### SUPERIOR COURT OF THE STATE OF CALIFORNIA

#### FOR THE COUNTY OF LOS ANGELES

DEPARTMENT NO. 86

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HON. DIANE WAYNE, JUDGE

CHURCH OF SCIENTOLOGY,

Plaintiff,

vs.

NO. BC 052 395

GERALD ARMSTRONG, et al.,

Defendants.

TRANSCRIPT OF PROCEEDINGS

March 5, 1993

#### APPEARANCES:

(See appearance page.)

24 PY

COURT MONITOR: TRANSCRIPTION BY: E. VELASCO FOX TRANSCRIPTIONS

## APPEARANCES: 1 2 For Plaintiff: ANDREW WILSON Attorney-at-Law 3 Suite 450 235 Montgomery San Francisco, CA 94104 (415) 391-3900 5 BOWLES & MOXON BY: LAURIE J. BARTILSON Suite 2000 6255 Sunset Boulevard Hollywood, CA 90028 (213) 661-4030 9 10 For Defendants: HUB LAW OFFICES BY: FORD GREENE 11 711 Sir Francis Drake Boulevard San Anselmo, CA 94960 12 (415) 258-0360 13 PAUL MORANTZ Attorney-at-Law 14 P. O. Box 511 Pacific Palisades, CA 90272 15 (310) 459-4745 16 17 18 19 20 21 22 23 24 25 26

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HON. DIANE WAYNE, JUDGE

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THE COURT: Church of Scientology versus Armstrong.

MR. WILSON: Good morning, Your Honor.

LOS ANGELES, CALIFORNIA, FRIDAY, MARCH 5, 1993, A.M.

Andrew Wilson and Laurie Bartilson appearing on behalf of the plaintiff, Church of Scientology.

MR. GREENE: Good morning, Your Honor.

Ford Greene and Paul Morantz on behalf of Gerald Armstrong, who is sitting at the end of counsel table.

MR. WILSON: Your Honor, before we begin I'd like to ask the court's permission to have Mr. Michael Hertzberg sit at counsel table with me. He's not counsel in this action. He's a New York attorney who represented my client in the previous Armstrong action on the appeal.

THE COURT: It won't be necessary because we're not going to go very far.

Gentlemen, let me ask -- I'm sorry.

MR. WILSON: Okay.

THE COURT: This case is on appeal?

MR. WILSON: Yes.

THE COURT: And it just seems to me -- you're the moving party?

MR. WILSON: That's correct.

THE COURT: It seems to me ridiculous to hold this hearing prior to a determination whether or not this is a valid order. I mean, I have some serious questions about the validity of the order. And I'm not prepared to waste my

time, if it's going to be heard. And apparently it's going to be heard very soon, because the briefs have already been filed and one is left to be filed; is that correct?

MR. GREENE: Actually, Your Honor, the respondent's brief is due. Scientology's brief is due on March 22nd.

THE COURT: The respondent being the moving party here?

MR. GREENE: Being the moving party here and the plaintiff in the action. And, as we noted in a footnote in our papers and we were going to call the court's attention to that fact again this morning.

THE COURT: It just seems like an inordinate waste of our time.

MR. WILSON: May I address that point?

THE COURT: Sure. You can address, but --

MR. WILSON: And I will attempt to convince you.

THE COURT: You're not. Especially after seeing all the papers you filed.

MR. WILSON: The point here is not whether Judge Sohigian made an error.

THE COURT: No, no. I absolutely agree and I would not relitigate the validity of the order and I'm not going to relitigate that. And I think you're absolutely right. But it does have to be a valid order.

Now, I don't know how broadly or narrowly you find that but I think that it's stupid for me to waste my time, your time, deciding whether or not Mr. Armstrong is in actual contempt of an order that may be set aside.

MR. WILSON: I agree it would not be a good use of your

time.

THE COURT: Well, I don't mean that my time is so valuable. I don't mean it in that sense.

MR. WILSON: It would not be a good use of judicial time, but I don't believe that any of the issues --

THE COURT: That's not my personal time that I'm talking about.

MR. WILSON: I don't believe that any of the issues that are going to be addressed on appeal will solve the problem of whether Mr. Armstrong should be held in contempt for this very simple reason:

The cases say that the only excuse that Mr. Armstrong could have for violating this court's order would be if the court did not have jurisdiction. And the cases talk about what that jurisdiction is and it's either personal jurisdiction and subject matter jurisdiction.

There's no question that Judge Sohigian had jurisdiction to issue this order. Mr. Greene tries to bootstrap his arguments, which are essentially arguments that Judge Sohigian's order was wrong, into arguments that Judge Sohigian did not have jurisdiction.

and I think this is a very important point -- particularly the Walker v. City of Birmingham case, where in that case there was an injunction issued against people marching, a Civil Rights march, that involved the infamous Bull Connor, who didn't give them a permit. A court enjoined them; they violated the injunction and it went all the way up to the

Supreme Court.

And the Supreme Court said it doesn't matter this ordinance was unconstitutional; it doesn't matter whether your rights of free speech were violated. What matters is you cannot disobey the order of the court.

And in the Walker case the Supreme Court made a statement, and I'd like to read it to you briefly. And the court said, "Without question, the state court that issued the injunction had, as a court of equity, jurisdiction over the petitioners and over the subject matter of the controversy. And this is not a case where the injunction was transparently invalid or had only a frivolous pretense to validity.

We have consistently recognized the strong interest of state and local governments in regulating the use of their streets and other public places."

I submit to the court that the interest here that the court has in making sure its orders are obeyed is at least as strong as the interest of the State in Walker in regulating its streets and public ways.

What's going on here is not that Mr. Armstrong is involved in this hearing against the Church of Scientology. This is a case of Mr. Armstrong against this court. There is an order of this court and he violated it. That's what's relevant here and there's no issue before the appellate court that's going to resolve that.

THE COURT: Oh, but I think there is. And that's whether or not this is an order --

I'll tell you, when I first looked at this order, I thought the order was clear until I then read part of the transcript. Then it became unclear to me. And I think that is in front of the appellate court, whether or not this is an order capable of being followed, because Judge Sohigian's comments that at least it confused me a little bit.

So I do think that issue is there and I'm going to put this matter over until I think that will be decided without prejudice to anybody's rights and I would suggest that you return in June. I think that would give us sufficient time.

Your Honor, my concern -- and I know this is not before the court, but my concern is that Mr. Armstrong has stated in deposition -- you've probably seen that statement -- he's not going to obey this agreement no matter what a court says.

We have put forth numerous instances in which we believe he is --

THE COURT: If that's a valid order, each time he disobeys it, he faces five days in jail. I take contempt very seriously. And, I mean, I don't treat it lightly and he just does it at his peril.

MR. WILSON: Thank you.

THE COURT: All right. Let's pick a date in June. Why don't we make it June 1st.

MR. WILSON: May I be able to look at my calendar?

THE COURT: Sure.

MR. GREENE: These proceedings are being electronically

recorded; right, Judge? Could we get a transcript.

THE COURT: Yes.

MR. GREENE: Thank you, Your Honor.

MS. BARTILSON: Your Honor, the case is scheduled for trial May 3rd. Judge Horowitz found no problem with going forward on the trial of this case, despite the appeal. And essentially the message that I hear Mr. Armstrong being told is you do the contempt at your peril, but by filing an appeal, no matter how frivolous, you can avoid an order of the court.

THE COURT: You know what? I don't try to interrupt you, so try not to interrupt me. All right.

MS. BARTILSON: I'm sorry. I apologize, Your Honor.

THE COURT: Is June 1st all right?

MR. GREENE: For me it's not, Your Honor. I have a conflict and maybe I can change that conflict, so I'll try.

THE COURT: June 1st. Is that all right for you?

MR. WILSON: Yes, it is, Your Honor.

THE COURT: We'll see you back here June 1st.

Mr. Armstrong, you are ordered to return on June 1st at 9:30.

MR. GREENE: Thank you, Your Honor.

(Proceedings concluded.)

# SUPERIOR COURT OF THE STATE OF CALIFORNIA 1 FOR THE COUNTY OF LOS ANGELES 2 HON. DIANE WAYNE, JUDGE DEPARTMENT NO. 86 3 CHURCH OF SCIENTOLOGY, Plaintiff, NO. BC 052 395 vs. GERALD ARMSTRONG, et al., Defendants. 10 11 STATE OF CALIFORNIA 12 COUNTY OF LOS ANGELES 13 14 15

I, MARIE FOX, a duly designated transcriber, do hereby declare and certify under penalty of perjury that I have caused to be transcribed the portion of tape 1 which was duly recorded in the Superior Court of the State of California, County of Los Angeles, Department 86, on the 5th day of March, 1993, in the above-mentioned case, and that the foregoing 6 pages comprise a true and correct, accurate transcription of the aforementioned tape.

Dated this 19th day of March, 1993.

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