

THE UNIVERSAL SCIENTIFIC PUBLICATIONS COMPANY, INC.

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Dear Mr.

This letter is by way of bringing all of our book and course subscribers up to date. We realize that our trust subscribers are a diverse assortment of individuals. Some of you disappeared almost as soon as the ink was dry on your book and/or course contract(s), and we have not been able to contact you since then. Some of you have been in contact with us by letter or by telephone from time to time over the years. Some of you we continue to see fairly regularly in our classes, and, therefore, we have been able to keep you apprised.

So, for those of you who "already know all that", we hope you will bear with us while we reiterate to all of our trust subscribers as a whole what we have been informing most of you individually or in groups over the past few years.

In 1984, our long-time friend(?) and associate, Mitchell J. ("Matt") Lange pleaded guilty to having stolen 1.5+ million dollars from our various entities. He had been quietly but systematically stealing from every entity to which he had access. He embezzled the contents of both the course trust and the book trust in their entirety. (He was a trustee of both, as you will recall.) In a stroke of cruel "humor", Lange left Professor Galambos two cashier's checks, totaling just over \$800 -- the remains of the assets of both trusts after he had embezzled them.

Lange was sentenced to four years in prison (Chino). With time off for "good behavior", Lange was released from prison after serving two years of his sentence.

Because, under California law, there is no recourse available to a victim (the state's public relations campaign to the contrary notwithstanding), and no mechanism to recover stolen property other than a civil suit, we had no choice but to sue Lange to recover the stolen moneys. In 1984, October (even before Lange formally pleaded guilty to his crime), we filed suit against Lange to recover the trust moneys he stole, as well as all of the other moneys from the various other entities. (These are outlined later in this letter.) The case has not yet come to trial.

On 1984, July 9, Professor Galambos received a letter from M. J. Lange dated 1984, July 3, in which Lange confessed to having taken all of the assets of both the book and course trusts. Without our knowledge, he had liquidated the contents of the money-market funds, the stocks belonging to the trusts, and the commodity accounts, taking all of the proceeds for his private use.

In his letter of 1984, July 3, Lange claimed to have "borrowed" the assets of both trusts. In point of fact, he stole them. One cannot "borrow" when there is no lender. And there is no lender when the person(s) to whom the property belongs has/have no knowledge of the so-called "borrowing".

Calling a thief a "borrower" does not make him a borrower. As Lincoln put it so well, "Calling a cow's tail a leg doesn't make it a leg."

The San Diego Police Department made some incredible discoveries of Lange's crimes and how he had committed them. Our accountant discovered that Lange also had taken substantial amounts of money from FEI/LIONSTech, from TUSPCO (the company as well as the trust), The Liberal Publishing Company, Inc., from the 20th Anniversary Alumni Meeting account, from the Joseph B. Galambos Centennial account, and from Galambos personally. (My Husband had personally advanced money to pay for the gold coin-medals we struck for the Joseph B. Galambos Centennial. Instead of repaying the loan to Galambos as the coin-medals were sold, Lange pocketed both the proceeds of the sale and the money which should have been repaid to Galambos to retire the company's debt to him.)

Perhaps Lange's most reprehensible act is that he stole even the assets from the royalty account of Joseph B. Galambos which held the cash proceeds from the coin-medals issued in commemoration of Joseph B. Galambos's centennial in 1982, a commemoration which many of you attended. Further Lange stole proceeds from the centennial commemoration itself.

Lange also stole a substantial amount of money from the 20th Anniversary Alumni Meeting account.

Lange's techniques for stealing included (but were not limited to) falsifying financial records so his thefts could remain undetected for a long period of time and juggling moneys from one account to another until they were ultimately siphoned into his own pocket.

Even as we write this, the amount of loss owing to Lange's crimes continues to mount. Since he liquidated all of the trust-owned stocks for his own use, we have lost all of the dividends, interest, and capital gains which would have accrued to the trusts over the years since he began selling off the trust stocks. Lange also sold all of the gold belonging to the trusts which had been purchased as a hedge against inflation. Lange pocketed that money as well. We not only lost the gold to his theft but the increase owing to the increase in gold prices since the gold was originally purchased.

Before Lange left San Diego for another city where he was taken into custody in 1984, August, he deposited whatever records he felt like leaving behind in whatever fashion he chose to leave them in a loft in San Diego. He subsequently sent Galambos a key to the loft.

We have been funding the presentation of trust courses out of our personal resources, those few remaining assets to which Lange had no access. We also are funding the publication of Galambos's books (and the other books on the book trust), out of our own pocket since Lange embezzled the trust funds.

This is a moral decision which Professor Galambos has made.

We remind you and, in particular, those of you who have been requesting refunds of book trust payments under Paragraph 6.4, Page 12, that this paragraph has been rendered null and void under Paragraph 6.5(5), Page 14. Lange's theft invokes the latter paragraph as stated in the contract.

Since we are continuing to deliver the products, none of our subscribers is being injured by Lange's theft. Up to this point, we, alone, have been Lange's victims.

Yet, in a larger sense, everyone, FEI graduate and flatlander alike, could well be a victim of Lange's insatiable greed. Anything that prevents or even delays getting volitional science and primary property theories into a more permanent form cannot help but have a damaging effect upon the future of the species -- not even speaking of the future of each of you.

Now, even more critical than the loss of the money is the loss of the remaining time of both of us as we attempt to make order out of the chaos Lange left in his wake. We have to determine from which entity he stole what amounts. We have spent the greater part of the past three years sifting through several thousand pages of raw data to put together a working set of records as carefully verified as is humanly possible. This has involved checking customers' enrollments or book orders and/or coin-medal orders against receipts against deposit records against contracts (if a contract was involved), and against customers' correspondence, if any. In many instances, we have had to contact customers by letter and/or by long-distance telephone to verify information.

Yet, despite the monumental financial loss and the even greater loss of our time which Lange has caused us, we have continued to offer the courses on the trust, funding them out of our remaining personal assets. We are paying for the publication of the books on the trust out of our own pocket. The latter is more difficult and more time-consuming because book production (aside from the actual writing) depends totally upon flatlanders. We have had a number of flatland subcontractors renege upon us over the years. Each time this happens, we are compelled to lose more time while we try to locate a more reliable subcontractor.

One of the reasons that progress comes so slowly is that the two of us must do everything that has to be done in our various companies. Thanks to Lange's thefts from FEI (the Institute, in addition to the trust), we can no longer afford any full-time associates, since these, too, would have to be funded out of our own capital. Galambos has a part-time assistant for his podium work, and we have a part-time assistant handling sales of books and cachets at our classes.

Several customers have complained that they have not received regular reports as to what transpired with respect to Lange, the status of the courses and books on the respective trusts.

We think you will agree that, given the handicaps under which we are operating -- and we are operating -- getting books published and new concepts recorded on tape via courses are the most important achievements we can complete at this time. Since most of you are younger than we are and many of you have -- or will have -- posterity, every

thing you value is "riding" on the moral publication and utilization of Galambos's theories as soon as practicable. This means publication by Galambos himself or by his explicitly named successor, followed by utilization of the theories by every one who recognizes their value. (This means utilization all of the time and not just when it happens to be convenient.) Actually, the moneys you paid for your pre-publication subscriptions are the very least of what you have at stake.

The schedule we have maintained over the past three-and-a-half years (not speaking of the schedule we maintained prior to 1984) would have killed any less dedicated persons. Frankly, I know of no living persons who even would have attempted it, given our circumstances. If you haven't had the experience, you cannot imagine what it is like to be a sensitive cosmological innovator who has been betrayed ideologically and emotionally and wrecked financially by someone whom he considered to be his best friend. And while this is happening, a number of individuals -- each of whom has profited hugely just from studying his original concepts -- stand idly by and watch it happen. In some instances, they actually coöperate with the betrayal.

It is the trauma of this large-scale betrayal, we are convinced, and not the hard work which brought about Professor Galambos's coronary thrombosis last year (see following paragraphs).

The fact remains that we have lost prime production time in the years since 1984. We have had to invoke the term in the book contract which enables us to put out Book 1 in several volumes. We had planned the first volume for publication in 1987. Galambos's coronary thrombosis rendered that plan impossible of achievement. Please bear in mind that we are committed to publishing Book 5 (MORE LASTING THAN BRONZE) prior to the actual release of any other of our titles. You will recall that "More Lasting than Bronze" is part of the translation of the Latin quotation, "Exegi monumentum aere perennius" ("I have erected a monument more lasting than bronze").

We had our book publishing schedules worked out for 1987, and we were moving as fast as possible, when, as you may know, Professor Galambos suffered a coronary thrombosis last May. He endeavored to continue working even while he was hospitalized. But his lectures and his books had to be postponed.

He wanted to give the lectures he had scheduled for July 4th for Thomas Paine and July 5th for the 300th anniversary of the publication of Newton's PRINCIPIA. But as the weeks passed, it became increasingly apparent that, to do so, might permanently jeopardize the rest of his achievements.

Reluctantly he decided to put the heart before the course.

Nevertheless, the postponed lectures were all delivered prior to the end of 1987.

We mention all of this to you so that you should be aware (if you are not already) of Lange's acts of major coercion. We also want you to be aware of Professor Galambos's coronary thrombosis.

That he has wrecked us financially is of no interest to Lange. That his crime may have far wider repercussions than "merely" the destruction of a friend who trusted him apparently does not concern Lange.

Contrary to the stories about his "innocence" which Lange has circulated in some areas -- stories which can be most delicately summed up in the single word, "eyewash", -- this was a well-planned and carefully orchestrated theft. No amount of protestation can wipe away the irrefutable evidence of Lange's guilt. We will not burden you with the ugly details of this evidence.

Ironically, a number of our long-time customers and even several of our tape course contractors could have prevented the bulk of this theft if only one of them had made just a single telephone call or had dropped a short note to either Professor Galambos or to me. As we learned much too late (1984, July), Lange had obtained large sums of money from a number of FEI customers as well as from several then-active tape course contractors and several former tape course contractors.

Sometime around 1980, Lange apparently decided to go into the real estate business. He claimed he wasn't earning enough through FEI and its related entities. (Considering what he was receiving on a contractual basis, this was a little hard to believe, but that is what he claimed.) He told Galambos that he planned to have some outside investors (sic) in his venture. Galambos said immediately, "I presume that none of them is from my market."

As you, our customers, know very well, as a condition of taking post-V-201 courses, our graduates agree contractually that they will not use the AJG or FEI market for any purpose not derived from AJG. This particular contractual agreement is even more strictly applied to our tape course contractors. Violation of this particular agreement, particularly if it were to involve raising capital from our customers, would be grounds for immediate termination of any contractual relationship with us.

Lange assured Galambos that all of his (Lange's) investors or would-be investors were flatlanders. "I know your policy on this," Lange added.

Since Galambos was talking with a man whom he had come to value as a friend and to trust as an associate for many years, he had no reason to question Lange further on this matter.

We would learn, however, -- and much too late -- that Lange's assurance was a lie, like nearly everything else Lange had told us over the more-than-two decades he was worming his way into Galambos's trust and confidence. As I mentioned above, Lange had obtained very large sums of money from a number of FEI customers as well as from several former tape course contractors and several then-active contractors.

Had even one of these individuals inquired of us, "Are you aware that Lange is raising capital in your market?", Lange would have been terminated immediately, and the bulk of the trusts could have been saved.

Don't ask us why persons who consider themselves to be moral and rational would knowingly participate in an obviously immoral act. The fact remains that they did. As you may have already guessed, every one

of them lost whatever he or she speculated with Lange. And these were large amounts of money by anyone's standards.

The more sensitive among you will recognize that most of you already have been compensated for any delay in the delivery of books. (There has been no delay in the delivery of courses. Immediately following Galambos's coronary thrombosis, several lectures were postponed, but these all were delivered before the end of 1987.)

For instance, those of you who have contracts on the course trust will recall that, if you were in the Open-End Course at the time you entered into the course contract, you received up to a maximum of a 10% discount from your total tuition on the contract. This was provided to you with the contractual understanding that, if you resigned from OEC, you owed back to us the dollar amount of the discount. Many you resigned from OEC long ago. Not one of the persons who resigned from OEC ever returned a dollar or even a penny!

Those of you who subscribed to Book 1 during the 1970's received a full refund of all moneys you paid to us. You had the option -- if you so chose -- to resubscribe to the book under the book trust for the same dollar amount that you originally paid. This offer was made despite the fact that, by 1978, when the trust first came into being, Book 1 subscriptions were selling for more than twice (in some instances) what you had paid for your original subscription. Please bear in mind that you had a full refund of your book payment(s) in your hand at the time you made the decision -- wholly yours -- to resubscribe.

As of this writing, Book 1 is selling for \$750.00, and, when the first volume comes off the press, there is likely to be an additional increase, but this will not be retroactive. The increase will only affect new subscribers, not those of you who purchased books on the trust.

Those of you who utilized time payment plans for the purchase of our books will recall that the contracts call for an annual inflation adjustment on any unpaid balance. None of you was ever charged in inflation adjustment because Lange reneged on his obligation to prepare the figures for and collect the inflation adjustment. Galambos, on the other hand, was unwilling to invoke an inflation adjustment for more than one year at a time. He refused to allow Lange to levy the adjustment for several years at once. Therefore, he (Galambos) lost the entire inflation adjustment, and his customers gained therefrom.

We are presently in the process of delivering the "Positive Victory" coin-medals, which we also had to fund out of our own resources because Lange stole moneys from the coin-medal account. These coin-medals were struck in 1987, and we have been delivering them in groups as we are able to determine which customer ordered how many medals and which serially numbered medals he or she ordered -- and, not incidentally, whether or not he or she paid for the medals. Those of you who have already been contacted about your coin-medals have some sensitivity to the monumental task involved in getting just this single product into the hands of its subscribers. (If you ordered this coin-medal and have not yet heard from us, please bear with us. We'll be contacting many of you in June or July to arrange for delivery of your coin-medals in August.)

Your cooperation in this matter will be very much appreciated.

We have not received any profit from the hundreds of "Positive Victory" coin-medals which were paid for while Lange was handling (and, as it turned out, stealing) moneys for this account. We also have lost literally hundreds of hours of valuable time just on this product alone, compiling careful records so that we can deliver these coin-medals.

It's the loss of the time that hurts the most, for that can never be recovered.

Speaking of our products, let me remind you of just some of the products which we have put into the market since 1978, July, when subscriptions to courses and books were first made available under the trusts.

Galambos has presented at least 63 new live courses. This does not include any courses presented on tape nor does it include any of the three courses in the Open-End Course series with a total of 20 lectures presented live each year.

Galambos has conceived and produced two coin-medals, the Joseph B. Galambos commemorative coin-medal and the "Positive Victory" coin-medal.

Galambos has conceived, produced, and published eight major and unique philatelic cachets, each of which is a mini-education in itself.

Galambos has written and published two monographs, the second of which he wrote within a few days of his coming home from the hospital, following his coronary thrombosis.

Volume I of Book 1, Book 2, Book 5, and Book 7 were being readied for publication when Galambos had a coronary thrombosis last year. We were slowed down, but we are continuing as rapidly as is consistent with the kind of quality achievement you have come to expect (and, I suspect, have come to take for granted) from Galambos.

As you look over the preceding five paragraphs, bear in mind that moneys paid on or before 1984, June 30, for FEI courses scheduled for later presentation, were stolen by Lange (whether they were paid into the course trust or paid to FEI directly). This means that we have personally funded, without any profit, all FEI courses for which tuitions were paid prior to 1984, June 30.

We urge you to provide us with your most current address, and, if you have a change of address, please do let us know. As the books are published, we want to make delivery as quickly as possible. We cannot take the time to track down customers for whom we do not have a "good" address. (The book contract specifically states that we will not do this.) Our previous letters to many of you have come back from the post office undelivered. We are sending this letter to the last address which we have for you.

As the books are published, we will advise you by letter. If the letter is returned to us by the post office as being undeliverable, we will put your book(s) in storage at your expense. We will not attempt to deliver books to an address that we have been advised is incorrect. Please keep in mind that, after seven years, we are obligated to turn over the

property to the State of California in something called "escheat".

In the event that our records show that you have an outstanding balance on your book subscription account and you are certain that you are paid in full, we will request that you provide us with copies of all cancelled checks and/or receipts for your book payments so that we can resolve the disparity as quickly as possible before any books are delivered to you.

We call your attention to the fact that all books will be shipped to subscribers at the subscribers' expense. You may prefer -- and you are certainly welcome -- to pick up your books at any live class we present, provided you make an advance appointment to come at least one hour before the class begins. If you are a V-201 graduate in good standing, you are welcome to enroll in the then-current class. Our live lectures are currently being presented in the Holiday Inn in Montebello next to the Santa Ana Taxway at the Slauson Avenue exit.

In the meantime, this letter has been "sandwiched in" amid production of some of the most important (V-201 definition -- remember) products the world has ever known.

Without the implementation of primary property theory and volitional science, the future of our civilization (not even speaking of our species) is rather bleak. Without these concepts, those of you who have children or ever expect to have children will have brought them into the world for nothing. (It could well be that civilization as we know it does not have remaining to it the length of time of another generation. Or do you really believe that international or home-grown terrorism will produce a stabilized durable civilization?)

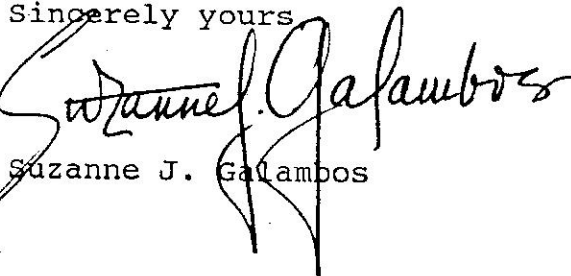
Those of you who do not have posterity, nevertheless, have a life of your own to live and values of your own to leave as a recognition of your having lived.

Most of us are not cosmological innovators. A few of us have been privileged to learn from one.

But no matter what the level of your comprehension may be, each of you has the opportunity -- by virtue of the concepts you have learned from Galambos -- to leave the world a better place than you found it.

I urge you most sincerely: Don't blow that opportunity. You won't have another. Look around you. There is nothing else on the horizon that can have the kind of positive effect on civilization that Professor Galambos's theories can have.

Sincerely yours


Suzanne J. Galambos

1988, March 15