

PASTOR'S REPORT

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NOTICE TO ALL PASTORS

Mr. Herbert W. Armstrong is now writing a member letter in which he is revealing the facts about a Satanic conspiracy to destroy the Work of God.

This Pastor's Report contains excerpts of the afternoon Sabbath services conducted in Ambassador Auditorium on January 6, 1979. Messrs. Ellis LaRavia, Roderick Meredith, Stanley Rader and Ralph Helge spoke to the congregation. Tapes of the entire proceedings are being sent simultaneously with this Pastor's Report to all PASTORS OF CHURCHES worldwide. Mr. Herbert Armstrong has ordered that all pastors play these tapes in their entirety to their congregations during Sabbath services, January 13. The information in this Pastor's Report clearly reveals a Satanic conspiracy to DESTROY the one true church which Jesus Christ has raised up through Mr. Herbert W. Armstrong!

MR. LARAVIA REPORTS ON COURT HEARING

On Friday afternoon, January 5th, in Superior Court of Los Angeles, California, Honorable Judge Vernon Foster heard arguments for and against the dissolution of the rest of the orders and dismissal of the receiver ordered by the court on the ex parte petition of the plaintiffs who were former members of the Church of God. Mr. La Ravia recounted for the brethren the results of the hearing before the sermon which was given by Mr. Meredith. Following are excerpts of Mr. La Ravia's report.

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Good afternoon again to all of you. You know, there are Sabbath Days and then there are Sabbath Days.

Well, for the last three days it has been very nightmarish. There has been a lot of confusion, a lot of turmoil and a lot of misunderstanding, and it has created a great deal of distress for this Headquarters Church area and of course around the world. And we tried to clarify some of the things yesterday [at the 9:00 a.m. special service in the Auditorium, Jan. 5] and where we are going and what the problems were and how we hoped to resolve them. And I don't want to rehash a lot of those things now, but our concern has to be now for the welfare of the Church, God's people around the world, and for the conduct of this work.

I would like to go over with you briefly where we are in terms of the court hearing that ended last evening. Now for those of you who were not there, we did start somewhere in the neighborhood of 4 o'clock and did run until approximately 8:40 in the evening, so it was a very lengthy session. It was very hot and stuffy. I think we must have had five, six hundred people there, maybe more. At least that many. And it was

very reassuring, very encouraging, and I think the Judge was moved. In his final comments, he even made one comment that was directed toward those who were in the gallery. And so I think he was himself even very impressed.

But there are several points that I would like to bring out that he stated as far as where we are in terms of the Receivership that came upon the Church around 8:40 on Wednesday morning. The Judge stated that there has been no ruling or confirmation of any misconduct in the Church by anyone, by any defendant that is named. He said that in the next hearing, on Wednesday, facts will be presented -- that is, if any exist -- and then a judgment will be made accordingly. This will occur this coming Wednesday, the tenth.

There is also an order to permit the Attorney General to investigate. Of course I think that most of you understand that the Attorney General does have the legal stewardship of all charities' funds and that is certainly the vested responsibility of the Attorney General of the State. And, of course, we have never resisted that particular official duty directly. But now it has worked out that way in the sense that we were resisting the Receivership, so it did work to that end as far as the records were concerned. But that was not our concern. It was never our concern to bar the auditors from the records, or whomever, from the Attorney General's office who needed to see those records. That was never our intent.

Also another point: The control of the Church and its entire organization, and its assets, are back with the Church. Again, I think that is very important because under the terms of the Receivership, or at least the way they were conducting themselves under that Receivership, we had no rights to anything. The appointed Receiver was totally and completely in charge of everything. And that was stated. So that is not conjecture.

Another point: The Receiver has no right, at least now under the terms of the court, to hire, nor fire, nor right to interfere with regular conduct of business. So our "business" can go on as it has been, at least until it was interrupted on Wednesday morning, and we can go on with our normal course of business, paying our bills, receiving income, depositing those funds in the bank, writing checks upon those funds printing the gospel, buying radio and television time, and making payment of all of the other things that are in the normal course of business and, of course, employee's checks which all who are employees are certainly interested in.

Another point: all records which previously were removed by plaintiff's attorney or the Attorney General must be returned forthwith because then that brings everybody back to square one where everyone /the plaintiffs and the defense/ has access to whatever records are available, and where no one has any advantage in that respect /as the state had up to that point by their absolute control and our exclusion/.

Point six: and probably one of the more important ones which undergirds and is an umbrella over, all of these others: The church is back under the control of Mr. Herbert Armstrong. Now he never relinquished it, but believe me brethren, they considered it so. And by "they" I mean the Attorney's plaintiffs and the Receiver, the retired Judge Wiesman. They did definitely consider this so because I was there.

When I walked into the building /Wednesday morning, Jan. 3/ they were already there. And they summarily told me -- in fact -- one of the first things they hit me with was "Mr. Herbert Armstrong is removed from his position in this organization." Now that's what they told me, unequivocally, and I lie not. I would state that under oath if need be, or affirm it, for that is what they said. And that was even reaffirmed at a later time. And the Attorney pointed to ex-Judge Wiesman, and said, "He is now in charge of everything." So, to the best of my recollection, that is the way it was.

Now I could relate many, many other things to you, but the important thing at this particular time is that we understand where we are now. We feel like we are in a very good position now because the main thing we did not want to see, and of course Mr. Herbert Armstrong did not want to see, was himself removed /by the state of California/ as the Apostle of this Church because God placed him there and he knows that and we know that.

Another point: The Receiver will only be collecting data from our records and documents. And the only reason the Receiver will be here at this point in time is to make certain that this is done. So they will only be collecting data from our records and documents.

And the final point here: We, the Church, were always willing to open our records and we believe our records will vindicate us. Mr. Herbert Armstrong has said that and we have no reason to believe otherwise. If something is presented to the contrary, Mr. Armstrong has said that he will, of course, do whatever is required to remedy the situation. So we can be content with that and we can depend upon that.

So yesterday's hearing, I think was very essential. It was essential to clarify the authority in this organization because that was what was at stake! Because whether we realize it or not, or whether we understand it or not, we had to preserve our rights as a Church and that meant to preserve the rights of the individual who is the human head of this Church that God has appointed. And this other individual, the Receiver, was in charge indeed. And theoretically, he could have been permanently in charge. Now I am not saying that would have happened. But he could have been in charge as long as the court action or the State allowed him to be in charge. Now that could have been weeks, or days, or months, or years or whatever. Sure that's theoretical, I understand that. But should it happen for one minute? Or one hour or one day or whatever? No it shouldn't. That was what was at stake. And it was a classic Church vs. State situation.

Well, I think that it is very important that we had this clarified /in yesterday's hearing/ and now we can go forth with the regular conduct of our activities, thankfully. Now of course there no doubt will be some impediments where we have records that we are going to have to work around the auditors and people who are combing through these, and filtering through them. That is true. But at least we're in our normal conduct of routine business. And that's going to be good. So I hope all of you can rejoice in that.

MR. MEREDITH'S SERMON

Greetings everyone! I know a lot of people have been drawn many different

directions the last few days, but many are very loyal and encouraging. I hope all of you are trying to be loyal and encouraging through the trials we're going through. And we certainly all need each other's prayers.

Brethren, I think you've all heard of the changes. They've been very traumatic for people of every persuasion in the church, and I'm sure you understand that. I have a great deal of sympathy for those involved, because changes are hard, difficult, and shocking.

In times of war, in times of strife, in times of battle, sometimes we change battle strategy quickly. Mr. Armstrong decided to appoint me as the new director of Pastoral Administration, as I think you all know. But Jesus Christ is at the top and we had better all know that. I know that deeply and fervently, and under Him, Mr. Armstrong is top. There are three or four of us here who are to work together as a team. And then on out, dozens of others are going to work together as a team. Then hundreds of us on campus are going to work together as a team. And then the ministers and the people in the field, thousands of us, are going to work together as a team. Together, we will get the job done!

I would like to point out that there are all kinds of rumors flying every which way. Please, brethren, don't believe all these rumors!

I'm responsible in this particular office as far as the ministry at this particular point--as far as disfellowshipments and things like that--and nobody has been disfellowshipped, period. /Later during the sermon Mr. Meredith received Mr. Armstrong's letter disfellowshipping four men/. One or two have been suspended, but nobody has been disfellowshipped in this particular crisis of the last few days, period. There may have to be a few disfellowships depending upon future conduct and attitude and other facts as they come out, and I want to try to have time to talk to the individuals involved. I want to make peace. I want to help us all to have the opportunity to serve as much as we can. God wants all of us to exercise our full human potential, every last one of us, and as we work together as a team I'm sure we can do that.

I'm just a bond slave of Jesus Christ and your servant. And I hope I can do a good job. If God doesn't like my work, He will kick me out and God is going to run this Church through His servant Jesus Christ of Nazareth and through His human servant, Mr. Armstrong. As long as he is faithful, and as long as I'm faithful, I'm sure that God will be with us. And I hope that you will all pray for us and this will work out.

Concerning all these attacks that have been leveled at us that Mr. Rader is this and that, there has been no proof whatsoever. These rumors have been almost an obsession with many people. I want to charge you (Business Dept., Data Processing, etc.) on the authority of Jesus Christ, publicly right now, to cooperate with these auditors and to not withhold anything that would bring out any financial malfeasance by anybody, including me and my wife and children. And I mean it. I want you to cooperate and not try to cover up anything. I want to be sure that this is the cleanest and the most honest and the most decent and the most wholesome Church on the face of the earth!

Brethren, we're in a testing time in God's Work. And I think we all

know that. We are going through what is probably the greatest test of this Work so far. We may have said that before. And at previous occasions we have had "the greatest test," perhaps back in 1972, and then we had "the greatest test" in 1974. But because of the cumulative upset and problems, this is indeed an even greater test. But we should thank God for the trials!

We do need to keep things in perspective though, and recognize that our trials are not those of Peter and Paul, who were beaten, who had their clothes jerked off of them and lashed with a cat-o'-nine-tails so that the hide was torn right off their backs. I don't think we've had that kind of trials yet! Our trials are a little different.

In Matthew 24:8, Jesus describes the trials, in a sense, the punishments and the plagues that are going to be brought on the world at the time of the end. He talks about wars and world wars, famines, pestilences, earthquakes in different places. And Jesus said, all these are the beginning of sorrows. "Then shall they deliver you up to be afflicted during this period of time, and shall kill you: and you shall be hated of all nations for my name's sake. And then at this very time when these things begin to occur and these things are in process of happening...and then shall many be offended, and shall betray one another, and shall hate one another. And many false prophets shall rise, and shall deceive many."

There is not an attitude of submission to authority in our society. It is the most judgmental and rebellious attitude that perhaps has ever existed in the American society up until this day. It is an attitude that will drastically change after our people are brought down and are starving to death in concentration camps.

But we've got to have our attitudes changed here and now and try not to let that attitude or spirit of rebellion enter our minds.

Jesus said, "But he that shall endure to the end, the same shall be saved." We didn't really know what that meant ten years ago, but we've been learning, haven't we? We do have to endure to the end. But most of us haven't had too many bloody trials yet. We're grateful for that.

Back in Colossians 1:18 Christ is described as our living and our active head. And brethren, again, it's so easy to get our minds off that. I saw back in '71 and '72 when certain things happened that some people who were weak or had a lot of problems, left at that particular point. (It seems like God is sorting things out). And then in '74 certain things happened and it became obvious that God was trying us and sorting us out, and as you look back, you can see that those whose hearts were right and those who didn't have an attitude that "I want things the way I want them and I want them right now," that are genuinely humble and patient and walking in the fear of God -- they're still with us. And they will continue to be with us, and nothing will shake them.

I pray and I hope all of you will pray fervently. Let's keep our minds on the real leadership. The real leadership is not Herbert Armstrong, the real leadership is not anyone of us here today or anywhere else on earth humanly, but the REAL LEADERSHIP IS JESUS CHRIST! And we've got to have confidence in that and really believe that. That's an article

of faith, that Jesus Christ is the Head of this Church, and we've got to do that and ask Him to sort things out.

Ask God to guide Mr. Armstrong's mind and to give him understanding and knowledge and insight and spiritual discernment to grasp the attitudes of all those around him with whom he is dealing, and to see who is truly a man of God and who is not, and who ought to be in this or that or some other job, and to do it sincerely and to do it humbly. Ask God in heaven to guide his mind and inspire him and lead him and to give him wisdom and judgment and foresight and vision and big-mindedness to see the big picture as God would want him to.

Brethren, Christ is to be the head of the Church in every way. He is to be the head of the Church in regard to the Church administration. He is to be the head of the Church in regard to publishing, to be the head in regard to our data processing, and the editorial, and to be the head in media, and to be the head in the YOU programs, and the YES programs, and every other program we have in Ambassador College, as I said, and all the rest of it. Christ is to be the head of His Church and of the work of His Church. And we are to ask Him and should ask Him now more than ever to intervene and to guide and lead and inspire and also to sort out.

I ask your prayers for me, for Mr. McNair, for Mr. LaRavia, for Mr. Helge, for Mr. Rader, and certainly for Mr. Herbert Armstrong. Pray for our area coordinators and the other leading men in the Church here--the evangelists and pastors and the teachers in the college, and all the other men, the fine men in publishing and editorial and those in the rest of the Work.

"He Christ gave some apostles, some prophets, some evangelists, some pastors and teachers" (Eph. 4:11). He put them in the Church. That's His doing. That's the government of God.

What are your tithes and offerings being spent for, basically? And they are. I don't want any smart guy thinking otherwise, they are. The vast overwhelming majority of your tithes and offerings are and have been spent on radio, TV time, publishing, and doing the Work of God.

The big thing that we're paying for and that our prayers are for is proclaiming the coming Kingdom or government of God. That's the whole thing--~~government~~ from the top down. And God has put officers in that government, ~~some~~ apostles, some prophets, some evangelists, some pastors and teachers. We are to think about the government of God and submit to the government of God. And if we can't do that now, and be together and recognize that government, we're total misfits to be in the Kingdom of God tomorrow.

And so brethren, be careful not to be tossed to and fro by conflicting doctrines and conflicting ideas, or even conflicting rumors, and let those things take you away from the basic thing which this Church has been doing, and is doing, and I pray and I do believe we'll continue doing more effectively, and more powerfully than ever after this cleansing and purging we've been getting this past year.

Satan the devil is real and he is alive. Our battle is not against flesh and blood, but against principalities, against powers, against the rulers of the darkness of this world, against wicked spirits in high places.

And brethren, there are wicked spirits and they are active and they're having an impact. And I think we need to realize this and understand this deeply. We are being attacked by many different types of spiritual attitudes. We're attacked from different directions by Satan the devil. Some are being influenced to follow a rebellious individual who has directly rebelled against his father, having gone contrary to everything he said he would never do. Some are being swayed in that direction.

Others are being swayed to just get upset generally because of rumors about Mr. Rader or alleged improprieties of all sorts. And Satan will use that to take those people out if they want to let their minds be blown and go off in that direction. And then others may be taken away because they have liberal tendencies or doctrinal errors themselves and want to follow a kind of a liberal way of life. They don't want God's way of life that He's established in the Church for the past 45 years under Herbert W. Armstrong, the anointed of God. They have constantly been subtly, but persistently, undermining that man. And so they will say, "I'm not going to change and decide to really follow from the heart what Mr. Armstrong says, so I'll get out."

All those pulls are going to be exerted on people and perhaps other pulls from other directions, and other spirit personalities will be pulling and tugging at people to try to get them to leave the Church of God of which Jesus Christ is the Living Head. And I hope that none of you fall for those things.

Mr. Armstrong has said that he does want any improprieties to come out and those who have perpetrated them to be punished. And if there have been other wrongs or grievances done where individuals have been treated unjustly in any way, I hope and pray we can rectify that as best as we can and be sure that we do administer God's government in wisdom and in patience and in love, and yet with proper firmness because God does that too.

I have a note here handed to Mr. Meredith reporting that something is coming from Mr. Armstrong--we'll see if it arrives.

Now, God says, "Remember them who have the rule over you, who have spoken unto you the Word of God, whose faith follow." And we are to follow their faith and we are to be loyal to God and to His government. That is the test at this time. Can you have faith in God's apostle and be following the one that God has ordained as His anointed all of these years? You are to submit yourselves and do it willingly and gladly and not with a lot of argument, because that makes it that much harder for God's servants, if they have to operate under that kind of situation.

Now God's servants will always make some mistakes. You read about Peter how that before he was filled with God's Holy Spirit, he cursed and denied Christ three times, and even after he was ordained and was the leading apostle in the New Testament Church, he and Paul had this confrontation when Paul confronted him over his lack of understanding

of the racial issue that God was admitting all freely into God's Church in spiritual fellowship. Then Paul and Barnabas had a confrontation and the contention was so sharp between them that they worked separately for a while, and yet still cooperated, and wrote lovingly. Obviously they were in the same Work. They didn't start different churches. They didn't have a "Paul Church" and a "Barnabus Church."

And so people will make mistakes, but they must still teach God's laws and do God's way. And that's exactly what Mr. Armstrong has continued to do. And I think you all know that deeply. He has never wavered from that. God has put him in office and he is responsible to guide the Church.

In I Samuel 8 when Samuel was old, he made his sons judges over Israel. But they walked not in His ways, as you know, taking bribes, and perverting judgment. Then all the elders of Israel gathered themselves together and wanted to change the government of God--which was involved in this thing that came up recently, this court restraint that was imposed on us temporarily. They were not just rejecting a white-haired old patriarch here on earth, but they have rejected me," God said, "that I should not reign over them."

And brethren, I hope that we can understand that lesson. When we reject the man that God has given all of us this knowledge through, the man that God has used, we are in fact, rejecting God.

Back in I Samuel 24 is a very classic case. Saul went into the cave to relieve himself, and David's men said: "Kill him now. Now you've got him. Kill him." And David, of course, did cut off the corner of Saul's robe quietly, just to have something to wave and say: "See how close I got to killing you," but he did not kill him. And even cutting off part of his garment made him feel guilty later and he repented and said, "I should not have done it." And that's right. He should not have done even that! He said to his men (verse 6), "The Eternal forbid that I should do this thing to my master, the Eternal's anointed, to stretch forth my hand against him, seeing he is the anointed of the Eternal."

Likewise, Mr. Armstrong is the anointed of God.

In verse 7 it says, "And they came right to where Abner and the people were sleeping." Saul and Abner, his Captain, were sleeping and God obviously caused a deep sleep to come on them so they didn't even wake up. In ~~verse~~ verse 8 Abishai, this young warrior, said to David, "God has delivered your enemy into your hand this day. Now therefore, let me smite him, I pray, with the spear even into the earth at once." He said, "Let me get one spear into him. It won't take more than that. I'll just nail him in one fell swoop." And David said, "Destroy him not. For who can stretch forth his hand against the Eternal's anointed and not be guiltless?"

Brethren, that is a lesson we need to learn really deeply. Those who would rise up and try to fight, or go off and start a competing work, or do anything like that are against God and against His anointed, because we are in a spiritual warfare. You say, "Well, they haven't killed Mr. Armstrong." No. But a lot of people have resisted him.

They have fought him within the organization in a wrong way. They've tried to undermine him. They've tried to circumvent him, and then they've gone outside and they've established their own church to fight this Church.

Within God's law, then, the main commodity that is necessary as a human characteristic becomes what? One word--LOYALTY. Loyalty to the government of God! That is the main commodity, as long as you already know it's God's Church; as long as you know that whatever you're being asked to do, and what Mr. Armstrong is doing, is within God's law. You may not understand every detail of it, but it's within God's law and he continues to do God's Work.

In a crisis situation, what is the one thing God expects of you and looks for in you more than anything else? LOYALTY! It really is, brethren, and I hope you can realize that and meditate on that deeply.

Well, brethren, I hope all of us want to strengthen ourselves with Mr. Armstrong, and strengthen ourselves with Jesus Christ and strengthen ourselves with our Father by showing loyalty in a time of crisis, because that's what we're in, and this is the situation that we're facing right now. So let's do that, and let's really have that attitude.

Satan has a kingdom. He has a government. But the message in Matthew the 12th chapter is that everything, every institution, every house, every nation, every church that is divided against itself cannot stand. And brethren, if we allow ourselves to be bitter, to be upset, to be accusative in a wrong way of the decisions of Jesus Christ through his apostle, not bringing it up loyally and patiently and helpfully, but in a way that creates hysteria, in a way that creates division; then we, of course, are obviously direct contributors to that division. And we've got to try not to do that, but to be loyal, and not try to second-guess Mr. Armstrong in the government of God. We do not want a house divided, and we must not have that kind of house, and I'm sure that if our attitudes are right we will not.

Another little word of caution along that line is back in Proverbs the 13th chapter. "He that keeps his mouth keeps his life. But he that opens wide his lips shall have destruction." Brethren, I think that of all times this is a time to give very careful consideration to what we say and how we say it.

Our actions and our words and our works over the next several days, especially, are going to show God where a lot of us stand and whether we are willing to trust Mr. Armstrong and his judgment and his wisdom in these affairs, and whether or not we, as God's true servants, are willing to have faith in the leadership of Christ and stand fast in a time of trial and a time of test and a time of seige in the Work of God. Let's do that brethren and let's show loyalty in every way to Mr. Armstrong and to God's government.

I want to read something that I've just now received. This is a letter signed by Mr. Armstrong and the ink is fresh, I see. It's not a printed signature. I didn't know what was coming, I tell you before God and Christ. I had no idea anything was coming until this thing came up and I'm going to have to, I see, skimming this, do something that

I've just been preaching to you about, and I will do it. He directs this letter to me in my office and says:

"Dear Rod: This is to inform you and to confirm the decision that I have made this day to disfellowship from the Worldwide Church of God and all its related organizations for cause..." I see he doesn't spend 15 minutes trying to convince me that he has the right to be the apostle or convince you, so I guess we'll have to have a little faith in Christ and in Mr. Armstrong, "...the following."

So you listen carefully, and all of you, as you know, are forbidden to associate with, and to eat with, or fellowship with, and if you're really loyal, you're not going out and commiserate with people and say: "Oh well, let's all be the underdog and yak it up and try to judge God's apostle." But these people are disfellowshipped by Mr. Herbert Armstrong directly, and by me personally, as I have to do it in my responsibility, and I'm sorry I've come into this office in a time of seige, but perhaps it had to be. I'll just tell you that in advance. It would be so much nicer to come into a peaceful time rather than warfare. We are in a war. Let's see whether we are faithful warriors. Continuing with Mr. Armstrong's letter:

"The following men are to be disfellowshipped this day. Mr. C. Wayne Cole, Mr. David Antion, Robert Kuhn and Benjamin Chapman." I understand now that Mr. Rader is here and is going to explain some of that to you directly for Mr. Armstrong.

"I further instruct you to mark these men before the Church for causing division and offenses contrary to the doctrine they and the Church have learned and to avoid them according to Romans 6:17. We are to mark them and to avoid them (Romans 6:17) and so we are to do this in the interest of doctrinal and administrative peace within the Church of God. Sincerely, in Jesus' name, Herbert W. Armstrong."

And so now, I'd like to introduce Mr. Rader and ask him to explain for Mr. Armstrong. I'm going to stand here with him, because I share this responsibility and may wish to make some final comments, but I'm going to ask Mr. Rader then, as I understand he's here, to come on out and to explain to you why Mr. Armstrong has chosen to make these decisions.

MR. RADER'S COMMENTS

Greetings, **everyone!** This has been a very eventful week and if I can do no more **today** than to make you realize what almost happened, but for the grace and the will of God, I will have accomplished a great deal today.

Now what happened this week was something that was fairly well predicted by Mr. Armstrong in May of 1978. For the past 7 or 8 months, he has been watching very carefully, has been weighing the conduct of all of us, what we have been saying, what we have been doing, our overt acts and the like. He has not been inaccessible. He has been reached by hundreds of people by telephone, by letter and in person. And he has had to weigh and sift through all that he has been made aware of during that period of time, as well as the impressions and the knowledge that he had gained in some 46 years as Christ's apostle.

During that particular period of time, I had done everything I could to slow things down, hoping that Mr. Armstrong this time was not right, hoping that what he had predicted was happening and would continue to happen would in fact not happen. And during that period of time, in person, and in writing on more than one occasion, I had defended Mr. Cole to the point that I had to come to harsh words with Mr. Armstrong. I defended Dr. Kuhn as recently as 6 weeks ago when he ordered me to fire him that moment, and I resisted and he told me that he thought that I had forgotten that he was Christ's apostle. He had given me an order and I said, "Mr. Armstrong, let me give him another chance." He said, "You are making another mistake. I am telling you to fire him." Now this was after four days of argument by telephone and by an exchange of letters between me and Mr. Armstrong over Dr. Kuhn, with Mr. Armstrong telling me to fire him and my trying to defend him. And Mr. Armstrong telling me, "I am telling you again Stan, you are wrong." Why I did it, I don't know, but I thought maybe he Dr. Kuhn was entitled to another chance. But Mr. Armstrong, obviously, once again knew better.

The man standing on my left Dr. Meredith will tell you that there is never any question about where I stand. I had heard (I still do not know whether it is true and I do not care) but I had heard from another man in the ministry whom I had learned to respect and whom I had learned to admire, and whom I had spent a considerable period of time with in Mr. Armstrong's company during the past two years--I had been informed that Mr. Meredith had slandered me; and I was in New York, and I guess I had had a hard day. And I did not want to make believe that I was someone other than myself, so I picked up the telephone. I tried to get Mr. Meredith, and I could not get him. He called me back and I blew my top, really. He can tell you that. The next day I blew my top even more, but Mr. Meredith said he did not remember saying what he said. If he said it, he apologized. I said, "Fine. I accept the apology." I called Mr. Armstrong. I said, "No problem. I do not care whether he said it and I will never be able to prove whether he did or he did not. It does not make any difference, does it?" But I got it off my chest. And I had apologized. And when it was all through, I felt worse having lost my cool, as they say, because I really was pretty angry. I think more angry the second day than the first day.

Then Mr. Cole sometime ago, right after the Feast of Tabernacles, called a ministerial meeting. I did not know why exactly. I checked around a little bit, and he said he had heard some reports about certain ministers making comments during the Feast that were divisive, and I sat in that meeting and I said, "Every man in this room, I have had occasion to defend on more than one occasion where efforts have been made to discredit them in Mr. Armstrong's eyes, and that I was serving notice on all of them that I do not care who it was if someone went to Mr. Armstrong ex parte and tried to discredit that person in his eyes, I at least was going to throw up a resistance that would allow that person to get a chance to get to Mr. Armstrong. You remember my saying that Mr. Meredith? And there was a lot going on that day. There was quite a dialog. You could see people with different points of view, basically on doctrine and church government. And that is all this is about. If this Church does not have government, and does not have a unity on doctrine, then it is not God's Church, but I was not getting involved in that. I was just serving warning on everybody that if they expected to blow somebody out of the saddle, with Mr. Armstrong ex parte, I did not care

who it was, I was going to offer a defense, till that person could get to Mr. Armstrong with the facts.

So all of this was going on. In the meantime, in October right after the Feast of Tabernacles, I told Mr. Armstrong that I felt that it would still be in the best interests of the Work if within a reasonable period of time, sometime perhaps in January, I could pick up my duties that I had before May, and serve him more adequately in a role that I was more comfortable with. And that letter I wrote with a little pique I was a little bit annoyed. I had heard somebody had told Mr. Armstrong that I was running the Work and that he was beginning to believe it. And so I was a little annoyed. I did not care if everyone thought that I was running the Work. He knew it was not true. And I knew it was not true, but on this occasion somebody said that he thought it was true. Well, of course, he knew it was not. He cooled me off and we let it rest.

In November, I think it was about November 16th, about a week or so before Thanksgiving and again before our departure for the Middle East, I wrote Mr. Armstrong again and then he wrote the Pastors, and I think we published one of the comments in the Pastor's Report and in the Worldwide News, that I was beginning to kind of have it up to here with the problems of trying to be a day-by-day administrator which I did not like, and also people setting me up as a possible alternative to him in the event something happened to him if God, for some reason or other, were not to allow him to complete the Work that had been delegated to him as Christ's apostle. And again, Mr. Armstrong and I talked it over and we thought that it was a bit premature.

And then, shortly before the first of the year, we had another discussion on the telephone. It was kind of an interesting discussion because on a particular Thursday, just prior to New Year's day, Mr. C. Wayne Cole had gone down to Mr. Armstrong, and in writing and under a lot of pressure had told him a couple of very interesting things. One, that he was absolutely certain that a lawsuit was going to be filed immediately after New Years and gave him a letter which concerned me, the essence of which I will read to you, because Mr. Armstrong excerpted certain paragraphs in a letter he wrote back to me dated January 1.

And the sum and substance of the pressure, you see, was to find a way before the lawsuit began for me to step down as Treasurer, because if that were possible, if I were off someplace in Japan on a trip, and the events of this past week occurred, the battle would be over, because as a news report on CBS television said (and we have the tape, and they will show it) I am "a fighter." And I am going to fight for Mr. Herbert Armstrong. And we found out in the last 72 hours we have a lot of fighters, because I could not have done it alone. Mr. Helge and I could not have done it together without the people who worked with us for almost 72 consecutive hours.

We were locked out of our offices. We were blocked from our files, but our lawyers turned over their offices to us, and their manpower, and their secretaries and when it got too late for them to continue, they left the building and just left us in control of their entire office and we were making calls all over the world for information and they were not worried about who was going to pay the bill for the long distance calls and what have you.

At any rate, they wanted to see if there was some way to get me out before the lawsuit hit and they also had some very uncomplimentary things to say about another individual named Helge, because you see, he'd throw up quite a bit of resistance also.

Now the letter that Mr. Armstrong wrote was written to me 48 hours after we had a little argument on the phone. Apparently what they had told Mr. Armstrong was bothering him a little bit and he happened to call in on a Sunday and there was one person working in the Administration building that day. It happened to be Virginia Kineston. She just happened to be working there that day. And he had called in. See, he doesn't remember too well that Sunday is a "day of rest." And as far as he was concerned, he had just finished writing another article and he was going to dictate it to somebody. And he got her on the phone and after he got finished working with her, she made a mistake, apparently. She said, "And by the way, Mr. Armstrong, the cover for The PLAIN TRUTH February number was delivered here Friday."

And out of the clear blue sky, he exploded! Because, you see, Mr. Cole had told him that Mrs. Kineston was selecting the covers for The PLAIN TRUTH magazine. It was not enough to say I was running the work. That portion that I was not running obviously Mrs. Kineston was running. She came over to my house in the afternoon, and that was New Years Eve, the 31st, and it was a Sunday. And she came over in tears. And I felt that she had been unfairly attacked. And I called Mr. Armstrong and I did the unforgivable again. I again blew my top.

But Mr. Armstrong is pretty accustomed to that, and he knows that I do not have anything in mind that is really disrespectful of him and his authority, but I get it off my chest, and I guess that means I will not have an ulcer. And when we got all through he had said he did not know why Mrs. Kineston was upset and then he said, "Well, I guess I said more than I should have," and I should tell her that it was quite all right and he did not mean it and so on. But I could tell that he could tell that there were things under the surface.

So I sent him another letter telling him that the more I thought about it, the more I felt that my feelings for the past eight months, which were becoming a little bit more acute in the last quarter of the year, were such that within a reasonable period of time I would want to go back to doing what we were doing before -- as his chief advisor, traveling with him, the Foundation, and helping in the legal and financial end of things. And he said, "Well, we will talk about that later. There is no rush. But Stan, you may be more right than wrong."

The next day was New Years and that was a Monday, and then the following day was Tuesday which, of all days, was the day before the Wednesday when all of this other activity began. And Mel Olinger rang my doorbell that evening at about 9 o'clock, I believe. And I would like to read this letter with you, because it will show you just how Mr. Armstrong and I deal with one another openly, although we do not often share the letters that we write to one another. It was dated January 1. He had written it on New Years day, for he had prayed about it, as he told me, and he did not have it sent in with Mel until Tuesday. He did not want to send it in by the "QUIP" machine that we had, because he wanted it to be a private letter to me. This is what he said:

"Dear Stan, I regret exceedingly having triggered the violent emotional outburst" (that is putting it mildly) "over the telephone last evening. Our personal relations together through the years have been too pleasant, stimulating and rewarding, and based on mutual esteem, loyalty and trust, to let anything come between us. I'll certainly do my best to prevent any such outburst in the future." So once again, he let me off the hook, because he did not really say anything to me that should have made me go into orbit. What he had said, he had said to my secretary. He caught the flack, and I, of course, apologized.

He goes on, "I had been considerably distraught by things brought to my attention, or I should not have spoken so emphatically to Virginia. As I said on the phone, I am deeply sorry. Things have been brought to my attention that seriously threaten the very life of God's Church and Work. I feel I must now candidly bring it to you. If ever I needed your help, Stan, it is now. You have been a faithful help to me in the Work that no one else could have contributed. Ted has been playing overtime on the rift between himself and you. I told you last spring that I felt I could come more effectively to your defense after I got the Church turned around and had built back my own credibility. I did accomplish that and sincerely, Stan, I'm sure that feelings that may have been aroused against your integrity, honor, and loyalty have not disappeared, and I will continue to defend your good name as do you mine. But from a number of coordinators and field ministers as well as from Pasadena, I have learned that definitely the following situation does now exist which could prove fatal to the Work unless cleared before the ministers' conference.

"I have the following report from the office of Pastoral Administration: 'Quite frankly, Mr. Armstrong, a very large number of members and ministers see only two choices for the future.' The words themselves, you see, were not emphatic enough. 'These two choices are Ted and Stan. Though many, most, actually, don't want to leave you and follow Ted, they see the only alternative as following Stan and they'd rather see Ted lead the Church than Stan.

"To reinforce this attitude in the minds of our people, Stan is doing everything he can to present himself as next in line under you to run the Work in a purely physical way. It is common knowledge that Stan did not allow very much time to pass after Ted's departure from his office before he, Stan, moved in. That office is part of the executive suite. It is seen as a symbol -- the place for the man next to you in authority. Stan uses the underground garage and he uses your private elevator. It is a very common belief that very few, if any people can get to you' (this is the irony of error), 'to talk to you privately without going through Stan. Mr. Armstrong, I could go on and on, but why? My point is that Stan and his prominent position in the Work is causing many people to stumble. This causes offense. God's Word says that we who are converted and have a godly love for our fellow man will suffer even wrongly, unjustly' (last words underscored, which I agree). 'The apostle Peter said: "What reward is it when you suffer for things deserved? But one is humble, is like a little child. He is willing and ready to suffer wrong rather than give unnecessary cause for offense and stumbling to others.'

"Stan, I know you have done these things to help and serve the Work, and to help me. I love you as a son as you well know. I have accepted such things as moving into Ted's former office, as trying to most efficiently serve the Work.

"But actually, the letter quoted above is mild compared to things I've heard from other sources. CERTAINLY NONE OF IT IS IN ANY REFLECTION ON YOUR INTEGRITY." (That's all in caps by Mr. Armstrong.) "I don't hear any more reflections against your good character. But I do hear that people believe you are pushing your way in to take over.

"But no matter how false, God says we should avoid even the appearance of wrong and avoid causing little ones to stumble. Even though I do not feel as if I were over 45 years of age, people do look at that 86 plus figure. And most people do feel that anyone past 60 is old, and past 70 is sure to die any moment.

"I know and you know that I will go on living as long as God needs and wants me to live. But the little ones out there seem unable to see that. I know, Stan, that this is the general attitude in view of the ministry, and brethren, generally, around the country. I have been assured of it from coordinators and ministers from widely scattered areas. And, although I think we have cleared any false charges against your personal integrity, they do look on you as an attorney, familiar with finance and business, and not as a shepherd over God's flock.

"So what I propose is this, that we go back to the status as it was prior to Ted's departure, that you resign from administrative responsibilities in the Church and the College, but continue as Vice-President, executive Vice-President for the Foundation, as my personal assistant and advisor, as our auditor, CPA and legal counsel, and of course, perhaps most important of all, continue with me in the Great Commission overseas. It might even look better for the Church to pay you an annual retainer for legal counsel, financial advisor, etc., subject to additional billing where warranted, and the Foundation to pay you also a salary or fee, as you think best. I do want you and NEED YOU" (in caps) "to continue as my personal assistant and advisor, especially in projects such as our overseas and marketing of my books.

"Stan, I believe this will remove the last remaining serious threat to the Work of the Great Commission. I know that if we do what Christ leaves for us to do, and as I know He has led me in the above, the living Christ will preserve His Church and Work, will bless you and me and all in the Church, and lead us to gloriously finish the Great Commission.

"With deepest love in Jesus' Name."

I picked up the phone that evening and told Mr. Armstrong, of course, I was in complete accord. And we discussed the person that we would bring back to fill the office that I would resign from. And we settled on Mr. Frank Brown, who for years had been here. I helped train him. And we agreed that we would probably make the announcement sometime during the ministerial conference, or at the time of the annual board meeting.

And then the next morning was Wednesday. So they almost got away with it! But just like I said at the Feast of Tabernacles, God kept Mr. Armstrong alive to see what the Work would be like if he hadn't taken the steps vis-a-vis his son. Once again God stepped in and showed Mr. Armstrong WHO would have tried to seize power if he were not around to step it.

Now, what happened this week can perhaps be best summed up by an analogy. If it were not for all of what I have just discussed, the background leading up to it, Mr. Armstrong's concerns that it were of seven or eight months' duration; but for that background, we could have summed it up a little differently. If this had just been a vicious effort on the part of a few disgruntled people, coupled by an extraordinarily, harsh, unnecessary, and unjustifiable action on the part of the State, backed up by the courts--Satan's courts, Mr. Armstrong has called them, the unjust judges and what have you--if it had just been that, nothing more, no background, then we could describe it a little bit like the situation in Europe during the second World War. And in these Nazi-occupied territories, those of you who studied history will know that there were people who were collaborators. Now they might not have wanted to invite the Nazi's in, so they might not have been the fifth-column type of individual. They might not have been guilty of the seditious conduct. They might not have been guilty of espionage and what have you. But once the Germans were in power, some people liked it. Some people thought they would never be rid of the Germans, and they thought it would be better to collaborate.

Now that is pretty much what happened here on the very second day, I guess it was, of the events of this week. I guess it was Thursday, because the first action on the part of the Receiver, as extraordinary, because he was temporarily appointed, ex parte--no notice given to anybody. First thing he did is to announce that Mr. Armstrong was fired, and Mr. Rader was fired. And then he turned to Mr. Cole and he appointed Mr. Cole as acting head of the Church. Now anybody who would accept such an appointment, acting or otherwise, would have to be characterized in euphemistic terms as a collaborator. If I had been here and that man had turned to me and said, "Mr. Armstrong was fired and you, Mr. Rader, acting," I would have said, "You are ridiculous. You can not appoint me. No one can take away Mr. Armstrong's authority as Christ's Apostle, as His personal representative on this earth at this time. Nobody! And certainly you, an unbaptized, unconverted person could never appoint me or anybody to run this Church!" [Applause] Now that's all there was to it.

If that had not happened, we might have been in greater difficulty. If Mr. Cole had not accepted, we might have had a tougher time in court yesterday. But the Judge saw through it very clearly. Mr. Herbert W. Armstrong is Christ's apostle as far as that Judge is concerned, just as we know he is. And he has been given the court's official recognition as the man in charge, the man who hires and fires, the man who ordains and disfellowships. No Receiver is going to sit here as he did for several days and intimidate our people, and tell our people that his name is going to appear on our checks. No! That's not going to happen, either.

So, as I said, it could be summed up just that easily but for the fact that there was this history. Without the history it might have simply been opportunism. Maybe some people do think Mr. Armstrong's over the hill. Maybe he's right when he says, "Everybody thinks anybody over sixty is old, and past seventy is sure to die any minute." But I am going to share something with you, and that is, he said he is going to execute that letter, disfellowshipping the four people that Mr. Meredith just announced, before he falls over and drops dead. So that is what he thought about it. He had told me yesterday at 2:05, that he had made that decision. And I told him I was on my way to court, and I said, "Do not worry about it. God is on His throne." And when I got out of court that day I called him and I said, "You were right. God is on His throne."

So I think it is going to be a better Church in the future. I think we are going to have unity. We are going to have a ministry that's not divided. We are going to have Church government as it was here up until about ten years ago. And we are all going to know what the doctrines are, and we are all going to agree. And we are going to have a renewed faith and a rebirth.

Now I am a little tired. I wanted to tell you a little bit more about the events, but Mr. Helge is here. And he is tired, too. He just came back from Tucson as well. I would like him to fill in. I asked him if he would please take a few notes on the things that I might have omitted concerning the events of these past few days. And I know you will bear with us because I think you would like to have it given to you in one, two, three, four order. So, Mr. Helge, could I call on you now to say a few words? Thank you.

Oh, excuse me. I almost forgot. The main reason I had to read this, besides the background, is that as much as I would like to get on to doing those things which I know I can do best, and as much as Mr. Armstrong and I had planned that I be able at an early time to resign, until this entire matter is over, until the lawsuit has been smashed --and it will be--and until the Attorney General has decided that we are what we are, an institution of integrity, of 46 years vintage, I must remain in office because I must be in a position to protect the Work and to protect Mr. Armstrong.

So, although Mr. Meredith was quite right when he said, because I called him this morning at seven o'clock and explained to him that I wanted to let him know precisely what had happened in court yesterday, and to let him know that Mr. Armstrong and I had been discussing, as I knew Mr. Armstrong had mentioned to him that I would be resigning. It will not, unfortunately, be in the very, very near future because I do expect that procedurally there will be a lot of things for us to work out before we crush the opposition. And, believe me, we will! Mr. Helge and I have never lost a case, and we are not going to start with this one.

So, those of you who are unhappy that I have that title of Treasurer, well, I will try to make you a little happier. I am not running the Work. I am defending it, and I have always tried my hardest to do that. And Mr. Helge and I will be in there pitching with the others to put these people to rout.

And one thing, as Mr. Armstrong and I agreed today, we do not sue people by attacking them first. But, boy, when they attack us, then

they find out what kind of ball game they are in. So now it is a changed ball game. And all those people that have been taking the pot shots at us with impunity, they are going to find that it is a different game. And we are all armed with the whole armor of God. And I think you will find that God's Work will prevail. But Mr. Helge, can you fill them in, in a one, two, three, four-step manner, so they understand a little bit more thoroughly what has happened?

HELGE: All right.

RADER: Good. Thank you. Thank you.

MR. HELGE'S COMMENTS

I was in Tucson working on a case, and returning home, walking in the airport when I received a call. I picked up the phone and heard a frantic voice say: "What am I going to do? What am I going to do? They're banging on the door. They're banging on the door. They want all the files. They want everything in here." That happened to be Virginia Kineston.

Now, whatever limitations Virginia Kineston may have, I'll tell you, I have come to admire her stamina in the way she held out, because they were banging on the locked door to the Executive suite and they were threatening to take the files, and to put her in jail. But she held out there.

I'll tell you, I could see it was a battle. If I could just bring the point home that we are fighting Satan! This is a battle, and I mean a REAL FIGHT! Satan has stirred up an attack on God's Church.

Since that banging on the door we've been awake consistently for three days except for only a couple of hours of sleep, trying to fight this battle. But God is on His throne in Heaven, and there are so many things we could tell as to the way He made circumstances work out for us.

Well, at that point we came back. We found that a suit had been filed, and that certain people had gone out and had themselves appointed, under the Attorney General. This "Attorney General" happened to be a deputy that was rather antagonistic to us (I know because he called me one time and I could tell his attitude just by the tone of his voice). He had read something in a paper and was just a little bit embittered. So the dissidents got to him, and he took certain steps in their behalf, saying in effect, "Okay, I'll kind of give you authority so it looks as though the State Attorney General is doing it, you see, so the people of California will be the plaintiffs. My question constantly is: "If there has been a wrong done, why do you pick dissidents from the Church--disfellowshipped Church members to come and file the suit? Why don't you, Attorney General, have enough guts to do it yourself? Why didn't you do it yourself?" That's a question that has to be answered.

Then what happened? They had certain documents, went to court, and sold the court on something that I thought would never happen. You talk to every attorney, and they will tell you it is impossible to

have happen. But I'll tell you, there's a Satan, and he's got power to sway men's minds.

I had heard about it in a rumor from Mr. Frank Brown. And you know what I told Mr. Brown? I said, "Whoever told you that could happen is a liar. You go back and tell him he is a liar. That could never be done in the courts here." Then, before long, I had another call from him. He said, "I tell you, I heard it again! Could you at least check it out?" I said, "I wouldn't even dignify it by checking it out. It could never happen!" But it did happen!

They got into court even though the court rules say that if you're going to come in and try to have any action taken against anybody, you must give them a minimum of four hours notice, so they can at least come in and explain what they're going to do.

Now what they asked for was--in every piece of law I checked--was the most extreme, possible remedy that could ever be exacted on anybody. That is to have somebody appointed to walk in and take charge of everything--I mean buildings, assets, records, everything owned--and run it! This is something that the law says is so extreme, considering our constitution and our means of law, that you just virtually can hardly ever get it done with notice. But they walked in and they got it done without even giving us notice!

If they only had given us notice, we could have come in and explained the lies and the petitions that they filed, and the erroneous affidavits containing conclusions. They said, "Oh, they are shredding files." But tell me; who saw whom shred a file? Who? Nobody! A minister in charge of a church (and this will tell you then how much credence you can give this man--supposed to be leading a flock here but taking God's money) and he files an affidavit on this. He says, "Oh, a lot of people told me files were being shredded." But he didn't give one single example. It's the same man that says, "Oh, I'm a relative of Mr. Armstrong. I can tell you, he is senile."

I can stack up articles--and that's what we did for the attorney that had to go into court because we couldn't since we were named as defendants--that Mr. Armstrong had written in the last couple of months--more than the other man had written all his life. And he's supposed to be senile! All you've got to do is talk to him and you'll find out.

I don't want to keep downing people, but you have to understand who the loyal people are. That's the only reason I'm going to mention names here. My first thought when I learned who had filed the suit was, "Look, these people have been disfellowshipped--Mr. Wayne Cole, I'll get him on the line because we've got to...then I realized these people had not yet been disfellowshipped, as I understood. They may not have been because of the policy that was established by Mr. Ted Armstrong that we don't put anybody out of the Church. And, as a consequence, regardless of how wicked or wrong they are, the thing festers and festers and festers. This is contrary to Mr. Herbert Armstrong's long standing instructions that say you've got to keep the Church clean, and if a person causes division, you put him out. But that rule was changed, so it permitted these people to say they were members, and be able to file this suit.

So I tried to call Mr. Cole. Where is he? I was going to ask could you disfellowship these people? The greatest battle in God's Church is taking place now. They have police up there in the Administration building. They're going to take all the files, and I can't find Mr. Cole. Where's the general? Where's the captain? He's gone. He's disappeared. Well, later we found out he went to see Mr. Herbert Armstrong. He'd left, but no one would tell us where he was. He comes back with a certain document appointing himself in charge of certain things that enabled him to end up all of a sudden "in charge of the Church."

Okay, we didn't know that at first. All these pieces didn't all fall together at once. You see what I'm getting at? There's a little snatch of information here, a little snatch there; this is unusual, that's strange, so on and so forth.

The Receiver was here. He was appointed. He took charge of everything. Although I think he is a responsible man, he went far beyond any authority that could ever be given to him by a court of law, and that was exemplified here just recently [at the Friday, January 5th hearing] in this court order.

We have no concerns with somebody looking at our records. The Internal Revenue had just spent eighteen months going through our records. There's nothing to hide in the records. In fact, what they attached to their petition was our records! That was supposed to be the sneaky thing--we had records! And they attached a copy of the Pastor's Report where all the information had been sent to all the pastors in the field. It wasn't somebody saying, "Hey, I've got some secret, inside information that nobody knows about." It was their own records they had cited.

The Attorney General had full authority to come in and say, "I'd like to look at your records." We could say, "Here, sure. Here they are." But all of a sudden, somebody is banging on the door and wants to take those records. With a little bit of thinking later, it began to fall in place today and I mentioned it. Those records are our salvation here insofar as a physical matter is concerned because they show that no wrong has been done. But now, all of a sudden, dissident Church members were going to get their hands on these records and could carry them out of this building. And I began to see that, once they accomplished that, we would lose the very protection that showed that we're innocent. Do you see that?

And you know what they said? The only evidence they had was that we had a file shredder some place. Well, Mr. Rader didn't even know it. I didn't know it. We were ready to even put in an affidavit that we don't even have a file shredder. We learned that there was a little waste-basket-like one in Mr. Ted Armstrong's office all along.

Then when we were in court, rumor comes out, "Mr. Henry Cornwall has taken \$52,000,000 from the Work--\$52,000,000! Now, how do you even carry that much out?! But you see, how in the world are you going show such things to be false if your records are gone? How can you do it? For example, they said the Big Sandy property was worth 30 million dollars! The only basis they had was a newspaper article. That's all they had. I tell you, we'd sell it tomorrow for 30 million! Do

you see the stupidity in their saying it's worth 30 million? But they're not saying that we're selling it to a friend of ours. They're not saying that we got an "in" with it, that we got part of the business. Do you see the silly allegations?

So I saw the importance, and pretty soon this conspiracy began to kind of take hold. If the dissidents could get hold of the records, they would disappear. We'd probably never see them again. And how are we going to defend without records and proof? You see, just like this property value now. We have an appraisal. The appraisal shows it was worth less than what we got it for. But, you see, that file is in somebody else's possession now. What would happen if that appraisal disappears? How are we going to show that we did the right thing? So you see how dangerous that was.

So, you see, don't misunderstand this battle. One thing I want to do is get clear in your mind the issues. We are not trying to hide the records. There is nothing to hide. The only fact there is, we are not about to sit back and let a man come here and say, "Mr. Armstrong, you are out." You should have seen the dedication of the large number of people that came down to court to attest to that. You should see the dedication of the people that were down at the law office where we were working till five o'clock in the morning! People came from all over this Work to help out.

I'll tell you, there's one thing this has done--it has brought this Church, I feel, together so much stronger than it's ever been before. It's given a renewed faith because now we do have persecution for the first time. People used to tell me they had persecution because they did something wrong on the job and they were fired. I said, "That's not persecution. You earned it." But this is persecution here.

Don't let somebody tell you we're trying to hide the records. We, of all people, want to protect those records. We are willing to show them to responsible individuals. IRS has consistently been here looking at them. You've got to understand that. So don't let people dupe you.

The battle was to protect the records, and most of all, the battle was to keep Mr. Herbert Armstrong the head of God's Church. If God wants him out, God will remove him. And nobody from the State is going to do it, at least not as long as God gives me power. And, of course, with the help of everybody else, I'll tell you, this wasn't a one-man job. Fortunately we could pull together a lot of people from the Church. They had to help to get the thing accomplished.

So the conspiracy became very clear. I've got a letter here. I'm not going to bother reading all these things. It contains another piece that falls together today.

We were at Mr. Armstrong's place. Mrs. Armstrong said, "I just happened to get a letter in here. Do you want it? I haven't even read it." I said, "Yes, let me read it here." And, boy, there it is! This poor lamb, an innocent member out in the field, he can't understand what his local minister is doing. He can't understand the rumors that his local minister is passing out about a conspiracy,

where certain people are going to take over the Church and Mr. Wayne Cole is going to lead it. This came to us just by happenstance today, to kind of reconfirm everything that happened here as we were going to court.

Another thing really hit home after we worked all through one night preparing everything to go to court to get the Receiver put out. Now, remember, the Receiver was appointed by the State. He came in, and after certain consultations with Mr. Cole he appointed Mr. Cole, and reconfirms or puts his appointment in as head of the Church because Mr. Armstrong has been put "out of the Church." So Mr. Cole is in the top spot of the Church, the leader, and who put him in, now? The Receiver.

The Receiver was the one who did the appointing, remember now? Okay, so now we have a different man in charge of the Church and they were having lunch together, and all of a sudden, Mr. Cole was telling everybody, "Now look, you cooperate with this Receiver. You do exactly what he wants. Remember, the Receiver is running the Church now, both spiritually and physically, right? And you obey that Receiver." But Mr. LaRavia says, "No, listen. We can't do that. You know, Mr. Armstrong's in charge of this Church." And the assistant Attorney General, what did he have the gall to say? He not only said Mr. Armstrong was out, he said, "This institution has been too autocratic in the past." He said, "Henceforth, we're going to run it more along traditional lines"!

Now, can you imagine that?! That is like somebody going into the Catholic Church and voting for the Pope. That's pretty ridiculous! That is like him saying, "The whole Catholic church didn't vote for the pope so I am going to take over the Catholic Church!"

I tell you, this is so mind-boggling for anybody who's ever studied constitutional law that one simply can't believe it. But, anyway, that was the essence and tone of the statement and that was what was not going to be permitted. And that is where the battle came and the catalyst came as he appointed Mr. Cole.

Further, I found out another piece of the puzzle today. Mr. Antion and Mr. Cole had called Mr. Herbert Armstrong and said, "Say, Mr. Rader and Mr. Helge and others have got this attorney (Mr. Browné and they're all going to go to court to try to have this Receiver removed--to get him out of here." That call of theirs was kind of strange. Mr. Armstrong was told, "You shouldn't do that. They (Rader and Helge) have got some bum attorney and they don't quite know what they're doing so you should rescind their actions and keep that Receiver in there."

Mr. Herbert Armstrong was given an ultimatum. They said, "Mr. Armstrong, you'd better keep that Receiver in there--the one already chosen, or else you're going to be out!" That's the ultimatum. And Mr. Armstrong said, "Look, we will participate willingly in any investigation. If it says we've committed a fraud, they can look at our records." But he went on to say, "I'm not going to retreat one inch if they think they're going to run the Church!" And he hung up because he wasn't going to accept any ultimatum!

So then a big event occurred. We went down to court to have the Receiver removed. We were going to battle to protect our records and to get them back in our fold so we could surely protect them. We are not saying, "You can't look at them, Attorney General." We are saying, "We want the records in our possession, and we want your Receiver out insofar as running the Church and the temporal affairs of the Church are concerned. But we don't want you signing the checks to the ministry. We don't want you saying we can't buy tapes." He had stopped payment of checks to pay for tapes for the broadcast to go out. And he admitted in his testimony last night the fact that he was going to make decisions about the broadcast and everything else. Understandably, we didn't want that.

So we are at court now and what's the first thing the attorney for the dissidents pulls out? He says, "We have here, your Honor, a letter from Mr. Wayne Cole. He has been appointed as head of the Church, and he has confirmed the Receiver running the Church. Therefore, the Receiver (seeing he's in charge of the Church with Mr. Wayne Cole) does not want these men--Mr. Rader, Mr. Helge, this other attorney (Mr. Browne)--to have any authority to represent the Church or to try to put the Receiver out."

Do you see what that ruse would have done? That would have effectively put Mr. Herbert Armstrong out of authority in God's Church for good. It would have put the Receiver in charge of everything, and Mr. Wayne Cole in charge of everything, along with certain others. And by limiting us we could not even have spoken in court to say what the people, let alone God's apostle, wanted. We would have been effectively barred from all that. But with the help of God, that case didn't go to trial there because it kept being juggled around before one judge and another judge. And the time began to be eaten up until finally they said, "No, we have to hear it tomorrow." And that gave us more time for Mr. Armstrong to learn more of the conspiracy and then change a document he had been forced to sign so that he could be represented. If only I had time to tell you the many different things that had to fall into place.

All of a sudden, while we're busy working, we get word, "Somebody has gone into the computer department, and they're trying to get the computer cranked up." I could just see that they were going to go ahead and send a letter out to the membership saying somebody else was in charge of the Church, that Mr. Herbert Armstrong was out, and so on.

I tried to call the police immediately. I said, "There is a break-in. Get someone down there." He said, "Oh, I know you people are having trouble over there. But I don't think I want to go." Then I said, "Look. I happen to be the Secretary of that Church and I'm the attorney for it, and I'm telling you to get down there." He said, "Well, I know about the trouble." So I said, "Look, I don't care what trouble you've heard about. Does that make us fair game for a bunch of burglars?" He replied, "Well, okay, I'll send somebody down. But if I send somebody down and there's no break-in--that they went in with a key--no literal break-in, I'm not going to do anything."

I said, "But they have access to a membership list that is worth millions of dollars." By the time I called Mr. Dickinson and he had run out there, they had already gone. Ghastly, I thought. Look what

happened. It's all over. They got the membership list and now they're going to put themselves in control insofar as the membership is concerned."

You know what really happened? The computer wouldn't start! So I'll tell you, we're great believers that you've got to have faith and that "faith without works is dead." You've got to have works to supplement your faith, for as somebody very astutely said, "Faith without works is dead; yes, but works without faith is useless."

Then, during the night we made some calls. I began to think of all the loyal ministers that we knew. (This is not an exhaustive list.) But we got on the phone right away and tried to get in touch with Mr. Norman Smith to have him come, and to get Mr. Dean Blackwell down, George Meeker, and of course, many others--including Dennis Luker. I'm just giving a few names here, but there are many, many faithful ministers.

But with that, then things were put together and we went to court. And the court changed the court order to a very large degree saying that Mr. Herbert Armstrong is the one that has authority to hire and fire. And, you see, with that inspired decision, it gave Mr. Armstrong the unobstructed authority to clean house. Now I say, let's "clean house." Because of the conspirators and those of their ilk, there were problems I can't even tell you about.

Before all this happened we couldn't understand the rumors, rumors, rumors, going out. They weren't being squelched and ministers were calling the legal office saying, "I need information to squelch them." I said, "Well, I guess it's not my job, you know. You got an area Pastoral Administration office especially for that." But they weren't being fed with the proper information. You see, all this now has come out. This suit actually, I feel, was inspired by Satan. But, I'll tell you, I believe that God is just making use of it in such a way as to build unity in the Church, and to bring forth this conspiracy.

I just want to make one more brief comment before closing. I feel there was a source of rumors, but I feel that it's out of the Church right now. And I'll tell you, in many of those rumors (which ultimate source is Satan who uses certain instruments), there's one man that has constantly and continuously been castigated, and that's Mr. Rader. Now, I know I am called "a Rader man," so anything I say is highly suspect. But you see, it so happens that when Mr. Rader got his law degree, then it was just the opposite. Then it was rumored, "Helge, you got a lot of trouble with Mr. Rader--very jealous, probably because he's next to Mr. Armstrong and he has now got his law degree." At that time I was his antagonist, according to the rumor, but now all of a sudden I'm in his hip pocket, so to speak.

Well, I'll tell you. Neither has been true. We just have a great admiration for each other. But I want to tell you something about this man that I feel I must. And this comes from my heart. And Mr. Armstrong gives me my pay, not Mr. Rader, just so you'll understand, Okay?

So many times over the years there have been rumors against Mr. Rader--how he does thus and so, and so forth. But so many times, when he

didn't have to tell me (see, I'm in a lesser position than Mr. Rader and I'm not ashamed to say that; I really am, so he doesn't have to try to build himself up in my eyes in any way). But he is continuously, never-endingly, always, I tell you, praising Mr. Herbert Armstrong. He always tells me about Mr. Armstrong's tremendous judgment. Every time something happens, he will often say, "You know something? Mr. Armstrong said that was going to happen." He said, 'That man was that way,' but I said, 'No,' and I fought with him, and I argued with him in behalf of the man. But you know, he was right." And he tells me it happens every time. He says, "People don't realize how great that man is. The people don't realize how inspired he is. They don't realize the judgment he has." He has consistently built up Mr. Armstrong. I'll tell you, that has given me great faith in Mr. Rader, so that, in turn, I have defended Mr. Rader over the years.

And you know, they say he controls Mr. Herbert Armstrong. Well, I'll tell you, all you've got to do is know Mr. Armstrong and you know better! It was very interesting recently when I gave Mr. Rader an eight-paragraph document saying, "Look, here's a recommendation I'd like to make. I really think this is a very good idea, and here it is." He looked at it and said, "I think you've got something here. I really think this is good, and I'm going to present it to Mr. Armstrong."

Now, he's supposed to control Mr. Armstrong, right? He calls me back the next day. He says, "I want to tell you something. You know, you really kind of did it in for me," he said. "You know," he said, "I brought that document to Mr. Armstrong and he not only rejected and struck out each paragraph, some he struck out twice!" So I'll tell you, if he controls Mr. Armstrong, he's got a funny way of showing it because this whole idea of mine which he thought was very good was shot down the tubes.

I do want to thank you for the support that so many of you gave when we were in court. I feel that God is using these events to bring this Church forward to something we've lost under Mr. Ted Armstrong, and that's the idea of prayer, faith and fellowship. Let's keep an ear tuned so we can all, through the type of preaching we heard from Mr. Meredith, come to a oneness again, and just be together.

MR. MEREDITH'S CLOSING COMMENTS

We kept you over three hours and you're still clapping. I think this is really like the old days in that way. Do you know that our average service, the normal service time in God's church up in the library, used to be for years from 1:30 to 4:30 every Sabbath? And Mr. Armstrong often ran over half an hour or so, and that's what we're doing now.

I thought I was going to come up and Mr. Rader would say a few things and I'd give a final scripture and try to inspire you and then sit down. But really, Mr. Helge has done such a good job and you've been here such a long time, I think you're probably ready to sing. But I just want to say that most of you know Mr. Helge, I'm sure. He has been a member for 20 or more years. I know him very well and I have worked with him a great deal so I know he is a very dedicated church member working for Jesus Christ. Of course, we're all working for Christ, and humanly for Mr. Armstrong. So I'm very grateful for his comments in Mr. Armstrong's, and of course in the Work's defense.

Hang in there. I hope all of you will do that and hope you will pray a whole lot for the other brethren who might have not been able to be here and get the story as thoroughly as you did. Let's do remember them. Thanks a whole lot.

COPY WITHHELD FROM PASTOR'S REPORT BY ORDER OF C. WAYNE COLE

Following is further dialogue from Mr. Stanley R. Rader, submitted Jan. 1st, 1979, which was scheduled to appear in the Pastor's Report on January 3rd. This Pastor's Report containing this material was ordered cancelled by C. Wayne Cole on Wednesday, the third.

* * * * *

Ted Armstrong was less than candid when he revealed details about his own salary to the press. To set the record straight, in 1977, his earnings as reflected by his W-2 forms issued by the Church and the College were \$174,645.78. As of January 1, 1978 his base salary was \$150,000 per annum. (In addition to his use of three homes--in Big Sandy, Pasadena, and Tahoe--plus the cost of \$750,000 per annum for use of the Falcon Fanjet and an unlimited expense account for him and his associates.)

Several other members of his staff or very directly under his supervision were also very highly paid. Robert Kuhn was paid in 1977, \$106,969.22 and in 1978, \$83,702.36. Ray Wright was paid in 1977, \$106,969.22, and in 1978, \$122,728.81.

I think it would be of interest to you that I quote some comments that appeared in a letter from Ted Armstrong to Mr. Herbert W. Armstrong dated June 29, 1977: "Anything you can do to urge Stan to step out of a direct 'line function' and to retain his 'chief counsel' capacity with you, personally, as your constant traveling companion and the one who serves you in your dimension before kings, emperors, prime ministers and world leaders would be very beneficial to the Work. In that way Stan is would be wearing only the title of what he is actually DOING for you! And Ray, therefore, is would be wearing the title of what he is actually DOING on a day-to-day-basis!" Continuing on. "RAY WRIGHT is the one who is doing the lion's share of the actual day-to-day administering of the financial affairs for the Work! It was Ray and I who had to put our heads together to go over all of the emergency procedures necessary and as you know, you and I teamed up and had to write letters to the Church calling upon the brethren to fast and to get in large emergency substantial special offerings in order to survive the cash-flow crunch that occurred only a couple of months ago. We are still in a day-to-day struggle to keep our heads above board.

"Meanwhile just as was true many years ago, Stan is away almost all of the time because of your need of his services, and his almost constant travel. Stan wears only as a title the 'Executive Vice President for Financial Affairs' label. But he is NOT in practical fact, occupying that as a job, or as an activity."

I trust that the aforesaid will answer your questions and will help you to understand what my capacity was until sometime in April 1978 when under Mr. Armstrong's specific instructions I began to act for the first time as Treasurer and responsible to Mr. Herbert W. Armstrong for the financial affairs of the Work.

In closing, I recently conversed at some length with Mr. Ralph Helge who has been receiving some of the questions that ministers have raised. He, too, has had great difficulty in making some of you understand that it is not the Work's responsibility to prove a negative. It is not the Work's responsibility to reply beyond the simple declaration "It is not true" when responding to the most salacious as well as fallacious and defamatory rumors that Ted Armstrong and others are spreading about Mr. Herbert Armstrong, Mrs. Ramona Armstrong and others. I, too, cannot understand why upon hearing any of the flagrant rumors that have been recently brought to my attention, you cannot simply respond to others "That is not true!"

--Stanley R. Rader

(SPACE BELOW FOR FILING STAMP ONLY)

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7 Attorneys for Defendants

8 SUPERIOR COURT OF THE STATE OF CALIFORNIA
9 FOR THE COUNTY OF LOS ANGELES

10
11 THE PEOPLE OF THE STATE OF)
12 CALIFORNIA, ex rel., ALVIN)
13 EARL TIMMONS, et al.,)
14 Plaintiffs)
15 vs.)
16 WORLDWIDE CHURCH OF GOD, INC.,)
17 a California corporation,)
18 et al.,)
19 Defendants)

No. C-267607
AFFIDAVIT OF HERBERT W.
ARMSTRONG IN SUPPORT OF
APPLICATION FOR ORDER
REMOVING TEMPORARY RECEIVER
AND DISSOLVING TEMPORARY
RESTRAINING ORDER.
Hearing date: January 5, 1979
Time: 4 p.m.
Dept.: 86

19 STATE OF ARIZONA)
20) ss.
21 COUNTY OF PIMA)

22 HERBERT W. ARMSTRONG, being duly sworn, upon his oath
23 deposes and states:

24 1. I have personal knowledge of the facts herein stated
25 and if sworn as a witness could testify competently thereto.

26 2. I am the founder, Pastor General, and spiritual and
27 temporal leader of defendant Worldwide Church of God, Inc.
28 ("Worldwide"). In addition, I am chief executive officer, chair-
man of the board of directors and chairman of the board of trustees

1 of Worldwide and its two related entities, defendants Ambassador
2 College, Inc. ("Ambassador"), and Ambassador International Cultural
3 Foundation, Inc. ("AICF"); together with Worldwide, Ambassador and
4 AICF will collectively be referred to herein as "the Church."

5 3. The Church, which was originally known as the Radio
6 Church of God, was founded by me in the mid-1930's for the purpose
7 of proclaiming "the Gospel throughout the world as a witness of
8 the coming of the Kingdom of God." Matthew 24:14. I am the
9 appointed Apostle of the Lord Jesus Christ and, as such, have been
10 both the spiritual and temporal leader of the Church from its
11 inception. In the more than 40 years since I founded the Church,
12 the Church has grown and flourished to the point where it now has
13 approximately 100,000 members worldwide as well as countless
14 "co-workers," all of whom donate funds to further the mission and
15 purpose of the Church and to support the many activities in which
16 it is engaged on a worldwide scale.

17 4. On January 3, 1979, I was advised by Mr. C. Wayne Cole,
18 a minister and Director of Pastoral Administration over the Church
19 ministry worldwide, that the California State Attorney General's
20 Office had initiated an investigation pursuant to which it had
21 attempted, that morning, to invade the Church's executive offices
22 in Pasadena, California on the pretext of examining the Church's
23 books and records in an attempt to obtain evidence of financial
24 improprieties on the part of myself, my personal adviser Stanley
25 R. Rader, and others. Although I was astonished beyond belief
26 by this bald governmental intervention in the Church's private
27 financial affairs with its equally clear impingement on the right
28 to religious freedom, I was not, and am not, afraid of an inspection

1 of our books and records since it would clearly show that no
2 improprieties were engaged in. However, knowing very little of
3 the facts, I nevertheless felt that I should (a) insure that the
4 constitutional rights of the Church and its members were not
5 infringed or unduly impeded and (b) reassure the Church members
6 that their confidence in its leaders and those leaders' integrity
7 were fully justified. Therefore, I appointed Mr. C. Wayne Cole,
8 Director of Pastoral Administration, as acting chief executive
9 officer under me in my absence until this matter was resolved; I
10 implemented this appointment by press release dated January 3,
11 1979, a true copy of which is attached hereto as Exhibit A and
12 incorporated herein by reference.

13 5. On the morning of January 4, 1979, in conversation
14 between myself and Mr. Rader, I learned that Mr. Cole had not
15 fully presented all of the facts to me. I learned, for example,
16 that far from a situation involving a mere investigation by the
17 State Attorney General's Office, a court-appointed receiver was
18 in fact attempting to come in and administer all functions, both
19 spiritual and temporal, of the Church. Indeed, I learned that the
20 receiver had tacitly denied, in a called meeting of department
21 heads, that I had authority to even appoint Mr. Cole as acting
22 chief executive officer under me and further that the receiver
23 himself had appointed Mr. Cole to replace me as spiritual and
24 temporal leader of the Church. Mr. Cole's acquiescence and cooper-
25 ation in this attempt, and his purporting to act as the Church's
26 spiritual and temporal leader, was rank insubordination and totally
27 inimical to every tenet for which the Church has stood from its
28 inception.

1 6. At about 12:15 p.m. on January 4, I attempted to
2 telephone Mr. Cole but was unsuccessful in reaching him. I then
3 called Ellis LaRavia, a long-time trusted and loyal minister of
4 the Church, to have Mr. Cole call me. I am also informed that Mr.
5 Cole purported to suspend Mr. LaRavia.

6
7 7. Although I want the Church to cooperate fully with
8 the Attorney General's Office in examining any records they legi-
9 timately have a right to examine, I will not submit to government's
10 administering the Government of God's Church and Work. Therefore,
11 as the appointed Apostle of Jesus Christ, I commanded Messrs.
12 Raymond McNair, Roderick Meredith, Ellis LaRavia, Ralph Helge,
13 and Stanley R. Rader, in Christ's name, to do everything possible
14 to protect the Church's operations under me; I confirmed this in
15 writing of January 4, 1979, copy of which is attached hereto as
16 Exhibit B, and incorporated herein by reference. I also hereby
17 appoint Mr. Meredith as Director of Pastoral Administration and
18 relieve Mr. Cole of that office. I further confirm that Allan
19 Browne, Esq. of Ervin, Cohen & Jessup is the attorney authorized
20 to represent the Church in these proceedings.

21
22 
23 HERBERT W. ARMSTRONG

24 Subscribed and sworn to before me
25 this 5th day of January, 1979.

26
27 
28 NOTARY PUBLIC IN AND
SAID COUNTY AND STATE

My Commission Expires: 9/11/82