

FEDERAL BUREAU OF INVESTIGATION
COMMUNICATIONS SECTION

MAY 29 1974

ru
TELETYPE

Assoc. Dir.	_____
Dep.-A.D.-Adm.	_____
Dep.-A.D.-Inv.	_____
Asst. Dir.:	_____
Admin.	_____
Comp. Syst.	_____
Ext. Affairs	_____
Files & Com.	_____
Gen. Inv.	_____
Ident.	_____
Inspection	_____
Intell.	_____
Laboratory	_____
Plan. & Eval.	_____
Spec. Inv.	_____
Training	_____
Legal Coun.	_____
Telephone Rm.	_____
Director Sec'y	_____

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RR87 CG FLAIN
1238PM URGENT 5/29/74 EMM
TO DIRECTOR
FROM CHICAGO (87-41667) (P) 4P

Reff

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[REDACTED] DBA FOUNDING CHURCH (b)(7)(C)
OF SCIENTOLOGY, WASHINGTON, D.C. ITSP - FRAUD BY WIRE,
OO: CHICAGO.

RE BUREAU TELEPHONE CALL TODAY.

[REDACTED]
[REDACTED] PROVIDED THE
FOLLOWING INFORMATION IN INTERVIEW WITH BUAGENTS ON [REDACTED]
[REDACTED] APPROXIMATELY ONE YEAR AGO [REDACTED] SENT FOR A BOOK (b)(7)(C)
ENTITLED "DIANETICS", WHICH BOOK DEALT WITH IMPROVEMENT OF (b)(7)(D)
ONES WELL-BEING THROUGH THE MENTAL PROCESS OF DIANETICS.

APPROXIMATELY SIX MONTHS AGO [REDACTED] RECEIVED TELE-
PHONE CALL [REDACTED] FROM UNKNOWN FEMALE REPRESENTING
FOUNDING CHURCH OF SCIENTOLOGY (FCS), WASHINGTON, D.C., [REDACTED]

END PAGE ONE

55 JUN 12 1974

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PAGE TWO

HOW [REDACTED] HAD LIKED THE BOOK "DIAMETICS", AND IF HE HAD BENEFITED FROM READING THE BOOK. [REDACTED] SUBSEQUENTLY RECEIVED SEVERAL TELEPHONE CALLS AND LETTERS FROM THE FCS ASKING AND ENCOURAGING HIM TO COME TO WASHINGTON, D.C. TO ATTEND LECTURES AND COUSES AT FCS. [REDACTED] ADVISED THAT HE DID NOT EXPRESS ANY INTEREST TO THE FCS IN THIS REGARD. (b)(7)(C) (b)(7)(D)

ON [REDACTED] RECEIVED TELEPHONE CALL FROM GLENN SMOAK, FCS, WASHINGTON, D.C., TELEPHONE NUMBER 292-232-7547. SMOAK HAD CALLED [REDACTED] SEVERAL TIMES PREVIOUSLY BUT ON THIS OCCASION WHEN [REDACTED] MENTIONED TO SMOAK THAT HE SUFFERED FROM DIABETES, SMOAK TOLD [REDACTED] THAT HIS DIABETES COULD BE CURED. SMOAK TOLD [REDACTED] THAT [REDACTED] WOULD ENTITLE [REDACTED] TO 150 HOURS OF INSTRUCTION WHICH WOULD RESULT IN THE CURE OF HIS DIABETES. (b)(7)(C) (b)(7)(D)

[REDACTED] ON THAT DATE, SENT A [REDACTED] BANK MONEY ORDER TO THE FCS AT 1812 19TH STREET, NORTHWEST, WASHINGTON, D.C.

END PAGE TWO

2-3

PAGE THREE

THE FOLLOWING DAY SMOAX CALLED [REDACTED] AND DURING THIS CONVERSATION INFORMED [REDACTED] THAT FOR ANOTHER [REDACTED] HE COULD RECEIVE ADDITIONAL COURSES AND LECTURES WHICH WOULD MAKE HIM A PERFECT MAN, CURE HIS DIABETES AND ANY OTHER ILLS HE MAY BUFFER FROM. THE FOLLOWING DAY [REDACTED]

(b)(7)(c)
(b)(7)(D)

[REDACTED] SENT A [REDACTED] BANK MONEY ORDER TO THE FCS.

(b)(7)(c)(D) SUBSEQUENTLY [REDACTED] INFORMED HIS SISTER, [REDACTED]

(b)(7)(c)

[REDACTED] OF HIS DEALINGS WITH THE FCS, AND SHE TOLD HIM THAT IT WAS A FRAUD, AND THAT DIABETES IS INCURABLE. [REDACTED]

(b)(7)(c);(D)

SUBSEQUENTLY CUT OFF ANY COMMUNICATIONS BETWEEN HE AND FCS, AND REFUSED TO SPEAK WITH THEM WHEN THEY ATTEMPTED TO CONTACT HIM.

[REDACTED] (b)(7)(c)

[REDACTED] SENT A WESTERN [REDACTED]

(b)(7)(D)

UNION TELEGRAM TO THE FCS REQUESTING A REFUND OF [REDACTED]

PAID BY [REDACTED]

[REDACTED] (b)(7)(c)

[REDACTED] (b)(7)(D)

END PAGE THREE

PAGE FOUR

(b)(7)(C) Wash., D.C.

Founding Church of Scientology

AND STATING THAT THEY HAD RECEIVED

(b)(7)(C); (D)

TELEGRAM, AND WOULD LIKE TO TALK TO HIM OVER THE PHONE.

(b)(7)(C)

LEADS HAVE BEEN SET OUT FOR WFO TO CONDUCT INVESTIGATION

IN THIS MATTER AT THE FCS, HOWEVER, THAT INVESTIGATION IS

BEING HELD IN ADVANCE PENDING THE DETERMINATION OF FCS

INTENTIONS RE REFUND REQUEST.

END

AMW FBIHQ

CLR

87-131713-4
CHANGED TO
62-116523-2

MAY 05 1975

DH/rms

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C-4

UNITED STATES GOVERNMENT

Memorandum

TO : Mr. Gebhardt

FROM : R. F. Bates

SUBJECT

**DOING BUSINESS AS FOUNDING
CHURCH OF SCIENTOLOGY (FCS)
WASHINGTON, D. C.
INTERSTATE TRANSPORTATION
OF STOLEN PROPERTY -
FRAUD BY WIRE**

(b)(7)(c)

DATE: May 30, 1974

- 1 - Mr. Callahan
- 1 - Mr. Gebhardt
- 1 - Mr. Bates
- 1 - Mr. Wood
- 1 - Mr. Walsh

- Asst. Dir. _____
- Dep. AD Adm. _____
- Dep. AD Inv. _____
- Asst. Dir.:
- Admin. _____
- Comp. Syst. _____
- Ext. Affairs _____
- Files & Com. _____
- Gen. Inv. _____
- Ident. _____
- Inspection _____
- Intell. _____
- Laboratory _____
- Plan. & Eval. _____
- Spec. Inv. _____
- Training _____
- Legal Coun. _____
- Telephone Rm. _____
- Director Sec'y _____

Handwritten notes:
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The Washington Star-News, May 23, 1974, page B6, contained an article captioned "Scientologists Tapped?" In this article it was stated that the FCS, in a suit in Federal court, had charged that the FBI had tapped its headquarters in Washington, D. C., on April 30, 1974. In response thereto, the Government produced an affidavit from the then Special Agent in Charge (SAC) John J. McDermott of the Washington Field Office (WFO), in which it was stated the Church's phones have never been tapped by the FBI. United States District Judge (USDJ) Charles R. Richey, in view of the Government's affidavit, "reluctantly denied" suit of FCS.

The Director asked, "Do we have a case on the alleged tap?"

BACKGROUND: Concerning the FCS, its leader Ron Hubbard has been described by his wife as being hopelessly insane.

Handwritten: Washington, D.C.

In response to the Director's question, it is noted that we have never had an electronic surveillance on the FCS at 1812 19th Street, Northwest, Washington, D. C. On May 21, 1974, Assistant Director John J. McDermott, who was at that time SAC of WFO, prepared an affidavit stating that the FBI did not have at that time and has never had a wire tap or technical surveillance on any telephones belonging to or operated by the FCS. Mr. McDermott

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57 JUN 19 1974

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C-5

Memorandum to Mr. Gebhardt
RE: [REDACTED] (b)(7)(c)

advised an Assistant United States Attorney, Washington, D. C., he suggest to officials of the FCS that if they suspected an interception of communications the matter should be referred to the Security Office of Chesapeake and Potomac (C & P) Telephone Company. As of May 29, 1974, our WFO has had no further contact from the C & P Telephone Company Security or the FCS concerning possible interception of communications.

In addition, we do not have now, nor have we ever had, an Interception of Communications case concerning FCS.

However, our Chicago Office is conducting a fraud by Wire investigation on behalf of [REDACTED] who has apparently been defrauded of [REDACTED] by captioned individuals who are associated with the FCS, Washington, D. C. [REDACTED] forwarded the money to Smoak at FCS, Washington, D. C., based on two telephone calls from Smoak, in which calls Smoak stated that instruction from the FCS could result in his being cured of diabetes, make him a perfect man and cure him of any other ills which he may suffer. (b)(7)(c) (b)(7)(D)

We have never had any technical surveillances on either [REDACTED] (b)(7)(c)

ACTION: For information.

JDW
HSM/SJE
RTG
K
EM
[Handwritten signatures and initials]



87-131713-7
CHANGED TO
62-116523-1

MAY 05 1975

DH / SUCS

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C-7

FEDERAL BUREAU OF INVESTIGATION
FREEDOM OF INFORMATION/PRIVACY ACTS SECTION

SUBJECT:

CHURCH OF SCIENTOLOGY/L. RON HUBBARD

FILE NUMBER: 163-63755