

NMTV in Portland, Oregon, and the renewal applications of Trinity in Miami, Florida, Monroe, Georgia, and Poughkeepsie, New York.

Respectfully submitted,

Trinity Broadcasting of Florida, Inc.

Trinity Christian Center of Santa Ana, Inc.

Trinity Broadcasting of New York, Inc.

By:

Howard A. Topel

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Washington, D.C. 20036  
(202) 939-7900

Their Counsel

National Minority T.V., Inc.

By:

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Its Counsel

Glendale Broadcasting Company

Maravillas Broadcasting Company

By:

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Their Counsel

# **EXHIBIT 1**

## SETTLEMENT AGREEMENT

This settlement agreement ("Agreement") is made this 16th day of March 1998 by and among Trinity Broadcasting of Florida, Inc. ("TBF"), Trinity Christian Center of Santa Ana, Inc. ("TBN"), Trinity Broadcasting of New York, Inc. ("TBNY") (TBF, TBN and TBNY are collectively referred to as "Trinity"), National Minority T.V., Inc. ("NMTV"), Glendale Broadcasting Company ("Glendale"), Maravillas Broadcasting Company ("Maravillas") and George F. Gardner, James C. Gates individually, and the James C. Gates Charitable Remainder Trust, James C. Gates, Trustee, the stockholders of Glendale and Maravillas ("Stockholders"). All of these entities and persons are collectively referred to as the "Parties."

### RECITALS

Whereas, TBF is the applicant for renewal of the license of television broadcast station WHFT, Miami, Florida (File No. BRCT-911001LY) and Glendale has filed a competing application for a construction permit specifying the channel for which TBF is seeking renewal of license (File No. BPCT-911227KE);

Whereas, TBN is the applicant for renewal of the license of television broadcast station WHSG, Monroe, Georgia (File No. BRCT-911129KR) and Glendale has filed a competing application for a construction permit specifying the channel for which TBN is seeking renewal of license (File No. BPCT-920228KE);

Whereas, TBN is the applicant for renewal of the license of television broadcast station KTBN-TV, Santa Ana, California (File No. BRCT-930730KF) and Maravillas has filed a competing

application for a construction permit specifying the channel for which TBN is seeking renewal of license (File No. BPCT-931028KS);

Whereas, TBNY is the applicant for renewal of the license of television broadcast station WTBY, Poughkeepsie, New York (File No. BRCT-940202KE) and Maravillas has filed a competing application for a construction permit specifying the channel for which TBNY is seeking renewal of license (File No. BPCT-940426KG);

Whereas, NMTV is the applicant for renewal of the license of television broadcast station KNMT, Portland, Oregon (File No. BRCT-931004KI); Maravillas has filed a competing application for a construction permit specifying the channel for which NMTV is seeking renewal of license (File No. BPCT-931230KF); and NMTV has filed an application for a pro forma transfer of control of KNMT (File No. BTCCT-930921KN) (the "KNMT transfer application") as to which Glendale has filed a petition to dismiss or deny;

Whereas, in each instance, the renewal application and the competing application are mutually exclusive;

Whereas, Simon T, with whom a settlement agreement has not been reached, has also filed a mutually exclusive application for a construction permit specifying the channel for which TBN is seeking renewal of its license in Santa Ana, California (File No. BPCT-931101KF);

Whereas, petitions to deny certain of the renewal applications have been filed by The Spanish American League Against Discrimination, the Oregon/Washington State Conference of

Branches of the NAACP, and the League of United Latin American Citizens;

Whereas, on November 6, 1995 Glendale and Maravillas jointly filed a petition to deny an application filed by Mayville Communications, Inc. (in which principals of NMTV have interests) to acquire WWRS, Channel 52, Mayville, Wisconsin (FCC File No. BAPCT-950921KE) (the "Mayville" application);

Whereas, extensive proceedings have been held before the Federal Communications Commission ("FCC" or "Commission") regarding the mutually exclusive applications in Miami, Florida (MM Docket No. 93-75) and Monroe, Georgia (MM Docket No. 93-156);

Whereas, extensive future proceedings before the Commission and in the courts may be held regarding those stations as well as the mutually exclusive applications for Santa Ana, California, Poughkeepsie, New York and Portland, Oregon;

Whereas, the comparative issues in such proceedings have been frozen by the Commission since its public notice dated February 25, 1994 pending the adoption of revised criteria mandated by the United States Court of Appeals for the District of Columbia Circuit;

Whereas, on February 10, 1997 the Commission granted a waiver of restrictions on the amount paid to a dismissing applicant in a settlement agreement for a comparative renewal proceeding, and issued a public notice that such waivers will be applied to all similar comparative renewal proceedings;

Whereas, the Parties wish to avoid the possibility of

further costly and lengthy proceedings which may otherwise consume the resources of the Commission and the courts for a number of years;

Whereas, the Parties believe that the public interest will be served by settlement and termination of the proceedings, dismissal of all applications filed by Glendale and Maravillas, and grant of the renewal applications filed by Trinity for Miami, Florida, Monroe, Georgia and Poughkeepsie, New York, and by NMTV for Portland, Oregon;

Whereas, this Agreement is subject to the prior approval of the Commission and contains provisions which require actions by the Commission;

Now, therefore, in consideration of the mutual promises set forth in this Agreement and intending to be bound, the Parties agree as follows:

#### TERMS AND PROVISIONS OF AGREEMENT

1. Contingency relative to other settlements. A condition of this Agreement is that settlement agreements be executed between Trinity and/or NMTV, as appropriate, and the parties that have filed petitions to deny any of the subject renewal applications and/or other applications filed by Trinity, NMTV, their affiliates, subsidiaries and/or principals, i.e., the Spanish American League Against Discrimination, the California, Oregon and/or Washington State Conferences of Branches of the NAACP, and the League of United Latin American Citizens.

2. Filing and request for Commission approval. Within ten

business days of the satisfaction of the condition specified in ¶1 of this Agreement, the Parties will file this Agreement with the Commission. Within ten business days of the satisfaction of the condition specified in ¶1 of this Agreement, the Parties will also file a joint request, including any necessary or appropriate waiver requests, asking the Commission to:

(a) stay action on granting or denying the license renewal application of Trinity in the Miami proceeding and/or granting or denying the competing application of Glendale in the Miami proceeding pending a final order or orders disposing of the joint request;

(b) approve this Agreement;

(c) dismiss with prejudice the applications of Glendale in Miami, Florida and Monroe, Georgia effective upon the closing under this Agreement as provided in ¶3;

(d) dismiss with prejudice the applications of Maravillas in Santa Ana, California, Poughkeepsie, New York and Portland, Oregon, effective upon the closing under this Agreement as provided in ¶3;

(e) dismiss or deny with prejudice the petitions identified in ¶1, the petition to dismiss or deny the KNMT transfer application filed by Glendale and the petition to deny the Mayville application filed jointly by Glendale and Maravillas; and

(f) grant for a regular term (or the remainder of a regular term) the renewal applications, including any supplemental

applications, filed by Trinity in Miami, Florida, Monroe, Georgia, and Poughkeepsie, New York, and filed by NMTV in Portland, Oregon, thus holding Trinity, NMTV and their officers and directors qualified to hold broadcast licenses and remain the licensees of their respective facilities.

3. Closing. Closing under this Agreement will be held at the law offices of Colby M. May, Esquire, Suite 609, 1000 Thomas Jefferson Street, N.W., Washington, D.C. 20007, or other mutually agreeable location, within ten days of a Final Order granting all of these requests but in no event earlier than January 2, 1999. A Final Order means an order or orders for which the time has expired for any further Commission consideration or any court consideration and no timely appeal, petition or request for such consideration has been filed.

4. Sale of stock. At the closing, Trinity will purchase the stock and equity of Glendale and Maravillas on the following terms:

(a) The total stock purchase price (apportioned as the stockholders of Glendale and Maravillas elect) will be fifty-five million dollars (\$55,000,000.00) (the "stock price").

(b) On the day of closing, thirty million dollars (\$30,000,000.00) will be paid to Bechtel & Cole, Chartered's escrow account for the benefit of Stockholders by wire transfer in readily accessible funds.

(c) On the day of closing, three negotiable promissory notes, one payable to the order of each of the Stockholders, with

joint and several liability of Trinity (the "makers"), secured as provided in ¶5, will be executed and delivered to Bechtel & Cole, Chartered, as escrow agent for Stockholders (the "noteholders") for the aggregate amount of twenty-five million dollars (\$25,000,000.00). The notes will provide for the payment of three equal annual installments in the aggregate amount of eight million, three hundred and thirty-three thousand, three hundred and thirty-three dollars, and thirty-three cents (\$8,333,333.33) on the first, second and third anniversary dates of the closing. The notes will provide that each installment shall consist of an interest payment and a principal payment such that the notes will not be subject to the original issue discount rules of Internal Revenue Code Sections 1272 and 1274. The interest portion of each installment shall be calculated by using an interest rate representing the lower of the lowest applicable federal rate (based on annual compounding) in effect during the three-month period ending in the month in which this Settlement Agreement is binding and enforceable; or the lowest applicable federal rate (based on annual compounding) in effect during the three-month period ending with the month in which the sale of stock of Glendale and Maravillas, as described above, is completed. The form of the notes will be substantially identical to Appendix A.

(d) On the day of closing, by conveyances in form reasonably satisfactory to counsel for Trinity, Stockholders will transfer all of their right, title and interest in the stock of Glendale and Maravillas to Trinity, and will deliver all

corporate and financial records of Glendale and Maravillas to Trinity, including without limitation all records, documents, and computer drives, discs or data bases of any kind relating in any way to past, present or potential litigation involving Trinity or NMTV.

(e) NMTV will contribute four million dollars (\$4,000,000.00) toward the foregoing payments for resolution of the Portland, Oregon proceeding.

5. Irrevocable Letter of Credit. The promissory notes for which provision is made in ¶4(c) will be secured with Irrevocable Letters of Credit ("Letters of Credit") issued by the Union Bank, 13300 Newport Avenue, Tustin, California 92780, or such other bank as the makers and noteholders agree upon, with all costs and fees associated with the Letters of Credit to be paid by the makers. The form of the Letters of Credit will be substantially identical to Appendix B. The makers agree to require a provision in the Reimbursement Agreement between the makers and the bank issuing the Letters of Credit that, in the event of a dispute with respect to the bank's failure to make payment to a noteholder upon presentation to the issuing bank by the noteholder of a draw in the form attached as Exhibit A, B or C to the Letters of Credit, the bank must secure independent legal counsel with respect to the dispute for which the makers and the noteholder will each pay 50% of the legal fee and costs.

6. Settlements with petitioners. The Parties will work cooperatively together to reach mutually acceptable settlement

agreements with the petitioners identified in ¶1, and to seek Commission approval of those agreements including waiver of any rules that may be required.

7. Diligent prosecution of request to approve this Agreement. The Parties will cooperate with each other and with the Commission by expeditiously providing to each other, or to the Commission, or both, as the case may be, all additional information that may be necessary or appropriate to comply with Section 73.3523 of the Commission's Rules, to obtain the Commission's waiver of the limitation on the amount paid to dismissing applicants in comparative renewal proceedings, and to achieve Commission approval of this Agreement. The Parties will provide to the Commission in a timely manner such information as it requests. The Parties agree to use all reasonable efforts in the preparation and filing of all documents that may be necessary or appropriate to reach the results contemplated by this Agreement. Each of the Parties will bear its own expenses for the preparation of this Agreement and all documents incidental thereto. None of the Parties will communicate with representatives of the Mass Media Bureau or other Commission personnel concerning this Agreement or the joint request without the presence or participation by telephone of any other Parties who desire to be present or participate in the communication.

8. Interim filings with FCC. Beginning upon the execution of this Agreement, and continuing while this Agreement is in effect, none of the Parties will, directly or indirectly,

singularly or collectively, oppose or petition against any interest of any of the Parties, their principals, subsidiaries or affiliates, or any party, person or entity commonly controlled by any of the Parties, at the Commission. Subject to that limitation, any of the Parties may: (a) file documents required by law or by Commission regulations such as amendments and reports under Section 1.65 of the Commission's Rules; (b) file responses necessary to protect their respective positions before the Commission and in response to agency inquiries and to petitions, complaints or other pleadings that may be filed by government counsel or any outside party, person or entity; and (c) file documents designed to facilitate approval of the joint request that will not adversely affect the rights of any of the Parties under this Agreement.

9. Forbearance of future filings against Trinity and NMTV. Beginning upon the execution of this Agreement and continuing until this Agreement is terminated or for a period of ten (10) years, neither Glendale, nor Maravillas, nor any of their principals, nor any of their subsidiaries or affiliates, nor any party, person or entity commonly controlled or otherwise subject to the control of Glendale, Maravillas or any of their principals or any of their subsidiaries, affiliates, representatives or agents will file, or encourage, induce, pay, assist or cooperate with any other party, person or entity to file, any document with the Commission (including, but not limited to, any petition to deny, informal objection or mutually exclusive application)

(excluding documents applicable to the broadcast industry as a whole) that opposes the grant of any application to which Trinity, NMTV or any subsidiary or affiliate thereof is a party, or any entity with which Trinity, NMTV or any subsidiary or affiliate thereof has an agreement to provide programming for more than 15% of the broadcast time of a broadcast station.

10. Termination of Agreement.

(a) This Agreement may be terminated by any Party (by ten days written notice to the other Parties) in the event of a final order or orders denying the joint request or in the event of an order designating the joint request for hearing.

(b) This Agreement may be terminated by any Party (by ten days written notice to the other Parties) in the event that (i) the condition specified in ¶1 of this Agreement is not satisfied within sixty days from the date of this Agreement, (ii), at any time when the joint request has not yet been filed or, while filed, has not been granted by final order or orders, the Commission issues a decision granting or denying the license renewal application of Trinity in the Miami proceeding and granting or denying the competing application of Glendale in the Miami proceeding.

(c) Upon termination of this Agreement as provided in this ¶10, the Parties will return to the adversarial litigation status quo ante, in which the settlement and statements made and positions taken in furtherance of the settlement may not be offered in evidence or as the basis for argument on the merits of

the litigation.

11. Representations and warranties regarding Glendale and Maravillas corporations and stock. Glendale, Maravillas and Stockholders jointly and severally represent and warrant to Trinity and NMTV that:

(a) Stockholders own all of the issued and outstanding capital stock of Glendale and Maravillas;

(b) there are no options, warrants or other rights to acquire any equity interest in Glendale or Maravillas;

(c) Glendale and Maravillas have never conducted any business aside from prosecution of their FCC applications, have never had any employees and have never had any subsidiaries or affiliates;

(d) except for liabilities on loans from Stockholders and fee agreements with counsel for which Stockholders will assume full responsibility by documents, on which financial figures may be redacted, in form reasonably satisfactory to Trinity and NMTV, Glendale and Maravillas have no liabilities, fixed or contingent, or executory contractual or other commitment to any other party, person or entity;

(e) the capital stock and assets of Glendale and Maravillas are not the subject of any liens or encumbrances;

(f) Glendale and Maravillas are not involved in any litigation other than the FCC proceedings which are the subject of this Agreement;

(g) Glendale and Maravillas are valid and subsisting

corporations in good standing under the laws of the State of Delaware, and are in compliance with all applicable federal, state and local laws and regulations.

12. Indemnification provisions. Glendale, Maravillas and Stockholders jointly and severally agree to indemnify and hold harmless Trinity and NMTV, their officers, directors, and affiliates from and against any and all liabilities, claims, damages and expenses arising from (a) activities of the Glendale and Maravillas corporations, and ownership of the stock of Glendale and Maravillas, prior to the closing, (b) any claims by any counsel under fee agreements referred to in ¶11(d), (c) any claims by former officers, directors, stockholders, employees, agents or creditors of Glendale or Maravillas and (d) any default by Glendale, Maravillas or Stockholders with regard to any representation, warranty or covenant in this Agreement. Trinity, NMTV and each of their principals jointly and severally agree to indemnify and hold harmless Glendale, Maravillas and Stockholders from and against any and all liabilities, claims, damages and expenses arising from any default by Trinity, NMTV or their principals with regard to any representation, warranty or covenant in this Agreement.

13. Survival and other provisions regarding indemnification. The representations, covenants and warranties in this Agreement will survive for a period of three years after the closing. The party seeking indemnification will give the party from whom indemnification is sought ("Indemnitor") prompt

written notice of the assertion of any matter for which indemnification is sought and, upon request, will cooperate with the Indemnitor in any defense or other action the Indemnitor may take in the matter relative to third parties. In the event the Indemnitor elects not to assert any defense or take other action, it will provide prompt written notice of that election to the party seeking indemnification, which may itself assert any reasonable defense or take other reasonable action in which the Indemnitor will cooperate and, if the party seeking indemnification prevails in that defense or other action, it may recover the reasonable cost of its litigation thereof from the Indemnitor.

14. Default. As used in this Agreement, "default" means a material breach of any representation, covenant or warranty which continues uncured thirty days following written notice thereof from the non-breaching party to the breaching party. Failure to give written notice of any breach of any provision of this Agreement in one instance will not be deemed waiver of any breach of the same provision or any other provision of the Agreement in any other instance.

15. Costs of litigation relative to Agreement. If any legal action is brought by any of the Parties against any of the other Parties arising out of or with respect to this Agreement, the prevailing party in that action will be entitled to recover, in addition to any other legal or equitable relief to which it may be entitled, all reasonable costs of maintaining, bringing or

defending such action including but not limited to reasonable attorneys' fees.

16. Specific performance. The benefits conferred on the Parties under this Agreement are such that monetary damages may not be adequate compensation for a default hereunder. Therefore, specific performance will be appropriate for default under this Agreement in addition to other legal or equitable remedies, including monetary damages, available under this Agreement or under the laws of the United States or the District of Columbia.

17. Communications regarding Agreement. Communications under or with regard to this Agreement will be given in writing addressed as set forth in Appendix C or to such other address, person or entity as may be designated by notice in writing. Any such communication will be deemed to have been given three business days after mailing by registered or certified mail or one business day after mailing by express mail or use of overnight/same day delivery service.

18. Power and authority to execute and perform under the Agreement. Trinity, NMTV, Glendale and Maravillas each represents and warrants (a) that it has full corporate power and authority to execute and deliver this Agreement and to consummate the transactions under this Agreement and (b) that the execution and delivery of this Agreement and consummation of the transactions have been authorized by all necessary action on the part of the corporation and its principals.

19. Other provisions:

(a) All Parties represent that this Agreement will not conflict with any other agreement and that no consents or approvals by any other party, person or entity except the Commission are required for them to execute, deliver and carry out the terms of this Agreement.

(b) The Parties and their principals represent and warrant that they have read and understand this Agreement, that they execute this Agreement voluntarily as their own free act and deed in good faith and with knowledge of its significance, effects and consequences.

(c) At closing, Trinity, NMTV, Glendale and Maravillas each will provide a certification by its corporate official or counsel that it is then in compliance with its representations, warranties and covenants under this Agreement.

(d) This Agreement is the only agreement among the Parties and contains all of the terms and conditions with respect to the subject matter of the Agreement. The Agreement may be amended only in writing signed by all Parties affected by the amendment.

(e) This Agreement is binding upon and inures to the benefit of the Parties, their officers, directors, stockholders, agents, employees, affiliates, related companies and entities, successors, heirs, legatees and assigns.

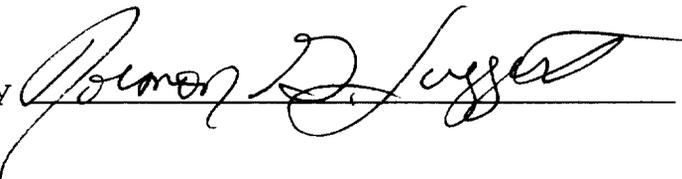
(f) This Agreement will be construed under the laws of the United States and the District of Columbia.

(g) Headings are for convenience and do not alter the meaning of the text to which they refer.

(h) This Agreement may be executed in counterparts, and signatures may be transmitted by electronic means.

In witness whereof, the Parties have affixed their signatures to this Agreement effective as of the date first written above.

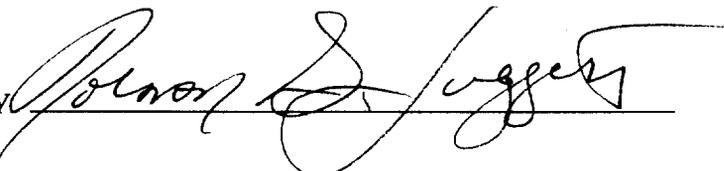
Trinity Broadcasting of Florida, Inc.

By  \_\_\_\_\_

Trinity Christian Center of Santa Ana, Inc.

By  \_\_\_\_\_

Trinity Broadcasting of New York, Inc.

By  \_\_\_\_\_

National Minority T.V., Inc.

By \_\_\_\_\_

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Trinity Broadcasting of Florida, Inc.

By \_\_\_\_\_

Trinity Christian Center of  
Santa Ana, Inc.

By \_\_\_\_\_

Trinity Broadcasting of New York, Inc.

By \_\_\_\_\_

National Minority T.V., Inc.

By 

Glendale Broadcasting Company

By George F. Gardner  
President

Maravillas Broadcasting Company

By \_\_\_\_\_

George F. Gardner  
George F. Gardner  
Individually

\_\_\_\_\_  
James C. Gates  
Individually

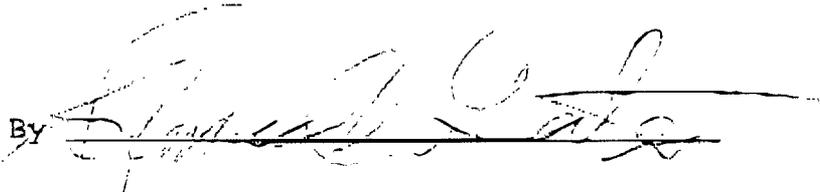
James C. Gates Charitable  
Remainder Trust

By \_\_\_\_\_  
James C. Gates  
Trustee

Glendale Broadcasting Company

By \_\_\_\_\_

Maravillas Broadcasting Company

By 

George F. Gardner  
Individually

  
James C. Gates  
Individually

James C. Gates Charitable  
Remainder Trust

By   
James C. Gates  
Trustee

APPENDIX A

PROMISSORY NOTE

\$ \_\_\_\_\_

[Date]

**Amount and payment terms.** For value received, receipt of which is acknowledged, Trinity Broadcasting of Florida, Inc., Trinity Christian Center of Santa Ana, Inc. and Trinity Broadcasting of New York, Inc. ("Makers") jointly and severally promise to pay to the order of \_\_\_\_\_, his successors, assigns, heirs, legatees or other holder or holders of this note ("Payee") the sum of [\_\_\_\_\_ dollars (\$\_\_\_\_\_)] in lawful money of the United States in three equal annual installments in the amount of [dollars (\$\_\_\_\_\_)] on or before [date], [date] and [date] by wire transfer to insert [account for benefit of Payee] of immediately available funds. Each installment shall consist of an interest payment and a principal payment such that the note will not be subject to the original issue discount rules of Internal Revenue Code Sections 1272 and 1274. The interest portion of each installment shall be calculated by using an interest rate representing the lower of the lowest applicable federal rate (based on annual compounding) in effect during the 3-month period ending in the first month in which that certain Settlement Agreement by and among \_\_\_\_\_ and \_\_\_\_\_ (hereinafter, the "Settlement Agreement") is binding and enforceable; or the lowest applicable federal rate (based on annual compounding) in effect during the 3-month period ending with the month in which this Note is issued. Based on such rate, the three principal and interest payments shall be as follows: (i) the first payment shall consist of \$\_\_\_\_\_ of interest and \$\_\_\_\_\_ of principal; (ii) the second payment shall consist of \$\_\_\_\_\_ of interest and \$\_\_\_\_\_ of principal; and (iii) the third payment shall consist of \$\_\_\_\_\_ of interest and \$\_\_\_\_\_ of principal. Time is of the essence for payment of the amounts when due.

**Assurance of Payment.** Payment of this Note is assured by an Irrevocable Letter of Credit, dated [date] issued by [bank] (the "Letter of Credit") in favor of the Payee in the aggregate amount of [\_\_\_\_\_ dollars (\$\_\_\_\_\_)] - total amount of Note-principal and interest] which will be reduced by the amount of \_\_\_\_\_ million dollars upon the payment of that amount of each of the first and second annual installments and which will be terminated upon payment of the note in full.

**Prepayment.** The Makers have the right to prepay all or any portion of the note at any time without premium or penalty.

**Acceleration.** The Payee has the right, without notice, presentment or demand to the Makers, to declare the entire unpaid amount of this Note immediately due and payable under any of the following circumstances:

1. In the event the Makers default in the payment of any annual installment or default in the payment of any penalty for late payment, and the default continues for 30 days;

2. In the event of the initiation of an insolvency, bankruptcy, assignment for the benefit of creditors or other similar proceeding relative to any of the Makers; or

3. In the event that the Letter of Credit expires or lapses (after giving effect to any renewals thereof) prior to [insert date which is sixty days after the final payment date under this note, ] or in the event that at any time the Letter of Credit is not a valid, binding or enforceable obligation of the bank issuing such Letter of Credit.

Rescission of acceleration. Acceleration, once declared by the Payee, may at the Payee's option be rescinded by an instrument in writing to that effect. The tender and acceptance of a partial payment will not, by itself, rescind the acceleration.

Setoffs. This note will be paid without claim of setoff or deduction of any nature whatsoever.

Place of payment. Payments will be made to the Escrow Account at [bank] in the name of Bechtel & Cole, Chartered, as Escrow Agent under an Escrow Agreement with the Payee dated [date], or such other account as the Payee may direct by written notice to the Makers.

Notices. Notices to the Payee will be addressed to [names and addresses] and notices to the Makers will be addressed to [names and addresses] or to such other parties and addresses as the Payee or the Makers may designate in writing. Notice will be deemed to have been given three business days after mailing by registered or certified mail and one business day after mailing by express mail or the use of overnight/same-day delivery service.

Waivers by the Makers. Except where explicit provision has been made in this note for written notice, the Makers waive grace, demand, presentment, notice of dishonor, protest and notice of protest relative to any default in the payment of an installment or penalty under this note.

Waivers by the Payee. Waiver by the Payee of a default by the Makers shall be made only in writing and in any instance will not constitute waiver of any prior or subsequent default.

Collection costs. In the event it becomes necessary for the Payee to employ counsel to enforce the obligations of the Makers under this note, including actions taken regarding the security for the note, the Makers will pay all of the reasonable attorneys' fees and all other reasonable costs and expenses of Payee, whether suit is brought or not.

Makers remain liable along with successors and assigns. This note will apply to and bind the successors and assigns of the Makers, who will also remain liable under the note as well, provided, however that the Makers (or any Maker, individually) may not assign their rights and obligations hereunder without the prior written consent of the Payee.

Applicable law. This note and rights and obligations under this note will be governed by the internal laws of the District of Columbia.

Singular and plural. Where the context requires, the singular includes the plural and the plural includes the singular.

Headings. Headings are for convenience and do not alter the text to which they apply.

IN WITNESS WHEREOF, the undersigned Makers have duly executed this note on the date first above written.

ATTEST:

TRINITY BROADCASTING OF  
FLORIDA, INC.

\_\_\_\_\_  
Secretary

By \_\_\_\_\_  
President

[SEAL]

ATTEST:

TRINITY CHRISTIAN CENTER OF  
SANTA ANA, INC.

\_\_\_\_\_  
Secretary

By \_\_\_\_\_  
President

[SEAL]

ATTEST:

TRINITY BROADCASTING OF NEW  
YORK, INC.

\_\_\_\_\_  
Secretary

By \_\_\_\_\_  
President

[SEAL]