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BYLAWS OF
TRANSLATOR T.V., INC.

I

Principal Office

The principal office for the transaction of the business of the corporation is fixed and located at 2442 Michelle, Tustin, CA. The Board of Directors may at any time from time to time change the location of the principal office from one location to another.

II

Section 1 - Qualifications

The membership of this corporation shall be open to any person who is willing to subscribe to the policies of this corporation, and who is approved by the Board of Directors.

Section 2 - Members

The members of this corporation shall be the persons who from time to time are the members of the Board of Directors of this corporation. Death, resignation, or removal of any director as provided in these bylaws automatically terminates his membership as a member of this corporation. Election of a successor director as provided in these bylaws shall operate to elect that director to membership in this corporation.

Section 3 - Termination of Membership

The membership of any member shall terminate upon occurrence of any of the following events:

- (a) The resignation of the member.
- (b) The death of the member.
- (c) The determination by a majority of the Board of Directors that such termination would be in the best interests of the corporation. Such a determination by a majority of the directors may be without cause.

Section 4 - Manner of Resignation

Except as provided herein, any member may resign, which resignation shall be effective upon giving written notice to the chairman of the board, the president, the secretary of the Board of Directors, unless the notice specifies a later time for the resignation to become effective. If the resignation of a member is effective at a future time, the Board of Directors may elect a successor to take office when the resignation becomes effective. No member may resign if the corporation would then be left without a duly elected director in charge of its affairs, or would otherwise be jeopardized before the law.

III

Directors

Section 1 - Powers

A. Subject to the provisions of the California Nonprofit Corporation Law and any limitations in the Articles of Incorporation and these bylaws relating to action required to be approved by the members, the business and affairs of the corporation shall be managed, and all corporate powers shall be exercised, by or under the direction of the Board of Directors.

B. Without prejudice to these general powers, and subject to the same limitations, the directors shall have the power to:

1. Select and remove all officers of the corporation; prescribe any powers and duties for them that are consistent with law, with the Articles of Incorporation, and with these bylaws; and fix their compensation.
2. Change the principal executive office or the principal business office in the State of California from one location to another; cause the corporation to be qualified to do business in any other state, territory, dependency, or country and conduct business without or outside the State of California; and designate any place within or outside the State of California for the holding of any Board of Directors' meeting or meeting, including annual meetings.
3. Adopt, make and use a corporate seal, and alter the form of the seal.

4. Borrow money and incur indebtedness on behalf of the corporation, and cause to be executed and delivered for the corporations' purposes, in the corporate name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecations, and other evidences of debt and securities.

Section 2 - Number and Qualification of Directors

The authorized number of directors shall be no more than ten members and at least three members until the number of directors is changed by amendment to these bylaws.

Section 3 - Election And Term of Office of Directors

The term of office of each director shall be three years or until his successor is elected.

Directors shall be elected as necessary at annual meetings; however, if any annual meeting is not held or the directors are not elected at any annual meeting, they may be elected at a special meeting. Each director, including a director elected to fill a vacancy or elected at a special meeting, shall hold office until expiration of the term for which elected and until a successor has been elected and qualified. Directors may succeed themselves.

Section 4 - Vacancies

A. A vacancy or vacancies in the Board of Directors shall be deemed to exist on the termination of any director's membership as provided in Article II, Section 3.

B. No reduction of the authorized number of directors shall have the effect of removing any director before that director's term of office expires.

Section 5 - Place of Meetings; Meetings By Telephone

Regular meetings of the Board of Directors may be held at any place within or outside the State of California. In the absence of specific designation, regular meetings shall be held at the principal executive office of the corporation. Special meetings of the Board shall be held at any place within or outside the State of California that has been designated in the notice of the meeting or, if not stated in the notice, or if there is no notice, at the principal executive office of the corporation. Notwithstanding the above provisions of this Section 5, a regular or special meeting of the Board of Directors may be held at any

place consented to in writing by all the board members, either before or after the meeting. If consents are given, they shall be filed with the minutes of the meeting. Any meeting, regular or special, may be held by conference telephone or similar communication equipment, so long as all directors participating in the meeting can hear one another, and all such directors shall be deemed to be present in person at such meeting.

Section 6 - Annual Meeting

At each annual meeting, the Board of Directors shall elect officers and directors where required and shall transact other business. Notice of this meeting shall not be required.

Section 7 - Regular Meetings

Regular meetings of the Board of Directors shall be held without call at such time as shall from time to time be fixed by the Board of Directors. Such regular meetings may be held without notice.

Section 8 - Special Meetings

A. Special meetings of the Board of Directors for any purpose may be called at any time by the president, or any two directors.

B. Notice.

1. Notice of the time and place of special meetings shall be given to each director by one of the following methods: (a) by personal delivery or written notice; (b) by first-class mail, postage paid; (c) by telephone communication, either directly to the director or to a person at the director's office who would reasonably be expected to communicate such notice promptly to the director; or (d) by telegram, charges prepaid. All such notices shall be given or sent to the director's address or telephone number as shown on the records of the corporation.

2. Notices sent by first class mail shall be deposited into a United States mail box at least four days before the time set for the meeting. Notices given by personal delivery, telephone, or telegraph shall be delivered, telephoned, or given to the telegraph company at least 48 hours before the time set for the meeting.

3. The notice shall state the time and place for the meeting. However, it need not specify the purpose of meeting, or the place of the meeting, if it is to be held at the principal executive office of the corporation.

4. If action is proposed to be taken at any meeting to remove a director, amend the Articles of Incorporation, or voluntarily dissolve the corporation, the notice shall always state the general nature of the proposal.

Section 9 - Quorum

A majority of the authorized number of directors shall constitute a quorum for the transaction of business, except to adjourn as provided in Section 11 of this Article III. Every act or decision done or made by a majority of the directors present at a meeting duly held at which a quorum is present shall be regarded as the act of the Board of Directors, subject to the provisions of the California Nonprofit Corporation Law, especially those provisions relating to (a) a direct or indirect material financial interest, (b) appointment of committees, and (c) indemnification of directors. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of directors, if any action taken is approved by at least a majority of the required quorum for that meeting.

Section 10 - Waiver Of Notice

The transactions of any meeting of the Board of Directors, however called and noticed or wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice, if (a) a quorum is present, and (b) either before or after the meeting, each of the directors not present signs a written waiver of notice, a consent to holding the meeting, or an approval of the minutes. The waiver of notice or consent need not specify the purpose of the meeting. All waivers, consents, and approvals shall be filed with the corporate records or made a part of the minutes of the meeting. Notice of a meeting shall also be deemed given to any director who attends the meeting without protesting before or at its commencement about the lack of adequate notice.

Section 11 - Adjournment

A majority of the directors present, whether or not constituting a quorum, may adjourn any meeting to another time and place.

Section 12 - Notice of Adjournment

Notice of the time and place of holding an adjourned meeting need not be given, unless the meeting is adjourned for more than 24 hours, in which case personal notice of the time and place shall be given before the time of the adjourned meeting to the directors who were not present at the time of the adjournment.

Section 13 - Action Without Meeting

Any action required or permitted to be taken by the Board of Directors may be taken without a meeting, if all members of the board, individually or collectively, consent in writing to that action. Such action by written consent shall have the same force and effect as an unanimous vote of the Board of Directors. Such written consent or consents shall be filed with minutes of the proceedings of the boards.

Section 14 - Proxies

A. Every person entitled to vote shall have the right to do so either in person or by one or more agents authorized by a written proxy, signed by the person and filed with the secretary of the corporation. A proxy shall be deemed signed if the member's name is placed on the proxy (whether by manual signature, type-writing, telegraphic transmission, or otherwise) by the member or the member's attorney in fact.

B. A validly executed proxy that does not state that it is irrevocable shall continue in full force and effect unless (a) revoked by the member executing it, before the vote cast pursuant to that proxy, by a writing delivered to the corporation stating that the proxy is revoked by a subsequent proxy executed by such member, or by personal attendance and voting at a meeting by such member, or (b) written notice of the death or incapacity of the maker of the proxy is received by the corporation before the vote pursuant to that proxy is counted; provided, however, that no proxy shall be valid after the expiration of 11 months from the date of the proxy, unless otherwise provided in the proxy. The revocability of a proxy that states on its face that it is irrevocable shall be governed by the provisions of the California Non-profit Corporation Law.

C. In any election of directors, any form of proxy that is marked by a member "withhold," or otherwise marked in a manner indicating that the authority to vote for the election of directors is withheld, shall not be voted either for or against the election of a director. Failure to comply with this paragraph shall not invalidate any corporate election taken, but may be the basis for challenging the proxy at a meeting.

D. Any proxy concerning matters requiring a vote of the members of an amendment to the Articles of Incorporation; the sale, lease, exchange, conveyance, transfer, or other disposition of all or substantially all of the corporate assets; the merger with another corporation or the amendment of a merger agreement; or the voluntary

dissolution of the corporation shall not be valid unless the proxy sets forth the general nature of the matter to be voted on.

E. A proxy is not revoked by the death or incapacity of the maker or the termination of a member as a result thereof unless, before the vote is counted, written notice of the death or incapacity is received by the corporation.

Section 15 - Fees And Compensation of Directors

Directors and members of committees may receive such compensation, if any, for their services, and such reimbursement of expenses, as may be determined by resolution of the Board of Directors to be just and reasonable.

IV

Committees

Section 1 - Committees of Directors

The president may, by resolution adopted by a majority of the directors then in office, designate one or more committees to serve at the pleasure of the board. Any committee, to the extent provided in the resolution of the board, shall have all the authority of the board, except that no committee, regardless of board resolution, may:

- (a) take any final action on matters which, under the Nonprofit Corporation Law of California, also requires members' approval;
- (b) fill vacancies on the Board of Directors or in any committee;
- (c) fix compensation of the directors for serving on the board or on any committee;
- (d) amend or repeal bylaws or adopt new bylaws;
- (e) amend or repeal any resolution of the Board of Directors which by its express terms is not so amendable or repealable;
- (f) appoint any other committees of the Board of Directors or the members of these committees;

- (g) expend corporate funds to support a nominee for director;
- (h) approve any transaction (1) to which the corporation is a part and one or more directors have a material financial interest; or (2) between the corporation and one or more of its directors or between the corporation or any person in which one or more of its directors have a material financial interest.

Section 2 - Meetings And Action of Committees

Meetings and action of committees shall be governed by, and held and taken in accordance with, the provisions of Article III of these bylaws, concerning meetings of directors, with such changes in the context of those bylaws as are necessary to substitute the committee and its members for the Board of Directors and its members, except that the time for regular meetings of committees may be determined either by the president or by resolution of the Board of Directors, or by resolution of the committee. Special meetings of committees may also be called by resolution of the Board of Directors. Notice of special meetings of committees shall also be given to any and all alternate members, who shall have the right to attend all meetings of the committee. Minutes shall be kept of each meeting of any committee and shall be filed with the corporate records. The president or the Board of Directors may adopt rules for the government of any committee not inconsistent with the provisions of these bylaws.

V

Officers

Section 1 - Officers

The officers of the corporation shall be a president, a secretary, and a chief financial officer. The corporation may also have, at the discretion of the Board of Directors, a chairman of the board, one or more vice presidents, one or more assistant secretaries, one or more assistant treasurers, and such other officers as may be appointed in accordance with the provisions of Section 3 of this Article V. Any number of offices may be held by the same person, except that neither the secretary nor the chief financial officer may serve concurrently as either the president or the chairman of the board.

Section 2 - Election of Officers

The officers of the corporation, except those appointed in accordance with the provisions of Section 3 of this Article V, shall be chosen by the Board of Directors, and each shall serve at the pleasure of the board, subject to the rights, if any, of an officer under any contract of employment.

Section 3 - Subordinate Officers

The president, subject to ratification of the Board of Directors, may appoint any other officers that the business of the corporation may require, each of whom shall have the title, hold office for the period, have the authority, and perform the duties specified in the bylaws or determined from time to time by the Board of Directors.

Section 4 - Removal Of Officers

Subject to the rights, if any, of an officer under any contract of employment, any officer may be removed, with or without cause, by the Board of Directors, at any regular or special meeting of the board.

Section 5 - Resignation of Officers

Any officer may resign at any time by giving written notice to the corporation. Any resignation shall take effect at the date of the receipt of that notice or at any later time specified in that notice; and, unless otherwise specified in that notice, the acceptance of the resignation shall not be necessary to make it effective. Any resignation is without prejudice to the rights, if any, of the corporation under any contract to which the officer is a party.

Section 6 - Vacancies In Offices

A vacancy in any office because of death, resignation, removal, or any other cause shall be filled only in the manner prescribed in these bylaws for regular appointments to that office.

Section 7 - Responsibilities of Officers

A. Chairman of the board. If such an officer be elected, the chairman of the board shall preside at meetings of the Board of Directors and exercise and perform such other powers and duties as may be from time to time assigned to him by the Board of Directors or prescribed by the bylaws. If there is no president, the chairman of the board shall, in addition, be the chief executive officer of the corporation and shall have the powers and duties prescribed in paragraph B, below.

B. President. Subject to such supervisory powers as may be given by the Board of Directors to the chairman of the board, if any, the president shall, subject to the control of the Board of Directors, generally supervise, direct, and control the business and the officers of the corporation. The president shall have the power to select and remove all agents and employees of the corporation. He shall preside at all meetings and, in the absence of the chairman of the board, or if there be none, at all meetings of the Board of Directors. He shall have such other powers and duties as may be prescribed by the Board of Directors or the bylaws.

C. Vice presidents. In the absence of disability of the president, the vice presidents, if any, in order of their rank as fixed by the Board of Directors or, if not ranked, a vice president designated by the Board of Directors, shall perform all the duties of the president, and when so acting shall have all the powers of, and be subject to all the restrictions upon, the president. The vice presidents shall have such other powers and perform such other duties as from time to time may be prescribed for them respectively by the Board of Directors or the chairman of the board.

D. Secretary. The secretary shall attend to the following:

1. Book of minutes. The secretary shall keep or cause to be kept, at the principal executive office or such other place as the Board of Directors may direct, a book of minutes of all meetings and actions of directors, committees of all meetings and actions of directors, committees of directors, and members, with the time and place of holding, whether regular or special, and, if special, how authorized, the notice given, the names of those present at such meetings, the number of members present or represented at members' meetings, and the proceedings of such meetings.

2. Membership records. The secretary shall keep, or cause to be kept, at the principal executive office, as determined by resolution of the Board of Directors, record of the corporate members, showing the names of all members, their addresses, and the class of membership held by each.

3. Notice, seal and other duties. The secretary shall give, or cause to be given, notice of all meetings of the members and of the Board of Directors required by the bylaws to be given. He shall keep the seal of the corporation in safe custody. He shall have such other powers and perform such other duties as may be prescribed by the Board of Directors or the bylaws.

E. Chief financial officer. The chief financial officer shall attend to the following:

1. Books of account. The chief financial officer shall keep and maintain, or cause to be kept and maintained, adequate and correct books and records of accounts of the properties and business transactions of the corporation, including accounts of its assets, liabilities, receipts, disbursements, gains, losses, capital, retained earnings, and other matters customarily included in financial statements. The books of account shall be open to inspection by any director at all reasonable times.

2. Deposit and disbursement of money and valuables. The chief financial officer shall deposit all money and other valuables in the name and to the credit of the corporation with such depositories as may be designated by the Board of Directors; shall disburse the funds of the corporation as may be ordered by the Board of Directors; shall render to the president and directors, whenever they request it, an account of all of his transactions as chief financial officer and of the financial condition of the corporation; and shall have other powers and perform such other duties as may be prescribed by the Board of Directors or the bylaws.

3. Bond. If required by the Board of Directors, the chief financial officer shall give the corporation a bond in the amount and with the surety or sureties specified by the Board for faithful performance of the duties of his office and for restoration to the corporation of all its books, papers, vouchers, money, and other property of every kind in his possession or under his control on his death, resignation, retirement, or removal from office.

F. Successor Officers. The Board of Directors may designate an individual to fill a vacancy in any office of the corporation prior to the occurrence of such vacancy. When a vacancy occurs in an office for which a successor has been so designated by the Board of Directors, the designee shall be immediately vested with all of the powers, duties and rights of such office.

VI

Records And Reports

Section 1 - Inspection Rights

Any member of the corporation may:

A. Inspect and copy the records of members' names and addresses and voting rights during usual business hours on five days' prior written demand on the corporation, stating the purpose for which the inspection rights are requested, and

B. Obtain from the secretary of the corporation, on written demand and on the tender of the secretary's usual charges for such a list, if any, a list of names and addresses of members who are entitled to vote for the election of directors, and their voting rights, as of the most recent record date for which that list has been compiled, or as of a date specified by the member after the date of demand. The demand shall state the purpose for which the list is requested. This list shall be made available to any such member by the secretary on or before the later of ten (10) days after the demand is received or the date specified in it as the date by which the list is to be compiled.

Any inspection and copying under this section may be made in person or by an agent or attorney of the member and the right of inspection includes the right to copy and make extracts.

Section 2 - Maintenance And Inspection of Articles And Bylaws

The corporation shall keep at its principal executive office, or if its principal executive office is not in the State of California, at its principal business office in this state, the original or a copy of the articles and bylaws as amended to date, which shall be open to inspection by the members at all reasonable times during office hours. If the principal executive office of the corporation is outside the State of California and the corporation has no principal business office in this state, the secretary shall, on the written request of any member, furnish to that member a copy of the articles and bylaws as amended to date.

Section 3 - Maintenance And Inspection of Other Corporate Records

The accounting books, records, and minutes of proceedings of the members and the Board of Directors and any committee(s) of the Board of Directors shall be kept at such place or places designated by the Board of Directors, or, in the absence of such designation, at the principal executive office of the corporation. The minutes shall be kept in written or typed form, and the accounting books and records shall be kept either in written or typed form or in any other form capable of being converted into written, typed, or printed form. The minutes and accounting books and records shall be open to inspection on the written demand of any member, at any reasonable time during usual business hours, for a purpose reasonably related to the member's interests as a member. The inspection may be made in person or by an agent or attorney, and shall include

the right to copy and make extracts. These rights of inspection shall extend to the records of each subsidiary corporation of the corporation.

Section 4 - Inspection By Directors

Every director shall have the absolute right at any reasonable time to inspect all books, records, and documents of every kind and the physical properties of the corporation and each of its subsidiary corporations. This inspection by a director may be made in person or by an agent or attorney, and the right of inspection includes the right to copy and make extracts of documents.

VII

Construction And Definitions

Unless the context requires otherwise, the general provisions, rules of construction, and definitions in the California Nonprofit Corporation Law shall govern the construction of these bylaws. Without limiting the generality of the above, the masculine gender includes the feminine and neuter, the singular number includes the plural, the plural number includes the singular, and the term "person" includes both the corporation and a natural person.

VIII

Amendments

Bylaws other than a bylaw fixing or changing the authorized number of directors may be adopted, amended, or repealed by the Board of Directors.

IX

Affect Upon Term Of Office

The adoption of these bylaws shall not affect the term of office of any officer or director elected under previous bylaws of this corporation.

Rites of Ordination

Section 1 - Principles of Ordination

A candidate for ordination must recognize that only our Sovereign Holy God can truly call and ordain His children for service in the ministry of the Gospel of Jesus Christ.

A candidate for ordination must recognize that the calling of a minister is not the result of a title, rather the title is a result of His Calling. This calling is recognized as from the true and living God.

A candidate for ordination must recognize that it is a person's privilege and specifically the privilege of the overseers of the true church of Jesus Christ to ratify the ordination of God when such is obviously placed upon a person's life.

Section 2 - Qualification

The qualifications for ordination are as follows:

A. A candidate for ordination must be a "born again" believer in Jesus Christ as described by our Lord in the third chapter of the Gospel of John.

B. A candidate must believe that there is only one God, who manifests Himself in Three Persons: God the Father, God the Son, and God the Holy Spirit.

C. A candidate must meet the scriptural requirements for the office of bishop as described in the Holy Bible, references I Timothy 3:1-7 and Titus 1:6-9.

D. A candidate must believe and render evidence of his belief that the Holy Bible is the complete and divinely inspired Word of God and that God has not added, deleted, or altered this work with subsequent writings and revelations.

E. A candidate must believe in the objectives of this body and its concepts concerning the work of the Holy Spirit today.

F. A candidate should have evidenced the obvious calling of God upon his life in terms of ministerial experience and report.

Section 3 - Procedure for Ordination

The procedure for ordination shall be as follows:

A. Each person fulfilling the above qualifications and upon their proper presentation to the Board of Directors of this body will receive full consideration for ordination into the ministry of the Gospel of Jesus Christ by

B. The Board may make exceptions to these qualifying standards wherein the unanimous opinion of the Board and under the strong compelling conviction of the Holy Spirit such exception is according to the will of God and consistent with His Word.

C. Upon unanimous approval of the Board of Directors, the candidate will be ordained as a minister of the Gospel with the right to perform ministerial functions in accordance with the laws of the land and the ordinances of God's Holy Word with all prerogatives of such a calling and office.

D. All candidates, successful or otherwise, will be notified of the Board's decision in writing within one week of the final Board action.

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ENDORSED
FILED
In the office of the Secretary of State
of the State of California
FEB 23 1987
MARCH FONG EU, Secretary of State

CERTIFICATE OF AMENDMENT
OF
ARTICLES OF INCORPORATION
OF
TRANSLATOR T.V., INC.

PAUL F. CROUCH and TERRY HICKEY certify:

1. That they are the President and Secretary, respectively, of TRANSLATOR T.V., INC., a California non-profit corporation.

2. That at a meeting of the Board of Directors of said corporation held on February 2, 1987, the following resolution was unanimously adopted:

RESOLVED, that Article I of the Articles of Incorporation of this corporation be amended to read as follows:

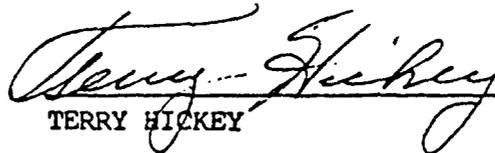
The name of this corporation is NATIONAL MINORITY T.V., INC.

3. That the number of directors who voted affirmatively for the adoption of said resolution is three and the number of directors constituting a quorum is two.

4. The corporation has no members.

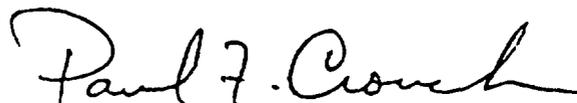


PAUL F. CROUCH

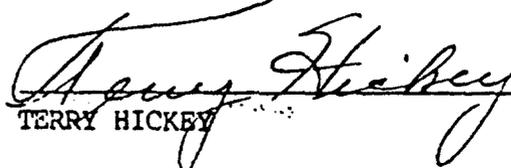


TERRY HICKEY

Each of the undersigned declares under penalty of perjury that the matters set forth in the foregoing Certificate are true and correct. Executed at Tustin, California on the 10th day of February, 1987.



PAUL F. CROUCH



TERRY HICKEY

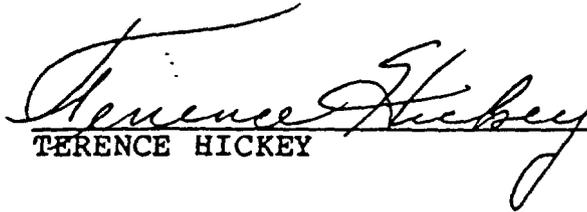
ACTION BY WRITTEN CONSENT
OF BOARD OF DIRECTORS OF
TRANSLATOR T.V., INC.

The undersigned, being all of the directors of TRANSLATOR T.V., INC., hereby take the following action by written consent as of February 8, 1987.

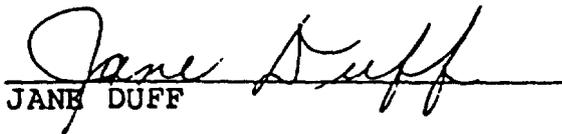
RESOLVED, Jane Duff is hereby elected to the position of Assistant Secretary.



PAUL F. CROUCH



TERENCE HICKEY



JANE DUFF

—
F

JUGGERT & WAYMAN, APC
LAW FIRM
2845 MESA VERDE DRIVE EAST, SUITE 4
COSTA MESA, CA 92626

Telephone: (714) 546-3600

Telecopier: (714) 546-0264

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Telecopier Transmission

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Date: December 1, 1992

Time: 10:30 A.M.

Total pages, including this cover: 3

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TO: Paul Crouch

Company Name: TBN-Guest House

Telecopier No: ~~(917) 421-8801~~ (714) 730-0657

Name of Sender: Norman Juggert

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Message: Re: Letter to Jim Guinn re Community Brace.

Paul, I have discussed this matter with Jim Guinn. He reports the directors of both National and Trinity would be in breach of their fiduciary obligations to our donors if we made the loan in question. It is not the type of investment that a reasonably prudent man would make with his funds. Jim indicated that the crucial point was that Community Brace would not immediately receive all of the matching funds when our investment is made.

I have talked to Cal Burton about this. He begged to send me their proforma business plan to show that what they are doing is prudent. He also indicated that the SBA will fund the additional \$1,500,000.00 after six months.

I will submit this information to Jim, but I don't believe it will change his mind. He is sending me a letter.

The bottom line is that we as fiduciaries are at risk to the donors and to the Attorney General.

JUGGERT AND WAYMAN

A PROFESSIONAL CORPORATION

ATTORNEYS AT LAW

2645 MESA VERDE DRIVE EAST, SUITE 4
COSTA MESA, CALIFORNIA 92626

NORMAN G. JUGGERT
KENNETH L. WAYMAN

TELEPHONE
AREA CODE 714
545-3600

December 1, 1992

Via Facsimile and U.S. Mail

Guinn, Smith & Company
Certified Public Accounts
2408 Texas Drive
Irving, Texas 75062

Attn: Jim Guinn

Re: Trinity Broadcasting Network/
National Minority TV/Community Brace

Dear Jim:

I would appreciate an opportunity to discuss the current status of the Specialized Small Business Investment Company that Trinity and National Minority are considering. The terms of our participation are substantially different than we originally anticipated.

As you will recall, Trinity agreed to loan National Minority \$1,500,000.00, which National Minority was to loan to Community Brace, Inc. National is a nonprofit religious corporation engaged in Christian television. Community Brace is a California corporation that proposes to loan funds to the minority community.

We originally proposed a short-term loan from National to Community Brace that would be secured by all of the assets of Community Brace. We also anticipated that the SBA would immediately match our loan.

We have now been informed that we cannot loan the money, nor can we receive security. We are required to reserve preferred stock that would provide priority payment to National from the profits of Community Brace.

We have just been informed that the federal government will not immediately fund the project, but that it will require \$1,000,000.00 of National's investment first be used for operational expenses and loans. The SBA will then audit Community Brace and, if approved, the SBA will loan another \$1,500,000.00 on extremely favorable terms.

The Board of Directors of Community Brace will not be controlled by National. National will be entitled to

Jim Guinn
December 1, 1992
Page 2

representation on the Board of Directors, but will not be in control.

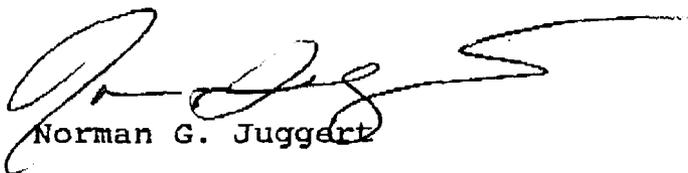
One of the shareholders of Community Brace will be a board member of National Minority.

We are concerned about the use of funds that were received by Trinity from donors that had in mind its television ministry for an unsecured loan to National, which would in turn use the funds to make an investment in a new company that has no track record and no working capital apart from National's investment.

As mentioned, I would appreciate your thoughts and ideas.

Sincerely,

JUGGERT & WAYMAN, APC

By: 
Norman G. Juggert

cc: Paul Crouch

P.S. Community Brace is sending a proforma. Brace also claims that the matching funds will be paid after six months.

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December 1, 1992

Norman Juggert
Juggert & Wayman, APC
2845 Mesa Verde Drive East, Suite 4
Costa Mesa, CA 92626

Re: Community Brace Project

Dear Norm:

Based on my understanding of the new developments with regard to the SBA matching funds and TBN's investment, it is my opinion it would not be wise to invest TBN donated funds in the Community Brace Project.

As we discussed, the Directors of TBN have fiduciary responsibility to their donors to be prudent in handling donated funds, and they do not have sufficient Board representation to control the project.

A foremost concern is that the matching funds from the SBA are not automatically forthcoming and may not even approximate the amount of TBN's investment. It was my original understanding that the TBN investment would be used to leverage the SBA funds that would be in multiples of the TBN investment. It is now my understanding that the SBA may not provide any matching funds until a substantial amount of the TBN original investment has been spent. It is, also, my understanding the expenditure of these funds would then be audited, and then perhaps the SBA would supply *some* matching funds.

Also, there were several uncertainties in the package I reviewed. For example, the amount of compensation for the professionals involved in the preparation of the package was not disclosed, and all financial projections did not tie to the narrative of the package.

As there are apparently no solid guarantees from the SBA and too many uncertainties in the project, I would not deem it prudent for TBN to invest donated funds in this project. The Board of Directors simply would not want to be placed in the position of having to justify this massive expenditure to its donors. Even though the donors have given the funds for the general fund of

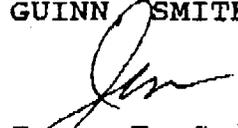
Norman Juggert
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TBN, I believe it was with the understanding these funds would be used primarily for Christian television outreach and only incidentally for other exempt projects.

If you have any additional questions, do not hesitate to let me know.

Cordially,

GUINN SMITH & CO.



James E. Guinn

JEG/np