

SOR.

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QUESTION 1-d (iii)

(iii) Please describe the transfer of stock in SOR Management Services, Ltd. between Ms Beryl Garside and CSREC. In addition, who or what entity owns SOR Services U.K., Ltd. as of the date of this letter.

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SOR Management Services Limited ("SORMS") was wholly-owned by Church of Scientology Religious Education College ("CSREC") from late 1985 until 31 December 1988 when it was liquidated.

Under relevant U.K. law, a U.K. limited company is required to have a minimum of two registered shareholders. Thus CSREC was unable to hold all of the shares in SORMS itself. Ms Beryl Garside was a director of Church of Scientology Religious Education College ("CSREC") and any share(s) of SORMS registered in her name were held as a nominee for CSREC, under a declaration of nominee shareholding. Any transfers of stock in her name were done on the instructions of CSREC. She never, at any time, had any beneficial interest in the shares of SORMS.

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As at the date of this letter, SOR Services U.K. Limited is a wholly-owned subsidiary of Church of Scientology Religious Education College Inc., as indicated on page (1-45) and (1-52) of our June submission. It currently has an issued capital of Two Pounds comprising two ordinary shares of One Pound each, which are held in the names of CSREC (One) and Ms Jane Fraser, a director of CS REC, (One). The latter holds this share as a nominee for CSREC, under a declaration of nominee shareholding. She has no beneficial interest in the shares of SOR Services U.K. Limited.

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QUESTION 1-h

h. Are you aware of the existence of a Florida corporation named Majestic Cruise Lines, Inc.? Is that corporation related, directly or otherwise, with any Scientology-related organization, including Majestic Cruise Lines, Inc., the Panamanian corporation? If so, please explain.

\* \* \* \*

We were unaware of the existence of any Florida corporation by the name of Majestic Cruise Lines, Inc. Following receipt of your letter we contacted the Florida Secretary of State of State, Corporations Division and determined that a corporation by that name was incorporated on January 12, 1989 and dissolved on October 9, 1992.

We subsequently obtained a copy of the articles of incorporation which show no connection whatsoever with the Scientology religion.

The names of the incorporator, agent for service of process, director and corporate addresses shown in the state records are all completely unfamiliar to us. That Florida corporation's use of the name "Majestic Cruise Lines" is simply a coincidence.

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QUESTION 1-i

i. According to the information you provide, San Donato Properties ("SDP") is the registered owner of the M.V. Freewinds, and is in turn wholly owned by Transcorp Services, which is in turn wholly owned by Flag Ship Trust. However, the Service has information that SDP is owned by a Venezuelan company named Consolidada de Ferrys. Please provide any information that will enable us to clarify this issue.

\* \* \* \*

We were unaware of the existence of a Venezuelan company called Consolidada de Ferrys prior to receiving your letter.

In an effort to resolve this question, we contacted the American Embassy in Caracas, Venezuela and learned that Consolidada de Ferrys operates four car and passenger ferries between two ports of the Venezuelan mainland and Margarita Island, which is located off the Venezuelan coast. The company has been in operation for over thirty years which predates our existence in the Caribbean by a considerable period.

There is no connection between this company and any Church of Scientology or related organization.

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QUESTION 1-j

j. In Exhibit I-2, the directors of SDP, Transcorp Services, S.A. and Majestic Cruise Lines, Inc. are described as "compensated and unaffiliated Panamanian individuals." Please identify all directors of these corporations as of December 31, 1989, and as of the date of this letter. Please provide the same information for the director of MCL Services, N.V. who is described as an "unaffiliated Netherlands Antilles individual."

The corporation laws of Panama and the Netherlands Antilles, respectively, require that the directors of a corporation be nationals of those respective countries. The individual directors shown below are professionals in the respective countries who act as directors of the respective corporations.

The compensated and unaffiliated Panamanian individuals who serve as directors of SDP, Transcorp Services, S.A. and Majestic Cruise Lines, Inc. as of December 31, 1989 and as of the date of this letter, are as follows:

SAN DONATO PROPERTIES CORPORATION:

Ricardo A. Durling  
Luis A. Durling  
Orlando Lopez

TRANSCORP SERVICES S.A.

Ricardo A. Durling  
Luis A. Durling  
Orlando Lopez

MAJESTIC CRUISE LINES, INC.

Manuel Salerno Abad  
Rudolph V. A. Van Der Wall Arnemann  
Vielka Chiari Rivera

The sole director of MCL Services, N.V. described as an unaffiliated Netherlands Antilles individual in Exhibit I-2, as of December 31, 1989 and as of the date of this letter, is Reginald Antonio Emiliano Markes. Mr. Markes also is an employee of MCL Services, N.V., performing services on matters such as government and public affairs, labour relations and the like.

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