

SPECTRUM ANALYZER LEASE

This is an Equipment Lease agreement dated as of this ___ day of _____, 1991 between Trinity Christian Center of Santa Ana, Inc., a California corporation (Lessor), and National Minority Television, Inc., a corporation (Lessee).

TERMS AND CONDITIONS OF EQUIPMENT LEASE. Lessee does hereby lease from the Lessor that certain Equipment (the "Equipment") more particularly described as a Techtronics Corporation, Spectrum Analyzer 2710, model 1405, with side band adapter on the terms and conditions hereinafter set forth.

Section 1. **LOCATION OF EQUIPMENT.** Lessor shall cause the Equipment to be delivered to:

800 Spring Garden Street
Philadelphia, PA 19123

The Equipment shall not be removed from the said location without Lessor's prior approval and written consent. Further, Lessor shall have the right of inspection of said Equipment at any reasonable time provided Lessor shall provide Lessee with a minimum of twenty-four (24) hours notice thereof.

Section 2. **RENT AND TERM.** Lessee agrees to pay One Hundred Sixty Dollars (\$160.00) per month for the rental of the Equipment, commencing on the first day of the month following the date of this Lease. Lessee's rental payments of One Hundred Sixty Dollars (160.00) shall continue on the first day of each month thereafter throughout the entire Term of this Lease. The Term of this Lease shall be for a period of ten (10) years.

Section 3. EQUIPMENT IS LESSOR'S PROPERTY; RECORDING. The Equipment is and shall at all times remain the property of the Lessor, notwithstanding that the Equipment, or a part thereof, may now be, or hereinafter may become, affixed or attached to real property or any improvement thereon. All documents of title shall be made available to Lessee for inspection prior to delivery. Lessee will not change, mark, deface or remove an insignia, identification number, or lettering which is on the Equipment at the time of delivery thereof or which is thereafter placed thereon identifying the Equipment. Lessee and Lessor, each unto the other, shall defend the title and right of use of the said Equipment, and shall keep the same free from any attachment or legal process or encumbrance whatsoever. Each shall give the other immediate notice of the same.

Section 4. MAINTENANCE. Lessor, at the time of the delivery of the Equipment to the site of the premises involved shall secure and deliver to Lessee such manufacturer's or vendor's instruction books, pamphlets or other material available relative to the use and maintenance of the said Equipment. Lessee or such other as may be designated by Lessee shall keep and maintain the Equipment in good operating condition and repair and protect same from deterioration. Lessee shall cause said Equipment to be operated by competent personnel, pay all expenses of operation, and shall not make any modifications, alterations or additions, other than normal operating accessories or controls, without the consent to the Lessor.

Section 5. RIGHT OF ASSIGNMENT. Lessee shall not assign, pledge, transfer or hypothecate this Lease or the Equipment or interest therein, or sublet or lend the Equipment or any part of it or permit it to be used by anyone other than the Lessee or Lessee's employees, without Lessor's prior written consent, which consent shall not be withheld unreasonably. Lessor may assign this Lease or the Equipment in whole or in part without prior notice to Lessee. Notwithstanding same, Lessor warrants that Lessee shall quietly enjoy the use of the Equipment subject to the terms and conditions of this Lease.

Section 6. INSURANCE. Lessor shall carry public liability and casualty property damage insurance covering the said Equipment and operation thereof in such amount as shall be satisfactory to the parties hereto. Casualty insurance shall be in the form of an "all risk" policy covering possible property damage resulting from lightning, hurricane, acts of God, and all other risks, except therefrom wear and tear, deterioration and other like circumstance. Certificate of such insurance naming Lessee as additional insured thereof shall be provided Lessee when same has been issued.

Section 7. EVENTS OF DEFAULT. If Lessee shall default in payment of any rent due or default in the performance of any other covenant herein, and after thirty (30) days written notice of said default, Lessor shall have the right to exercise any one or more of the following remedies set forth in Section 8 below.

Section 8. REMEDIES FOR DEFAULT. In the event of default in any regular monthly payment and following thirty (30) days

notice thereof, Lessor may declare the total balance then due and owing, and take such other and further proceeding permitted by law to enforce the collection thereof. In addition thereto, and upon the occurrence of any event of default as set forth in Section 7 above, Lessor or Lessee may seek such appropriate relief and obtain such remedy as is permitted pursuant by law. No failure on the part of the Lessor or Lessee to act or exercise any right or remedy afforded it for a default shall operate as a waiver thereof.

Section 9. ENTIRE AGREEMENT. This instrument constitutes the entire agreement between Lessor and Lessee. No agent or employee of the Lessor is authorized to waive, alter or modify any of the terms and conditions hereof. Nothing herein contained may be altered or varied unless in writing executed by an officer duly authorized to do so.

Section 10. GOVERNING LAW. This Lease shall be governed and interpreted in accordance with the laws of the State of California.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals as of the day and year first above written.

NATIONAL MINORITY
TELEVISION, INC.

By: *James Duff*
Its *Sec. Treas.*

TRINITY CHRISTIAN CENTER OF
SANTA ANA, INC.

By: *Allen Spore*
Its *Ass't. Secy.*

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Section 4. **MAINTENANCE.** Lessor, at the time of the delivery of the Equipment to the site of the premises involved shall secure and deliver to Lessee such manufacturer's or vendor's instruction books, pamphlets or other material available relative to the use and maintenance of the said Equipment. Lessee or such other as may be designated by Lessee shall keep and maintain the Equipment in good operating condition and repair and protect same from deterioration. Lessee shall cause said Equipment to be operated by competent personnel, pay all expenses of operation, and shall not make any modifications, alterations or additions, other than normal operating accessories or controls, without the consent to the Lessor.

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IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals as of the day and year first above written.

NATIONAL MINORITY
TELEVISION, INC.

By: *Opal Duff*
Its *Sec. Treas.*

TRINITY CHRISTIAN CENTER OF
SANTA ANA, INC.

By: *Allen Brown*
Its *Asst. Pres.*



KNMT-TV Channel 24

432 N.E. 74th Avenue, Portland, Oregon 97213
Phone: (503) 252-0792 FAX: (503) 256-4205

RATE CARD

AIRTIME RATES

1 Hour	\$462.00
1/2 Hour	341.00
60 Second	99.00
30 Second	72.00

PRODUCTION RATES

Set-ups and Strikes Production	\$ 75.00 Hour 250.00 Hour (Includes 2 Cameras, 1 Video Tape Recorder, Audio & Directing Booths & Personnel)
Each Additional Camera	\$ 50.00 Hour
Each Additional Videotape Recorder	50.00 Hour
Character Generator	15.00 Page

TAPE

BETA SP	\$ 55.00 90 Minute 35.00 Hour 30.00 1/2 Hour
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3/4" Cassette	\$ 40.00 Hour 25.00 1/2 Hour 20.00 20 Minute
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VHS Cassette	\$ 10.00 2 Hour
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AUDIO

1/2" Reel	\$ 10.00 1 Hour 5.00 1/2 Hour
Cassette	5.00 1 Hour 3.00 1/2 Hour

DUBBING

Programs	\$ 80.00 Hour BETA SP - BETA SP 65.00 Hour BETA SP - 3/4" 55.00 Hour BETA SP - VHS 50.00 Hour 3/4" - 3/4" 45.00 Hour 3/4" - VHS
Spots	25.00 Each & Tape Stock - 30 or 60 Second

POST PRODUCTION

Editing - 2 Machines	\$200.00 Hour (1/2 Hour Minimum)
Voice Overs	50.00 Hour (1/2 Hour Minimum)
Scriptwriting	25.00 Hour (1 Hour Minimum)

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

Telephone: (714) 546-3600

Telecopier: (714) 546-0264

Telecopier Transmission

Date: July 2, 1992

Time: 2:00 P.M.

Total pages, including this cover: 3

TO: Jane Duff

Company Name: TBN

Telecopier No: (714) 730-3568

Name of Sander: Norman G. Juggert

Message: Jane, I am transmitting a draft of a form of generic Promissory Note for National Minority. This Note will not apply to secured loans.

Let me know if you feel changes should be made.

PROMISSORY NOTE

_____, 1992

RECEIVED, National Minority T.V., Inc., a corporation (herein "Debtor"), promises to pay Center of Santa Ana, Inc., dba Trinity California nonprofit corporation (herein _____, plus

the rate of Five Percent (5%) per annum, in (120) monthly payments, beginning with _____ and ending _____, 2001, with any principal and interest to be paid in full to _____, 20__.

Each of the monthly Debtor to Creditor shall be equal to Thirty _____ identifiable, and unrestricted and _____ and contributions received by Creditor from _____ in the service contours of Debtor's Channel _____ to broadcast at _____.

If in any month is insufficient to cover the _____ interest, then any deficit shall be added _____ and accrue interest at the rate of Five

_____ est, notice of maturity, or nonpayment and _____ necessary to hold Debtor liable and agrees _____ te may be extended, in whole or in part, or

renewed from time to time without notice and without release of liability thereunder.

This Promissory Note shall be interpreted by, at and under the laws of the State of California. Debtor hereby submits to the jurisdiction of the State of California courts in the event of default or need for interpretation.

Should it become necessary to place this Promissory Note in the hands of an attorney for collection, the undersigned Debtor agrees to pay all costs of collection, including a reasonable attorney's fee, and all court costs which may thereby arise.

"DEBTOR"

National Minority T.V., Inc.

By: _____

STATE OF CALIFORNIA)
) ss.
COUNTY OF _____)

SUBSCRIBED AND SWORN TO BEFORE ME by the said _____
_____, on this the _____ day of _____,
_____, 19____.

Notary Public, State of _____

(Typed or Printed Name of Notary)

My Commission Expires: _____

SPECIAL MEETING
NATIONAL MINORITY T.V., INC.
AUGUST 15, 1990

A special meeting of the Board of Directors of National Minority T.V., Inc. was held on August 15, 1990 at Newport Beach, California. Those present included board members Paul Crouch and Jane Duff. Phillip Aguilar was also present and was accompanied by his son.

The President reported that he was in receipt of a letter of resignation from Rev. David Espinoza. Mr. Crouch explained that Rev. Espinoza had asked that his resignation be accepted as the demands of his parish ministry made it extremely difficult to continue as an active officer and director of the corporation. It was moved, seconded and passed that the resignation of Rev. Espinoza be accepted and that a letter of appreciation be mailed to Rev. Espinoza expressing gratitude for his dedicated service to National Minority T.V.

The board then considered the possibility of electing Phillip Aguilar to the Board of Directors as a replacement for David Espinoza. The responsibilities of board membership was explained to Mr. Aguilar and Mr. Aguilar indicated he would be able to meet the demands of a director and officer.

It was then moved and seconded and passed that Phillip Aguilar be elected to the office of Vice President in place of Jane Duff and to the Board of Directors of the corporation. Mr. Aguilar accepted the office of Vice President and agreed to serve as a director. The board proceeded to elect Jane Duff Secretary and Treasurer of the corporation. Mrs. Duff accepted the two offices.

The board members discussed the current broadcast interests of the corporation and its financial status.

. The meeting then adjourned.



JANE DUFF, SECRETARY

SPECIAL MEETING

NATIONAL MINORITY T.V., INC.

A special meeting of National Minority T.V., Inc. was held on October 5, 1990. All directors except Rev. Phil Aguilar participated.

The board discussed recent efforts to sell the station located in Midland/Odessa, Texas. Negotiations with Tri-State Television, Inc. and All American Television had proved to be unsuccessful. Neither corporation was interested.

The board discussed the fact that Prime Time T.V., Inc. in Roswell, New Mexico expressed an interest with reservations. It was mentioned that Prime Time's principal office is closer proximity to Channel 42 than All American or Tri-State and that the management of Prime Time had demonstrated a capacity to provide competent leadership.

It was therefore moved, seconded and passed that the President be authorized and empowered to negotiate an agreement for the sale of our broadcast facilities in Midland/Odessa to Prime Time T.V., Inc. subject to F.C.C. approval.

The meeting then adjourned.

Dated: 10-22-90

Jane Buff
JANE BUFF, Secretary

CONSENT

I consent to the above-referenced October 5, 1990 Board of Directors meeting and confirm the action of the Board of Directors set forth hereinabove.

Dated: 10-25-90

Phillip Aguilar
PHILLIP AGUILAR

Dear Paul-

4-13-93

Jane, Evie

I resign from National Minority T.V., Inc
Thank you for the priviledge for the
time I got to participate. But, due
to my evangelistic activities I can
not donate the time necessary.

Love,
Pastor Phil


NATIONAL MINORITY TELEVISION, INC.

FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 1989
(With Independent Auditors' Report Thereon)

Goodrich, Goodyear & Hinds

An Accountancy Corporation

Independent Auditors' Report

The Board of Directors
National Minority Television, Inc.
Tustin, California

We have audited the accompanying balance sheet of National Minority Television, Inc. as of December 31, 1989, and the related statements of revenues, expenses and changes in fund balances, and cash flows for the year then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of National Minority Television, Inc. as of December 31, 1989, and the results of its operations and its cash flows for the year then ended in conformity with generally accepted accounting principles.

Our audit was made for the purpose of forming an opinion on the financial statements taken as a whole. The information contained in Schedules 1 and 2 are presented for additional analysis and are not a required part of the financial statements. Such schedules have been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, are fairly stated in all material respects when considered in relation to the financial statements taken as a whole.

Goodrich, Goodyear & Hinds

September 28, 1990

NATIONAL MINORITY TELEVISION, INC.
Balance Sheet

December 31, 1989

ASSETS

Current assets:	
Cash in bank and on hand	\$ (63,898)
Prepaid expenses	<u>9,623</u>
Total current assets	(54,275)
Amounts due from affiliates	526,742
Property, plant and equipment (less accumulated depreciation of \$106,445)	3,542,965
Broadcasting licenses	532,500
Other assets	<u>65,146</u>
	\$ <u>4,613,078</u>

LIABILITIES AND FUND BALANCE

Current liabilities:	
Accounts payable and accrued expenses	\$ <u>25,246</u>
Total current liabilities	25,246
Amounts due affiliates	<u>4,274,127</u>
Total liabilities	4,299,373
Fund balance:	
Unreserved	\$ <u>313,705</u>
Total fund balance	<u>313,705</u>
	\$ <u>4,613,078</u>

NATIONAL MINORITY TELEVISION, INC.
Statements of Revenues, Expenses and Changes in Fund Balances

Year Ended December 31, 1989

Revenues:		
Contributions - Reserved and unreserved		\$ 672,491
Interest income		<u>8,660</u>
Total revenues		<u>681,151</u>
Expenses:		
Program services:		
Production expenses	\$ 6,913	
Engineering expenses	<u>187,884</u>	
Total program services		194,797
Support services:		
Fund-raising	875	
General and administrative expenses	<u>200,250</u>	
Total support services		<u>201,125</u>
Total expenses		<u>395,922</u>
Excess of revenues over expenses		285,229
Fund balance, beginning		<u>28,476</u>
Fund balance, ending		\$ <u>313,705</u>

NATIONAL MINORITY TELEVISION, INC.
Statement of Cash Flows

Year Ended December 31, 1989

Cash flows from operating activities:		
Excess of revenues over expenses	\$	285,229
Adjustments to reconcile excess revenue (expenses) to net cash provided by operating activities:		
Depreciation and amortization	\$	106,445
Changes in current assets and liabilities:		
(Increase) decrease in prepaid expenses	(6,522)	
(Increase) decrease in accounts payable and accrued expenses	<u>25,246</u>	
Total adjustments	-	<u>125,169</u>
Net cash provided by operating activities		410,398
Cash flows from investing activities:		
Capital expenditures for property, plant and equipment and broadcasting licenses	(3,459,268)	
Net cash used in investing activities		(3,459,268)
Cash flows from financing activities:		
(Increase) decrease in amounts due from affiliates	(220,899)	
(Increase) decrease in amounts due to affiliates	<u>3,073,011</u>	
Net cash used by financing activities		<u>2,852,112</u>
Net decrease in cash		(196,758)
Cash, beginning		<u>132,860</u>
Cash, ending	\$	<u>(63,898)</u>

NATIONAL MINORITY TELEVISION, INC.

Notes to Financial Statements

December 31, 1989

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Production and Air Time Cost-Sharing

Revenue from production cost-sharing is recognized when the production effort has been completed while revenue from air time cost-sharing is recognized when the contracted program has been broadcast.

Investments

Donated investments are stated at estimated fair market values at the dates of donation, which approximates current market value.

Organization

National Minority Television, Inc. (NMTV) has organized for the purpose of engaging in religious Christian broadcasting activities. NMTV has received notices of exemption from Federal and State income taxes as a non-profit and charitable entity.

NOTE B - CONTRIBUTIONS - RESERVED AND UNRESERVED

Contributions are recognized when cash or other assets are received. Donated assets are generally reflected in the accompanying combined financial statements at their estimated fair market values at the date of receipt. All contributions are considered available for unrestricted use unless specifically restricted by the donor. Although there is no legal requirement to do so, such restrictions are viewed by management as moral commitments to spend such contributions as designated by the donors.

NOTE C - PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are carried at cost. Donated assets are generally reflected at their estimated fair market values at the dates of donation. Depreciation is computed using the straight-line method over the estimated useful lives of the respective assets. When assets are retired or otherwise disposed of, the cost and related accumulated depreciation are removed from the accounts and any resulting gain or loss is recognized as income for the period. The cost of maintenance and repairs is charged to expense as incurred, significant renewals and betterments are capitalized.

At December 31, 1989, property, plant and equipment consisted of the following: