

1 program became better, more accountability, and people were  
2 trained to run cameras and do all those things. This was  
3 kind of the beginning of the internship program, and it was  
4 kind of loose and nobody really knew what they were doing.  
5 After this one it became a real good program. And, yes, it  
6 continued until not too long in the past here.

7 Q Well, if it was such a good program, why did it  
8 cease?

9 A Just people losing interest who were being  
10 trained. But, I mean, there was people, a number of them,  
11 who were trained and will be qualified now to get jobs as TV  
12 cameramen. As a matter of fact, we have one of them living  
13 with us who, you know, is fully trained and everything and  
14 has worked in many, many specials. So it did a good job.  
15 People just lost interest.

16 Q Do you know of another document in existence  
17 which updates the Set Free internship program? I'm talking  
18 about updating the document that I have in front of me. Do  
19 you know of a document that exists?

20 A No.

21 Q Now, when Jane Duff approached your secretary,  
22 because she didn't speak to you --

23 A Right.

24 Q -- did she tell your secretary -- strike that.  
25 Why were you unwilling or unable or why did you not speak to

1 Jane Duff? Why did you have the conversation --

2 A I hate to talk on the telephone.

3 Q You never speak on the phone?

4 A Maybe once every six months.

5 Q So during the time that you were a director of  
6 NMTV and an officer, is it your testimony that you never  
7 spoke on the telephone with Jane Duff?

8 A Only when it had to do with business.

9 Q Oh, you did speak with her on the phone?

10 A When we had a conference call where we were  
11 setting up a meeting, only when it was totally necessary do  
12 I ever speak on the phone, yes.

13 Q How about Paul Crouch, did you have any --

14 A Same there. My secretary knows if it's Paul  
15 Crouch or a man named Bill Taromina, President Bush or we're  
16 having a conference call with like E.V. Hill and Jane Duff,  
17 then I will go to the phone. Other than that, face to face.

18 Q What is your aversion to telephone calls?

19 A I just like being able to talk to people face  
20 to face better. I'm waiting for the invention of the  
21 telephone with a face.

22 Q Did Jane Duff tell your secretary who in turn  
23 told you -- I'm now talking about back in July or early  
24 August of 1990 -- what television stations -- strike that.

25 There came a time when you learned that there

1 was an entity called NMTV, correct?

2 A (No audible response.)

3 Q And when did you learn for the first time that  
4 there was an entity called NMTV?

5 A In detail, I learned the letters and what it  
6 basically was about at my first meeting there in Newport.

7 Q At that time did you learn what television  
8 stations NMTV owned?

9 A Just kind of in conversation. I didn't see  
10 paperwork or anything like that.

11 Q But you learned what stations NMTV owned?

12 A I learned the two big full-power stations, and  
13 I started learning about some of the -- I think they're  
14 medium-power, low-power stations, I'm not sure if they were  
15 low-power or medium at the time, but I learned there was one  
16 in Fresno.

17 Q Where were the full-power stations located?

18 A In Odessa, Texas and in Portland, Oregon.

19 Q So is it accurate, then, that you never had a  
20 face-to-face conversation with anybody concerning joining  
21 the board of NMTV prior to the time you came to the first  
22 board meeting?

23 A Right. It was not concerning being part of  
24 National Minority TV. I had many face-to-face conversations  
25 in my life with Paul Crouch and with Jane Duff but not in

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1 connection with actually joining the board.

2 Q So it wasn't until you came to the first board  
3 meeting that you had talked to anybody in the world, you  
4 personally, about NMTV?

5 A Except for my secretary.

6 Q Except for your secretary.

7 Now I want to show you a document that was  
8 filed with the Federal Communications Commission. It's an  
9 application of NMTV for a major change for a TV translator  
10 in Toledo, Ohio. The cover letter is on the letterhead of  
11 May & Dunne dated May 3, 1991. And the document number  
12 pages are 56025 through 56039.

13 And what I want to direct your attention to is  
14 page 2 of the application. It's called "Certification of  
15 Preferences." And I ask you to look at that certification  
16 of preference which lists Jane Duff, Phil Aguilar and Paul  
17 Crouch, and ask you if you've ever seen that document  
18 before.

19 Have you ever seen that application before,  
20 Pastor?

21 A I don't remember seeing this application  
22 before.

23 Q Let me ask you this question: Have you ever  
24 seen any application filed with the Commission while you  
25 were a director at NMTV where there was a certification of

1 preference?

2 A I don't recall a certification of preference.  
3 I remember the Toledo, Ohio part as far as the station and  
4 things like that, but that actual paperwork, no.

5 Q Well, what I want to ask you is -- does it  
6 disturb you if I stand next to you?

7 A No. I love it.

8 Q You see that it states, "The applicant  
9 certifies that it is entitled and seeks to earn minority  
10 preference"; do you see that?

11 A Uh-huh.

12 Q What is your understanding today as to what  
13 that sentence means? Read it and spend as much time as you  
14 need.

15 A Okay. Thank you. Okay. I'm ready.

16 Q What is your understanding today as to what  
17 that term "minority preference" means?

18 A It would be preferred because we are a minority  
19 board and because we are seeking to get a station, you know,  
20 it would be minority owned and controlled.

21 Q That's your understanding today?

22 A Yes.

23 Q And was that your understanding back in 1991?

24 A No. I am learning all the time about words and  
25 what they mean, but it's exactly the same thing that I

1 understood in a difference sense then, that we were a  
2 minority group doing minority work and trying to involve  
3 more minorities in TV work.

4 Q Did you have an understanding back in 1991 when  
5 you were a board member about the term "minority  
6 controlled," as you've used the word?

7 A I knew that "minority controlled," as I used  
8 the word, meant that the minorities were in charge.

9 Q You knew that in 1991?

10 A Oh, yes.

11 Q And you knew that because -- how did you learn  
12 that?

13 A Because right at the first board meeting there  
14 I understood the basics. There was three of us right there,  
15 two of us minorities, and 2 to 1, we could outvote the  
16 Caucasian fellow.

17 Q And that was pointed out to you by whom?

18 A It was openly discussed right there, and  
19 everybody -- that's why it was called a minority board.

20 Q Were you aware back in 1991, without seeing  
21 these applications, were you aware that Trinity was claiming  
22 special credit with the FCC for having what you call a  
23 minority controlled corporation?

24 MR. TOPEL: Objection to the question. The  
25 application that the witness was shown was, I believe, an

1 NMTV application.

2 MR. COHEN: What did I say?

3 MR. TOPEL: You said was he aware that Trinity was  
4 claiming a minority preference.

5 MR. COHEN: I'm glad you pointed that out. Thank  
6 you. Off the record.

7 (Discussion off the record.)

8 MR. COHEN: I want to go back on the record.

9 Q Were you aware back in 1991 that NMTV was  
10 filing applications with the Federal Communications  
11 Commission when it was seeking preference in getting those  
12 applications granted because it was a minority owned or  
13 controlled corporation?

14 A Yes, sir.

15 Q And how did you become aware of that back in  
16 1991?

17 A Well, from the first meeting that I was at in  
18 1990, I think it was August of 1990, it was discussed what  
19 National Minority Television was all about and the reason  
20 for it, and that we would be seeking to get licenses for  
21 stations, and we would seek the preferences to be  
22 minorities.

23 Q I want to bring you back to the time that you  
24 were elected to the board of NMTV, just so we can be  
25 focused. I want to show you a letter from Jane Duff to

1 Colby May dated August 7, 1990, document 06276, which says,  
2 "Dear Colby, during a board meeting of NMTV, the following  
3 actions were taken: The acceptance of the resignation of  
4 David Espinoza, the election of Pastor Phillip Aguilar to  
5 the position of vice president. I am now the  
6 secretary/treasurer of the corporation."

7 That's just to focus you. That's the purpose  
8 of that question.

9 A Let me look at this for a minute here.

10 Q Take your time.

11 A Thank you.

12 Q Bring you back to August of 1990. You were  
13 elected as a vice president and director of NMTV. My first  
14 question is: Were you told by anyone at that meeting what  
15 your duties were going to be as a director?

16 A I was told that as a director and as vice  
17 president I would be making decisions that would have to do  
18 with acquiring stations, buying or selling stations,  
19 minority programs, kind of an overview, kind of like that.  
20 It was an informational type thing, but not like a specific  
21 duty, per se.

22 Q Who told you what you just testified to?

23 A Jane, Paul, both of them.

24 Q Now, was it your understanding that you had  
25 special duties as a vice president?

1 A Oh, yes.

2 Q And what was your understanding of what your  
3 duties were as a vice president?

4 A To learn everything I could about the stations  
5 and about possibilities of acquiring other ones and to just  
6 do my homework so we could put together something for  
7 community programs, be concerned about the future of NMTV.

8 Q Were your duties as vice president different  
9 than your duties as a director, or were they the same?

10 A I hadn't yet learned anything different because  
11 I was vice president or president, I didn't differentiate  
12 any difference of what I would be doing.

13 Q Did you ever while you were a director  
14 differentiate, as you put it, between your duties as a  
15 vice president and your duties as a director?

16 A No, sir.

17 Q Were you told back in 1990 as to whether you  
18 would receive any compensation as a director?

19 A It was all volunteer.

20 Q Were you told as to whether you'd receive any  
21 compensation as a vice president?

22 A No, sir, all volunteer.

23 Q And did you, indeed, while you were a director  
24 and a vice president receive any compensation?

25 A Never.

1 Q Did you receive any honorariums?  
2 A No, sir.  
3 Q Did you receive any reimbursement for expenses?  
4 A No, sir.  
5 Q Back in August of 1990 did either Jane Duff or  
6 Paul Crouch tell you how many hours per week or month that  
7 you would be expected to devote to your duties as director?  
8 A No, sir.  
9 Q Were you ever told how many hours per week or  
10 per month it was expected of you to devote as a director?  
11 A No, sir.  
12 Q I want to ask you the same question as an  
13 officer. Back in 1990 were you told by Mrs. Duff or  
14 Mr. Crouch how many hours you were expected to devote as a  
15 vice president?  
16 A No, sir.  
17 Q Were you ever told during the course of your  
18 vice presidency --  
19 A No, sir.  
20 Q -- how many hours were expected of you as  
21 vice president?  
22 A I never had it put down in hours, no.  
23 Q I want you to give me your best estimate on a  
24 weekly or a monthly basis, whichever is easiest for you, as  
25 to how many hours per week or per month that you devoted to

1 your duties as a director of NMTV.

2 A Lifestyle-wise, this is kind of, like I said,  
3 my paraphrase of it. Lifestyle-wise, as soon as I came on  
4 the board and for the next probably year and a half, I  
5 dedicated maybe 10 to 20 hours a week of my thinking process  
6 to NMTV.

7 Q Of your thinking process?

8 A Of my thinking process, yes. Ideals, you know,  
9 talking to people about stations, talking to people about  
10 NMTV, about 10 hours a week of my thinking process. And  
11 then there was times in there where I dedicated a couple of  
12 months of Saturdays putting together community programs that  
13 had to do with gangs and Hispanics and blacks and the Bloods  
14 and Crips, I was putting together special programs for that.

15 There was also on a weekly basis another actual  
16 part that -- we did research. I mean, it was kind of like  
17 research about TV stations. So I'd say, if you averaged it  
18 out over the thing, about 10 hours of my actual mental  
19 faculties a week.

20 Q And I guess you never until this second ever  
21 separated out a director and a vice presidency, correct?

22 A Right.

23 Q You are talking about they were together?

24 A Yes, sir. The only time when we're talking  
25 about the vice president part is when I realize that we're

1 talking about three different people making the decisions.  
2 And so the only time the vice president title and thing came  
3 on is when I saw the importance of what my word meant in the  
4 meetings.

5 Q I'm confused about that. You can believe me  
6 when I tell you that Reverend Crouch was an officer, Jane  
7 Duff was an officer, and you were an officer, all three of  
8 you were officers.

9 A Right.

10 Q Let me ask you this: Were you aware while you  
11 served as a vice president that you were a vice president of  
12 the company, of the corporation?

13 A Yes.

14 Q Were you aware, then, that Jane Duff and Paul  
15 Crouch were officers of the corporation?

16 A Yes.

17 Q What significance did that have to you in terms  
18 of your views of your responsibilities at NMTV?

19 A Say that again.

20 Q What was the significance to you of the fact  
21 that all three of you were officers?

22 A Versus being president --

23 Q Versus being directors, for one.

24 A No major significance that I saw in my own  
25 mind. I didn't differentiate it.

1 Q You were aware, though, that the other two  
2 persons were officers like you were?

3 A Yes.

4 Q Now, while you served as an officer and  
5 director of NMTV, what was your understanding of what Paul  
6 Crouch's relationship to NMTV was?

7 A Well, he was the head of TBN and the National  
8 Minority Television network came into existence and was able  
9 to be there because of minority status, and that because of  
10 Paul's concern to reach out to minister to people, and  
11 especially to the minorities, that he had a caring  
12 friendship about establishing a vehicle or a tool to reach  
13 out to more people.

14 Q And what about Jane Duff?

15 A And Jane, being a minority and being concerned  
16 about minorities, was part of the team to be able to help  
17 accomplish this. And she just had a real great insight and  
18 concern, and she was always seeking to know more about TV  
19 stations and things like that, become more informed all the  
20 time.

21 Q What was your understanding of Paul Crouch's  
22 relationship to TBN while you were a director and officer?

23 A He was the president of TBN.

24 Q And what was your understanding about Jane  
25 Duff's relationship to TBN while you were a director?

1           A       I'm not sure exactly what her title is over  
2 there, but some type of secretary.

3           Q       What was your understanding of what her  
4 responsibilities and duties were at TBN?

5           A       I'm not sure of her detailed duties at TBN.

6           Q       Do you have any understanding at all?

7           A       No, sir.

8           Q       What was your understanding while you were a  
9 director and officer as to how many hours a week or month  
10 Paul Crouch devoted to the affairs of NMTV?

11          A       How many hours do I think he devoted?

12          Q       On a weekly or a monthly basis, what was your  
13 understanding of how many hours that he devoted to NMTV's  
14 affairs?

15          A       I'd say this: He's pretty involved.

16          Q       Can you quantify that for me?

17          A       How many hours?

18          Q       Estimate.

19          A       Maybe he was a 10-hour-a-week person on NMTV  
20 thoughts, like myself.

21          Q       What about Jane Duff?

22          A       I think a lot more her. I'd give her the  
23 20-hour.

24          Q       Now, these estimates that you just gave, were  
25 they based upon your observation of both those persons while

1 you were a director?

2 A They are based upon whenever we did talk,  
3 whenever we'd meet, all the info they always had, so I knew  
4 they had to be doing some homework.

5 Q Now, there came a time that you got elected as  
6 a director and officer, you went to a meeting. At that  
7 meeting were you given any explanation or understanding  
8 about how NMTV was financed?

9 A In a general sense, yes.

10 Q And what were you told?

11 A That there was a loan that came from TBN for  
12 the purchasing of these NMTV stations and that on their own  
13 in Portland and in Odessa they started, because of the  
14 people with the zip code area and that were in that area,  
15 there was a financial incoming and they were becoming  
16 self-supporting and that we were starting to pay off the  
17 loans that we acquired from TBN, just kind of a general  
18 knowledge like that.

19 Q How did that zip code relationship work? What  
20 was your understanding of it?

21 A I really don't know the details of that.

22 Q You never did?

23 A No, sir.

24 Q What was the significance of the zip codes?

25 A I'm not sure, because it was a local area, and

1 I guess that's somehow how the system is set up. I was just  
2 a rookie coming on and learning and still learning.

3 Q Did you ever learn how the zip codes worked?

4 A No, sir.

5 Q Did you ever learn how NMTV was to pay off the  
6 loans?

7 A Yes. They briefed us on it, and I remember  
8 them bringing out all the financial records and going over  
9 the percentages, and I remember having a meeting where we  
10 discussed how quickly to pay it back.

11 Just in a nutshell, I was kind of looking at  
12 the results of it, and it was becoming self-supporting, and  
13 it looked like it would be a good financial venture in the  
14 sense that it was a good thing and it was reaching more  
15 people and we were going to be able to do more programs for  
16 the community and things like that.

17 Q While you were a director and officer, did you  
18 learn what the extent of the loans were from Trinity to  
19 NMTV?

20 A They gave me all the figures at the time. I  
21 don't recall all the numbers, but, yes, they gave us all the  
22 figures. They had me look up and down financial statements  
23 and all those type of things.

24 Q Do you know what the term "audited financial  
25 statement" means? Is that a term you're familiar with?

1           A       Yes.

2           Q       What does that mean to you?

3           A       It means that it has a company that checks your  
4 records and your finances in a detailed fashion, that you  
5 paid this or didn't pay that or you made this.

6           Q       Did NMTV have audited financial statements  
7 while you were a director?

8           A       Yes, sir.

9           Q       Who was the auditor?

10          A       Hinds, Goodrich, somebody else, I think. There  
11 might be two names or three names.

12          Q       Do you know the basis upon which they were  
13 compensated?

14          A       No, sir.

15          Q       Well, who was responsible for working that out?

16          A       You mean paying them for doing the work?

17          Q       Yes. Who negotiated their fees?

18          A       Jane, I would figure did it, the secretary.

19          Q       You say you would figure.

20          A       Uh-huh.

21          Q       What do you mean you would figure?

22          A       My secretary does all of mine, so I just --

23          Q       I see. How often did NMTV have audited  
24 statements?

25          A       I only remember one time that I even looked at

1 anything where it was audited-type statements, you know,  
2 where I looked at it, just one time. But I don't know.  
3 They could have done it --

4 Q Do you know how often NMTV had audited  
5 statements prepared?

6 A No, sir.

7 Q Now, are you aware of whether NMTV filed income  
8 tax returns while you were a director and officer?

9 A I did not personally see them file the income  
10 tax returns.

11 Q Are you aware, though, that the returns were  
12 filed? I understand you didn't personally see them filed,  
13 but are you aware that they did file returns?

14 A No, sir.

15 Q When you were a director, did you ever see  
16 copies of the income tax returns?

17 A No, sir.

18 Q Now, I asked you about audited reports. I want  
19 to ask you: Did you see, as a director, reports that were  
20 not audited, financial reports? I am not now talking about  
21 reports prepared by that accounting firm. I am talking  
22 about other accounting reports.

23 A Yes, sir.

24 Q Did you see them?

25 A Uh-huh.

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DEPOSITION

1 MR. TOPEL: Excuse me. Could you state your answer  
2 that you just said uh-huh to.

3 THE WITNESS: Yes, sir. Excuse me.

4 BY MR. COHEN:

5 Q It's very difficult to do that, Pastor, I  
6 understand. How often did you see financial reports of the  
7 kind you've just described?

8 A One major time where we really looked into  
9 them.

10 Q One major time?

11 A Uh-huh.

12 Q And when was that?

13 A I think it was maybe in the first part of '92  
14 or late part of '91.

15 Q And what caused that discussion?

16 A We were having a board meeting, and Jim  
17 McClellan was down from Portland, Oregon, and Colby May was  
18 in, and it was an update on everything going on financially.  
19 We were talking about salary raises. We were talking about  
20 compensation. We were talking about a lot of different  
21 things at the board meeting.

22 And so Paul and Jane passed around the table  
23 and was having everybody look at financial statements and  
24 things like this. And this wasn't like an audited report or  
25 anything like that. It had everything to do with

1 high-power, low-power stations, things like that.

2 Q Were you given copies of those documents to  
3 take home and study?

4 A No.

5 Q Were you ever given any copies of financial  
6 reports, your own copy of any financial reports?

7 A Yes.

8 Q When were you given copies of financial reports  
9 for yourself?

10 A When we were there at those meetings.

11 Q But were you given copies to take home if you  
12 wished?

13 A Yes.

14 Q So you did have copies for yourself?

15 A If I wished to take them home and study them,  
16 yes.

17 Q And were you ever given copies of the audited  
18 financial reports?

19 A No, not to my recollection.

20 Q Now, when you came on board as a director, did  
21 you ever learn as to whether minutes of the meeting were  
22 taken?

23 A Yes, they were being taken.

24 Q Who took the minutes?

25 A Jane.

1 Q Now, did Mr. Juggert attend meetings?  
2 A Mr. Juggert was at some meetings, yes.  
3 Q Was he there all the time?  
4 A No, not all the time. But he was around a lot.  
5 Q And did you have an understanding of why he was  
6 present at those meetings of NMTV?  
7 A No. You'd have to ask him.  
8 Q I know that. But I'm interested in your  
9 understanding.  
10 A I didn't really think about it.  
11 Q I ask you now to think about it. Do you have  
12 any idea as to why he was there?  
13 A (No audible response.)  
14 Q It didn't seem to you out of line, did it?  
15 A No. He's a good friend.  
16 Q You say he's a good friend. He is a good  
17 friend of yours personally?  
18 A Of everybody's. I've never been to his house  
19 or anything like that, but nice guy.  
20 Q Have you ever heard of the term "bylaws" of  
21 NMTV?  
22 A Yes, sir.  
23 Q Have you ever heard of the term "articles of  
24 incorporation"?  
25 A Yes, sir.

1 Q When you joined the board, were you given your  
2 own copies of the bylaws?

3 A Yes, sir.

4 Q To take home?

5 A Uh-huh.

6 Q Were you given your own copy of the articles?

7 A Yes, sir.

8 Q Did you ever read either the bylaws or the  
9 articles or both?

10 A I skimmed them, I think, as much as I can  
11 recall.

12 Q How much time did you devote while you were a  
13 director or an officer to reading the bylaws of NMTV?

14 A Not very much.

15 Q 15 minutes?

16 A Maybe 20 minutes. I mainly did it by  
17 conversing with --

18 Q Did either --

19 MR. TOPEL: Excuse me. Had you finished your answer?

20 THE WITNESS: Yes, sir.

21 BY MR. COHEN:

22 Q Did either Paul Crouch or did Jane Duff tell  
23 you anything about whether the bylaws were important or  
24 unimportant?

25 A They said they were very important.

1 Q Why did you spend only 15 minutes or so  
2 skimming them?

3 A Laziness.

4 Q Now, did there come a time where you ever  
5 learned anything about whether NMTV had bank accounts? Did  
6 you ever learn as to whether NMTV had any bank accounts?

7 A Yes.

8 Q Did they have bank accounts while you were a  
9 director?

10 A Yes.

11 Q While you were a director, how many bank  
12 accounts did NMTV have?

13 A I do not know.

14 Q Who was authorized to sign checks while you  
15 were an NMTV director and officer?

16 A Paul and Jane.

17 Q Were you?

18 A No.

19 Q Why were you not authorized?

20 A I never asked. I never necessarily wanted to  
21 have my name on a signature card. I just didn't --

22 Q Well --

23 MR. TOPEL: Excuse me. Had you finished your answer?

24 THE WITNESS: Uh-huh.

25 //

1 BY MR. COHEN:

2 Q You told me earlier you wanted to be part of a  
3 minority controlled company. As part of that control, you  
4 didn't want to sign checks?

5 A That's correct.

6 Q You did not wish to?

7 A That's right.

8 Q Do you know while you were an officer and  
9 director whether Phillip Crouch was authorized to sign NMTV  
10 checks?

11 A I don't know if he was or not.

12 Q Do you know whether Allan Brown was authorized?

13 A I don't know if he was or not.

14 Q Matthew Crouch?

15 A I don't know.

16 Q Charlene Williams, do you know whether she was  
17 authorized to sign --

18 A I don't know whether they were on signature  
19 cards, no.

20 Q Do you know how many bank accounts NMTV had  
21 while you were a vice president and director?

22 A I just knew one bank account. I didn't know  
23 several.

24 Q I want to show you a document that was supplied  
25 during the course of this proceeding by Trinity and NMTV.

1 It's a list of the bank accounts that NMTV has had. You can  
2 accept, Pastor, that this was accurate, because this was  
3 supplied by them, so you can rely on it.

4 A Okay.

5 Q And you became an officer and director in 1990.  
6 You became an officer and director on -- the date is August  
7 17.

8 My question is: Is this the very first time  
9 that you are aware that from July 21, 1989 to June 27,  
10 1990 -- let's see. You came on board in August of '90.

11 A August of '90.

12 Q Is this the first time that you were aware that  
13 from June 27, '90 to October 21, 1991 Paul Crouch, Phillip  
14 Crouch, Jane Duff, Allan Brown, Matthew Crouch and Charlene  
15 Williams were authorized signatories on one NMTV account?

16 A I didn't personally know that they were all  
17 authorized to sign.

18 Q You didn't know that until this instant,  
19 correct?

20 A Uh-huh.

21 Q I want to ask you the same question about the  
22 period of time October 21, 1991 until the account was closed  
23 on April 20, 1992. Did you know that Paul Crouch, Jane Duff  
24 and Matthew Crouch were authorized signatories on that  
25 account?