exercise more caution than the girls know about,’ says Therese, whose family in England was contacted by Scientologists looking into her background. ‘I look at who’s walking down our street when I go out the front door and take other little precautions. But I want everyone to know that we are truly there for him.’

“Jentzsch confirms that church attorneys retained ‘qualified investigators’ to try to ‘discover the man’s true agenda.’ [ ... ]

“What Minton has found most disturbing is that his mother, son, and brother talked to detectives after he’d warned them to keep silent. He has little contact with them and is openly upset by what he sees as their betrayal.

“Detectives ‘went to where my family works or to their homes and told them that I was being accused of hate crimes against the Scientologists,’ says Minton. ‘They said I was giving millions to people who are out to destroy the Scientologists. They told my mother that if I wasn’t putting all these millions into a war against the Scientologists, maybe she could have a nicer home. They used the same tactic with my son and he began to question how I was spending my money.’

“He says his mother probably sat down with the detectives because, like any mother, she likes to talk about her sons. His younger brother, he says, was probably shaken after being told his big brother was under investigation for an extortion attempt against the church. He probably thought, says Minton that somehow he might get in trouble if he kept silent.

“I guess I didn’t do a good enough job preparing my family for the tactics of these people,’ says Minton, who grew up in Nashville. ‘My family is Southern and they’re not used to dealing with strangers in a forceful way.’

Minton’s mother, Catherine Minton, says she is surprised by her son’s involvement with the Scientologists because she didn’t think ‘he was interested in these sorts of things.’ She agreed to talk with two Scientology members who arrived on her doorstep, but now regrets that she did.

“I was really upset when they left,’ says his mother, during a phone conversation from her room in a Florida nursing home. ‘They wanted to know everything about Bob and it really was none of their business. I wish I’d never let them into my house. I wish I hadn’t talked to them.’”

**July 25<sup>th</sup>, 1998** - Michael Rinder wrote the first of three letters to Therese Minton in order to interfere in her relationship with her husband. Robert Minton later posted the letters on the Internet [[Exh. No. 38](#)]:

“ [ ... ] I write to you directly because I have asked Bob to allow us to meet together to discuss the current situation, but he has declined.

“I am certain you are unaware of the real activities and nature of the people Bob is involved with, and I do not believe you would want your family engaged in these matters if you knew the character of these people or their agenda with respect to the ‘Minton money.’

“While Bob claims that the Church has sought to upset his family, in truth it is his activities that are the source of the turmoil that now surrounds his life and yours. It comes about as a result of his relationship with a group of morally bankrupt individuals who are taking money from him while they are engaged in unethical and even criminal activities. [ ... ]

“Courts have found several of this group of low-lives [sic] guilty of violating the Church’s rights and yet Bob gives them money to continue. A couple of them are wife abusers and child molesters. None

are fit to be in the presence of you or your children, yet Bob is playing Santa Claus to them with your money. Bob's irresponsible, if not outright malicious acts, are damaging my church and individual Scientologists as well as you and your children.

"I believe a face-to-face meeting between us would be helpful. This is a serious matter. What is occurring is causing a great deal of damage. If you were aware of all the facts, I am sure you would not support what is happening.

"You can contact me at 213-960-3500 or 213-960-3508 (fax). I look forward to hearing from you."

**July 30<sup>th</sup>, 1998** - Rinder wrote a second letter to Therese, in which he tried to use the information about Minton's affair with Stacy Young to turn Therese Minton against her husband [Exh. No. 39]:

" [ ... ] You are probably under considerable stress and you need to understand that my interests at this point are similar to yours. I want to inform you of facts and assist you, and I think I am in a position to do so. [ ... ]

"Mrs. Minton, I have never met you, and your only information about me is what you have heard from your husband and Stacy Young who would have nothing but the worst things to say about me.

"I reiterate the request of my earlier letter. I wish to make you aware of information through a face-to-face meeting at your convenience. Again, I believe that if you were aware of all the facts you would not support what is happening.

"You can contact me at 213-960-3500 or by fax at 213-960-5308. [ ... ] "

**August 24<sup>th</sup>, 1998** - Scientologists picketed and distributed leaflets at the "Turan Corporation" in Boston. Its owner, Robert Smith had been identified as a former business partner of Minton. The distributed leaflets stated [Exh. No. 88]:

"Turan Corp. Connection to the Religious Bigotry of Robert S. Minton

"Robert Minton, a man with links to Turan Corporation's Robert Smith, has blatantly lied to the American public and media about our church, its members, its goals and actions. We refuse to allow our religion to be smeared and maligned any longer.

"Minton has held himself out on national television and to the press to be an upstanding citizen, but he is using his many millions of dollars to force his bigoted views onto our church and its parishioners to 'reform it' [ ... ] He promotes an agenda of bigotry.

"Minton and Smith did business in Nigeria. Minton made a lot of his money, he says, by helping the country's dictatorial leadership to successfully default on multi-million dollar loans. Everyone with the inside knowledge benefited but as events and statistics show, the people suffered.

"While millions were siphoned off in 'commissions,' and lenders had to write off huge losses, the leaders of the country completely ignored the human suffering and misery of its citizens. Is this how a man of principal acts? [ ... ]

"By the Free Speech & Religious Freedom Committee of the Parishioners of the Church of Scientology of Boston."

August 26<sup>th</sup>, 1998 - Rinder wrote a third letter to Therese Minton, again trying to use Robert Minton's affair with Stacy Young to pursue his agenda [Exh. No. 40]:

"[ ... ] I imagine that by this time you have probably become aware that some of the things I said in my earlier letters have now proven true. As a matter of fact, I can show you a great deal of information supporting the statements in those letters. I believe there is much more information that you do not have concerning the activities of Bob and the people he has gotten hooked up with. Clearly, Bob's involvement with Stacy Young and others has not had a positive effect on your family.

"While I am sure you have been told various lies about me and the Church of Scientology, you have no downside in hearing what information I have to offer. I would like the opportunity to speak with you face to face. You can call (213 960-3500) or fax me (213 960-3508). [ ... ]"

August 31<sup>st</sup>, 1998 - According to an Internet posting of Minton, Scientologists distributed on this day leaflets about Minton's affair with Stacy Young in the neighbourhood of Therese Minton's home. He also stated that private detectives had been following Therese while she had been on vacation in England [Exh. No. 89].

October 9<sup>th</sup>, 1998 - In another Internet posting Minton reported that Scientology private investigator Peter Franks had given his former business partner Jeffrey Schmidt a package with documents containing negative material on Minton during a conference of the IMF conference [Exh. No. 44]. Minton additionally quoted a leaflet that was distributed by Scientologists outside the home of another former business partner, Selwyn Lewis:

"WHY ARE WE PROTESTING HERE?

"WHAT IS SELWYN LEWIS' CONNECTION TO ROBERT S. MINTON?

"THE TRUTH BEHIND THE LIES

"Robert Minton, a wealthy American with past business ties to Mr. Selwyn Lewis of 232 Keoff Road, Clifford, Cape Town, South Africa, is a director and the main financial supporter of an anti religious hate group which mindlessly attacks minorities.

"Mr. Minton, along with Mr. Selwyn Lewis, accumulated his wealth through conducted business transactions with Nigeria while it was under the tight grip of military dictatorship. This same dictatorship has actively prevented Nigeria from creating a democratic system in the country and has siphoned billions of dollars from its people through criminal deals.

"Although one of the richest nations in Africa due to its petroleum output, Nigeria yet suffers from economic repression because of the greed and blatant financial mismanagement by its rulers and their international banker friends.

"The economic plight of the Nigerian people was created through a crushing debt to foreign banks as a result of the criminal actions of foreign capitalists who sought to exploit the people of Nigeria.

"Persons such as Mr. Minton and Mr. Lewis later profited handsomely from Nigeria's economic woes by further manipulation of the financial situation, creating a secondary market to trade the huge debt of the country. These secondary market financial dealings has not brought about an increase in prosperity for the citizens of the country and the economic crisis is acute. However, Minton and Mr. Lewis profited nicely and got out 'while the going was good.' [ ... ]

“Although Mr. Lewis is not involved in Mr. Minton’s anti-religious hate group, he has not been willing to disclose the full truth about Mr. Minton’s unethical behavior and shady exploits. Why not? This is not how honest businessmen act, not how men of principle conduct themselves. [ ... ]

“We demand that Mr. Minton and anyone who may be assisting him, such as Selwyn Lewis, cease their unlawful acts and to use their wealth to help, not create hate.

“Free Speech and Religious Freedom Committee of the Parishioners of the Church of Scientology”

On the same day a similar sounding leaflet was distributed during a picket outside of “Hillsleigh International Ltd,” a company of which Minton and Schmidt were investors. The leaflet stated [Exh. No. 90]:

“WHY ARE WE PROTESTING OUTSIDE HILLSLEIGH INTERNATIONAL LTD?

“WHAT IS JEFFREY SCHMIDT’S CONNECTION TO THE RELIGIOUS BIGOTRY OF ROBERT S. MINTON?

“THE TRUTH BEHIND THE LIES

“Robert Minton, a wealthy American with past business ties to Jeffrey Schmidt of Hillsleigh International Ltd., has blatantly lied to the public and media about our Church, the Church of Scientology, its members, its goals and actions [ ... ].

Minton and Jeffrey Schmidt made a lot of money through Mr. Schmidt’s contacts, by helping the dictatorial leadership of Nigeria and other third world countries to successfully default on multimillion-pound loans. Those who had the inside knowledge benefited in the debt trading business but, as events and statistics show, while millions of pounds were siphoned off in ‘commissions’ and lenders had to write off huge losses, the leaders of Nigeria ignored the human suffering and misery of its citizens. Is this how men of principle act? [ ... ]

“Free Speech & Religious Freedom Committee of the Parishioners of the Church of Scientology”

December 16<sup>th</sup>, 1998 - Minton posted on the Internet that two Scientologists picketed in front of Therese Minton’s house in Boston on the previous day [Exh. No. 91].

December 23<sup>rd</sup>, 1998 - In another Internet posting Minton stated that during the previous day Scientologists had distributed leaflets in the neighbourhood of Therese Minton’s home, which mentioned Robert Minton’s affair with Stacy Young [Exh. No. 92]. The leaflets said [Exh. No. 93]:

“We Call It Adultery - Stacy Young and Robert S. Minton

“On, August 25, 1998, Robert Minton proclaimed on the Internet, ‘Stacy and I are not having an affair! We are getting married. If it really bothers anybody that I love Stacy and she loves me, that is too f\*\*\*ing bad, because I don’t care what Scientology or anybody else thinks.’

“There is one ethical consideration: Minton is married and has two young daughters who live on Beacon Hill. Stacy also had a husband. If this sounds bizarre, consider the statement Minton made to a member of the Church of Scientology as Minton picketed in front of a church building:

“‘Yo, mama. I’ve been f\*\*\*ing your mama for a long time, that’s why you’ve got curly hair.’ - Robert Minton, November 30, 1998

“This is his idea of ‘free speech.’

“Minton has spent over \$ 2 million of his family's wealth creating hatred and bigotry towards members of our religion. Minton's behavior is socially obnoxious and morally impaired.

“Distributed by: FRIENDS OF RELIGIOUS FREEDOM”

**December 29<sup>th</sup>, 1998** - Minton reported that all the residents of the town of Sandown had received a letter written and signed by Scientologist Maureen O’Keefe [Exh. No. 94]. The letter was allegedly sponsored by the “Parishioners of the Church of Scientology of Boston.” It was dated December 26<sup>th</sup> and stated [Exh. No. 95]:

“COMMITTEE ON CONSTITUTIONAL RIGHTS - AN OPEN LETTER TO SANDOWN RESIDENTS

“My name is Maureen O’Keefe and I am a parishioner of the Church of Scientology. While you may be aware of the on-going conflict between Scientologists and Robert S. Minton, Jr. of 137 Fremont Road here in Sandown, I realized that most have never been told the truth of what this conflict is all about. The purpose of this letter is -to-provide you with some basic facts of what the situation is and why we have been demonstrating against Mr. Minton here in your town.

“About a year ago, I first became aware of Robert Minton when, seemingly out of nowhere, he began verbally attacking my Church and spreading vicious lies via the media and the Internet about Scientology and its founder, L. Ron Hubbard. Since that time, Mr. Minton has become increasingly vocal and violent in his attacks on my Church and parishioners, myself included. He has poured millions of dollars into funding what is nothing less than a massive anti-religious hate campaign. The latest fact sheet is enclosed.

“On August 13, 1998, however, Robert Minton crossed the line as far as I was concerned. On that day, while professing to be a Scientologist, Mr. Minton tried to force his way into my Church on Beacon Street in Boston. After I refused to allow him to enter, Mr. Minton emphatically stated, ‘I am going to destroy Scientology!’ At that moment I decided that I was not going to allow him to impede my Constitutional Right to freely practice the religion of my choice.

“Religious freedom is not contingent upon whether or not Robert Minton happens to agree with my religious beliefs. It is my right as an American just as it is every American’s right, including yours. All I have asked of Mr. Minton is that he respects the religious beliefs of others. Our message to him is quite simple: ‘You leave us alone. We’ll leave you alone.’ It is simply a matter of defending one's Constitutional Rights.

“I’d like to thank you for listening and wish you and your family a very happy holiday season and a prosperous 1999. If you have any questions or would like to know what you can do to help protect religious freedom, please feel free to write me at the address below.”

**October 26<sup>th</sup>, 1999** - Another Internet posting by Minton announced that he had received calls from five residents in Sandown who had informed him of a letter they had received. At a later point Minton learned that the same letter had also been sent to the school that his daughter attended [Exh. No. 96]. The letter, which had attachments of his Internet postings, appeared to be a public warning about Minton:

“If you have any dealings with Mr. Minton of 137 Fremont Rd., Sandown, New Hampshire, please be aware of his activities on the internet.



“This sort of behavior by Mr. Minton has occurred repeatedly and he has acted out some of his expressions in the form of violence at various times. He appears to be incapable of controlling himself; thus you are being alerted.”

**October 30<sup>th</sup>, 1999** - A leaflet with the headline “Trick or Treaters beware,” which featured a photo of Minton was distributed in the neighbourhood of Minton’s home in Sandown [Exh. No. 97].

**January 16<sup>th</sup>, 2000** - Minton reported in an Internet posting that Scientologists had demonstrated in front of Therese Minton’s house for three days in a row [Exh. No. 98].

**January 29<sup>th</sup>, 2001** - An Internet posting of Minton stated that since September 2000 two Scientologists had distributed leaflets in the neighbourhood of Therese Minton three to four times a week [Exh. No. 99]. The leaflets contained negative information about Minton’s prior business deals with the government of Nigeria. One of these flyers stated:

“The World Bank and the Nigerian secret debt buy-back schemes

“In two complex frauds, involving over US \$ 6 billion in Nigerian funds between the years 1987-1998, Nigerian officials and American banker Robert Minton filled their own pockets at the expense of unsuspecting debt holders, financial institutions and Nigerian creditors. Minton defended his criminal actions by claiming that he had the tacit approval of the IMF and World Bank.

“Mr. Caio Koch-Weser headed the African desk of the World Bank at the time. His appointment as Managing Director of the IMF was vetoed by the US early in 2000; he is currently the Deputy Finance Minister of Germany.

“If Minton is right it could catapult the World Bank into the midst of an explosive situation because one of the biggest deals Minton carried out was with the Paris Club of creditors which lost billions of dollars.

“The scheme itself was kept secret with debt holders, financial institutions and Nigerian creditors not being informed by Minton that he was buying the debts with Nigerian funds. [ ... ] ”

**May 29<sup>th</sup>, 2002** - During the cross-examination in the McPherson civil court hearings Minton was asked by the estate’s attorney Kennan Dandar for the “worst thing” the Scientologists had done to him. Minton then recounted an incident, which had happened in February of 2000 when his wife Therese had applied for a membership in a tennis club in Boston.

The application for the club membership was denied after the members of the admissions committee had received documents with negative information about Robert Minton and Therese. The document had apparently been sent by Scientologists:

[ ... ] Dandar: “What was the worst thing they did to you?”

Minton: “You know, I don’t - well, it wasn’t actually something they did to me. It was something they did - at least I thought they did, and it wasn’t denied, it wasn’t admitted either. But my children like to play tennis. And my wife was being sponsored by a man who was the president of Fidelity Investments in Boston to join Longwood Tennis Club, sort of a country club in Brooklawn. And somebody sent to all of the members of this admissions committee or acceptance committee copies of all of this stuff concerning Nigeria, and that Therese was under indictment in Nigeria and Minton

was - I was under indictment. And, you know, that was - that was hurtful to me that, you know, I couldn't help her deal with that in any way."

Q: "What year was this?"

A: "I would imagine it would have been in 2000."

Q: "What is the worst thing they said that you did ..."

The Court: "Did this cost her membership in this club?"

The Witness: "She didn't get in."

By Mr. Dandar: "What is the worst ..."

The Witness: "I mean, everybody sort of backed away."

A: "Sorry, what was the question?"

By Mr. Dandar: "What did they tell you was the worst thing you did?"

The Court: "Wait a second. You were not indicted in Nigeria, were you?"

The Witness: "No, your Honor."

The Court: "So whatever it was that was being sent was not even true, was it?"

The Witness: "That's right." [ ... ]

The above listed incidents from 1997 until 2001 were not the only operations that the Church of Scientology undertook to intimidate Robert Minton. Apparently there were even more pickets by Scientologists in front of the home of Therese Minton than the ones I have listed. And the private investigators certainly followed up more business partners of Minton than I could document in this affidavit.

These particular activities by the Church of Scientology were of abusive nature and were clearly designed to eventually discourage Minton to speak out against Scientology and therefore to deprive him of his First Amendment rights.

The operations that I have described targeted not only Minton but as well innocent bystanders that were used by the Scientologists and their private investigators as pawns to pressure Minton for an unilateral surrender in his conflict with the organization.

CSI's president Heber Jentzsch declared in an interview with the "Boston Globe" that the leaflets that criticized Minton had been distributed by "individual Scientologists." Strangely enough, several of these flyers contained information that had been gathered by the private investigators hired by CSI, which proves that the distribution of these leaflets was in fact orchestrated by the Church of Scientology, respectively by its "Office of Special Affairs" network.

For these reasons and exemplary for all the individuals who were eventually involved in the harassment of Robert Minton's family, I have included Michael Rinder, the head of all



intelligence operations within CSI, Elliot Abelson, who initiated the overall campaign with his letter from November 1997, the “Church of Scientology International”, which hosts the strategic and executive branch of its intelligence network, the “Office of Special Affairs International,” and finally the “Church of Scientology of Boston,” which ultimately was responsible for the picketing and leafleting of the homes of Minton and his family.

## **Chapter 95 - Racketeering**

### **Sec. 1956 - Laundering of monetary instrument**

“... (2) Whoever transports, transmits, or transfers, or attempts to transport, transmit, or transfer a monetary instrument or funds from a place in the United States to or through a place outside the United States or to a place in the United States from or through a place outside the United States -

“(A) with the intent to promote the carrying on of specified unlawful activity; or

“(B) knowing that the monetary instrument or funds involved in the transportation, transmission, or transfer represent the proceeds of some form of unlawful activity and knowing that such transportation, transmission, or transfer is designed in whole or in part -

“(i) to conceal or disguise the nature, the location, the source, the ownership, or the control of the proceeds of specified unlawful activity; or

“(ii) to avoid a transaction reporting requirement under State or Federal law, shall be sentenced to a fine of not more than \$ 500,000 or twice the value of the monetary instrument or funds involved in the transportation, transmission, or transfer, whichever is greater, or imprisonment for not more than twenty years, or both. For the purpose of the offense described in subparagraph (B), the defendant’s knowledge may be established by proof that a law enforcement officer represented the matter specified in subparagraph (B) as true, and the defendant’s subsequent statements or actions indicate that the defendant believed such representations to be true.”

*Count 1: The importing of non-declared funds of least US \$ 1,500,000 from overseas bank accounts by Robert Minton for the purpose to finance a civil litigation and to reimburse himself by funneling parts of these funds through the Floridian for-profit corporation “Lisa McPherson Trust” and through two foreign citizens.*

*Count 2: The perjury committed by Robert Minton in connection with these transactions by not disclosing them during the discovery process in two civil lawsuits.*

From 1996 until March of 2002 Robert Minton expended approximately \$ 10 million to financially support critics of the Church of Scientology. During court proceedings in two civil lawsuits it was revealed recently that Minton had lied during depositions about the origins of five payments of \$ 1,500,000 from overseas bank accounts that he had made between 1999 and 2001 towards the attorney of the estate of Lisa McPherson, the individual Gerald Armstrong and towards the “Lisa McPherson Trust, Inc.”, a corporation, which Minton had incorporated, financially supported and controlled. The “Lisa McPherson Trust” partially reimbursed him with \$ 650,000 of his own money after the hidden payments from Minton’s overseas accounts had been received by the organization.

Minton had before falsely denied that he had issued these payments. While he admitted in the recent court hearings that he was in fact the originator of these donations, he refused to identify the financial institution from which he had these payments initiated. Invoking his 5<sup>th</sup> Amendment right against self-incrimination, he refused to answer every question with regards to the origins of these funds. On the same grounds Minton denied to answer the question if he had declared the money on these accounts to the Internal Revenue Service.

During the same proceedings the witness Peter Alexander stated under oath that Minton had confided to him in April of 2000 that he had not declared the earnings of a debt buy-back operation for the government of Nigeria to the Internal Revenue Service. The mentioned buy-back operation had been Minton's major business transaction shortly before his early retirement in 1993.

Minton's perjury in connection with these secret funding operations was finally discovered after almost two years of legal discovery. It had its beginnings in May of the year 2000. The legal events that followed were a reflection of Minton's constant attempts to conceal his financial transactions. On the following pages I describe how the discovery of Minton's secret funding came about.

**May 3<sup>rd</sup>, 2000** - During a court hearing in the Lisa McPherson civil case ("Estate of Lisa McPherson vs. Church of Scientology Flag Service Organization, Inc. et al," Circuit Court for Hillsborough County, No. 97-01235 [[Exh. No. 100](#)]) the Church of Scientology attorney Kendrick Moxon moved for a renewed deposition of Robert Minton. Up to this point Minton had previously been deposed in January 1998. At the hearing Moxon argued before judge Moody as follows [[Exh. No. 101](#)]:

[ ... ] Moxon: "In the past couple of years Mr. Minton has made a number of public statements that have been revealed through other discovery which shows that he's not only a central issue, central witness to this case, but he is also central as a potential real party in interest." [ ... ]

"Robert Minton essentially controls this litigation. We believe that he is the real party in interest. Prior to trial we may be making a motion to include Robert Minton in as a real party in interest, as the person who has control of this litigation or has a deal with the plaintiff." [ ... ]

"He has provided all of the money as far as we can tell, every penny that has gone to all of the witnesses that we have indicated have been bought off and have been paid witnesses which is unlawful under Florida law and requiring disqualification of Mr. Dandar and the witnesses themselves. That is a rather important issue." [ ... ]

The Court: "What was the date of your deposition of him?"

Moxon: "January of 1998. In January 1998, of course, he had only put a hundred thousand dollars into this case. He has put in seven hundred and fifty thousand dollars since then, according to his own postings and information that he has produced or that Mr. Dandar, rather, has produced."

The Court: "I will allow you to depose Mr. Minton on matters that occurred after the date of his deposition." [ ... ]

Mr. Dandar: "Is that only in reference to Lisa McPherson and the case or is it to Mr. Minton where he travels around the world ..."

The Court: "Issues relevant to this case, payments to support this case, witnesses to this case."

17<sup>th</sup>, May 2000 - Subsequently to the court's ruling Robert Minton was subpoenaed to appear for deposition on May 24<sup>th</sup> [Exh. No. 102].

23<sup>rd</sup>, May 2000 - A day prior to the deposition the court specified the scope of the questioning through a protective order, which said [Exh. No. 103]:

“ [ ... ] 3. The subject matter of the said deposition shall be limited to the witness's knowledge of payments to, pressures upon, or relevant statements of persons who are witnesses to the facts of this case or who have been identified by a party as its own expert witness, or payments to plaintiff or plaintiff's counsel. [ ... ] ”

24<sup>th</sup>, May 2000 - During deposition Minton answered the questions with regards to his financing of the Lisa McPherson civil case as follows [Exh. No. 104]:

[ ... ] Moxon: “Have you given Mr. Dandar any money since January 13<sup>th</sup>, 1998?”

Minton: “Yes.”

Q: “Tell me all the amounts that you have given him.”

A: “I don't know all the amounts. The total amounts to a little over a million dollars, \$ 1,050,000.”

Q: “Did you make these checks to him yourself?” [ ... ]

A: “Yes.”

Q: “Each check was drawn on one of you personal accounts?”

A: “I believe it was, yes.”

Q: “Did you instruct anyone else to write the checks or ...”

A: “No.”

Q: “... did you physically write them?”

A: “I think I physically wrote them all. There may have been a wire transfer in there or two. I don't remember.” [ ... ]

Q: “Now the million dollars you're talking about were checks written from you directly to Mr. Dandar or his law firm, Dandar & Dandar, correct?”

A: “Correct.”

Q: “Those checks were not written to a third party to give to Mr. Dandar?”

A: “No.” [ ... ]

The deposition was terminated before Moxon was actually finished with his questioning, because Minton had to go on a trip to Europe. Under a stipulation by both parties that it would be continued at a later date, the deposition was finally concluded.

**October 27<sup>th</sup>, 2000** - After Minton's return from Europe, the Church of Scientology's attorney Moxon tried unsuccessfully to arrange a date for the continuation of the deposition with Minton's attorney John Merrett. Consequently he filed a motion to the court to compel Minton. In his motion Moxon stated [[Exh. No. 105](#)]:

“ [ ... ] The Church further moves pursuant to Rule 1.380 of the Florida Rules of Civil Procedure, for an order: 1) requiring non-party witness Robert Minton to appear forthwith for the resumption of his previously ordered deposition; 2) compelling Minton to respond to questions he refused to answer; and 3) to produce documents responsive to a Court-authorized subpoena. [ ... ] ”

“Robert Minton is putatively a third party to this action. However he is in essence the real party in interest on plaintiff's side. Mr. Minton has acknowledged that as of May 2000, he had given plaintiff's counsel the astonishing sum of \$ 1,050,000 to litigate this case. Both through such direct payments, and through a for-profit corporation established by plaintiff's counsel to receive the hoped-for proceeds in this action, Minton appears to control this litigation and the witnesses hired to gave [sic] testimony on behalf of the plaintiff. [ ... ] ”

**November 20<sup>th</sup>, 2000** - Granting Scientology's motion, a court order issued by judge Quesada compelled Minton to appear for the continuation of his deposition on December 13<sup>th</sup>. Specifically the judge ordered [[Exh. No. 106](#)]:

“ [ ... ] The deposition is a general continuation of the pending deposition previously authorized by Judge Moody. [ ... ] John Merrett, counsel to Mr. Minton, represented at the hearing of this matter that his client possessed no records responsive to the subpoena served upon Mr. Minton by the Church in may of this year. Mr. Minton is further Ordered to submit a sworn declaration to such effect to Church counsel within 10 days, which may be the subject of examination at the continuation at his deposition. [ ... ] ”

**December 13<sup>th</sup>, 2000** - Instead of appearing at the deposition, Minton's counsel Merrett informed Moxon that the temporary restraining order in the “Howd vs. Minton” case would make it impossible for Minton to continue the deposition because he was prohibited by the order of judge Pennick from coming within ten feet of any Scientologist [[Exh. No. 107](#)].

**December 15<sup>th</sup>, 2000** - Moxon responded to the non-appearance with a renewed motion to compel Minton for deposition and a request for an order to show cause why Minton and Merrett should not be held in contempt of court [[Exh. No. 108](#)].

**January 10<sup>th</sup>, 2001** - Judge Quesada issued a renewed order to compel Minton's deposition and granted a request by Moxon to seek sanctions for Minton's non-appearance on December 13<sup>th</sup> [[Exh. No. 109](#)].

**June 14<sup>th</sup>, 2001** - In April of 2000 the Church of Scientology had sued the estate of Lisa McPherson and its attorney Kennan Dandar for breach of contract in connection with the 5<sup>th</sup> amended complaint in the Lisa McPherson civil suit [[Exh. No. 110](#)]. Similar as in the Lisa McPherson case, the Scientologists had focused their legal attention in the “breach of contract” case on Minton's financial contribution to the estate and his alleged control over the case. Likewise attorneys for the Church of Scientology moved to depose him.

When Minton did not appear for a scheduled deposition on March 1<sup>st</sup>, 2001, judge Douglas Baird found him in civil contempt on June 14<sup>th</sup> and ordered him to respond to a subpoena

served upon him [Exh. No. 111]. A deposition was later set for August 3<sup>rd</sup>, but Minton again did not appear for his deposition.

**August 15<sup>th</sup>, 2001** – Following a motion by the Church of Scientology, Stacy Brooks, the president of the LMT and Minton’s girlfriend, was deposed on this day. During the deposition Brooks revealed that the LMT had received two payments of \$ 800,000 from anonymous sources in Europe. \$ 650,000 of that sum had then been paid to Minton on the basis of a “loan repayment” [Exh. No. 112]:

[ ... ] Moxon: “What you’ve marked as Exhibit 11 are two checks to Robert Minton, one in the amount of \$ 200,000 and one in the amount of \$ 150,000?”

Brooks: “Yes.”

Q: “Is that a payroll to Mr. Minton?”

A: “No.”

Q: “What is it?”

A: “It’s a loan repayment.”

Q: “Mr. Minton loaned \$ 350,000 to the corporation?”

A: “More than that.”

Q: “How much did Mr. Minton loan to the corporation?”

A: “That represents \$ 650,000. The - the second piece of paper is a - it’s a record - it’s a bank record of a transfer to him. So the total is \$ 650,000.”

Q: “All right. Mr. Minton loaned \$ 650,000 to LMT?”

A: “Yes.”

Q: “Is Mr. Minton repaid that money out of funds that he gave to the company?”

A: “No.” [ ... ]

Q: “What was the source of the funds from which the \$ 600,000 was given to Mr. Minton?”

A: “The LMT received \$ 300,000 from Operation Clambake, and the rest of it came from an anonymous source who I don’t know who it was.”

At a later point during the deposition Moxon inquired about the exact amount of the payments, about “Operation Clambake” and if a loan arrangement between the LMT and Minton actually existed:

[ ... ] Moxon: “Is there a loan agreement?”

Brooks: “Yes.”

Q: “A written loan agreement?”

A: "No. It's not written."

Q: "An oral loan agreement?"

A: "Yes." [ ... ]

Q: "Are there any board minutes or any other corporate records indicating the fact of this loan or any circumstances of this loan from Mr. Minton?"

A: "No."

Q: "No paper whatsoever?"

A: "No." [ ... ]

Q: "How much did Operation Clambake give to LMT?"

A: "Approximately \$ 300,000." [ ... ]

Q: "How much did you get from this anonymous source?"

A: "Approximately \$ 500,000." [ ... ]

Q: "Who is Operation Clambake?"

A: "It's a Web site."

Q: "Do you know who controls the Web site?"

A: "A man named Andreas Heldal-Lund."

Q: "Was it Mr. Lund that transferred the \$ 300,000?"

A: "I am not really sure. I just know that it came from Operation Clambake." [ ... ]

Q: "Did you ask Mr. Minton where this money came from?"

A: "No." [ ... ]

Q: "So you have some idea who made this anonymous donation?"

A: "No. I just know the type of people who are concerned to make sure that the Lisa McPherson Trust continues."

Q: "Did you ask Mr. Minton who had made these investments in the trust?"

A: "Yes."

Q: "What did he tell you?"

A: "He said that they had asked to remain anonymous and he had given them his word." [ ... ]

August 29<sup>th</sup>, 2001 - After Minton had unsuccessfully challenged at the Appeals Court the order of judge Quesada for a further deposition, Pinellas county judge Schaeffer, who was

now presiding over the McPherson case, had to decide upon a motion by Moxon to compel again the appearance of Minton for a deposition. She granted the motion and a new date for the deposition was set for September 18<sup>th</sup> [Exh. No. 113].

**September 12<sup>th</sup>, 2001** - At a court hearing in the “breach of contract” case judge Baird found Minton in indirect contempt of court for his failure to appear for his deposition on August 3<sup>rd</sup>. He ordered Minton to appear before the court on October 4<sup>th</sup> for the imposition of a sentence [Exh. No. 114].

**September 18<sup>th</sup> & 19<sup>th</sup>, 2001** - During the deposition in the McPherson case Robert Minton invoked his 5<sup>th</sup> Amendment right on almost every question concerning his finances. He based his refusal to answer these questions upon the fact that the Church of Scientology in Germany had previously filed a criminal complaint for bribery against Hamburg city official Ursula Caberta for having accepted a loan from Minton.

At the beginning of the deposition Minton declared that he had destroyed all his financial records, despite the subpoena from May 2000 and the subsequent court orders to have certain documents preserved and produced, which would show his financial contributions to attorney Dandar and witnesses in the case [Exh. No. 115]:

[ ... ] Moxon: “All right. At your last deposition you indicated you were going to conduct a search at that time, and you would be producing documents at the next deposition. Have you conducted a search of your home and any offices in New England?”

Minton: “Yes.”

Q: “Do you have any documents to produce?”

A: “I don’t.”

Q: “Did you search your bank records?”

A: “I don’t have any bank records.” [ ... ]

Q: “You don’t have any in your possession?”

A: “That’s right.”

Q: “How many bank accounts do you have?”

A: “Eight.”

Q: “Where are the records for your bank accounts?”

A: “I just get rid of them. I don’t have any desire to keep them.”

Q: “So you shredded all the records for your bank accounts?”

A: “Shred, burn, thrown in the trash. Whatever.”

Q: “When did you do that?”

A: “More or less as they come in.”

Q: "Bank statements too?"

A: "Yes." [ ... ]

Q: "And since your last deposition, you've destroyed all the bank records that had come in since that time?"

A: "You know, pretty much, they come in, I throw them out." [ ... ]

Q: "Please identify all bank accounts you've used to transfer money to the Lisa McPherson Trust."

A: "I'm asserting my Fifth Amendment privilege not to answer that question."

Q: "Identify any foreign banking institutions you've utilized to wire money to the Lisa McPherson Trust."

A: "I'm asserting my Fifth Amendment privilege."

Q: "Identify any bank accounts or financial institutions you have utilized to provide funds to Stacy Brooks."

A: "I'm asserting my Fifth Amendment privilege."

Q: "Have you transferred any money to LMT other than through wires, bank wires?"

A: "I'm asserting my Fifth Amendment privilege." [ ... ]

Q: "Have you given Mr. Dandar any money since January of 1998?"

A: "I believe I have." [ ... ]

Q: "All right. You've given him money during the year 2000, didn't you?"

A: "I think so." [ ... ]

Q: "And is it your – just want to understand. Your testimony is you don't remember whether or not you gave Mr. Dandar any money during the year 2000?"

A: "I probably did. I don't remember it." [ ... ]

Q: "And in May of 2000, you said you gave him over a million dollars, right?"

A: "That's right." [ ... ]

Q: "What bank or financial institution in Switzerland have you utilized for the purpose of causing funds to be transferred to the Lisa McPherson Trust?"

A: "I refuse to answer that question based on my Fifth Amendment."

Q: "Have you gone to any banks or financial institutions outside of Switzerland, Germany, or the United States for the purpose of acquiring funds to transfer to the Lisa McPherson Trust?"

A: "I refuse to answer that question based on my Fifth Amendment." [ ... ]



Q: “Did you withdraw any funds from any other financial institution in Europe for the purpose of transferring that money to the Lisa McPherson Trust for payment back to you?”

A: “I refuse to answer that question based on my Fifth Amendment.”

Q: “Did you transfer any funds through the Lisa McPherson Trust from Europe, for the purpose of avoiding the payment of taxes?”

A: “I refuse to answer that question based on my Fifth Amendment.” [ ... ]

Q: “Ms. Brooks indicated in her deposition that there were funds from a German bank that were sent to LMT. Do you remember that?”

A: “Yes, I do.”

Q: “Do you have any knowledge of that?”

A: “I do.”

Q: “What knowledge do you have?”

A: “I refuse to answer that question based on my Fifth Amendment.” [ ... ]

Q: “Were the funds that were sent to the LMT actually your money from Germany?”

A: “I refuse to answer that question based on my Fifth Amendment.” [ ... ]

Q: “Do you know what the source of funds were that were transferred from Mr. Heldal-Lund to LMT?”

A: “I refuse to answer that question based on my Fifth Amendment.”

**September 28<sup>th</sup>, 2001** - Following the deposition on September 18<sup>th</sup> and 19<sup>th</sup> the Church of Scientology moved to let the court overrule Minton’s self-incrimination claims and to compel him to respond to all the questions, which he had refused to answer [[Exh. No. 116](#)].

**October 11<sup>th</sup> & 12<sup>th</sup>, 2001** - On these days Minton’s deposition in the “breach of contract” case took place. Likewise as during his deposition in September, Minton refused to answer all questions by Scientology attorney Samuel Rosen that concerned his financial payments to the LMT and the estate’s attorney Kennan Dandar [[Exh. No. 117](#)]:

[ ... ] Rosen: “ [ ... ] Am I correct, sir, that you’ve - in connection with these payments to Mr. Dandar or his firm, am I correct that you have not committed any crime?”

Minton: “I’m asserting my Fifth Amendment privilege.”

Q: “Do you believe that you have committed any crime by the payments to Mr. Dandar?”

A: “I’m asserting my Fifth Amendment privilege.” [ ... ]

Q: “Mr. Minton, did you testify previously in deposition that as of May of 2000 you had given Mr. Dandar or his firm the aggregate amount of \$ 1,050,000?”

A: “I’m asserting my Fifth Amendment privilege.”

Q: “The question is did you testify to that earlier. You cannot assert privileges to something you’ve already testified to, sir.” [ ... ]

Q: “Do you stand on your Fifth Amendment invocation of that?”

A: “I do.” [ ... ]

**November 19<sup>th</sup>, 2001** - In the McPherson case judge Schaeffer granted Scientology’s previous motion to overrule Minton’s invocation of his Fifth Amendment privilege to the majority of the questions he had refused to answer during the deposition in September [[Exh. No. 118](#)]:

“ [ ... ] The Court finds that Mr. Minton has waived his asserted Fifth Amendment Privilege as matters involving direct or indirect payment of money or otherwise by him to the Lisa McPherson Trust, to Kennan Dandar, to any fact or expert witness involved in this case, or to any representative or family member of Lisa McPherson. [ ... ] ”

**December 7<sup>th</sup>, 2001** - Following the ruling by judge Schaeffer the Church of Scientology moved for an immediate compliance with the order from November 19<sup>th</sup>. In its motion Scientology’s attorney Kendrick Moxon stated [[Exh. No. 119](#)]:

“ [ ... ] Mr. Minton has neither filed a writ or any motion to stay the Court’s Order, the time for which has now passed. Because counsel for Mr. Minton has procrastinated and stalled on his deposition literally since May of 2000, and during which time four orders have issued requiring his appearance; because Mr. Minton has admitted that he destroyed considerable evidence in the interim; and because arranging for a hearing near the holidays will be difficult; defendant requests that Mr. Minton be ordered to appear forthwith, and to comply with Court’s ruling. [ ... ] ”

**December 18<sup>th</sup>, 2001** - The court issued a new order, which granted the motion from December 7<sup>th</sup> by the Church of Scientology and compelled Minton to appear for deposition on January 23<sup>rd</sup> 2002 [[Exh. No. 120](#)]. Minton’s attorney John Merrett subsequently filed a motion for a protective order in the McPherson case and in the “breach of contract” case.

**January 4<sup>th</sup>, 2002** - The Church of Scientology responded to the protective order in the “breach of contract” case with a motion to hold Minton in civil contempt. It also moved for an imposition of sanctions on Minton [[Exh. No. 121](#)]:

“ [ ... ] Plaintiff Church of Scientology Flag Service Organization (‘the Church’) hereby moves the Court for an Order pursuant to Rules 1.380 and 1.410 (f) of the Florida Rules of Civil Procedure: (1) finding Mr. Minton in civil contempt for his knowing and intentional destruction of documents subject to subpoenas lawfully issued herein; (2) an OSC why Minton should not be held in criminal contempt; and (3) imposing appropriate penalties for Mr. Minton’s contempt, including incarceration, fines, and compensation to the Church for its expenses arising from Mr. Minton’s contempt.

“Notwithstanding numerous orders to Robert Minton to provide discovery, and notwithstanding the several sanctions for his failure to obey court orders and failure to provide discovery, Robert Minton has continuously refused to comply. Worse, Mr. Minton has admitted that he intentionally engaged in destruction of documents that were within his control and were responsive to the subpoenas that were served upon him.

“Mr. Minton’s document productions are essential to the issues raised in the counterclaim. Minton has provided at least \$ 1.3 million in funding to plaintiff’s attorney. He has stated that he expects a \$ 100 million judgment in this case, and that he or the Lisa McPherson Trust, Inc., (‘LMT’), a for-

profit corporation that he established in Clearwater, would receive the bulk of any proceeds from his investment in that anticipated result.

“Mr. Minton has also supported plaintiff’s efforts by funding of LMT for several million more, much of which has been used to pay witnesses and consultants for plaintiff’s attorney; and Mr. Minton has provided even more support directly to plaintiff’s witnesses by giving them large sums of money. He also operated LMT, in part, to generate adverse media in the community where all of the jurors live, and paid for large and inflammatory “demonstrations” on busy thoroughfares outside the Church, seen by thousands of potential jurors and their families. Mr. Minton’s coordination of these matters is thus important evidence both in the main action and the counterclaim.

“Since the Church’s original subpoena was served on Mr. Minton on April 21, 2000, Minton, through his attorneys, has filed nineteen motions for protective orders, appeals, petitions for writs of certiorari, and motions for stay in the unsuccessful attempt to prevent his deposition from being taken and documents produced. Judges Moody and Quesada have issued ten Orders requiring Mr. Minton’s appearance, and Judge Quesada issued two orders in late 2000 and January 2001, sanctioning Mr. Minton for his discovery obstruction. When Mr. Minton finally appeared on September 18 and 19, 2001 for the continuation of his deposition, his testimony revealed that there were numerous documents responsive to the subpoenas issued to him in April and May 2000, that he had destroyed during the time that he was stonewalling discovery and seeking protection of the courts.

“Some of the destroyed documents were the only copies in existence. The Church therefore requests that Mr. Minton be held in indirect criminal contempt for his destruction of those records. Further, appropriate sanctions for those contempts [sic] should be imposed, including incarceration, fines, compensation to the Church for its expenses herein, and compensation for other losses which could result from these acts. [ ... ]”

**Mid-March of 2002** - A hearing was held in the “breach of contract” case. A continuation of Minton’s deposition from October 11<sup>th</sup> & 12<sup>th</sup> was ordered for April 9<sup>th</sup> to give Minton the chance to purge himself from contempt.

At this point Minton’s attempts to conceal his financial activities from the opposing party in the lawsuits finally came to a halt. It followed a series of surprising moves by Minton that culminated in a telephone call on March 29<sup>th</sup> by Minton’s Boston attorney Stephen Jonas to the estate’s lawyer Kennan Dandar informing Dandar about settlement negotiations between Minton and Church of Scientology representatives.

**April 1<sup>st</sup>, 2002** - Following another telephone call on March 30<sup>th</sup>, attorney Jonas sent Dandar a letter, stating that the discussions between Minton and the Church of Scientology were confidential and that he could not provide any details about them [[Exh. No. 122](#)].

**April 5<sup>th</sup>, 2002** - At a contempt hearing in the McPherson civil case Minton’s attorney Bruce Howie stated that a deposition of Minton was scheduled for April 8<sup>th</sup> and that Minton would answer all the questions regarding his finances truthfully. As a consequence judge Schaeffer then waived to hold Minton in contempt of court.

**April 8<sup>th</sup>, 2002** - A deposition of Minton was held in preparation of a contempt hearing before judge Beard in the “breach of contract” case. The questions by Scientology attorney Samuel Rosen dealt mostly with Minton’s financial contributions to the now defunct LMT. Close to the end of the deposition Rosen inquired about Minton’s knowledge of the two

donations to the LMT from Europe and two payments in the amount of \$ 200,000 involving the ex-Scientologist and Canadian citizen Gerald Armstrong [Exh. No. 123]:

[ ... ] Rosen: “During the period of time that LMT was in existence and functioning before it started winding down its affairs soon after July of 2001, other than the monies you contributed to LMT for its operating costs, if you will, are you aware of anybody else who contributed monies to LMT?”

Minton: “Yes.”

Q: “Can you tell me who they are?”

A: “Well [ ... ] [Andreas Heldal-Lund] from Operation Clambake in Norway.”

Q: “How much did he contribute?”

A: “\$ 300,000.”

Q: “As far as you know that was his money or Operation Clambake’s money, right?”

A: “No. I believe he got it from someone else.”

Q: “Anyone else?”

A: “Yes, but I don’t know who it was.”

Q: “What does that mean, it was an anonymous contribution?”

A: “Yes.”

Q: “How much was that?”

A: “500,000.”

Q: “How did that anonymous contribution come to LMT?”

A: “In the form of a bank wire.”

Q: “An anonymous bank wire of five hundred grand from some third party?”

A: “Well, yeah.”

Q: “Any other contributions, any other persons who have made contributions to LMT?”

A: “Jerry Armstrong.”

Q: “How much?”

A: “I think it was 100,000.”

Q: “Any idea where Mr. Armstrong got his hands on a hundred grand?”

A: “No.”

Q: “Was this before or after you loaned him the money to engage Mr. Abbott to bring suit? Before or after that?”

A: “It was after, sometime in 2001, I believe.”

Q: “So let me see if I got the sequence correct. Mr. Armstrong was in need of money to pay Mr. Abbott to bring a lawsuit against some Scientology entities in Nevada and you loaned him a hundred grand?”

A: “Right. Well, wait a minute now. You’re - you know he didn’t make it exactly clear what he was doing with this money at the beginning.”

Q: “Let me withdraw the question. At some point in time Mr. Armstrong asked you for a loan of \$ 100,000?”

A: “Yes.”

Q: “At his request you sent that money to Mr. Abbott, the attorney in Nevada?”

A: “Well, I think the first thing I did is I sent Gerry Armstrong some of the money in one year and then towards right at the end of the year and sometime in the early part of the next year, he asked me to send - I don’t know whether it was 75,000 or 90,000 to this Abbott guy.”

Q: “Can you tell me what year that was that you sent the money to Mr. Abbott?”

A: “I think it was 2000 – well, yeah I think the money to Armstrong was in ’99, I think.”

Q: “And the money to Abbott in 2000?”

A: “Yeah.”

Q: “The money to Armstrong in ’99. Did he ever repay any part of it to you?”

A: “Yes.”

Q: “All of it?”

A: “Yeah.”

Q: “Some of it?”

A: “All of it.”

Q: “When?”

A: “Sometime mid 2001.” [ ... ]

**April 9<sup>th</sup>, 2002** – At the contempt hearing in the “breach of contract” case Minton revealed that he had issued two checks in the value of \$ 500,000 and \$ 250,000 to the attorney of the estate, Dandar, which he had not disclosed in earlier depositions. Minton now claimed in court that Dandar had asked him never to reveal these payments [[Exh. No. 124](#)]:

[ ... ] Rosen: “Would you do so. Are there any payments made by you to either Ken Dandar or his firm over and above those that 1.3 million reflected in personal checks of yours?”

Minton: "Just let me clarify one thing. The checks that you put in front of me in terms of Exhibit 1, this is a sample of those 1.3 million ..."

Q: "All of them are not there, they are just the ones we have, but beyond the 1.3 million of personal checks that you signed made out to either Ken Dandar or Dandar & Dandar for purposes of defraying the cost, the expenses of the wrongful death case, did you, sir, provide any additional monies for that purpose to either Ken Dandar or the firm of Dandar & Dandar?"

A: "Yes, I did."

Q: "Will you tell us, please, what you did?"

A: "I caused two checks, one in the amount of five hundred thousand dollars to be issued to I believe it was Ken Dandar and around May of 2001 [sic] and an additional check for two hundred and fifty thousand dollars I caused to be issued to Mr. Dandar in February or early March, late February, early March time frame of this year."

Q: "And were those checks of the same kind, mainly checks drawn on your personal account and signed by you?"

A: "No, sir."

Q: "What kind of checks were these?"

A: "These were checks that were issued by Union Bank of Switzerland."

Q: "The New York office of that bank?"

A: "No, the Zurich office. They were payable - no, they were issued by the Geneva office of Union Bank of Switzerland. I think they were payable at Union Bank of Switzerland New York."

Q: "So these are in the nature of bank checks that don't have a depositor's name on it like Robert Minton, but have the name of the bank?"

A: "Correct."

Q: "And both of these checks, five hundred thousand and two hundred and fifty thousand, were made out to whom, sir?"

A: "I believe they were both made out to Ken Dandar."

Q: "Can you tell me how it came about by way of discussion with Mr. Dandar, Ken Dandar as to how you came to issue these two checks for seven hundred and fifty thousand dollars total?"

A: "Well, sometime in Springish [sic] of 2001, Mr. Dandar said, you know, he needed money to continue with the case and basically bring the case to trial and, you know, he requested that I get him some money. And, you know, and he said that he wanted to do this in such a way that it didn't appear that the money came from me. He mentioned several reasons why he didn't want it to appear to come from me. Number one, that the wrongful death case was getting to be extremely messy because of my financial contributions to the case. Secondly, that he did not wish to run this money through his trust account. That he had another means of hiding this money from the Scientologists as well as some of his employees. He mentioned specifically Michael Garko and Tom Haverty where I think Mr. Dandar was trying to, as he explained to me, trying to cut back on payments to them in order to conserve money to continue the case."



Q: "Did Mr. Dandar say anything to you on the subject of whether you should or should not disclose these payments?"

A: "Yes. He said, you be known that they appear from recently as March he said, you know, that these should not you and you shouldn't - as know, I haven't revealed these payments to the Court and you shouldn't reveal them to the Court."

Q: "Now, Mr. Minton, there then came a point in May of 2001 that you were served with a duces tecum subpoena for deposition in this case which then resulted in contempt proceedings, contempt order, do you remember that?"

A: "Yes, sir."

Q: "That duces tecum subpoena, and I quote from the May 22 subpoena at paragraph one, required you to produce 'All documents relating to payment by you or by the Lisa McPherson Trust to Ken Dandar, Thomas Dandar or the law firm.' You did not produce anything relating to these two checks you're telling us about today did you, sir?"

A: "No, I didn't."

Q: "Can you tell us why you did not produce them?"

A: "I didn't have copies of them, number one, and Mr. Dandar had asked me not to reveal that those checks came from me."

Q: "Sir, I understand you didn't have copies but as the one who caused the checks to be issued, if you wanted to get copies from the bank, you could do that, correct?"

A: "I didn't have a relationship with that particular institution."

Q: "Okay. You then appeared in this Court on October 4th of 2001 in connection with a contempt proceeding that was originally scheduled to be your sentencing before Judge Baird, right?"

A: "I believe that's right."

Q: "And at that time you advised Judge Baird that you would testify. You would testify honestly and purge yourself for the contempt, right?"

A: "Yes, sir."

Q: "As a result of that there were - a deposition of you was scheduled for a week later, October 11th and October 12th, is that correct?"

A: "That's correct."

Q: "Did you again, did you have any further conversation with Ken Dandar in relation to that deposition on the subject of disclosing these checks?"

A: "Not at that time, no."

Q: "How many different times did you have conversations with Ken Dandar on the subject of not disclosing these checks?"

A: "At least six or eight times."

Q: "Have you now, sir, purged yourself of that contempt by fully testifying truthfully as to the item identified in paragraph one, namely any and all payments made to Ken Dandar, Tom Dandar or the law firm?"

A: "Yes, sir, I have." [ ... ]

At the end of the hearing the Scientology attorneys announced that they had filed a motion asking for a disqualification of Kennan Dandar from the case and that they would file claims against him for abuse of process and conspiracy as well.

**April 17<sup>th</sup>, 2002** - Before an upcoming hearing in the McPherson case, Robert Minton filed an affidavit, in which he recanted prior testimony. Among other things he admitted that he had made false statements during the April 9<sup>th</sup> hearing. Concerning his financial contributions to Dandar, he stated [[Exh. No. 125](#)]:

" [ ... ] 11. I have previously made statements under oath in this cause that I had paid to the Plaintiff, the ESTATE OF LISA MCPHERSON, through Kennan Dandar either \$ 1,050,000 or \$ 1.3 million in support of his litigation. These statements were false. In truth, I have given substantially in excess of 1.3 million. In addition to the amounts in my previous testimony, I have given Kennan Dandar two checks, one dated May 1, 2000, in the amount of \$ 500,000, and another dated March 7, 2002, in the amount of \$ 250,000, and I have reason to believe that an additional check for \$ 100,000 given to Kennan Dandar was not discovered. [ ... ] "

**April 19<sup>th</sup>, 2002** - At the next hearing in the "breach of contract" case Samuel Rosen renewed the examination of Robert Minton. On this occasion copies of the two checks to Dandar were entered into evidence [[Exh. No. 126](#)]:

[ ... ] Rosen: "Mr. Minton, last time - I just want to bring you back to something. You offered some testimony about two checks that were drawn on a Swiss bank that were given - that you gave to Mr. Dandar."

Minton: "Yes, sir, I remember that."

Q: "And when was the - what was the date or approximate date of the first of those checks, those - we'll call them Swiss checks, Swiss bank checks?"

A: "I believe I stated last time it was May 2001, but, in fact, it was May 2000."

Q: "Okay. Now could you tell ..."

A: "And the other check was March 7<sup>th</sup>, 2002."

Q: "I'm sorry. Say that again."

A: "The second check for \$ 250,000 - I'm sorry. The first check was for 500,000, that was March 2000. The second check was for 250,000 and that was dated March 7<sup>th</sup>, 2002."

Q: "All right. I'll ask you to open the folder in front of you that was marked Exhibit 5, sir."

A: "Five?"

Q: "Five, yes."

A: "Yes, sir."

Q: "Would you tell the Court what that is?"

A: "That's the May 2000 check for five - May 1st, 2000 check for \$ 500,000." [Exh. No. 127]

Q: "It's a check that you caused to be issued by the United Bank of Switzerland UBS and payable through Chase Manhattan?"

A: "Union Bank of Switzerland."

Q: "Certainly. Union Bank of Switzerland paid through Chase Manhattan?"

A: "That's correct."

Q: "Check made out to? Who was the payee, please?"

A: "Mr. Kennan Dandar."

Q: "In the amount of \$ 500,000?"

A: "That's correct." [ ... ]

Q: "Is this the first check which is a bank check drawn on the Bank of Switzerland, right?"

A. That's right. [ ... ]

Q: "All right. Now, Mr. Minton, the checks that you wrote prior to this one on your own account, they had your name imprinted on them?"

A: "That's correct."

Q: "And you signed them in your own hand?"

A: "I did."

Q: "And they were made out to Mr. Dandar or his firm?"

A: "I think they were all made out to Dandar & Dandar."

Q: "So if they were discovered it would be - it would be apparent from the face of the instrument who the source of the money was, namely you?"

A: "That's correct."

Q: "Is there anything on the face of Exhibit which discloses who the source of the \$ 500,000 is?"

A: "No one other than Union Bank of Switzerland."

Q: "Okay. Now, how did - how was this check physically delivered to Mr. Dandar?"

A: "Well, the check was sent to me by courier or something and then I brought it down to Clearwater. I was in New Hampshire at the time. I brought it down to Clearwater and called Mr. Dandar, told him I had some funds that we had talked about. And he suggested that we meet somewhere halfway in

between his Tampa office and my office in downtown Clearwater. So we met at the Bombay Bicycle Club which is I think out of business now, but it was on Gulf-to-Bay just on the Tampa side of Route 19, on the Tampa side of the Clearwater Mall.”

Q: “And was there anybody else present?”

A: “Well, there were other people in the Bombay Bicycle Club. It was lunch time, but we went to a small round table in the bar area so we could be completely alone because most people were eating in the lunch part of the restaurant, and I gave Mr. Dandar the check.”

Q: “When I say were other people there, I meant, were any people in your group, either somebody who was accompanying you or somebody accompanying Mr. Dandar?”

A: “No, we were alone.”

Q: “Okay. If I - did there come a time in February of 2002 when you issued another or caused to be issued another bank check to Mr. Dandar?”

A: “That’s correct.”

Q: “May I ask you, sir, to open what is in front of you the folder that is marked Exhibit 6.”

A: “Sorry. Just one second. Did you say February 2002?”

Q: “I’m sorry, March of 2000.”

A: “It was March, yes.”

Q: “March of 2002. And would you open the folder that is marked Exhibit 6, please, sir?”

A: “Just one second. Yes.”

Q: “Could you tell us - tell the Court what that is.”

A: “That’s a check for \$ 250,000 payable to Ken Dandar issued by Union Bank of Switzerland dated March 7th, 2002.” [[Exh. No. 128](#)]

Q: “You ...”

A: “Drawn on Chase Manhattan Bank in New York.”

Q: “And you caused that check to be drawn ...”

A: “I did.”

Q: “... by Union Bank of Switzerland?”

A: “I did.”

Q: “Okay. Now, prior to the delivery of this check to Mr. Dandar, were there any - was there any conversation which led up to this between you and Mr. Dandar?”

A: “Ah, yes. There were numerous conversations. Mr. Dandar came to visit me in New Hampshire in early February along with Dr. Garko for the sole purpose of, you know, soliciting funds for the case.

And, you know, I had been somewhat reluctant in the past few months prior to that meeting to give money, give any further money. And so Mr. Dandar and Mr. Garko came up there to, you know, give me a sort of sales pitch on the state of the case.” [ ... ]

During the cross-examination by Luke Lirot, the attorney representing Kennan Dandar, Minton then admitted of having lied during his deposition on October 11<sup>th</sup> and 12<sup>th</sup>:

[ ... ] Lirot: “The question that I’m referring to was asked on April 9th. The question referred back to the October 11th and 12th of the year 2001 asking you about your knowledge of special meetings for the addition of parties to the wrongful death suit that resulted in what I understand to be the filing of this action. And you were commenting on the amount of money that was funded to these cases and you said 1.3 million dollars and that was true at the time; isn’t that correct?”

Minton: “Well, first of all, it wasn’t for these cases. It was for the wrongful death case, number one. And at that time that was not true.”

Q: “Based on what?”

A: “It would have been 1.8 million.”

Q: “Based on what?”

A: “Based on that \$ 500,000 check.” [ ... ]

Q: “I have one question that I neglected to ask you earlier. You talk about two checks here in the testimony that you’ve given. When could you ever have been involved in a proceeding where you would ever lie about a February 2002 check?”

A: “I never said I lied about that check.”

Q: “We’ve been talking about two checks?”

A: “Well, I had to disclose the two checks. I never said I lied about the February 2002 check or the March 2002 check.”

Q: “So what you’re saying is that you lied in your deposition about the 2000 ...”

A: “The \$ 500,000 check.”

Q: “The first check that was issued when there were no court orders in place. The very first check. Where did you lie? Where were you ever asked about that check where you didn’t assert the Fifth Amendment?”

A: “I was asked how much money I had given to the Estate of Lisa McPherson and my answer was either one million and fifty thousand or one million three-hundred thousand. There were two different occasions, two different answers, neither one included the 500,000.” [ ... ]

During the same hearing Kennan Dandar was examined as well. When asked about how the payment of check in March 2002 had taken place, he stated that Minton had referred to it as coming from a third party in Switzerland, the “fat man”:

[ ... ] Rosen: “So did your receipt of the check of, I guess, February in any way surprise you at all?”

Dandar: "I received it in March and I was in shock. Because not only did I have this letter and it was buzzing all over the Internet, in New Hampshire in February of 2002 I sat down at the dinner table with Mr. Minton and Stacy Brooks and Dr. Garko and he said - eyeball to eyeball he said, I have no more money to give you. I say, that's okay. I appreciate all your help. That was it."

Q: "So ..."

A: "But ..."

Q: "Go ahead."

A: "He did go on and say that there is this person in Switzerland and let's just call him the Fat Man. I said, Okay. And he's upset with all the criticism on the Internet. I said, Okay. He said, if that goes away, maybe I could convince him to send you some money. I said, I have no control over the Internet. I don't get on there. I don't do these - you know, these people are all independent of me, but I'll ask and put the word out, because Bob was emotionally - I mean, just before that he was crying like a baby and I was worried about him." [ ... ]

**April 24<sup>th</sup>, 2002** - In a second affidavit Minton revealed additional details in connection with the two payments to Dandar of May of 2000 and March of 2002 [[Exh. No. 129](#)]:

" [ ... ] 34. Several weeks before my deposition on May 24, 2000, I had several conversations with Mr. Dandar regarding additional funds he said he needed for the trial of the wrongful death case. He asked me for enough money to take him through the trial. He told me an additional \$ 500,000 would be sufficient. He told me he had a way to hide the funds from Scientology and told me I should arrange payments in such a way that the funds could not be traced back to me. He told me he would not put these funds in his client trust account and that he had another account that Scientology could never find.

"35. Mr. Dandar also told me he did not want the money to appear to come from me because my financial involvement was making the case too messy and that he wanted to conceal the money from his employees, Dr. Garko and Tom Haverty, to justify cutting back payments to them. He told me I should never disclose these funds were from me. From this point forward, Mr. Dandar told me that he would tell his employees he was funding the litigation from his retirement account.

"36. Following these conversations with Mr. Dandar about the \$ 500,000, I caused a check dated May 1, 2000 in that amount to be issued to Mr. Dandar by the Union Bank of Switzerland, payable at Chase Manhattan Bank in New York. I handed this check to Mr. Dandar at the Bombay Bicycle Club in Clearwater, Florida a few days after May 1, 2000.

"37. I was later deposed about the amount of money I had provided to fund the wrongful death case. Prior to my deposition Mr. Dandar told me to ignore this check for \$ 500,000 and only concentrate 'on the checks you have written.' When asked in deposition how much money I had provided, I testified falsely and omitted this \$ 500,000 check.

"38. I was also served with a deposition subpoena in the wrongful death case to produce all documents relating to my payments to Mr. Dandar or his law firm. Mr. Dandar told me not to produce this check for \$ 500,000. He said that he had not disclosed this check to the Court and that I should not disclose it either. He told me that I did not have to disclose the check because I did not write it. He said the check came from 'Fred.' Fred was Mr. Dandar's nickname for me as the source of funds that would not be traced back to me. [ ... ]

"53. Mr. Dandar called me several times prior to March 6, 2002, in a frantic state about money and asked me whether I was going to 'come through for the case' or not. He said that we needed to talk

about this seriously and as privately as possible, and in the absence of two phone encryption devices, he suggested that we both speak on our digital cell phones.

“54. Subsequently I caused to be issued a check dated March 7, 2002, in the amount of \$ 250,000 payable to Ken Dandar. Mr. Dandar called me on the 15<sup>th</sup> of March to tell me my check had not been received at his office. I told him I had sent it to his PO Box. I included the check with other papers so it wouldn't be seen by his staff. I enclosed the check in an essay from Caroline Letkeman. (Caroline Letkeman had written this essay in an LMT essay contest and was paid a few thousand dollars as a prize by the LMT. In response to an inquiry from Mr. Dandar, I had advised him to use Ms. Letkeman as an expert witness.) I told Mr. Dandar that the check was inside that document, at page 23. Mr. Dandar, who was out of town, told me he sent Donna West to pick up the overnight mail pack and then Mr. Dandar called me to confirm it had been received. [ ... ]”

**April 30<sup>th</sup>, 2002** - On this day later the examination of Kennan Dandar was continued. During the examination by Church of Scientology attorney Rosen, Dandar stated that Minton had told him that the May of 2000 check over \$ 500,000 had come from an anonymous source in Europe [[Exh. No. 130](#)]:

[ ... ] Rosen: “How about the \$ 500,000, the first check?”

Dandar: “He just called it his friends in Europe, anonymous donor, and that was it. And I said that was fine.”

Q: “Anonymous lender, not anonymous donor.”

A: “It's a donor or a lender depending on the outcome of the case.”

Q: “So you didn't care whether or not this anonymous lender was money laundering, drug money. It might have been Al-Queda money for all you care. You took the money.”

A: “Mr. Minton at that point in time had - in my mind, I respected him and trusted him, and I knew that he was a professional banker.” [ ... ]

**May 6<sup>th</sup>, 2002** - After the hearing in the “breach of contract” case on April 30<sup>th</sup>, the upcoming proceedings took place in the McPherson case. The hearings resumed on May 3<sup>rd</sup> and the first witness that was examined was Stacy Brooks, the former president of the LMT and Minton's girlfriend. On May 6<sup>th</sup>, during cross-examination by Luke Lirot, judge Schaeffer inquired about the two payments that the LMT had received from Andreas Heldal-Lund in Norway and from the alleged anonymous source [[Exh. No. 131](#)]:

[ ... ] The Court: [ ... ] “I noticed in reading depositions of Mr. Minton I heard that - well, let's put it this way, in reading the testimony of Mr. Dandar, Mr. Dandar indicates that this money, according to Mr. Minton, came from some third party, unknown anonymous source. And I felt that was fairly outrageous that anybody would believe you could get \$ 500,000. To me, that is a huge sum of money, from somebody that nobody knew from Europe. And so as I'm reading this deposition of Mr. Minton, I see where Mr. Minton said over and over the same thing about LMT. Which is your corporation. That you got \$ 300,000, because that is the money he put in, from some - I can't remember who this guy is, some fellow, apparently also an anti-Scientology person, with a German name.”

The Witness: “Yes.”

The Court: “Mr. Lund or something like that.”



Mr. Dandar: “Andreas Heldal-Lund.”

The Witness: “Yes.”

The Court: “Then LMT got a \$ 500,000 anonymous donor from someplace in Europe, is that true?”

The Witness: “At that time, that is ...”

The Court: “I’m asking you now, is that true?”

The Witness: “No, it’s not.”

The Court: “Where did the money [come] from?”

The Witness: “From Mr. Minton.”

The Court: “So Mr. Minton forgot to tell us he lied about that, too. Proceed.” [ ... ]

**May 21<sup>st</sup>, 2002** - On the first day of Minton’s testimony during the new series of proceedings in the McPherson case, he acknowledged that the two “anonymous” donations to the LMT came actually from him [[Exh. No. 132](#)]:

[ ... ] The Court: “I’m very confused because LMT got money into it, did it not, that it turned right around and stuck in your pocket?”

The Witness: “That is correct.”

The Court: “There is \$ 300,000 from a man in Holland [sic] that came through LMT, right?”

The Witness: “Sweden [sic], I believe.”

The Court: “Sweden. I’m sorry. And the money doesn’t show up as income anywhere. So, I take it, it went straight to you?”

The Witness: “That is correct.”

The Court: “There was a \$ 500,000 check [sic] over there you said came from some anonymous source. Is that correct?”

The Witness: “Well, at the time I said it - in my deposition I said it was from an anonymous source, it wasn’t.”

The Court: “It was from you, right?”

The Witness: “That is correct, your Honor. And the truth is that the money came from me.”

The Court: “Right. And that went into your pocket. Why did you do that, by the way, send that money there from some foreign bank to put in your pocket?”

The Witness: “Well, the whole issue of getting money from other sources besides me into the LMT was to try to get Scientology off on a wild goose chase, basically thinking that it’s either the German government or the French government who were supporting us.”

By Mr. Fugate: “Who is ‘us’?”

A: "The LMT."

Q: "All right."

The Court: "Well, let me see if I got this now. You got a \$ 300,000 check from some man in Holland [sic] ..."

The Witness: "Yes, and ..."

The Court: "... that you put in your pocket."

The Witness: "And that money also came from me, your Honor."

The Court: "That came from you, too?"

The Witness: "Yes, it did."

The Court: "So there is \$ 800,000 that you didn't tell the truth about in your deposition and you haven't recanted in your affidavit, is that right? A \$ 300,000 check ..."

The Witness: "And a \$ 500,000 check [sic]."

The Court: "Is that right?"

The Witness: "That is correct, your Honor."

The Court: "So those are lies you haven't bothered to tell anybody about until now, at least not me."  
[ ... ]

**May 23<sup>rd</sup>, 2002** - On this day John Merrett, the former counsel of the LMT, testified about his dealings with Minton, Dandar and the LMT (Merrett had represented the LMT from early 2000 until the beginning of the year 2001). During testimony he explained how he had acted as a go-between Minton and the "fat man" in the \$ 300,000 transfer from "Operation Clambake" to the LMT [[Exh. No. 133](#)]:

[ ... ] Mr. Moxon: "Let me talk to you about this person you were dealing with who you called the "Fat Man," someone by the name of the "Fat Man," is that correct?

Merrett: "Yes."

Q: "Did you have some kind of direct communication with this person?"

A: "Yes."

Q: "This is communication by telephone?"

A: "Yes."

Q: "How did you get the number?"

A: "I didn't."

Q: "Did he call you?"

A: "Yes."

Q: "How long did you talk to him?"

A: "Five, ten minutes.

Q: "How did you know how to contact him?"

A: "I contacted him via Internet, requesting somebody that would handle a confidential transaction."  
[ ... ]

Q: "Well, how did you find him? You just went on a chat channel and said, 'is there anybody here who can help me? We need some money ...'" [ ... ]

A: "I said on a chat channel that I needed someone to assist me with some confidential transfers of money and communication."

Q: "How did you know that this money needed to be transferred?"

A: "Because I had been advised by Mr. Minton - and I don't know whether Ms. Brooks, as well - but that there were people in Europe who wished to contribute money but who wished to be insulated from LMT in order to protect them from reprisals from Scientology." [ ... ]

Q: "How did he know how to contact you?"

A: "I gave him the telephone number of a pay phone."

Q: "Okay. Then he called you at a pay phone at some prescribed time?"

A: "Yes." [ ... ]

Q: "What year was it?"

A: "I believe it was 2001. But I'm not certain." [ ... ]

Q: "Is that the only telephone conversation you had with this person?"

A: "Yes." [ ... ]

Q: "Did you make some arrangement with him?"

A: "What do you mean?"

Q: "Well, did you - tell me the entirety of the conversation."

A: "I told him that I needed him to contact Andreas Heldal-Lund at a given number and tell him he was calling on behalf of people in Europe who wished to transfer money to the Lisa McPherson Trust but wished to remain anonymous and we are, therefore, dealing with him, who was unknown to either Mr. Heldal-Lund or the LMT. I instructed him that if Mr. Heldal-Lund agreed to handle the transaction, that he should tell Mr. Heldal-Lund to wait whatever period of time seemed appropriate to him, but some specified time, thirty minutes, or an hour or two hours, or a week or whatever, and that Mr. Lund should then telephone the LMT and provide them - or obtain from them whatever information would be necessary to transfer the funds. I instructed him to then call the LMT and tell the LMT - tell Ms. Brooks or whoever he spoke to at the LMT that he was representing people in

Europe who wanted to transfer money without being connected to the LMT, and that she should be expecting a call - they should be expecting a call at whatever the specified time was from Mr. Heldal-Lund to do the rest of the arrangements and get the rest of the information necessary for the transfer.”

Q: “And you had no idea who this person was you had this call with?”

A: “Correct.” [ ... ]

Q: “So you instructed the anonymous guy to tell Heldal-Lund to contact LMT to – to receive the money?”

A: “No ...”

Q: “Well, correct me.”

A: “I instructed the individual to ask Mr. Heldal-Lund if he would be willing to accept a transfer of funds to be forwarded to the LMT, and if Mr. Heldal-Lund was agreeable, the individual was to contact the LMT and tell them that Mr. Lund would be handling a transfer of funds from people in Europe to the LMT, and that - and I don’t remember which side was supposed to initiate direct communication, but that they were to get in communication with one another and exchange whatever details were necessary.”

May 24<sup>th</sup>, 2002 - The following day the examination of Robert Minton was continued. The hearing began with a submission of evidence by Minton’s lawyer Bruce Howie [Exh. No. 134]:

[ ... ] Mr. Howie: “Well, your Honor - your Honor, as long as I’m on my feet, I would like to address Mr. Dandar’s request to produce for Mr. Minton.”

The Court: “All right. I don’t have it, so I don’t know what it is.”

Mr. Howie: “Well, I’m about to provide that to you. If you recall, three days ago – and I’m providing right now the Court with the original of a letter from Jean Pierre, Jacque Moude, J-a-c-q-u-e M-o-u-d-e of Geneva, Switzerland, dated - or, executed in Geneva May 22nd, 2002, and purportedly signed by him in reference to three checks issued by the UBS. Now, I realize this was not an entirely adequate response for the purposes of request to produce, but the Court has directed us within 48 hours, which ran as of about 5 o’clock yesterday, to advise the Court on what efforts and diligence Mr. Minton has made in order to secure these documents.

“This is what we were able to do - I should say what Mr. Minton was able to do in that short period of time. Of course, Mr. Minton will – will accept inquiry into his efforts on this point. But the point is that on Monday - which is not a holiday in Europe, obviously - Mr. Minton will make efforts to actually secure from the bank itself the documentation that shows that the source of these funds in these three checks were his. To identify the three checks in order, the 992 check, the first one numbered there, is the half million dollar check, which is in evidence, the check to Ken Dandar in the amount of half million dollars; the second check, the 242 check, is the check for a quarter million dollars, again to Mr. Dandar; the third check, 493, is, if I understand correctly, a UBS check in the amount of \$ 300,000, approximately, to I believe the Lisa McPherson Trust, if I’m not mistaken, although I may stand corrected on that point.”

The Court: “Okay. Was there not another \$ 500,000 check?”

Mr. Howie: “Yes, your Honor, there is, and Mr. Minton is able to respond to that.”

Mr. Minton: “Can I tell him something?”

The Court: “Sure.” (Mr. Minton spoke to Mr. Howie off the record.)

Mr. Howie: “Your Honor, the \$ 500,000 check that you’re referring to was in fact not a check but a wire transfer, and so we need to obtain documentation concerning the wire transfer.” [ ... ]

At this point the \$ 500,000 wire transfer had been documented through the LMT bank records of the Bank of America, which had been submitted to the court [[Exh. No. 135](#)]. An “Account Reference Information” of the LMT’s bank account for the March of 2001 stated that a transfer in the amount of \$ 499,988 had taken place on March 19<sup>th</sup>. The bank from where the transfer had been made was listed as a Swiss branch of the Dresdner Bank. This transfer was later also the subject of Minton’s cross-examination:

[ ... ] Dandar: “All right. Did the Dresdner bank have anything to do with the \$ 500,000 wire transfer to the LMT?”

Minton: “It came from the Dresdner bank. It’s on the statements. It’s transferred by Dresdner bank, New York, by order of Dresdner bank, Switzerland.” [ ... ]

The statements also listed the so-called “loan repayments” from the LMT towards Minton in the amount of \$ 650,000, which had been mentioned during Stacy Brook’s deposition on August 15<sup>th</sup>, 2001. The records from March 2001 [[Exh. No. 135](#)] showed debits from two checks of the amounts of \$ 150,000 (March 19<sup>th</sup>) and \$ 200,000 (March 20<sup>th</sup>), which had been made out for Minton.

The balance for April 2001 [[Exh. No. 136](#)] showed a withdrawal of \$ 300,000 on April 11<sup>th</sup>, which represented the third “loan repayment” by the LMT to Minton. That “re-payment” was nevertheless based on the check of \$ 300,000 that Minton had forwarded to Andreas Heldal-Lund who then had transferred it to the LMT.

During the later examination of Minton, the court inquired how the transfer of \$ 300,000 had been arranged and how Minton’s version of the course of events differed from what Merrett had testified on the previous day. Minton explained that the money did not originally come from an account at UBS but was deposited there as a check on behalf of another bank. When he was asked to identify this financial institution, Minton refused to answer and invoked his Fifth Amendment privilege:

[ ... ] The Court: “The \$ 300,000 check ...”

The Witness: “Yes.”

The Court: “... that went into your pocket ultimately from LMT. Apparently it was sent through some outfit called Operation Clambake.”

The Witness: “Right.”

The Court: “Tell us from beginning to end how this transaction occurred.”

A: “Okay. Well, again, going back to wanting to keep Scientology guessing as to where money coming into the LMT was coming from and secondly to keep Stacy Brooks out of the picture in terms of where any monies were coming from other than what came in from me, John Merrett and I decided

that we would need to use someone disrelated [sic] to us, and we discussed who we could trust to do this. And, you know, John - John Merrett was saying that he had lots of people who worked with him when he was in the state attorney's office, you know, guys who really owed him favors. You know, they could go set up accounts in various places, you know, that we could just transfer the money into. They could - they could then transfer it to us. You know, and I suggested, look, you know: Why don't I - why don't we use Andreas Heldal-Lund? He's a seemingly trustworthy guy. It would make a lot more sense, you know, than somebody who is involved in this whole crusade would send this money rather than one of your friends. And, you know, from the friends standpoint, it was discussed that, you know, maybe these could just be cash donations from his friends so that there's not a record tracing them back to him. So in any case, we decided that we would try to do this through Operation Clambake. And John said that he would go ..."

The Court: "John' is?"

The Witness: "John Merrett, I'm sorry."

A: "John Merrett said he would set something up so that we would keep Operation Clambake from knowing who was actually behind this. And this is where this whole thing with the fat man came up. So John created this fictitious character called the 'fat man' as a nickname. And based on what Mr. Merrett told me - I didn't have anything to do with the fat man side of it. That was something he dealt with. You know, John told me he was the fat man, and he had communications with Andreas Heldal-Lund ..."

The Court: "So your lawyer told you that he was the fat man?"

The Witness: "That's what he had told me, yes."

The Court: "Which - in other words, this rather unusual episode that we heard about yesterday, where he went to some pay phone and called some stranger, that is not what he told you, I take it."

The Witness: "Well, you know, I wasn't here for his testimony."

The Court: "All right."

The Witness: "Ms. Brooks told me about the pay phone. You know, I'm sure he would have used pay phones to call Andreas Heldal-Lund. I mean, you know, he probably didn't want to call in a way that could be traced back to him."

The Court: Well, let me just then - since you don't know exactly what he said, I'll just ask you this. He told you he was the fat man, and he made the call to Mr. Lund. Is that right?"

The Witness: "He told me he was the fat man. And he said, 'The fat man has called Heldal-Lund.'"

The Court: "Did he indicate to you he would use some stranger in this process, this unusual, most interesting process?"

The Witness: "He didn't tell me about that. He just said it's secure, you know. He said all the arrangements, you know, on this side of it with Heldal-Lund are secure, you know, and Heldal-Lund will never know who has actually contacted him."

The Court: "Okay. Continue on."

A: "So once this was set up and Operation Clambake was aware that they were going to get some money, I don't know whether the amount was discussed between the fat man or whoever the fat man

may have used and Heldal-Lund. But a conversation apparently took place to tell Heldal-Lund that there would be some money coming. And once that was set up, you know, I spoke to a financial institution and asked them to use funds of mine to have a check from UBS in the amount of \$ 300,000 issued and have them dispatch that by courier or mail - I think by courier - to Mr. Heldal-Lund's address in Norway. And Mr. Heldal-Lund got the check - well, before that, he had communicated to Stacy Brooks in PGP e-mail that he had been contacted by somebody ..." [ ... ]

A: "Mr. Lund communicated with Stacy Brooks to say that he had been contacted by people who wanted to donate money to the LMT and that he was expecting to get some money soon. This check that was issued by UBS was issued on January the 30th, 2001, in the amount of \$ 300,000 and, you know, dispatched to Norway. Mr. Heldal-Lund was concerned once he got this check and communicated some of those concerns to Stacy Brooks, who was sharing this information with me, that he was concerned that he might be being set up by Scientology, that perhaps the check was a forged check, and, you know, he would be depositing this into an account and, you know, somebody would come after him for forgery or, you know, possession of a stolen check or something like this.

"So, you know, this guy was really skeptical about this. And, you know, he did - from his perspective, he did the right thing of going to the Norwegian police. And an - and the Norwegian police started conducting an investigation. I believe they kept the check for a while. Eventually, the Norwegian police went to Switzerland, where the Union Bank of Switzerland is located. They communicated with the Swiss police authorities. The Swiss police authorities - police authorities contacted the Swiss bank. You know, I mean, I don't know what was going on here other than the major steps, you know, whether there were meetings, phone calls, or whatever between these institutions or not, I don't know. But in any case, some considerable time passed, more than two months, before Mr. Heldal-Lund was comfortable that the check was legitimate, that it wasn't any kind of setup that he could figure out. In the meantime, he had - since that time in early January, he had incorporated Operation Clambake into a Norwegian company, and he deposited that check into an account I believe at his bank in Norway, into the account of Operation Clambake. He had also checked with the tax authorities in Norway to make sure that there weren't any tax implications for him. And, you know, so some considerable time now, more than two months later, the money was transferred to the LMT."

The Court: "And when was this? What month was this?"

The Witness: "The transfer?"

The Court: "Yes."

The Witness: "I think it was in April."

The Court: "Of 2001?"

The Witness: "Yes." [ ... ]

A: "End of March, beginning of April. But I think it was April, because I remember it was more than two months afterwards."

Q: "Did the police in Norway discover the identity of the bank which had sent the \$ 300,000 to UBS?"

A: "Not to my knowledge."

Q: "Did the bank that you have pled the Fifth Amendment to call you up and say, 'Hey, someone's asking questions about the money you sent to UBS?'"



A: "Well, there were concerns all along the way at UBS and at the financial institution I had called originally. The normal procedure is that - that you have people pay money to people that you know and who expect it. And there was some unhappiness on the part of all the people along the way that that didn't happen."

The Court: "Boy, am I confused. 'All the people along the way.' Who are we talking about?"

The Witness: "I mean UBS and the financial institution I originally called."

By Mr. Dandar: [ ... ] "The financial institution you originally called, is that in Switzerland?"

A: "I'm going to plead the Fifth Amendment on that."

Q: "Is this the same financial institution that you called to - that resulted in the May 2000 check to me?"

A: "The 500,000 check?"

Q: "Right."

A: "Yes."

Q: "Do you use more than one financial institution for these types of transactions?"

A: "I have."

Q: "And will you plead the Fifth Amendment to the identity of the other ones as well?"

A: "I will." [ ... ]

Q: "Did the \$ 500,000 to LMT, the anonymous donation that is really your money, and the \$ 300,000 Operation Clambake money, did that all come from the same financial institution?"

A: "Mmm, no."

Q: "Did it come from the same country?"

A: "Did what come from the same country?"

Q: "Those two payments to the LMT."

A: "Mmm, I believe so." [ ... ]

By Mr. Dandar: "Did the money in May of 2000 come from any of the other two institution as soon as?"

The Court: "Either of the other ..."

By Mr. Dandar: "... either of the other ..."

A: "Yes." [ ... ]

Q: "Okay. The March 2002 UBS check ..."

A: "Yes?"

Q: "... that you say is your money, did that come from one, or the other, of the two institutions that sent the LMT money?"

A: "Yes."

Q: "Okay. The UBS check that went to Courage Productions, did that come from one, or the other, of the two institutions that sent in the - that was the source of the LMT money?"

A: "Yes."

Q: "Okay. So all we're dealing with are two institutions from which the money comes for all of the UBS checks?"

A: "Right."

Q: "Okay. Now, were there more institutions, though, involved in transferring money from one to another before it went to the UBS bank?"

A: "No."

Q: "Okay. Are the accounts from these institutions that you have refused to disclose in your name?"

A: "I'm going to plead the Fifth Amendment on that question."

Q: "Are they numbered accounts?"

A: "I'm also pleading the Fifth amendment on that question."

Q: "Does your wife have an interest in the accounts?"

A: "I'm going to plead the Fifth Amendment on that question." [ ... ]

At a later point in the hearing the court inquired about Minton's motives behind the concealment of the May of 2000 check. Dandar then asked if Minton was evading paying taxes. Minton refused to answer:

[ ... ] The Court: "Well, you were trying to hide it, too, weren't you Mr. Minton? What is fair is fair. I don't know what it was Mr. Dandar was trying to do, we're going to hear about it but you, sir, certainly didn't want any more money for anybody else to trace from this country. Did you?"

The Witness: "Mmm ..."

The Court: "You were perfectly happy to hide that \$ 500,000 and had it come over the way it came over. That is a lot of money."

The Witness: "Well, you know, I could have written the check here. But, you know, I did it - and, you know, at the time, you know, it didn't dawn on me, really, that I was doing this to avoid any discovery from Scientology about it. It was that this is the way Mr. Dandar asked me to do it and I said fine. I mean, this was - this was \$ 500,000 that in Judge Moody's court Ken Dandar, with a trial date set, said, "This will take me through trial."

The Court: "So your testimony to me is the only money that you cared about hiding from whatever it is you are taking the Fifth amendment for was the \$ 500,000 that you paid to LMT and the \$ 300,000 that you went through the elaborate scheme for to pay to LMT but that same motivation did not exist in the \$ 500,000 check to Ken Dandar and the \$ 250,000 check to Ken Dandar? That same motive did not exist? Is that what you're telling me."

A: "Well, it didn't, your Honor, also this is a year earlier, \$ 500,000 in May of 2000, you know, and I subsequently gave Mr. Dandar a check for \$ 250,000, you know, on my bank account here after that."

The Court: "Well, I understand that but I don't know how much money you keep in your account. But I do know that is \$ 750,000. That is a lot of money. I don't know how much you keep in your American accounts and I frankly am not going to ask you because I don't care. But that is a lot of money. And if you weren't keeping that much money, well, then that would kind of deplete you."

The Witness: "Yeah."

By Mr. Dandar: "Mr. Minton, since - for the years '97, '98, '99, 2000, to 2002, have you underreported your income to the Internal Revenue Service?"

Mr. Howie: "Objection."

The Court: "Overruled. And I'll tell you exactly why. Because there is an allegation the very reason, the very thing that the Church of Scientology was using was either extortion or whatever about money laundering, racketeering or income tax. And, therefore, that becomes a relevant inquiry. I'm not saying it is true or not true, I am saying it is a relevant inquiry." [ ... ]

A: "I'm going to plead the Fifth Amendment on that question." [ ... ]

When confronted with the testimony of his former attorney John Merrett, Minton accused him of perjury and stated that Merrett had not only participated in the concealment of Minton's payments but also had been the beneficiary of another financial scheme of Minton that involved the French attorney in Minton's Paris libel case:

[ ... ] Dandar: "Did Mr. Merrett know that this anonymous donation that he was setting up was your money?"

Minton: "He most certainly did."

Q: "So when he testified in court yesterday that when the Judge told him that it was your money and that was the first time he'd heard that, are you saying that Mr. Merrett is lying under oath before this Judge?"

A: "I am saying unequivocally that Mr. Merrett lied here under oath concerning not knowing that was my money."

Q: "And why do you think - if you know; don't guess. Why would Mr. Merrett have to lie before this Judge?"

A: "To protect his law license."

Q: "From what?"

The Court: "What did he do wrong?"

A: "Well, I mean, he knew about this all along. You know, he's hearing me answer questions in depositions. He ..."

Q: "Does he know you're not reporting this on your income tax? Is that what you're trying to say?"

A: "No, your Honor."

Q: "What is it - why is he going to lose his license? A client directs him to have money transferred through a corporation to a corporation. What, a lawyer can't do that?"

A: "No, your Honor. Look, for sure John Merrett was not acting in the capacity of a lawyer in this, period. That's just not it."

Q: "Well, what was he acting as?"

A: "Well, but what I'm trying to say, you know, what can John Merrett be worried about - that's what you asked me ..."

Q: "Right."

A: "... you know, John Merrett knew about this from day one. He knew in terms of the source of the money. He knew about the 500,000 as the source of the money. He was there in Europe when that was arranged."

Cross-examination (resumed) by Mr. Dandar: "You're talking about \$ 500,000 to the LMT?"

A: "That's the second thing, yes."

Q: "That's ..."

A: "He was there."

Q: "Let's go back ..."

A: "John Merrett - John Merrett was there talking about paying \$ 250,000 to Jean-Michel Pesenti and paying 250,000 to John Merrett through Jean-Michel Pesenti from my money. John Merrett was involved in every one of those things, the third one of which you haven't heard about. John Merrett received sometime in April or May of 2001 from Jean-Michel Pesenti a \$ 250,000 check issued by Banco di Napoli."

Q: "Spell that."

A: "B-a-n-c-o d-i N-a-p-o-l-i. And the four of us sat there at a hotel room, at the Hotel Lutece in Paris, discussing how this was going to be done, because Merrett wanted to make sure he got the money in some way different than the other monies had come."

The Court: "Merrett wanted tax-free monies too? Is that it?"

The Witness: "I don't know what Mr. Merrett wanted."

The Court: "Well, you were there in the room."

The Witness: "He wasn't talking about that, your Honor. He just wanted it in a different way than the other ways had been. So Mr. Pesenti - so I caused to be transferred to Mr. Pesenti \$ 250,000 at his bank of Crédit du Nord in Paris - in Marseilles, I'm sorry, and I caused to be issued to his account - to

be transferred to his account at Banco di Napoli in Roma - Rome, \$ 250,000 which he later transferred to John Merrett by check.”

During this day of questioning Robert Minton also admitted that he had lied during the deposition on April 8<sup>th</sup>. When he had been asked on this day about an alleged loan repayment of \$ 100,000 from Canadian citizen and ex-Scientologist Gerald Armstrong, Minton had claimed not to know anything about the origins of this money. On May 24<sup>th</sup> nevertheless Minton finally conceded that he had in fact prior given that money to Armstrong who in turn had given it back to Minton:

[ ... ] Mr. Dandar: : “Now, the \$ 100,000 that Gerry Armstrong paid you back, did that come from you?”

A: “It did.”

The Court: “I’m sorry? The \$ 100,000 that Gerry Armstrong paid you back came from you?”

The Witness: “Yes, your Honor.” [ ... ]

The Witness: “I just want to pull out some of these things that I showed you yesterday ...”

The Court: “Okay.”

The Witness: “And one that I didn’t show you yesterday because I only read it last night.”

The Court: “What is this now?”

The Witness: “This is from the April 8 deposition.”

The Court: “Oh, okay, April 8 deposition? Okay. I’m not sure exactly what you’re showing me. I had asked - you made some statement yesterday about some recollection you had and you were going to show me where it was in your deposition, - what it was in your deposition that caused you to remember this so late in this proceeding, and what you are suggesting is you found something else?”

The Witness: “Well, I read this - you know, this was the last deposition that I read last night. And there are some things in this April 8 one, which we had already stated on the record that there were some corrections that needed to be made to it. One of those involves Gerry Armstrong.”

The Court: “Oh. Where is that?” [ ... ]

The Witness: “It’s - it’s Page 117 on line 24. You know, I’d previously stated that I didn’t know where Gerry Armstrong got his hands on a hundred grand. And I’m correcting that testimony by saying that he got it from me.”

The Court: “Okay.”

By Mr. Dandar: “Well, there is more lies on that page, isn’t there, Mr. Minton?”

A: “Yes, I have got them highlighted in yellow.”

Q: “That has to do with Clambake money and the \$ 500,000 anonymous donation to the LMT?”

A: “That’s right.” [ ... ]

May 29, 2002 - On the 8<sup>th</sup> day of his testimony Minton admitted that he had also lied about another transfer in connection with Gerald Armstrong – a donation of \$ 100,000 towards the LMT in the year 2001 [Exh. No. 137]:

[ ... ] Dandar: “In addition to you giving Gerry Armstrong a UBS check that was from your bank account to pay back your loan of \$ 100,000, isn’t it true you also gave him money - \$ 100,000 to make a donation to the LMT?”

Minton: “That is correct.”

Q: “And was that also on a UBS check?”

A: “It was a UBS check.”

Q: “So when you testified on April 8 of 2002 in your deposition with Mr. Rosen, that is the second area that you did not tell the truth about?”

A: “Mmm, that was one of the areas that I marked off in this deposition. Yes.”

Q: “All right. So both moneys to Mr. Armstrong?”

A: “Correct.”

Q: “In your deposition of April 8, you did not tell the truth about that, correct?”

A: “That is right.”

The Court: “Is this - this is not the \$ 100,000 used to pay back the loan. This is a second \$ 100,000?”

The Witness: “Yes. Yes, your Honor.”

The Court: “All right.”

By Mr. Dandar: “And were you ever planning on filing a recantation affidavit about the Gerry Armstrong money now totaling \$ 200,000?”

A: “Correct. I was.”

Q: “Have you given Mr. Armstrong more money?”

A: “Mmm, I have.”

Q: “How much?”

A: “I don’t remember the amount.”

Q: “Was it also by way of UBS checks?”

A: “Yes.”

Q: “And did you tell him it was from anonymous sources in Europe?”

A: “No, I didn’t.”

Q: "Did you tell him it was from you?"

A: "Yes."

Q: "And the loan repayment check, UBS, and the donation LMT check from UBS, did you tell Mr. Armstrong that was your money?"

A: "Yes. I also told you with regards to the loan repayment." [ ... ]

**June 3<sup>rd</sup>, 2002** - The examination of Robert Minton's lasted until May 30<sup>th</sup>. After he had been released from the witness stand, Minton wrote another affidavit in which he recanted his previous testimony in depositions in connection with the payments given to the LMT [Exh. No. 138]:

" [ ... ] 8. I have previously made the statement under oath, including in my deposition in this cause of September 18, 2001, at page 117, as well as in my deposition of April 8, 2002, in Case 00-2750-Cl-20 at page 117, that I did not have the amount of \$ 500,000 wire transferred to the Lisa McPherson Trust (hereinafter 'the LMT') and that the \$ 500,000 was an anonymous contribution. These statements are false. In truth, I used my own funds to cause that transfer to be made to the LMT at my own direction, and therefore these funds were not from an anonymous source.

"9. I have previously made the statement under oath, including in my deposition of April 8, 2002, in Case 00-2750-Cl-20 at pages 116 and 117 that Andreas Heldal-Lund from Operation Clambake in Norway wired \$ 300,000 to the LMT, that he received this money from someone else, that I did not know who the source was, and that it was an anonymous contribution to the LMT. These statements are false. In truth, although Andreas Heldal-Lund did wire transfer the \$ 300,000 to the LMT, this was after I provided Andreas Heldal-Lund with a check issued by UBS in the amount of \$ 300,000 payable to Andreas Heldal-Lund. This \$ 300,000 was my money and this payment to the LMT came from me and therefore was not from an anonymous source.

"10. I have previously made the statement under oath, including in my deposition of April 8, 2002, in Case 00-2750-Cl-20 at pages 117 to 118 that Gerry Armstrong contributed \$ 100,000 to the LMT in 2001 and that I did not know where he got the \$ 100,000. This statement is false. In truth, in 2001 I gave Gerry Armstrong \$ 100,000 which I directed Gerry Armstrong to send to the LMT.

"11. I have previously made the statement under oath, including in my deposition of April 8, 2002, in Case 00-2750-Cl-20 at page 119 that Gerry Armstrong repaid all of my \$ 100,000 loan back to me. This statement is false. In truth, I gave Gerry Armstrong so that it would appear that he repaid me this loan. [ ... ] "

**June 7<sup>th</sup>, 2002** - On this day the former Scientologist Peter Alexander testified in the McPherson hearings. Alexander, who had produced and directed the film "The Profit," had also been on the LMT's board of directors. Minton had fired Alexander from the board over a quarrel in relation to the making of the film, which Minton had supported with \$ 2,000,000.

In his testimony Alexander recounted a meeting with Minton during which he had confided to Alexander that he had evaded paying taxes on the revenue of his Nigeria business [Exh. No. 139]:

[ ... ] Dandar: "Do you recall this particular time that Mr. Minton showed up at the sound stage and you all went to the Hyatt for drinks?"



Alexander: "I recall another occasion, but it wasn't the day he was on the film. That was much, much earlier."

Q: "Okay."

A: "That was back in April."

Q: "Of what year?"

A: "2000."

Q: "All right. And what was your conversation with Mr. Minton at the Hyatt?"

A: "We had just come from looking at the sound stage where we were building the set. He didn't seem to be very interested in it. He seemed to be agitated and upset and unhappy. So he ordered a drink. And I said, 'What's up?' He said: 'These Scientologists are driving me crazy. They're following me everywhere. They're harassing my daughters.' He said, 'And I'm very, very upset.' And he said, 'They're all over me for this Nigerian thing.' He made some business deal in Nigeria. And I said, 'Well, so? What's up with that?' You know, 'They're not going to get anything on you.' And then Patricia was there for some of that conversation. She left. And when she left and he was talking about that Nigeria money, he broke down into tears, and he said that he had tax problems with respect to that money and that that was what was worrying him. And so ..."

Q: "Did he say what kind of tax problems he had with that Nigerian money?"

A: "Yes, said he hadn't paid taxes on that money."

Q: "And he was in tears?"

A: "Yes." [ ... ]

**June 12<sup>th</sup>, 2002** - At another hearing judge Schaeffer indicated that she believed that Minton was involved in criminal activities. She also announced that she would submit a report to the State Attorney's Office in Tampa upon the completion of the hearings [[Exh. No. 140](#)]:

[ ... ] The Court: "Let me ask you this, as I perceive this hearing up until now, when this hearing is over - this is probably all in the record so you have probably seen it - there is no question that I'll have to - I mean, I'm not going to get in trouble over this. I'm going to turn this matter over to the State Attorney because there has been all kinds of allegations of criminal acts from all sides, so that is not my job, I don't sort it out. 'Here you are, that is your job,' everything goes to the State Attorney with a cover letter. It's my understanding, having been somewhat of a criminal lawyer, having sat on the bench for ten years, that Mr. Minton is far less than candid in his recantation, that some of the matters of perjury I uncovered, or others uncovered, and then he recanted. He's too late, quite frankly. Florida has a statute called perjury that is two inconsistent statements, whether he recants or doesn't; one statement, another statement, two inconsistent statements. One is a third degree, one is a second-degree felony. I think Mr. Minton is in all manner of trouble. Whether or not the State Attorney wants to get bogged down in this is, quite frankly, doubtful. But - so Mr. Minton has perjury problems. Mr. Minton has contempt problems, without any thought about it because, frankly, I'm in my 22<sup>nd</sup> day of hearing and I am most aggravated, you know. Who all I'm aggravated with depends what I decide. But he surely, surely is one of them." [ ... ]

The Court: "I think Mr. Minton has IRS problems. I, frankly, have no intention of keeping anything from them. And I think he's got problems because he hasn't filled out the form that anybody that fills out a Schedule B knows that - I have seen this form. There must be some reason why they asked me

whether I had a foreign bank indicated. Never having had one, I never followed up. But I got on the Internet, saw this little form is supposed to be filled out. Right there on the bottom it says if you don't fill this form out, you've got big trouble." [ ... ]

The Court: "So from what I gather, he's got troubles with two government agencies, both of which involve criminal sanctions. He has trouble with the State Attorney, which involves criminal sanctions. He has trouble with me which involves criminal contempt." [ ... ]

At the time of the writing of this affidavit the hearings in the Lisa McPherson case have not been concluded, and apparently judge Schaeffer has also not ruled yet on the motion from the Church of Scientology to disqualify Kennan Dandar from the case.

Notwithstanding Robert Minton's various allegations against the attorneys Kennan Dandar and John Merrett during the recent court hearings, Minton's own testimony has established that he committed perjury in connection with five payments in the amount of \$ 1,500,000:

- a \$ 500,000 check to Dandar issued by the Union Bank of Switzerland on May 1<sup>st</sup>, 2000 [[Exh. No. 127](#)];

- a wire transfer in the amount of \$ 500,000 carried out by a Swiss branch of the Dresdner Bank on March 19<sup>th</sup>, 2001 [[Exh. No. 135](#)];

- a \$ 300,000 check to Norwegian citizen Andreas Heldal-Lund issued by the Union Bank of Switzerland on January 30<sup>th</sup>, 2001;

- two payments of \$ 100,000 to Canadian citizen Gerald Armstrong, apparently issued by the Union Bank of Switzerland in 1999 and in 2001;

Additionally Minton used payments to the LMT, to the individuals Heldal-Lund and Armstrong to funnel funds in the amount of \$ 750,000 into his own pocket by disguising them as "loan re-payments." Specifically Minton laundered in this way:

- \$ 150,000 in form of a check issued by the LMT on March 19<sup>th</sup>, 2001 [[Exh. No. 141](#)];

- \$ 200,000 in form of a check issued by the LMT on March 20<sup>th</sup>, 2001 [[Exh. No. 142](#)];

- \$ 300,000 through a withdrawal from an LMT account on April 11<sup>th</sup>, 2001 [[Exh. No. 136](#)];

- \$ 100,000 by Gerald Armstrong during the year 2001.

While in court Minton refused to identify the financial institution, which he had originally used to execute the above-mentioned operations by invoking his Fifth Amendment rights against self-incrimination. He also used this privilege when he was asked if he had falsified his income tax declarations during the years 1997 until 2001.

Minton's former close friend Peter Alexander testified under oath during the same proceedings that Minton had confided to him in the year of 2000 that he had not declared the earnings from his major business operation for government of Nigeria to the Internal Revenue Service.

## V) Indication Of Attempted Extortion

The sudden turnaround of Minton drew a lot of speculation of how it had come about. When it was made public that Minton had secretly met with Scientology representatives, shortly before he admitted in court of having committed perjury, several former associates of Minton believed that he had been blackmailed by the Church of Scientology. In an interview with the “Saint Petersburg Times” the estate’s attorney Kennan Dandar stated that he believed that Minton “was threatened with something that Scientology discovered to his overseas financial affairs.” [Exh. No. 143]

The first contact between Minton and the Church of Scientology occurred at the beginning of February 2002. At this time Minton authorized his Clearwater attorney Bruce Howie to approach Scientology’s local attorney Wally Pope with the offer to discuss a global settlement. When the Church of Scientology refused to provide Minton in advance with a written settlement proposal, the planned meetings were called off again.

Finally in mid-March Minton called Michael Rinder, the head of the “Office of Special Affairs International,” telling him that he felt overwhelmed by the litigation and that “he wanted to get out” by settling all outstanding differences. A few days later the first of four initial meetings was scheduled to be held on March 28<sup>th</sup> in New York at the office of Scientology’s attorney Samuel Rosen. Prior to the first meeting, at around March 25<sup>th</sup>/26<sup>th</sup>, a confidentiality agreement was worked out by Minton’s Boston attorney Stephen Jonas and Samuel Rosen in preparation for the upcoming settlement discussions.

On March 28<sup>th</sup> the first meeting took place. Minton, accompanied by Stacy Brooks and Stephen Jonas met with Michael Rinder and two other attorneys, Samuel Rosen and Monique Yingling, a specialist on tax matters from Washington, DC [Exh. No. 144]. Another meeting was then held the next day, followed by a third and fourth meeting on April 6<sup>th</sup> & 7<sup>th</sup> in Clearwater.

Much of the speculation concerning the alleged blackmail by the Church of Scientology attempts circles around these meetings, which Minton attended to achieve a global settlement with Scientology. Because the motive of Minton’s turnaround was an important issue of the recent court hearings, the course of these settlement negotiations became the subject of inquiry during Minton’s testimony.

And while both parties, Minton and the representatives of the Church of Scientology, denied in court that threats had been made towards Minton, the court testimonies and the legal outcome of these meetings clearly show that the Church of Scientology at least attempted to capitalize on Minton’s fragile legal situation. From Minton’s testimony on May 28<sup>th</sup>, 2002 [Exh. No. 145]:

[ ... ] The Court: “I don’t understand why you settle with the Church of Scientology for perjury committed in court.”

The Witness: “No. The - we weren’t - we weren’t trying to settle with the Church of Scientology for perjury committed in court. As I said, your Honor ...”

The Court: "Well, you went to the Church of Scientology to settle all these things, and then Mr. - Mr. Dandar said, was the reason because of the extensive discovery that was being conducted. And you talked about that, and you said that was not the only reason."

The Witness: "Right."

The Court: "This is why you were going for this settlement. You said another reason was the perjury. And I guess I will never understand how it is that you thought you'd go to the church to settle whatever it is you thought you - whatever the perjury had to do with."

The Witness: "Well ..."

The Court: "Why didn't you go to a lawyer who would have come to the court with that?"

The Witness: "Well, your Honor, the idea wasn't to - the idea was never to sit down with the Church of Scientology and talk about perjury; the idea was to sit down with the Church of Scientology and try to find a way to get out completely of all this - all these litigation matters down here, and preferably never to come back again to deal with any of this stuff."

The Court: "Okay. So - so when you were going up there to settle with the church, a global settlement, whatever it is you call it, the perjury you were concerned with, they had nothing to do with that as far as ..."

The Witness: "No."

The Court: "... they couldn't offer you a settlement."

The Witness: "No, your Honor. No, no. That was not - that was not an issue."

The Court: "Okay. So the discovery abuse was going on, you felt - you felt you were being hounded or that you had a lot of - seemed like ..."

The Witness: "Well ..."

The Court: "... endless depositions, endless motions to compel. You knew that you had committed perjury on the 5th. This was a concern of yours."

The Witness: "Right."

The Court: "What else? What else ..."

The Witness: "Well ..."

The Court: "... were you trying to settle?"

The Witness: "... you know, I was a party in these cases - well, you know, in the breach case anyway, at that time, and LMT was. You know, LMT, stroke, me, was in the counterclaim. You know, they'd been alleging that - that, you know, LMT was my alter ego. So you know, as far as I was concerned, I was already added to the counterclaim through LMT, because that's how they would come get me on the counterclaim, is through LMT."

The Court: "Were you a party to the breach of contract?"

The Witness: "I ..."

The Court: "The Clearwater case in front of Judge Baird?"

The Witness: "Yes, your Honor."

The Court: "You were?"

Mr. Dandar: "Not at that time."

The Witness: "I believe so. I could tell you when I was added." [ ... ]

The Court: "Well, you may have read somewhere that I said that if they didn't add you as a party, I was going to. But there again, I don't know why you'd go to the Church of Scientology and meet with them to try to work a settlement of something I said I was going to do. You can't - the only thing they could do to stop you from being added as a party, if I wanted you added as a party, is drop the counterclaim."

The Witness: "Mm-hmm."

The Court: "Because as long as the counterclaim was going on, I put them on notice, either add him or I'll add him. So I don't - again, you know, perjury, being a party to this counterclaim - and you're going to the wrong place it seems to me. What - what did you think they could do for you about all that?"

The Witness: "Well, as I said, your Honor, the - the idea was to be able to extract us from all this litigation. You know, pure and simple. Just extract us from this litigation so that we didn't have to deal with this anymore."

The Court: "Okay. Were there any other litigation you were involved in? 'Cause I don't know. I've heard about a lot of suits. Is there anything else where you were a party to a lawsuit that had been filed by the Church of Scientology, the local church or the church in California or any other entities that you know of, that you could tell me about?"

The Witness: "Other than the Florida cases, I don't think so. You know, the - the - I mean, Wollersheim case, I wasn't a party to that case in any way, but - but clearly, you know, I faced the same kind of liability in the Wollersheim case that I was facing in this case."

By Mr. Dandar: "How is that?"

A: "Or the Florida cases."

Q: "How were you facing liability in the Wollersheim case?"

A: "Well, because of my involvement in the case and, you know, financing the whole thing."

Q: "You just provided funds. How could you possibly be named as a party for loaning money?"

A: "No, I didn't say I was named as a party. I said that, you know, I considered that I faced the same kind of liability with whatever they did with Wollersheim, that they could come after me for the money."

Q: "You're talking about a RICO action."

A: "No. I'm not talking about a RICO action."

Q: “Then what are you talking about that you could possibly be sued by the Church of Scientology for providing loans to Mr. Wollersheim or his attorney?”

A: “Well, you know, they sued me for having provided Gerry Armstrong a computer, and therefore, you know, I was responsible for his - you know, 201 acts of infringement - or not his infringement - violations of agreement that he had signed.”

The Court: “That didn’t happen until you went over there to settle all your scores, right?”

The Witness: “Right. But I mean, it was the same principle.”

The Court: “You went to settle your scores, and - and you walked out, you got out as a party here; you got sued - It’s a hell of a deal you made, wasn’t it? Or a hell of a thing for you to do.” [ ... ]

The Armstrong suit, which is mentioned in the above testimony is a civil suit that was filed by the “Church of Scientology International” on April 2<sup>nd</sup>, 2002 (“Church of Scientology International vs. Gerald Armstrong, Robert Minton & LMT,” Superior Court for the County of Marin, No. CV-021632), six days after the settlement talks with Minton had started [[Exh. No. 146](#)].

The suit claims that Armstrong publicly spoke out against Scientology in 201 cases, thereby violating a gag order from a 1986 mutual release agreement with CSI. As Armstrong was financially supported by Minton, CSI included Minton as a defendant in the lawsuit. The suit asks for \$ 10,050,000 in damages.

The Armstrong suit was not the only legal outcome for Minton from the meetings with the Scientology representatives. Early in the settlement negotiations, Michael Rinder made it clear to Minton that the Church of Scientology wanted several civil cases, in which Minton had partially financed Scientology’s legal opponents, to be dismissed or, in the words of Monique Yingling during her testimony on June 11<sup>th</sup>, make them “go away” [[Exh. No. 147](#)]:

[ ... ] Yingling: “He [Michael Rinder] spoke about several areas that he thought needed to be covered in any overall settlement. He said that all outstanding litigation that Mr. Rinder was involved in ...”

Mr. Weinberg: “Mr. Minton?”

A: “I’m sorry, Mr. Minton was involved in would have to go away. And he said specifically the cases down here in Florida. I believe he referred specifically to the Lawrence Wollersheim matter. He also referred specifically to cases that were ongoing in France and in Germany. But he made it clear that there would have to be - all of these cases would have to go away, because Mr. Minton was intimately involved in those cases, and so long as those cases were ongoing, there could not be a disengagement.”

Q: “Okay. Do you recall - do you recall any other - terms is too strong a word - but any other things that Mr. Rinder said needed to be resolved?”

A: “Yes. That was just the first area was the litigation.”

Q: “Okay.”

A: “The second area had to do with witnesses, that Mr. Minton had been paying to, in the Church’s view, provide false testimony in litigation against the Church around the country. And I think there

were specific witnesses that were mentioned who provided affidavits, including Stacy Brooks, Vaughn Young and Jesse Prince. That was the second area.” [ ... ]

The Court: “You say what about these witnesses? What was going to have to happen?”

The Witness: “That there would have to be some resolution of the affidavits that they had filed so that assuming we could reach a settlement where there was a disengagement in the future, these affidavits wouldn’t be popping up in other litigation and then causing the parties to have to come together again to try to resolve that issue. So that there needed to be some – some resolution with respect to that.”

The Court: “And the three witnesses mentioned were Mr. Prince, Ms. Brooks and ...”

The Witness: “Vaughn Young, your Honor. Those were the three I remember that were mentioned. There may have been others.”

The Court: “Okay.”

A: “The third area that Mr. Rinder mentioned was the question of the Lisa McPherson Trust. And that it needed to be dissolved or done away with or - or whatever. And I understood that there was a website, also, that the trust had. And that the Church would also want that to - to go away.” [ ... ]

Soon after the first meetings were concluded, Minton indeed tried to make the Lisa McPherson case “go away” by calling Kennan Dandar and asking him to dismiss the case. Dandar refused.

Next, Minton tried to get the Wollersheim case dismissed. Lawrence Wollersheim had sued the “Church of Scientology of California” in 1980 (“Lawrence Wollersheim vs. Church of Scientology of California,” Superior Court for the County of Los Angeles, No. B-023193). He finally won a \$ 2.5 million judgement in his favor in 1994 and was since then trying to collect the money from CSI. Minton had loaned Wollersheim \$ 750,000 in 1996 to enable him continue the case against CSI.

During April of 2002 Minton proposed Wollersheim to dismiss the case, offering him additional \$ 200,000 and a cancellation of the earlier loan. Wollersheim refused Minton’s offer and was indeed later successful in collecting his outstanding judgement in the amount \$ 8,600,000 [[Exh. No. 148](#)].

These two cases were not the only ones for which Minton was made responsible by the Church of Scientology. During the meeting in March Samuel Rosen confronted Minton with a summary of legal expenses that the Church of Scientology had had in connection with cases in which Scientology’s opponents had been financially supported by Minton. Rosen’s notes were later introduced as evidence in the McPherson hearings [[Exh. No. 149](#)]. The following are extracts from Rosen’s notes from March 28<sup>th</sup>:

“ [ ... ] I - Florida

A) Wrongful death  
paid - \$ 14,400,000  
to be paid - \$ 4,500,000

B) Breach case - \$ 1,025,000 [ ... ]

E) Courage/TRO - \$ 20,000

II - Wolly

- A) we've paid - \$ 2.5 Mill
- B) we'll have to pay - \$ 3.0 Mill
- C) poss. [?] \$ 8.5 Mill

III - Armstrong [illegible]

- A) we've paid - \$ 260,000
- B) we'll have to pay [?] - \$ 500,000 [ ... ]

VI - European Cases

- A) we've paid - \$ 80,000
- B) we'll pay - \$ 25,000

X - IRS Harassment

- A) [illegible] - \$ 30,000
- B) [illegible] - \$ 50,000

XII - planned RICO case - \$ 40,000 [ ... ] ”

During the court hearings on May 29<sup>th</sup> judge Schaeffer questioned Robert Minton about his expectations with regards to a future settlement with the Scientologists and about the significance of Rosen's list of legal expenses [[Exh. No. 137](#)]:

[ ... ] The Court: “So - so those are two things that we said pretty quickly. Now, what else is it you hope to obtain in this global settlement, if anything?”

The Witness: “I just - I just want some peace and ...” [ ... ]

The Court: “Okay. What do you think they want from their global settlement or whatever it is that they're calling it? Are you both talking about global settlements, settling everything everywhere?”

The Witness: “So that we can ...”

The Court: “I assume ‘global’ means you have cases in France and ...”

The Witness: “Germany, yes.”

The Court: “So when I hear ‘global,’ I presume you're hoping to settle everything and go away and not bother them and they not bother you?”

The Witness: “That is correct, your Honor.”

The Court: “So that is what you want. What do you think they want?”

The Witness: “They want me to leave them alone and not fund any litigation, you know. I don't know what else they want. I know they don't want me to be funding litigation or attacks on the Church of Scientology, or helping people attack the Church of Scientology, anymore.”



The Court: "Okay. Do you think they want money?"

The Witness: "I believe they expect it. Yes."

The Court: "Is there any thought in your mind as to what that amount would be?"

The Witness: "Well, your Honor, I believe that would put me in a very bad negotiating position if ..."

The Court: "So you don't know anything about money, except that first meeting you were shown something that suggested this is what you've cost the Church, this 34,925,000 figure - \$ 34,925,000."

The Witness: "Well, you know, I'm not, you know, expecting to deal with that kind of amounts of money, your Honor."

The Court: "I understand that. But you basically told us you had no discussions of anything I can put my fingers on and understand. So the only thing I know of that has ever been discussed at the very first meeting ..."

The Witness: "New York."

The Court: "... you were shown something by a lawyer from the Church of Scientology who said - or he said, or something - 'This is what all these cases, we figure, you have cost us.'"

The Witness: "Well, you know, I added them up, as I said."

The Court: "In your head you added them up?"

The Witness: "Right."

The Court: "So you don't expect to pay more than that? That is true? And you're hoping, obviously, you'll have to pay as little as possible. Is that it?"

The Witness: "Yes, your Honor."

The Court: "And when it is all done, it is your hope, what, that the lawsuits will be gone, whatever it cost you for the - with the lawsuits will be gone?"

The Witness: "Yes, your Honor."

The Court: "Okay. And then you don't plan to put yourself in a position where you'll be suing them or they'll be suing you in the future. Is that it?"

The Witness: "Absolutely not. I want to be in that position. I don't want, you know, any overt or covert hostility of any sort in the legal arena, through private investigators or whatever, between me and the Church of Scientology. I would just like for them to get on with their activities and for me to get on with my life."

It is evident from his testimony that Minton expects to regain his former personal and legal freedom by paying off the Church of Scientology with an amount of several million dollars. It is also evident that the Church of Scientology used Minton as an odd-job man to destroy two major civil cases, which had caused the organization great costs and bad publicity, the Wollersheim case and the Lisa McPherson case.

Up to this day it is not clear what the Church of Scientology has found out about Minton's financial background. According to earlier statements of Minton, private investigators working for the organization scrutinized extensively his past and present life. Minton also said that it was Scientology investigators who had stirred up the rumors of an alleged billion dollar fraud in connection with his business deals for the government of Nigeria.

The question whether or not the Church of Scientology is in possession of evidence that would incriminate Minton will probably remain unanswered. It is nevertheless a fact and it has already been proven through the recent legal developments in the McPherson/Wollersheim cases that the organization is unscrupulous enough to exploit Minton's current situation in order to capitalize in all areas of Minton's prior activities. And that includes Minton's fortune as well, in view of the future financial compensation that the organization has demanded from Minton in exchange for leaving him alone.

## **VI) Conclusion**

The settlement negotiations between Robert Minton and the Church of Scientology mark the end of a confrontation between an individual and an organization in which both parties have committed different crimes at different times.

While the Church of Scientology with the use of its "Office of Special Affairs" and its private investigators violated the civil rights of Robert Minton and several innocent bystanders, including his wife and his children, Minton himself committed perjury in connection with his dubious financial transactions in order to hide his secret overseas funds from the Church of Scientology and the courts.

In its efforts to silence Robert Minton and to discourage him from further financially supporting its critics, the Church of Scientology harassed him over a period of almost four years. It engaged in extensive surveillance and investigation operations of Minton and his immediate family members. It held countless pickets in front of Minton's home and in front of the home of his wife and his children. It distributed leaflets with scurrilous contents in the residential areas of Minton's and his wife's homes.

The Church of Scientology claims to be a "charitable organization." By no means can the above-mentioned activities be called "charitable." Robert Minton is an individual and he pursued his self-proclaimed "crusade" against the Church of Scientology as a private citizen. Scientology cannot justify that it had to defend itself through the execution of such a harassment campaign against one private citizen and his social environment because Minton was allegedly about "to destroy its religion."

Robert Minton's "crusade" was at various points ill founded. He often picketed in a highly provocative manner. On the Internet he ridiculed the beliefs of Scientologists. Nevertheless these questionable activities do not deprive him of his civil rights of free speech and free association. And they do not deprive Minton's wife and his daughters of their respective rights either.

During one of the settlement meetings in Samuel Rosen's office, the Church of Scientology representatives revealed that they had spent \$ 3,500,000 in "security" measures for which they ultimately made Minton responsible. An expenditure of millions of dollars to hire private investigators and to keep an individual and a few others under constant surveillance

for a period of more than four years can hardly be justified as appropriate “security measures” or, even less, as a “charitable activity” of a “charitable” tax-exempt organization.

Minton himself had millions of dollars at his disposal to finance civil cases and to support individuals who had been victimized by the Church of Scientology. Had he just done that, he would not be in the highly awkward situation he finds himself now in. But Minton wanted to become a hero, and to a certain extent and for a certain period of time he enjoyed the attention he received by becoming a nationally known “crusader.” At the end he was desperate and he consequently engaged in desperate acts, which eventually were criminal.

Minton’s “crusade” was based on lies. While he openly criticized the tax-exempt status of the Church of Scientology, he himself had evidently hidden away from millions of dollars in overseas bank accounts, which he had not disclosed to the Internal Revenue Service. When he finally decided to use that money directly for his cause and for himself as well he engaged in obscure, criminal schemes that would finally seal his legal fate.

It is ironic that in the moment when Minton’s illegalities became a public record the former fierce opponent of Scientology joined sides with the organization. It is also very remarkable how the tax-exempt and self-proclaimed “charitable” religious organization, the Church of Scientology, almost immediately tried to capitalize on Minton’s legal situation and on his finances, which, I believe, were at least partially created through a tax evasion scheme.

I declare under penalty of perjury that the aforementioned facts set forth are true and correct.

Respectfully Submitted,

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Martin Ottmann

Paris, France on July 22<sup>nd</sup>, 2002