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FILED

FEB 20 1998

JOHN P. MONTGOMERY,
Court Executive Officer
MARIN COUNTY COURTS
By: T. Olsen, Deputy

14 SUPERIOR COURT OF THE STATE OF CALIFORNIA
15 FOR THE COUNTY OF MARIN

16 CHURCH OF SCIENTOLOGY)
17 INTERNATIONAL, a California not-for-profit)
18 religious corporation,)

19 Plaintiff,)

20 vs.)

21 GERALD ARMSTRONG; MICHAEL)
22 WALTON; THE GERALD ARMSTRONG)
23 CORPORATION, a California for-profit)
24 corporation; DOES 1 through 100, inclusive,)

25 Defendants.)

CASE NO. 152229

CASE NO. 157680

(CONSOLIDATED)

SECOND ORDER OF
CONTEMPT

26 The second post-judgment contempt proceedings against Defendant GERALD
27 ARMSTRONG, on the Court's Order to Show Cause issued on December 2, 1997, came
28 before this Court on January 30, 1998 at approximately 1:45 p.m. Defendant Armstrong
failed to appear. The Court has reviewed all papers submitted and has taken oral argument.

GOOD CAUSE APPEARING THEREFOR, the Court makes the following findings:

1 1. On October 17, 1995, this Court entered an Order of Permanent Injunction
2 against Armstrong (the "Order") and subsequently incorporated the Order into a judgment
3 entered against Armstrong on May 2, 1996 (the "Judgment"). By this Court's Order,
4 Armstrong is prohibited from voluntarily assisting any persons litigating claims adverse to the
5 "Beneficiaries"; from "facilitating in any manner the creation, publication, broadcast, writing,
6 filming, audio-recording, video recording, electronic recording or reproduction of any kind of
7 any book, article, film, television program, radio program, treatment, declaration, screenplay
8 or other literary, artistic or documentary work of any kind which discusses, refers to or
9 mentions Scientology, the Church, and/or any of the Beneficiaries"; and from discussing with
10 anyone, not a member of Armstrong's immediate family or his attorney, Scientology, the
11 Church, and/or any of the Beneficiaries".

12 2. The Order was valid when rendered and remains fully valid and enforceable.
13 The Court notes that Armstrong's appeal of the Judgment has been dismissed. The Court
14 notes further, however, that even during the pendency of Armstrong's appeal, he was
15 obligated to obey the lawful Order of this Court.

16 3. Armstrong had knowledge of the Order and, further, that he had the ability to
17 comply with the Order. The Order was specific as to the restrictions it imposed upon
18 Armstrong. There has been no showing, nor suggestion, that he is incapable of complying
19 with the Order. Rather there is ample evidence before this Court that Armstrong has
20 knowingly and deliberately chosen to breach and/or disregard this Court's Order, on numerous
21 occasions.

22 4. Upon review of the full record before it, this Court has determined that
23 Armstrong has willfully disobeyed the Order. The Court has determined that in thirteen (13)
24 separate incidents between September 2, 1997 and November 26, 1997, Armstrong knowingly
25 and willfully disobeyed the Order of this Court, as follows:

26 (a) On or about September 2, 1997, in violation of the Order, Armstrong created
27 and caused to be widely disseminated by means of the Internet a documentary work which
28

1 discussed CSI and other beneficiaries of the Settlement Agreement. See Declaration of
2 Andrew H. Wilson in support of Ex Parte Application for Order to Show Cause re Contempt,
3 Exhibit E.

4 (b) On or about October 14, 1997, in violation of the Order, Armstrong created and
5 caused to be widely disseminated by means of the Internet a documentary work which violated
6 the terms of the above referenced Judgment. See Wilson declaration, Exhibit F.

7 (c) On or about October 14, 1997, in violation of the Order, Armstrong created and
8 caused to be widely disseminated by means of the Internet a documentary work which violated
9 the terms of the above referenced Judgment. See Wilson declaration, Exhibit G.

10 (d) Also on or about October 14, 1997, in violation of the Order, Armstrong
11 created and caused to be widely disseminated by means of the Internet a documentary work
12 which violated the terms of the above referenced Judgment. See Wilson declaration, Exhibit
13 H.

14 (e) On or about October 20, 1997, in violation of the Order, Armstrong created and
15 caused to be widely disseminated by means of the Internet a documentary work which violated
16 the terms of the above referenced Judgment. See Wilson declaration, Exhibit I.

17 (f) Also on or about October 20, 1997, in violation of the Order, Armstrong
18 created and caused to be widely disseminated by means of the Internet a documentary work
19 which violated the terms of the above referenced Judgment. See Wilson declaration, Exhibit
20 J.

21 (g) On or about October 23, 1997, Armstrong caused to be widely disseminated by
22 means of the Internet a letter written to the Hon. Alfonse D'Amato concerning the efforts of
23 CSI to combat religious discrimination in Germany. This action constituted the publication
24 and/or broadcast of a documentary work which violated the terms of the above referenced
25 Judgment. See Wilson declaration, Exhibit K.

26 (h) In or about early October, 1997, in violation of the Order, Armstrong
27 voluntarily and willingly participated in a videotaped interview during which he violated the
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1 terms of the above referenced Judgment. Armstrong was informed prior to the interview that
2 it was being recorded for broadcast on British television. See Wilson declaration, Exhibit C.

3 (i) In or about October, 1997, Armstrong gave a speech on or about October 26,
4 1997. In that speech, Armstrong violated the Injunction and the above referenced judgment

5 (j) During that same visit, Armstrong gave an interview to the *Berliner Zeitung*,
6 resulting in an article in that publication, an examination of which article clearly shows that
7 the interview given violated the Injunction. See Wilson declaration, Exhibits M and N.

8 (k) On October 28, 1997, Armstrong traveled to Hamburg, Germany where he
9 appeared at a public event. During which, Armstrong committed further violations of the
10 terms of the Judgment, as reprinted in the October 28th edition of the *Frankfurter Rundschau*.
11 See Wilson declaration, Exhibits P.

12 (l) Also on this trip to Germany, Armstrong gave interviews to at least three
13 television interviewers resulting in broadcasts on Germany TV channels N-TV, B1 TV and
14 SAT 1 TV. In addition to this, Armstrong was interviewed by the regional newspaper *Taz*,
15 resulting in the article of October 28, 1997. See Wilson declaration, Exhibits Q and R.

16 (m) On that date November 26, 1997, Armstrong created another Internet posting
17 which purported to be a verbatim transcription of a complaint which Armstrong had recently
18 filed in the United States District court for the District of Nevada. See Wilson declaration,
19 Exhibit S. This complaint is a "documentary work" concerning a "beneficiary" as
20 contemplated by the Order while the filing of this complaint is privileged, its publication on
21 the Internet is not and is a violation of the terms of the Judgment.

22 IT IS HEREBY ADJUDGED, ORDERED AND DECREED that Defendant Armstrong
23 is guilty of 13 separate acts of Contempt of Court for his repeated failures to obey the Order
24 and Judgment. As set forth above, the Order at all times was and remains valid and
25 enforceable; Armstrong had knowledge of the Order, and the ability to comply with this
26 Order. He willfully and repeatedly disobeyed the Court's Order.

27 IT IS FURTHER ADJUDGED, ORDERED AND DECREED that Defendant Gerald
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1 Armstrong is to be punished for the foregoing contempt by a fine of \$200 for each separate
2 violation (for a total of \$2,600) and confinement in the County Jail for a period of two days
3 (48 hours) for each separate violation (for a total of 26 days). Armstrong is to surrender
4 himself to Marin County law enforcement officers for the enforcement of said penalties on or
5 before February 10, 1998. Should Armstrong fail to do so, a bench warrant will be issued for
6 his immediate arrest and incarceration until the fines imposed for his acts of contempt are
7 satisfied. Should such a bench warrant be necessary, bail on the warrant is set at \$10,000 (ten
8 thousand dollars).

9 DATED: 2-11-98, 1998.

10 GARY W. THOMAS
11 JUDGE OF THE SUPERIOR COURT
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