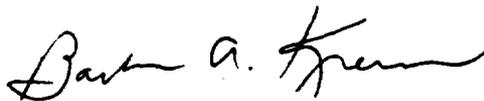


Trinity, stating that "she holds virtually the second highest management office in the Network's hierarchy." Please describe the specific duties Duff performs with Trinity.

Any factual statements you submit should be supported by affidavits of persons with first hand knowledge of those facts. Your response should be filed within 20 days of the date of this letter. Copies of your response should be served on Borowicz, who will have 5 business days from receipt by his Washington counsel to file a responsive pleading, if he chooses to do so.

Sincerely,



Barbara A. Kreisman  
Chief, Video Services Division  
Mass Media Bureau

cc: Eduardo Pena  
David Honig



FEDERAL COMMUNICATIONS COMMISSION  
WASHINGTON, D.C. 20554

*Law Cohen*  
202-785-093

OCT 11 1991

IN REPLY REFER TO

8940-PRG

National Minority TV, Inc.  
c/o Colby M. May, Esq.  
May & Dunne, Chartered  
1000 Thomas Jefferson St. NW  
Suite 520  
Washington, D.C. 20007

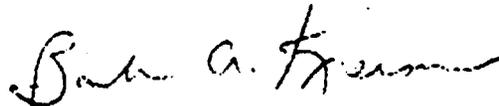
Re: Station WIGI-TV  
Wilmington, DE  
BALCT-910329KE

Gentlemen:

This is in reference to your request, on behalf of National Minority TV, Inc., at the direction of the United States Bankruptcy Court for the District of Delaware, to withdraw the application (BALCT-910329KE) for consent to assign the license of television station WIGI-TV, Wilmington, Delaware, from Delaware Valley Broadcasters Limited Partnership, Debtor-in-Possession, to National Minority TV, Inc. A petition to deny the assignment was filed by Dan Borowicz.

In accordance with your request, at the direction of the Bankruptcy Court, and pursuant to Section 73.3568(a) of the Commission's Rules, the application is dismissed. Nevertheless, in view of the issues raised in the petition to deny and Booth American Co., 58 FCC 2d 553 (1976), the Commission must consider and resolve the issues regardless of the dismissal of the application. Consequently, dismissal of this application will be without prejudice to whatever action, if any, the Commission deems appropriate in this matter.

Sincerely,



Barbara A. Kreisman  
Chief, Video Services Division  
Mass Media Bureau

cc: Eduardo Pena  
David Honig  
Eduard F. von Wettberg III



AFFIDAVIT OF DR. PAUL F. CROUCH

I, Dr. Paul F. Crouch, being duly sworn, hereby swear and affirm that the following responses to the Commission's letter to National Minority TV, Inc. (NMTV), dated September 13, 1991, are true and correct to the best of my knowledge and belief.

1. "According to the pleadings, in the June 9, 1991 edition of the 'Orange County Register,' Aguilar is quoted as stating that he is merely a 'figurehead,' presumably for Trinity or Crouch, in the National Minority organization. Your response to that question is specifically requested." Rev. Aguilar can respond as to what he said to the reporter. I had talked with Rev. Aguilar about this "quote," however, soon after we learned of it. When I spoke to Rev. Aguilar he was extremely angry, and told me that what he said to the reporter was twisted entirely out of context.

2. "Describe the circumstances that led to David Espinoza's replacement by Aguilar." Rev. David Espinoza had been a friend and supporter of Trinity and NMTV for many years, and had been a director of NMTV while he was pastoring two churches. In late July or early August of 1990 we received a letter from Rev. Espinoza in which he said that the demands on his time from his two churches were simply too great for him to be able to devote an adequate amount of time to NMTV's TV ministry. With regret he asked the NMTV board to accept his resignation.

I knew Rev. Espinoza was extremely busy with his two churches, because his two churches are very large and active.

Moreover, I was aware that Rev. Espinoza had some health problems the previous year.

Accordingly, I called Jane Duff and we discussed at some length possible replacements for Rev. Espinoza. Because we wanted to keep NMTV an organization whose ownership was controlled by members of minority groups, the potential directors we discussed were all members of a minority group.

After some discussion, Rev. Aguilar's name was mentioned. My wife and I personally, and Trinity as an organization, had known Rev. Aguilar for some time. He has a

invited to a meeting of the board of directors held on August 15, 1990. Rev. Aguilar attended with his son, at which time Rev. Espinoza's resignation was accepted, with a great deal of regret and with the thanks of NMTV for his many years of service, and Rev. Aguilar elected as a member of the board.

3. "Describe the process by which Aguilar was elected as a replacement board member." I believe I have answered the question fully in 2, above.

4. "Describe the circumstances surrounding Aguilar's election to the board." I believe I have answered the question fully in 2, above.

5. "Did Aguilar have any prior experience in broadcasting?" When Mrs. Duff and I discussed the possibility of inviting Rev. Aguilar to serve on NMTV's board of directors, I

what the name of the program was, but it was a live telephone call-in show during which Rev. Aguilar counseled people with a wide variety of problems and needs, including drug addicts, alcoholics and others.

Finally, I knew that Set Free was producing, with the help of some Trinity technicians, an hour-long TV special for broadcast on Trinity Broadcasting Network concerning Set Free Christian Fellowship and its unique ministry. Rev. Aguilar had been involved very intimately in the production of that program, and, of course, in its content.

6. "Prior to his election, did Aguilar have any relationship with Trinity, its officers, or its directors?"

Rev. Aguilar has appeared on Trinity programs as a pastor and representative of his church, Set Free Christian Fellowship.

Rev. Aguilar's story of his conversion from a drug addict. His



distribution to the needy and homeless in the Los Angeles area to Trinity. "His Hand Extended" has been a successful program, and viewers have contributed large amounts of food and clothing for distribution to those who need it.

This success has led to problems, however. Trinity's offices are in an industrial park where no one lives. The area is also hard to reach. One of the program's constant administrative problems was transporting the donated goods to an area in which the people who needed the goods lived, and in distributing the goods to the people who needed them.

Set Free church is located in an area where many of the ultimate recipients of the donated goods actually live. Set Free church staff members are familiar with the neighborhood, and have access to several sites where the goods may be distributed.

Accordingly, since 1984 or 1985 Trinity has had a cooperative arrangement with the Set Free church whereby church members and volunteers collect the goods donated to Trinity, take the goods to church sites in the community where the needy actually live, and distribute the goods to those who need them. For some time the arrangement was purely informal.

Trinity also provides a 24-hour counseling line, where viewers may call and receive spiritual counseling, pray with counselors, and receive referrals to churches and state and local medical or other agencies where their particular needs, if they are physical or emotional, can perhaps be met. Members of the

Set Free church have volunteered and served as telephone ministers for several years. In December of 1987 Trinity started compensating Set Free church for its services in assisting Trinity with the "His Hand Extended" program and for transportation for its counselors from the church in Anaheim, California to Trinity's telephone counseling center. From that date, until today, Trinity has continued to compensate Set Free \$5,000 a month for these services.

In addition, some time ago Trinity purchased two run-down houses in Anaheim which we hoped to use to house the homeless. In 1985 we consented to allow Set Free church to use the houses, which they painted and refurbished, as a temporary shelter for the homeless, recovering drug addicts and alcoholics. The church uses the houses free of charge under a licensing agreement with the church. Orange County has granted Trinity a property tax exemption for both houses because of the nature of the work done there. I understand from my attorneys that the licensing agreement is being submitted with Rev. Aguilar's affidavit.

Trinity also allows Set Free to use three houses and a tract of land in Colleyville, Texas for the same purposes, i.e., to house church members, the homeless, recovering drug addicts and alcoholics, etc. We also have a licensing agreement with respect to the Colleyville property for which Set Free Christian Fellowship also does not pay.

Trinity also allows Set Free to use a 160-acre tract of land which it owns, with an included old farm house, at Ottawa, Illinois. There is no formal agreement with respect to the Ottawa property, which the church has been using approximately a year. We have assumed that the same terms and conditions apply to the Ottawa property as to the other two properties which Set Free uses.

The Set Free church staff is also involved in the production of video and audio tapes. Trinity's technical staff meets regularly with church members to train them and assist in the production of these video and audio programs.

As part of this training, the Set Free staff members, with Trinity's assistance, produced an hour-long special about the church which was broadcast on Trinity Broadcasting Network.

7. "Who originated the idea to acquire WTGI?" The board of directors of NMTV had sometime before agreed to sell KMLM-TV, the Midland-Odessa station, so that NMTV could purchase a station in a larger television market and increase the number of people receiving its programming. NMTV had investigated the possibility of acquiring other TV authorizations in major markets, but in each instance the sale was not consummated either because the final price could not be negotiated, or the seller determined not to sell. NMTV was actively looking for properties, however.

In late August or early September 1990, I received a call from Jim Gammon, who informed me of the availability of WTGI and the general terms under which the bankruptcy court was accepting bids for the authorization. Jim Gammon is my former lawyer whom I have known since 1972. He is a television station broker, and often calls when he has a television station for sale.

I discussed the possible terms and conditions of a bid directly with Mr. Gammon. I indicated to him at that time that we certainly had an interest in acquiring the station. I contacted our communications counsel to obtain certain technical data and negotiated certain terms and conditions directly during several telephone calls with Mr. Gammon.

I also spoke about the proposed purchase with Mrs. Ruff and we discussed some of the terms and conditions of the

I kept Mrs. Duff apprised of the progress of the negotiations concerning WTGI and Mrs. Duff also was speaking to counsel almost daily concerning this and other matters. Mrs. Duff reviewed and commented on several drafts of the agreement and transmitted those drafts to other parties. Mrs. Duff also took part in the final negotiations, and signed the contract on behalf of NMTV. Mrs. Duff traveled at least once to Wilmington in connection with NMTV's proposed purchase of WTGI, and also appeared in the bankruptcy court to seek additional time under the purchase agreement.

8. "How and by whom was the idea developed?" Please see my response to question 7, above.

9. "Who negotiated on behalf of National Minority the terms of the sale agreement?" Please see my response to question 7, above.

10. "Who supervised the preparation of National Minority's assignment application?" Jane Duff is responsible, generally, for discussing applications and application matters with our communications counsel. Mrs. Duff, I'm sure, reviewed and signed the NMTV application for Wilmington.

11. "Who prepares and supervises the preparation of other National Minority applications?" Jane Duff supervises the preparation and filing of all NMTV applications, including the necessary ownership reports and renewal applications, and makes

decisions with respect to the filing of translator applications for NMTV as well.

12. "Submit the minutes of any meetings of the Board of Directors of National Minority that discussed the acquisition of Station WTGI-TV. If the acquisition was not approved by a vote of the board state why, and submit statements from all persons that were involved in the decision to acquire the station. Those statements should describe the decision making process and the nature of the person's participation in it." The purchase of WTGI was approved at a meeting of the board of directors on January 21, 1991 at which I was also authorized to appear in bankruptcy court to present NMTV's offer for WTGI.

Our decision-making with respect to the purchase of WTGI is described above. The copies of the minutes of the meetings at which the sale was discussed are being provided by our attorneys.

13. "Are Duff and Aguilar involved in and aware of the daily activities of National Minority? If so, describe the specific ways they maintain their awareness and involvement, e.g., what kind of corporate documents do they regularly review." Mrs. Duff is the person who supervises the day-to-day operations of NMTV, who receives reports from the station managers, etc. Mrs. Duff, to my knowledge, receives the daily check log, reviews and approves check disbursements, reviews insurance benefits, receives audited and unaudited financial

statements concerning NMTV, and generally is the person who deals with all of the paperwork.

I do not receive or review these reports, generally, unless Mrs. Duff brings them to my attention because of a particular problem that she feels I should be aware.

I do not keep Rev. Aguilar aware of the daily operations of NMTV, and depend upon Mrs. Duff to bring necessary information to his attention. I believe that she calls Rev. Aguilar on a fairly regular basis to update him on developments that are of interest, and provides him with written materials, minutes of board meetings, etc., as they are needed. I also speak with Rev. Aguilar in connection with "His Hand Extended" and other items, and during those conversations we from time to time also discuss NMTV.

I believe that Rev. Aguilar receives regular audited and unaudited financial statements for NMTV, and receives information, such as proposed agendas, agreements, which the board must ratify, etc. When Rev. Aguilar receives copies of minutes of the board meetings, and when he does not attend, which he has not done in two or three instances, he is informed of the substance of what we wish to accomplish at the board meeting, and he either gives me a proxy to vote on his behalf or approves of

practices at the proposed station? Rev. Aguilar only recently became a director of NMTV, and NMTV already had two stations which it owned and operated when he became involved. The programming and personnel policies of the stations were pretty well set when he became a director. Mrs. Duff told me that she informed Rev. Aguilar of the station's programming and personnel practices prior to his invitation to become a member of the board of directors, and he is comfortable with them.

Mrs. Duff, on the other hand, has had an integral part in developing the personnel policies and programming for NMTV. Mrs. Duff, at the outset, was primarily responsible for developing the personnel policies for Trinity and reducing those policies to an employee handbook. She performed the same function for NMTV, and NMTV has its own employee handbook.

Moreover, Mrs. Duff, as I do, believes very strongly that NMTV should be exemplary in fulfilling its obligations to hire and promote minorities. Mrs. Duff has, accordingly, been intimately involved in the hiring and promotion of employees at

not received any funds designated as contributions for the acquisition of WTGI. Trinity has received nearly \$37,000 of designated contributions for the purchase of a station by NMTV in the Philadelphia market, and the funds will be used to help offset NMTV's loan from Trinity.

In addition, the loan agreement between NMTV and Trinity provides that 30% of the contributions from zip codes in

Network, which was approved by NMTV's board of directors. A copy of the note is attached to this affidavit as Exhibit B.

17. "To what extent do Duff and Aguilar acquire their income from Trinity as employees or consultants, or from other independent contracting agreements with Trinity?" Rev. Aguilar is neither an employee, contractor, nor independent consultant with Trinity. When Rev. Aguilar has appeared on Trinity programming, he has not been paid for his appearances.

Set Free Christian Fellowship, however, receives \$5,000 a month from Trinity for the services described above, in connection with administering "His Hand Extended," and has the use of several properties that are owned by Trinity: two houses in Anaheim; three houses and a tract of land in Colleyville, Texas; and, an old farmhouse and 160 acres in Ottawa, Illinois.

Trinity Broadcasting Network personnel train members of the Set Free church in the art and skills of television production, and assisted the church staff in the production of an hour-long special on the Set Free church which was broadcast on TBN. The program was aired on Trinity for free, i.e., Trinity was not paid for the time, nor was Set Free paid for the program.

Mrs. Duff is the Assistant to the President of Trinity Broadcasting Network, and is paid by TBN.

18. "Are any or all of NMTV's officers employees, independent contractors or otherwise affiliated with Trinity?" Only Rev. Aguilar is not affiliated with Trinity in some manner.

Obviously, I am the president of Trinity Broadcasting Network and draw a salary from the corporation. Mrs. Duff is the assistant to the president of Trinity Broadcasting Network and is paid by Trinity. Matthew Crouch is my son, and an administrative assistant to the president. He is paid by Trinity. Charlene Williams heads Trinity's computer and accounting department and is also paid by Trinity.

19. "Describe the specific duties Mrs. Duff performs with Trinity?" Mrs. Duff has been working with Trinity since 1979. She handles almost all matters having to do with lawyers and litigation, including reviewing and signing all FCC applications; discussing any local litigation in which Trinity is involved with local counsel; and assuring that Trinity complies with state and local laws and regulations, particularly with respect to employment matters.

for many years has attended civic organization and Chamber of  
Commerce lunches, prayer breakfasts, church meetings, etc., as a

as a panel speaker, and has represented Trinity at the last two Community Broadcasters Association Convention in Las Vegas.

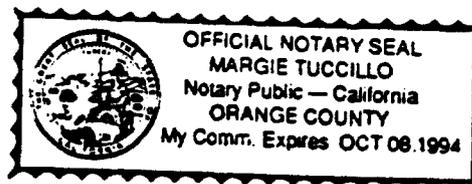
Paul F. Crouch  
Dr. Paul F. Crouch

STATE OF CALIFORNIA )  
COUNTY OF Orange )

SUBSCRIBED AND SWORN TO, before me, in my presence, this 20th day of September 1991, a Notary Public in and for the county of Orange, State of California.

By: Margie Tuccillo (Seal)  
Notary Public

My Commission Expires: 10-8-94





AFFIDAVIT OF REV. PHILLIP R. AGUILAR

I, Philip R. Aguilar, being duly sworn, hereby affirm that the following responses to the FCC's letter addressed to National Minority TV, Inc. dated September 13, 1991, are true and accurate to the best of my knowledge and belief.

1. "According to the pleadings, in the June 9, 1991 edition of the 'Orange County Register,' Aguilar is quoted as stating that he is merely a 'figurehead,' presumably for Trinity or Crouch, in the National Minority organization. Your response to that question is specifically requested." I did speak to a reporter for the Orange County Register, but the quote attributed to me concerning my being a "figurehead" was not accurately quoted, and, in fact, was taken totally out of context.

To my recollection, my involvement with National Minority TV, Inc., in fact the name National Minority TV, Inc., never was discussed during the interview. I certainly never mentioned it.

I did use the word "figurehead" in the interview. I was, however, responding to a question from the reporter concerning my personal financial involvement with Trinity Broadcasting Network. I responded that Set Free Christian Fellowship, Inc. (hereinafter "Set Free") received funds from Trinity, and that I had appeared on various Trinity programs as a figurehead for Set Free, my church in Anaheim, and that my appearances on Trinity programming were not compensated in any way. When I used the word "figurehead" I referred to my status as representing Set Free.

I did not ever use the word "figurehead" in connection with my relationship to National Minority TV, Inc. (hereinafter "NMTV" or "National Minority"). I did, however, use the word figurehead in connection with my appearance on Trinity programming on behalf of my church, Set Free Christian Fellowship, Inc.

2. "Describe the circumstances that led to David Espinoza's replacement by Aguilar." In late July or early August of 1990 I received a call from Jane Duff in which she related that National Minority TV, Inc., an organization that was minority owned, and which had some religious television stations, needed another director on the Board. I was asked if I would be interested in serving as a director of the corporation. I was informed that the ministry's purpose was to extend Trinity's TV ministry to more people. I was also told that NMTV wanted to involve minorities in broadcasting. Since my ministry had been involved with Trinity for some time, and I knew both Mrs. Duff and Dr. Crouch, I agreed to serve as a director of the ministry.

I attended a board meeting in August with my son, at which time I was elected to the board. As part of the meeting I learned that David Espinoza, the previous director, had submitted a letter of resignation in the last few weeks, in which he noted that his involvement in pastoring several churches no longer gave him the time to devote to NMTV's television ministry. Mr. Espinoza's resignation was accepted at the board meeting.

3. "Describe the process by which Aguilar was elected as a replacement board member." I believe I covered the matter in my response to 2 above.

4. "Describe the circumstances surrounding Aguilar's election to the board." I believe I have answered to the best of my ability in response to question 2 above.

5. "Did Aguilar have any prior experience in broadcasting?" A number of staff members at my church, Set Free, produce video and audio tapes of our church services and other prayer services. The church had also produced a one hour television special on the Set Free church which was broadcast on KTBN. Staff members from our church are involved in a training program with staff members from Trinity Broadcasting Network to help us improve the technical quality of our TV and audio productions.

I personally was involved in several radio and television projects prior to my involvement with NMTV. While I was imprisoned at Vacaville State Prison (1977-1978) I produced a radio program which was broadcast on the closed-circuit prison radio station. The program was called "KWFC," for "Keep Witnessing For Christ." The program was successful in that several inmates committed themselves to Christ in response to my radio ministry.

I also appeared on a regular radio show on KYMS, in Santa Ana, California, entitled the "24-7 Show" during 1989 to