

Who Is Gerald Armstrong?

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— Gerald Armstrong

Who Is Gerald Armstrong?

Gerald Armstrong is a former clerk for the Church of Scientology of California who, in December 1981, left the Church and took with him more than 10,000 pages of records that did not belong to him.

In late 1984, a police-sanctioned investigation of Armstrong discovered that he was engaged in a bizarre scheme to take over Church assets.

Armstrong was working in collaboration with two men, known as "Joey" and "Mike", whom he believed to be staff members of the Church who were disaffected with Church management. This was not the case, however, and unknown to Armstrong at the time, his plotting with "Joey" and "Mike" was videotaped.

Armstrong's claim in court that he lived in fear of the Church was shown during these conversations to be a sham:

"JOEY": "Well you're not hiding!"

ARMSTRONG: "Huh?"

"JOEY": "You're not hiding."

ARMSTRONG: "F-k no! And ..."

"JOEY": "You're not afraid, are you?"

ARMSTRONG: "No! And that's why I'm in a f-king stronger position than they are!"

"JOEY": "How's that?"

ARMSTRONG: "Why, I'll bring them to their knees!" SECTION 1

Armstrong wanted "Joey" to plant in the Church's files documents fabricated by Armstrong, who planned to tell the IRS office in Los Angeles to conduct a raid against the Church and find the "incriminating" documents. He reassured "Joey" that he would be able to create the needed documents "with relative ease" since he had done "it for a living."

Armstrong explained to "Joey" how he intended to go about forging the faked documents:

ARMSTRONG: "So it seems to me that the use of the communication lines, I don't know maybe you guys are using them, but it seems to me that you don't have a way of printing anything to get an issue on the lines, used for anything. Right? I'm

saying that I can do it. I can type those goddam things and duplicate them and make them look exactly the same. You can't, you would not be able to tell the difference."

Armstrong's program to remove current Church management included the filing of a civil suit, based on evidence that he would manufacture. In a conversation with "Mike", Armstrong insisted that the suit could be launched based on manufactured allegations.

ARMSTRONG: "They can *allege* it! They can *allege* it! They don't even have - they can *allege* it!"

"MIKE": "So, they don't have to -- like, they don't have to have the document sitting in front of them, and then...."

ARMSTRONG: "I'm f-king saying the organization destroys the documents....!"

"MIKE": "The point -- the point I'm trying to get across is that that's not criminal. That's the -- that's the civil complaint in there and that would have to be proven."

ARMSTRONG: "Show me the lines you're talking about."

"MIKE": "Well, it's over here."

ARMSTRONG: "Where are the -- we don't have to prove a goddam thing. We don't have to prove sh-t. We just have to *allege* it. SECTION 2

Armstrong instructed "Joey" how to lie under oath about their plans to disrupt Church management. Armstrong wanted him, if deposed, to say that he and Armstrong had merely discussed a "global settlement" of Church litigation.

ARMSTRONG: "OK, what are our conversations, should it come down to it?"

"JOEY": "What do you mean?"

ARMSTRONG: "What do we talk about? You're deposed. You walk out there, and there's a PI hands you a paper, saying you're deposed, Jack, and not only that, you're out of the organization. And what do you say in deposition. Well, Armstrong and I talked about this, and he had a whole bunch of ideas about how to infiltrate the communication lines and spread turmoil and disaster, you know. What are we doing here? That's my question, before I tell you my ideas on documents."

"JOEY": "Well, what I got is basically -- Loyalists [Loyalists was an invented name for Armstrong's "co-conspirators"] gotta -- we gotta move -- we've got the suit coming up and I guess we need other lines to get stuff going. ..."

ARMSTRONG: "OK. So as far as the doc ... Let me just say, ah, you and I get together, we get together because we have a goal of global settlement. You have felt

that the turmoil and abuses and so on have gone on too long ... Hence we get together and discuss things. We have not discussed anything about a destruction of the tech, or Scientology is bad, or anything like that. Are we agreed?"

SECTION 3

Breaches of Agreement

Armstrong's plan to take over Church management was foiled and in December 1986 he agreed to resolve his differences with the Church.

One of the settlement conditions was that he would not assist any persons litigating any claims against the Church. Armstrong has since changed his story about signing the settlement agreement and now claims that he was pressured into signing it, but that he put on a happy face and proceeded to sign and go along with it.

However, it is obvious from the video and transcript of Armstrong signing the settlement agreement that he knew exactly what he was doing. **SECTION 4 (video is available)**

In 1990, Armstrong began to undertake actions which directly violated the agreement he had made. This placed him at risk that the Church would move to collect the damages that Armstrong's breaches entitled it to. To make it impossible for the Church to collect any damages, he fraudulently conveyed all his property including real property, personal property and cash to his friends and to a corporation he set up for that purpose, which he called, "The Gerald Armstrong Corporation."

One of the recipients of Armstrong's assets was an attorney named Michael Walton. Prior to signing the settlement agreement with the Church, Walton had advised Armstrong about the terms and conditions of the agreement. Walton also knew of Armstrong's intention to breach the agreement and was thus fully aware of the fraudulent nature of the conveyance. **SECTION 5**

After transferring his assets, Armstrong went to the media and, in an eccentric interview, told them that he had given away all his money. **SECTION 6**

In early 1992, a lawsuit was filed against Armstrong to enforce the settlement agreement on him. On May 28, 1992, a preliminary injunction was ordered specifically prohibiting Armstrong from assisting any person arbitrating or litigating a claim against the Church. **SECTION 7**

Despite this order, Armstrong has continued to violate the settlement agreement. He has now stated both in deposition and in his letters that he has no intention of abiding by the preliminary injunction and that no court can order him to abide by the settlement agreement. **SECTION 8**

Ford Greene

Armstrong's attorney, Ford Greene, has been a long-time attacker of religious

movements. He has a history of using frivolous litigation tactics to delay and prevent cases from being tried. In August 1992, Greene was forced to pay \$6,167.23 in sanctions, plus \$797.81 in costs, to a fellow-attorney after Greene's dishonest and unprofessional litigation tactics were exposed in court.

The Sonoma Superior Court in California ordered Greene to compensate attorney John Maderious, who had been trying for eighteen months to bring to trial a case in which Greene represented the plaintiff. The case, once at trial, could have been disposed of in one hour. Maderious's declaration to the Court described Greene's stalling tactics, his deception and his purposeful failure to abide by court rules. **SECTION 9**

Maderious stated that, *"Mr. Greene enjoys a unique status in my office. Mr. Greene is the only attorney I have had any contact with in almost twenty years of practice who I refuse to speak with on the telephone. My response to telephone calls to Mr. Greene is to have my secretary tell him to fax anything to me that he has to tell me since I do not wish to talk to him on the phone. The reason for this is that Mr. Greene has demonstrated to me repeatedly that he is willing to say anything to attempt to further his interests, regardless of the truth."*

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