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Community Trade Mark Registration
No 1224831 OSHO in Classes 41 & 42
In the name of Osho International
Foundation ("OIF") and
Application for Invalidity No 5063
thereto by Osho Lotus Commune e.V.
("Applicant")

Witness Statement

I, Philip Toelkes, also known as Prem Niren, hereby declare that:

1. All the statements made are true and from my personal knowledge and recollection. Where I have made statements from another source, I have identified that source and believe the facts to be true. I am competent to make this witness statement. My address is 166 Santa Clara Avenue, Oakland, CA 94610, USA.

2. I am an attorney at law, licensed to practice in the State Courts of California since 1972, and am also admitted for many years to the United States District Courts for the Northern, Eastern and Central Districts of California, the Ninth Circuit Court of Appeals, and the Supreme Court of the United States. I am currently in private practice in Oakland, California. I was formerly a partner at Drexler & Toelkes in Oakland, California and at Manatt, Phelps & Phillips in Los Angeles California.

3. From 1982 through 1990, I was personal attorney for Osho, formerly known as Bhagwan Shree Rajneesh (hereinafter "Osho"), representing him, and entities which were then involved in the publication and dissemination of his words and images, in various media, in the United States. From 1987 until 1994, I continued to be involved in legal work involving publishing and related contracts on behalf of Osho International Foundation (OIF), working with publishers from around the world. I personally drafted and negotiated numerous publishing and licensing contracts during that timeframe. During that time I was well aware of the publishing work and the various centers around the world. In 1987, Osho executed a broad power of attorney giving me broad powers to act for him in the United States. A copy of that power of attorney is provided herewith as Exhibit PT1.

4. From 1982 through 1986, I had many meetings with Osho relating to a variety of legal matters, including matters involving his rights related to copyright, trademark, publishing contracts, and infringement of those rights. In general, Osho did not, to my experience, have substantial involvement in the day to day business operation of any of the entities dealing with his words, images and rights. He relied upon the people and foundations to whom he had given responsibility to carry out those responsibilities on a day to day basis. In my experience, however, Osho was keenly interested and attentive to the major issues relating to those words, images, and rights. Whenever there was a significant decision to be made or course of action to be undertaken, I would bring that issue to him for his guidance. I would attempt to clearly and concisely present the alternative courses of action and the likely results. He would listen attentively, often ask a few questions, and then give guidance as to what alternative course of action should be taken.

5. He was clearly most interested in issues relating to his words and images, and their publication. In my experience, he was often looking many years into the future, and how present decisions would best support the broadest dissemination of his work and vision in that future. He was clearly intent on reaching the largest number of people possible with his vision.

6. In any matter involving the publication of his works, Osho was intent on maintaining control over such publication to ensure that his words were presented without change or interpretation. He required that no publication of his words, or use of his image, be undertaken without permission and appropriate contract, in order to ensure the integrity of the work.
7. On several occasions over the years of my representation of Osho, I discussed legal issues and documents with Osho related to his ownership of copyrights and trademark rights. I obtained his clear instructions about how to proceed in connection with those rights. I then prepared documents involving Osho's copyright and trademark rights. Osho gave several assignments of rights to his works, including assignment of copyrights and trademark, including the one discussed above, so that individuals and entities, including myself, could prosecute or defend his rights without his being involved on a day to day basis. But the existence of those assignments did not in any way affect his level of interest in the dissemination of his words and works. He was not generally interested in details or day-to-day matters, but gave energy and attention to any matter that affected the use and dissemination of his work. He was always interested and involved in decisions on major matters affecting his words and work.
8. In 1982, I participated in the preparation of a document entitled "Assignment and Amendment of Power of Attorney", which document was executed on May 1, 1982, as is provided herewith as Exhibit PT2. Under that document Osho clearly made an assignment of all rights to his image, name and words, specifically including all rights to copyrights and trademarks, to Ma Anand Sheela, who was then responsible for acting on his behalf on these matters as President of Rajneesh Foundation International. In 1983, I participated in the preparation of a similar document under which Ma Anand Sheela made broad assignments of copyright and other intellectual property rights including trademarks dated May 10, 1983, to Rajneesh Foundation International, a copy of which document is provided herewith as Exhibit PT3. As was his custom, Osho gave broad rights to the people he entrusted with his work, but continued to give guidance on major issues related to those rights as such issues arose.
9. In one case for copyright infringement, which I filed and prosecuted in the United States District Court in Los Angeles, in about 1982 through 1984, Osho directly participated, despite his normal lack of direct involvement in legal matters, in order to stop unauthorized publication of his words and infringement of the copyrights in his works. In *Lear v. Rajneesh Foundation International*, Pat Lear, had sought and obtained permission to use a collection of quotations from Osho in a small book, comprised entirely of such quotations. Ms. Lear failed to comply with the limitations of the agreement. I was lead counsel for Rajneesh Foundation International in the litigation. Osho specifically approved the filing of the action. He was unwilling to tolerate unauthorized use of his work.
10. The judge on that case, the Hon. Richard Gadbois, then one of the most respected judges on a distinguished federal trial court bench, evaluated the assignment from Osho to Rajneesh Foundation International, and other relevant evidence, and ruled that Rajneesh Foundation International was the owner of all the published work of Osho. A copy of the ruling on summary judgment in that case, is provided herewith as Exhibit PT4. It is worth noting that the standard on summary judgment is that the party seeking "summary" judgment, must establish their position "as a matter of law", and negate the existence of a "material issue of fact." This means that the evidence offered in support of the motion must be clear and convincing and that there must be no competent evidence in opposition. That standard was found to be satisfied when the motion was granted.
11. It is well known that Osho was one of the most powerful spiritual voices of the 20th century. Some people think that because of that, he could not or would not have any part in decisions on

legal matters. That is an incorrect assumption. It puzzles me when people who have experienced his spiritual teaching speculate that he was naïve or incapable of addressing legal or business matters. Why would he be powerfully insightful in the most difficult of subject matters, but incapable in straight-forward practical matters? The qualities of penetrating insight and eloquence which he brought to matters of deep spirituality, he also brought to matters of law and business; those qualities reflected who he was and were brought to bear on whatever came before him. In my experience, he brought those qualities to whatever was the object of his attention. Because he was intent on supporting the dissemination of his vision, and protecting the integrity of its communication, he brought that attention and interest to legal matters relating to the use of his name, image and words whenever it was necessary or appropriate to address those issues.

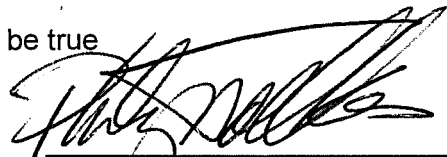
12. In practical matters, he was totally practical. In matters affecting his work, he was always available and interested anytime I had any question on which direction to take in a matter involving his words and work. He wanted to know the key facts, and would weigh those facts without distraction, then suggest a course of action. His rationale for the suggestion was always solid, and often would involve considerations not readily apparent to me, but which made total sense. He was interested in the law and legal matters because it was an arena where focussed and persuasive argument could be presented. Sometimes he would offer creative arguments, which I would use to good effect. I always thought he would have been a great lawyer, if he didn't have better things to do with his time.

13. His primary focus in dealing with the dissemination and publication of his work was the protection of his vision and his legacy of profound spiritual synthesis. He was clear in his instructions that all aspects of his image, works and name were to be carefully protected from misstatement and dilution. He was clear that his work would be needed and offered to many future generations, and therefore had to be protected from misuse. His vision was on the present moment, but extended for millennia. He intended and directed that the work be protected so that it could be transmitted clearly and accurately long after his time in the body was over.

14. I have been asked to read a document entitled Witness Statement of Klaus Steeg and evaluate it for accuracy insofar as I have personal knowledge of facts set forth therein.

15. I can verify many of Mr. Steeg's statements to my personal knowledge. The names OSHO and RAJNEESH were always understood to be trademarks during the period of my representation, and were consistently so used in the ongoing publication and dissemination of Osho's works during the time of my representation. The table of assignments and users of the names OSHO and RAJNEESH as trademarks is accurate. I personally saw the relevant documents and was personally aware of the uses during the period of my representation.

16. I believe all the statements made herein to be true



Philip Toelkes

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and Application for Invalidity No 5063
There to by Osho Lotus Commune e.v. ("Applicant")**

This is Exhibit PT1 referred to in the Witness Statement of Philip Toelkes, also known as Prem Niren.



BHAGWAN SHREE
RAJNEESH


POWER OF ATTORNEY TO OBTAIN DOCUMENTS

I, Bhagwan Shree Rajneesh, authorize my attorney Swami Prem Niren, also known as Philip J. Tolkes, to act for me, in any way necessary, to obtain documentation and information concerning my arrest and prosecution, including any investigations, communications or other actions, by the United States government, including but not limited to the federal criminal prosecution against me in Oregon. This authorization specifically includes the power to sign on my behalf any and all necessary documents, papers and forms incident to obtaining said documentation and information.

dated: _____


BHAGWAN SHREE RAJNEESH

Witnesses:
Ma Deva Anando
MA DEVA ANANDO
Neelam
MA YOGA NEELAM

BEFORE ME

14.11.87
R. V. BHOKARE
NOTARY, UNION OF INDIA
PUNE



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This is Exhibit PT2 referred to in the Witness Statement of Philip Toelkes, also known as Prem Niren.

ASSIGNMENT AND AMENDMENT TO POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS


THAT I, BHAGWAN SHREE RAJNEESH, presently residing at Rancho Rajneesh also known as Rajneeshpuram, near Antelope, in the County of Wasco, Oregon do hereby amend and supplement that certain Power of Attorney, composed of 3 pages and notarization, executed by me November, 19th 1981. Except as amended or supplemented hereby, that said Power of Attorney shall remain in full force and effect.

I execute this document to more completely state my intention to maintain my separation from worldly activities and divestiture of all worldly possessions. My grant of power and authority to Ma Anand Sheela includes not only the power to act for me, but also the transfer and assignment of all such power and authority from me to Ma Anand Sheela. I withdrew from worldly matters long ago. By the execution of the aforesaid Power of Attorney and this amendment I have intended and do intend to formally divest myself of any right or power to act with respect to worldly matters, activities or events. Thus, where the aforesaid Power of Attorney speaks of the "grant" of power, it is amended to include the "transfer" of all of such powers and authority, generally and specifically.

In addition, the aforesaid Power of Attorney is supplemented by inclusion of the following material on page 3 following paragraph 10:

11. To act with respect to my name, likeness, writings, copy-
rights, trademarks, tradenames, and any other property, and
any possessions, rights or other tangible or intangible things
or choses in action to which I am now legally entitled or
shall become entitled in the future as if such things were her
own - that is, to permit, prevent, control, transfer, license,
sell, give away or otherwise keep or dispose of any such right
or property.

IN WITNESS WHEREOF I have hereunder set my hand this 1st day of
May, in the year one thousand, nine hundred and eighty two.



BHAGWAN SHREE RAJNEESH

On this 1st day of May, A.D. 1982, before me personally
appeared BHAGWAN SHREE RAJNEESH to me known to be the person
described in and who executed the foregoing instrument composed
of two pages and entitled Assignment and Amendment of Power of
Attorney and acknowledged that he executed the same as his free
act and deed.



Notary Public for the State
of Oregon

My commission expires Nov 8, 1985

ASSIGNMENT AND AMENDMENT TO POWER OF ATTORNEY

A TRUE COPY

Swami Prem Niren
OSB 82134

KNOW ALL PERSONS BY THESE PRESENTS

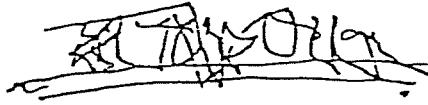
THAT I, BHAGWAN SHREE RAJNEESH, presently residing at Rancho Rajneesh also known as Rajneeshpuram, near Antelope, in the County of Wasco, Oregon do hereby amend and supplement that certain Power of Attorney, composed of 3 pages and notarization, executed by me November, 19th 1981. Except as amended or supplemented hereby, that said Power of Attorney shall remain in full force and effect.

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rights, trademarks, tradenames, and any other property, and
any possessions, rights or other tangible or intangible things
or choses in action to which I am now legally entitled or
shall become entitled in the future as if such things were her
own - that is, to permit, prevent, control, transfer, license,
sell, give away or otherwise keep or dispose of any such right
or property.

IN WITNESS WHEREOF I have hereunder set my hand this 1st day of
May, in the year one thousand, nine hundred and eighty two.



BHAGWAN SHREE RAJNEESH

On this 1st day of May, A.D. 1982, before me personally
appeared BHAGWAN SHREE RAJNEESH to me known to be the person
described in and who executed the foregoing instrument composed
of two pages and entitled Assignment and Amendment of Power of
Attorney and acknowledged that he executed the same as his free
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Notary Public for the State
of Oregon

My commission expires Nov 8 1985

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This is Exhibit PT3 referred to in the Witness Statement of Philip Toelkes, also known as Prem Niren.


ASSIGNMENT

I, Ma Anand Sheela, have been given powers of attorney by and from Bhagwan Shree Rajneesh, dated July 1, 1981 and November 19, 1981. An Assignment and Amendment of the Powers of Attorney was executed by Bhagwan Shree Rajneesh on May 1, 1982. These documents grant and transfer to me an extremely broad power to act respecting any property rights of Bhagwan Shree Rajneesh, as is set forth at length in the Powers of Attorney and Assignment and Amendment thereto. I hereby warrant and undertake that the powers granted to me by the said documents are herein unrevoked.

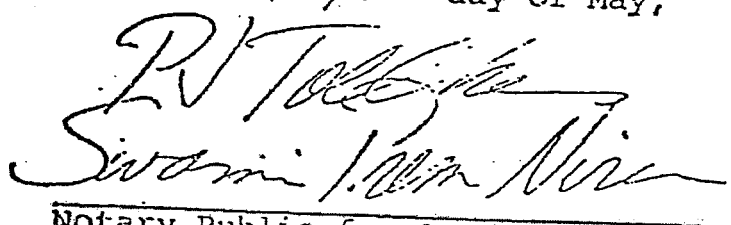
Acting for and on behalf of Bhagwan Shree Rajneesh pursuant to the aforementioned Powers of Attorney and Assignment and Amendment thereto, I hereby grant, transfer, and assign to Rajneesh Foundation International absolutely any and all right, title and interest of any description which is or may remain vested as of this date in Bhagwan Shree Rajneesh, or which may be or become vested in the future with respect to His name, likeness, utterances, writings, copyrights, trademarks and/or trade names and all real and personal property rights whatsoever and wheresoever. I hereby ratify and confirm all, if any, previous grants, transfers and assignments or purported grants, transfers and assignments thereof and all previous acts and things, including acts of ownership and control, done or purported to have been done by Rajneesh Foundation International thereover.

or therein and her warrant and undertake to my personal knowledge no right, title or interest of any description regarding His name, likeness, utterances, writings, copyrights, trademarks and/or trade names and all real and personal property right whatsoever and wheresoever is vested in any person other than Rajneesh Foundation International except in accordance with any license which may have been granted by Rajneesh Foundation International.

Dated: May 10, 1983.


Ma Anand Sheela

1983. Subscribed and sworn to before me this 10th day of May,



Notary Public for Oregon
My Commission Expires: Dec 17, 1982

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SWAMI PREM NIREN
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(503) 489-3348

LOGGED

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Santa Monica, CA 90401
(213) 458-2826

Nov 15 1 57 PM '85
CLERK U.S. DISTRICT COURT
CENTRAL DIST. OF CALIF.
BY _____

Attorneys for Plaintiff

UNITED STATES DISTRICT COURT

CENTRAL DISTRICT OF CALIFORNIA
CLERK, U.S. DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA
DEPUTY

RAJNEESH FOUNDATION INTERNATIONAL,
a New Jersey corporation,

No. CV 82 5618 RG(JRx)

Plaintiff,

ORDER GRANTING
PLAINTIFF'S MOTION FOR
PARTIAL SUMMARY
JUDGMENT

v.

PAT LEAR, et al.,
Defendants.

This action came on to be heard on plaintiff's motion
for partial summary judgement and upon ^{CLERK} briefs and oral
argument of counsel and it appearing to the court:

1. That plaintiff owns valid copyrights on all
published or works of Bhagwan Shree Rajneesh.

NOW, THEREFORE, IT IS ORDERED AND ADJUDGED:

That there is no genuine issue of material fact and
plaintiff is entitled to judgment as a matter of law that

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FILED

DEC 9 1985

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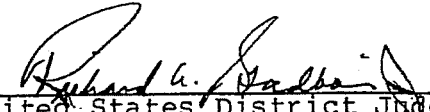
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plaintiff owns valid copyrights on all the published works of
Bhagwan Shree Rajneesh.

Presented by: Swami Prem Niren
Attorney for Plaintiff

Dated: * 9 DEC 1985


United States District Judge

V3552 D767
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