

CGB-CC-0799

DrinkerBiddle&Reath

**COPY**

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June 15, 2012

**VIA HAND DELIVERY**

**FILED/ACCEPTED**

Marlene H. Dortch, Secretary  
Federal Communications Commission  
Office of the Secretary  
445 12th Street, SW  
Washington, DC 20554

JUN 15 2012

Federal Communications Commission  
Office of the Secretary

CALIFORNIA  
DELAWARE  
ILLINOIS  
NEW JERSEY  
NEW YORK  
PENNSYLVANIA  
WASHINGTON D.C.  
WISCONSIN

**ATTN: Disability Rights Office, Room 3-B431**

RE: Supplement to Request for Exemption  
Case Identifier: CGB-CC-0799  
Gospel Broadcasting Network

Dear Ms. Dortch:

Gospel Broadcasting Network ("GBN"), by and through its attorney, and in accordance with Section 79.1(f) of the Commission's Rules, 47 C.F.R. § 79.1(f)(2012), hereby submits this Supplement to the Request for Waiver of the Closed Captioning rules, previously filed by GBN on April 2, 2008 (the "Request").

In its Request, GBN demonstrated that it qualified for an exemption of the Commission's Closed Captioning rules. In particular, GBN provided detailed financial information covering the three years prior to submitting the Request, showing that it had a Net Income of \$867,082 for the year ending June 2005, a Net Income of -\$599,900.72 for the year ending June 2006, a Net Income of \$88,545.96 for the year ending June 2007, and a Net Income for the nine months in FY2008 of -\$319,235.74. Moreover, the information supplied by GBN in the Request demonstrated that its gross revenues did not exceed \$1.8 million during this time. As such, GBN demonstrated that it was eligible for an exemption of the Closed Captioning rules when it submitted its Request.

On April 2, 2012, the Commission released a Public Notice requesting that parties with pending exemption requests, including GBN, provide updated information to support their request by July 5, 2012.<sup>1</sup> The letter accompanying the copy of the Public Notice sent to GBN by the Commission outlined the type of information that the GBN need to supply to support its Request. To that end, GBN is supplying the following response to obtain an exemption of the closed captioning rules for the programs provided in Exhibit A.

<sup>1</sup> Notice of Need to File updated Information With Respect to Pending Petitions For Exemption From Commission's Closed Captioning Rules Which Were Filed Prior to October 2010, Public Notice, DA 12-514 (rel. Apr. 2, 2012).

As discussed in the Request, GBN is a satellite television network which is completely supported by free-will contributions of individual members and congregations of the church of Christ in the United States. The network has been "on the air" since November 2005. The first network of its kind with its brotherhood, GBN also is the first network of its kind in satellite television, since there are no commercials, no sales of any materials (all provided free of charge), and no fund-raising activities such as telethons. GBN is motivated by the command of Christ to "Go into all the world, and preach the gospel to every creature." There is a recurring station identification that affirms, "We are the network interested in your soul, not your money." However, in the past and current economic environment, GBN's supporting congregations and members are finding it difficult to maintain their levels of contribution.

- **Documentation of GBN's financial status:**

Attached please find a copy of the 2011 Income/Expense Report (P&L) for the network, along with the seven-year Revenue and Expense Summary for the years 2005-2011. See Exhibit B. The documentation reflects the continuing decrease in income. Attached is a detailed summary of the expenses GBN has cut recently in 2011 and 2012 and a balance sheet through March 2012.

- **Documentation of the costs of captioning GBN's programming:**

GBN operates with a very small staff and budget. While it already offers some programming with closed captioning, to come into full compliance with Section 79.1 of the Commission's rules would result in the demise of the network. As shown in Exhibit C, annual cost estimates to outsource captioning for the remaining programs total \$116,125 (15 hours of new programming per week at \$120/hour (\$93,600), one part-time (\$20,000) employee, and software upgrade (\$2,525)).

Additionally, GBN has 1,297 hours of current, repeatable programming which would cost an additional \$155,640 in fees (at \$120/hour) to be captioned, plus additional employee costs of approximately \$33,260, for a total of \$188,900. Thus the total cost of captioning of \$305,025 (\$188,900 + \$116,125) represents 19% of GBN's gross revenue last year of \$1,598,561. Clearly, the cost of providing captioning would exceed 2% of GBN's gross revenues, and thus, GBN qualifies for an exemption under Section 79.1(d)(11) of the Commission's rules.

- **Documentation of fundraising efforts for Closed Captioning costs:**

GBN regularly asks for donations through newsletters, special letters, etc. to members and congregations of the church of Christ. See Exhibit D. GBN believes that "to follow the New Testament commands and examples in the Bible, this is the only way

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Marlene H. Dortch, Secretary

June 15, 2012

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we can solicit funds for the Lord's work, and to do otherwise, would violate our religious convictions."

- **Cumulative Effect that providing captions would have on its programming activities:**

As discussed above, the cost for closed captioning the existing, repeatable programs, along with a recurring, annual cost for new programs, would likely cause the network to go off the air. GBN's revenues are less today than when the network began. The past three years have seen annual decreases and the first quarter of 2012 is less than the first quarter of last year. GBN narrowly avoided becoming insolvent in late 2010, with a debt of almost \$1 million. By cutting staff again and again, and by other extreme cost-cutting measures, GBN has been able to survive, but cannot afford additional costs during this extreme, economic downturn.

As previously stated, GBN is the first of its kind as a 24/7 satellite television network, supported entirely by free-will offerings. GBN is an IRS-approved, 501(c)(3), non-profit organization which began in November 2005. See Exhibit E. GBN uses every dollar it receives to put the gospel of Christ on as many televisions as possible in the United States and around the world, as well as on its website, Roku, and other modern electronic devices such as iPhones, iPads, and Androids. GBN is entirely dependent on free-will offerings from its members and congregations of the church of Christ and operates on a "bare bones" budget. To further reduce costs, the network is hoping to move to a more desirable, and less expensive facility in early 2013.

### **Conclusion**

As previously mentioned, Gospel Broadcasting Network was created to "go into all the world and preach the gospel to every creature." Mark 16:15. Since the beginning of the network, it has never advertised or asked for money from our viewers. Instead, it has tried to follow the Biblical command and examples in the New Testament of funding through free-will offerings. GBN provides free, Bible programs, especially to those who are disabled, elderly, shut-ins, and others who cannot leave their homes and attend other religious services. GBN would like to offer closed captioning for all of its programming, but due to financial constraints, it has been unable to do so.

Therefore, Gospel Broadcasting Network respectfully request that it be exempt from the closed captioning rules with respect to the programs provided in Exhibit A.

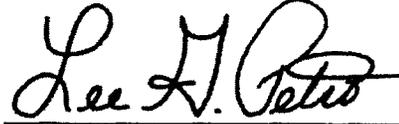
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Marlene H. Dortch, Secretary

June 15, 2012

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Respectfully submitted,

A handwritten signature in black ink, reading "Lee G. Petro". The signature is written in a cursive style with a horizontal line underneath.

Lee G. Petro

*Counsel for Gospel  
Broadcasting Network*

Attachments

DC01/2941685 1

**EXHIBIT A**

## GBN Programs for Which We Request An Exemption from Close Captioning

Program Titles	Speaker	Total
One Minute Walk on the Pathway	Jim Dearman	31
Sixty Seconds about the Second Co	Don Blackwell	50
Let's Make the Most of a Minute	Glenn Colley	69
One Gospel Minute	Bob Prichard	103
On the Rock	Caleb Colley	94
Burning Fire	James Boyd	62
Poems by James Watkins	James Watkins	14
Pearls from Proverbs	Eddie Parrish	12
A Better Life	Paul Sain	36
Something to Think About	Various Speakers	78
Winter Walk	James Watkins	6
Word Fitly Spoken	David Hayes Prophater	91
Pause & Consider	Robert Hatfield	43
Stop & Think	Ken Gardner	21
Dekkar's Dog House	Steve Plemmons	13
Truth for Youth	Robert Hatfield	52
Insight to Life		26
International Gospel Hour	Winford Claiborne ?	16
God's Athlete	Tyler Gilreath	8
In A Word	David Smith	76
Five Minutes for the Faith	Glenn Colley	25
Think on these things	Ben Bailey	9
Preacher & His Work	Jim Dearman interviewing other speakers	11
On Location Interview	Assorted interviewers and interviewees	48
Living by Faith	speaker Donnie Debord	69
Light for the Way	speaker Charles Cochran	62
Look What I Found	Jim Dearman & Garry Hill	8
Truth in love Special	Eddie Parrish	1
Counterpoint	speakers Mike Hixson & B.J. Clarke	32
Fabric of Family	host Barry Gilreath, Jr. with guests	57
Guestbook	Jim Dearman interviewing other speakers	21
On the Rock Specials	Caleb Colley	2
Seed Sowing	The late Paul Kidwell, Sr.	37
Out with Doubt	speaker Kyle Butt	13
Let the Bible Speak	speakers Jimmy Furguson & Jimmy Young	97
Questions & Answers	host David Wade, with guests	66
Speaking the Truth in Love	Paul Sain	41
According to the Scriptures	host Mike Crosby, panel format - Bible discussion	20
Adventures with Chip	BY Sain publications	9
Bible Round Table	host Brooks Boyd and 2 guest speakers	32
Bible Talk	speaker Kevin Beard,	111
Biblical Viewpoint	speakers Clayton Winters & Eddie Craft	85

Digger Doug	AP	16
For Christ & the Church	speaker Bill Thomas	42
Fundamentals of Christianity	speaker Gary Colley	24
Fountain of Life	speaker Larry Acuff	94
Forgotten Truth	speaker Patrick Gray	69
Good News Today	Jim Dearman	62
Gospel of Christ	speakers Ben Bailey, Kevin Pendergrass	78
Give me the Bible	speaker Dan Manuel	16
Getting to Know you Bible	speaker, Billy Lambert	43
Impact	Robert Hatfield	6
In Search of the Lord's Way	Phil Sanders	41
Living Word	The late Jerry Jenkins	92
Message from Heaven	speaker John Shannon, Sr.,	83
Preaching the Gospel	James Watkins	96
Search for Direction	Floyd Johnson	28
Shelter in the Time of Storm	Roger Comstock	51
Shield of Faith	Panel, Wes Garland, Scott Gann, Eric Pitcock	42
Think About It	Brad Harrub, Joe Wells	49
Truth in Love	Eddie Parrish	106
TV Sunday School	Joe Galloway	81
Unity of Spirit	Michael White	29
Voices from the Past	Various Speakers	44
The Way	Rick Lawson, Gene Jester & guests	11
Word from the Lord	Ben Bailey	6
Dayspring	speaker James Segars	97
Thy Word is Truth	Chris Clevenger (Cliff Goodwin)	97
Faith Building Sermons	speaker John Grubb	33
Perceptions	speaker Roger Johnson	110
Searching the Scriptures	Cliff Goodwin	94
What Does the Bible Teach?	Paul Sain	26
The Truth About	Don Blackwell	16
Focus on Faith	Host Jeff Archey, Various speakers	77
WVBS Indepth	several speakers, series	55
Pillars of Faith	A variety of lessons with different speakers	24
On the Lord's Day	Worship of churches of Christ	47
BIBLE Verse Spot	Jim Dearman	3
Be Still & Know		8

**EXHIBIT B**

**Revenue and Expense Summary**

	<b><u>Total Contributions(\$)</u></b>	<b><u>Total Expenses(\$)</u></b>	<b><u>Net Gain/(Loss)(\$)</u></b>
<b>2005</b>	<b>1,586,365</b>	<b>848,724</b>	<b>737,640</b>
<b>2006</b>	<b>1,261,647</b>	<b>1,736,067</b>	<b>(474,420)</b>
<b>2007</b>	<b>1,771,539</b>	<b>1,921,381</b>	<b>(149,842)</b>
<b>2008</b>	<b>2,515,904</b>	<b>2,551,230</b>	<b>(35,326)</b>
<b>2009</b>	<b>1,929,480</b>	<b>2,078,874</b>	<b>(149,394)</b>
<b>2010</b>	<b>1,769,876</b>	<b>1,700,589</b>	<b>69,288</b>
<b>2011</b>	<b>1,598,561</b>	<b>1,565,165</b>	<b>33,396</b>
<b>GRAND TOTAL</b>	<b>12,433,372</b>	<b>12,402,030</b>	<b>31,342</b>

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 Cash Basis

**GOSPEL BROADCASTING NETWORK, INC.**  
**Profit & Loss**  
 January through December 2011

	Jan - Dec 11
<b>Ordinary Income/Expense</b>	
<b>Income</b>	
<b>Contributions</b>	
Congregations	949,437.88
<b>Individual Contributions</b>	
Individuals	649,608.82
Return Checks	-526.00
<b>Total Individual Contributi...</b>	649,083.82
Interest Income	39.60
<b>Total Contributions</b>	1,598,561.30
<b>Total Income</b>	1,598,561.30
<b>Gross Profit</b>	1,598,561.30
<b>Expense</b>	
<b>Bank Services</b>	
Bank Fees	4,443.43
Interest Expense	41,289.12
Return Settlements	5,753.96
<b>Total Bank Services</b>	51,486.51
<b>Facilities</b>	
Insurance	10,784.82
Maintenance	2,007.73
Phone and Related Services	15,536.37
Rent	82,810.00
Taxes & Licenses	1,572.44
Utilities	32,457.47
Waste Service	618.54
<b>Total Facilities</b>	145,787.37
<b>Office Expenses</b>	
Computer Software	757.42
Office Equipment Rental	818.00
Office Supplies	4,687.91
Postage and Delivery	31,859.77
<b>Total Office Expenses</b>	37,923.10
<b>Production</b>	
<b>Broadcasting</b>	
Lighthouse	83,025.00
Broadcasting - Other	3,444.00
<b>Total Broadcasting</b>	86,469.00
Licenses & Permits	3,100.00
Production Reimbursement	-12,341.51
Production Supplies	8,239.35
<b>Total Production</b>	85,466.84
<b>Professional Fees</b>	
Attorney	1,247.82
<b>Total Professional Fees</b>	1,247.82
<b>Promotional Expense</b>	
Advertising	532.00
Duplication	54.35
Miscellaneous Promotional	2,512.12
Newsletter	41,216.36
Web Site	1,171.45
<b>Total Promotional Expense</b>	45,486.28
<b>Salaries and Wages</b>	
Administrative	102,369.53
Contract Labor	5,170.60

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Cash Basis

**GOSPEL BROADCASTING NETWORK, INC.**  
**Profit & Loss**  
January through December 2011

	<u>Jan - Dec 11</u>
Employees	203,282.06
Medical Insurance	18,109.47
Moving Expense	640.40
Payroll Expenses	4,305.54
Payroll Taxes	23,155.71
<b>Total Salaries and Wages</b>	<b>357,033.31</b>
<b>Satellite Services</b>	
Uplink	
Encompass	300,000.00
Olympusat	68,000.00
<b>Total Uplink</b>	<b>368,000.00</b>
<b>Total Satellite Services</b>	<b>368,000.00</b>
<b>Travel</b>	
Food	2,157.55
Lodging	2,647.38
Mileages	2,613.49
Transportation	13,701.03
Van Principal	-11.33
Van Interest	207.27
Van Maintenance	418.02
<b>Total Travel</b>	<b>21,733.41</b>
<b>Total Expense</b>	<b>1,114,164.64</b>
Net Ordinary Income	484,396.68
Bank loan paid	<u>-451,000</u>
<b>Net Ordinary Income</b>	<b>33,396</b>

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Cash Basis

**GOSPEL BROADCASTING NETWORK, INC.**  
**Profit & Loss**  
**January through March 2012**

	<u>Jan - Mar 12</u>
<b>Ordinary Income/Expense</b>	
<b>Income</b>	
<b>Contributions</b>	
Congregations	224,169.16
Individual Contributions	
Individuals	137,301.10
<b>Total Individual Contributi...</b>	<u>137,301.10</u>
<b>Total Contributions</b>	<u>361,470.26</u>
<b>Total Income</b>	<u>361,470.26</u>
<b>Gross Profit</b>	361,470.26
<b>Expense</b>	
<b>Bank Services</b>	
Bank Fees	800.97
Interest Expense	3,689.88
Return Settlements	2,025.00
<b>Total Bank Services</b>	<u>6,515.85</u>
<b>Facilities</b>	
Insurance	5,231.88
Maintenance	1,340.00
Phone and Related Services	784.80
Rent	21,150.00
Repairs	260.45
Taxes & Licenses	70.00
Utilities	8,240.18
Waste Service	186.96
<b>Total Facilities</b>	<u>37,284.27</u>
<b>Office Expenses</b>	
Office Supplies	1,218.87
Postage and Delivery	4,739.19
<b>Total Office Expenses</b>	<u>5,958.06</u>
<b>Production</b>	
Broadcasting	
Lighthouse	27,875.00
Broadcasting - Other	10,290.00
<b>Total Broadcasting</b>	<u>38,165.00</u>
Licenses & Permits	250.00
Production Supplies	5,742.50
<b>Total Production</b>	<u>44,157.50</u>
<b>Promotional Expense</b>	
Advertising	12.60
Newsletter	940.24
Web Site	215.30
<b>Total Promotional Expense</b>	<u>1,168.04</u>
<b>Salaries and Wages</b>	
Administrative	48,540.93
Contract Labor	1,582.85
Employees	46,386.01
Medical Insurance	-152.45
Payroll Expenses	1,471.66
Payroll Taxes	7,281.93
<b>Total Salaries and Wages</b>	<u>105,090.93</u>
<b>Satellite Services</b>	
Uplink	
Encompass	22,500.00

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Cash Basis

**GOSPEL BROADCASTING NETWORK, INC.**  
**Profit & Loss**  
January through March 2012

	<u>Jan - Mar 12</u>
Total Uplink	22,500.00
Total Satellite Services	22,500.00
Travel	
Food	405.69
Lodging	395.32
Mileages	217.50
Transportation	5,077.17
Total Travel	<u>6,095.68</u>
Total Expense	<u>228,750.33</u>
Net Ordinary Income	132,719.93
Bank loan paid	<u>-166,000</u>
Net Ordinary Income	<33,280>

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Cash Basis

**GOSPEL BROADCASTING NETWORK, INC.**  
**Balance Sheet**  
As of March 31, 2012

	<u>Mar 31, 12</u>
<b>ASSETS</b>	
<b>Current Assets</b>	
Checking/Savings	
Checking Account	47,504.47
Merchant Services	451.98
Money Market	31.94
Old Checking	-679.22
Savings Account	4,880.00
<b>Total Checking/Savings</b>	<u>52,189.17</u>
<b>Other Current Assets</b>	
Loans Receivable	
Highland Church of Christ	4,911.60
<b>Total Loans Receivable</b>	<u>4,911.60</u>
Prepaid Insurance	3,301.48
<b>Total Other Current Assets</b>	<u>8,213.08</u>
<b>Total Current Assets</b>	60,402.26
<b>Fixed Assets</b>	
Office Equipment	17,184.29
Office Furniture	8,110.15
Production Equipment	902,958.42
Transportation Equipment	19,360.00
Total Accul Depreciation	-194,758.00
World Communications Center	632,555.01
World Communications Center ...	-22,038.00
<b>Total Fixed Assets</b>	<u>1,383,371.87</u>
<b>TOTAL ASSETS</b>	<u><u>1,423,774.12</u></u>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
Accounts Payable	-4,911.98
<b>Total Accounts Payable</b>	<u>-4,911.98</u>
<b>Other Current Liabilities</b>	
Payroll Liabilities	8,135.76
Pinnacle Bank Loan	232,774.61
<b>Total Other Current Liabilities</b>	<u>240,910.37</u>
<b>Total Current Liabilities</b>	<u>235,998.39</u>
<b>Total Liabilities</b>	235,998.39
<b>Equity</b>	
Unrestrict (retained earnings)	1,053,345.80
Net Income	134,429.93
<b>Total Equity</b>	<u>1,187,775.73</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<u><u>1,423,774.12</u></u>

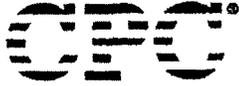
## **GBN Revenue/Expense Highlights – Jan.-Dec. 2011**

1. Contributions were down 13.6% from 2010 and down 21% from 2009.
2. Interest expense was down by \$32,950.
3. Misc. facilities expenses were down by 11%, which included a 10% mandatory increase in rent.
4. General office expenses were down by 15%.
5. General production expenses were down by 90%.
6. Promotional expenses were down by 48%.
7. Travel expenses were down by 51%.
8. Payroll expenses were down by 32%.

### **GBN Revenue and Expense Highlights- Jan.-Mar. 2012**

1. Contributions were down 21.3% from the same period last year.
2. Interest expense was down \$12,971.
3. Misc. facilities expenses were down by \$5,586. This included a 10% increase in rent and re-negotiated contracts for phone service, waste service, and insurance.
4. General office expenses were down by \$7,310. This included equipment, supplies, and postage.
5. Broadcasting expenses were down \$120,379. This was due to elimination of non-recurring, "past due" bills last year and a 50% reduction in the cost of C-Band versus KU dish transmission.
6. Promotional expenses were down by \$14,855. This was primarily the result of less frequent "mailed" newsletters, along with monthly "email" newsletters.

**EXHIBIT C**



Computer Prompting & Captioning Co.

1010 Rockville Pike, Suite 306  
Rockville, Maryland 20852-1419, USA  
301-738-8487 • FAX 8488 • TTY 8489  
[info@cpweb.com](mailto:info@cpweb.com) • [www.cpcweb.com](http://www.cpcweb.com)

DATE: 05/04/2012  
Fed ID#: 52-1911964

**PROPOSAL FOR A CAPTIONING SERVICE**

To:  
Mark Teske  
Director of Operations  
Gospel Broadcasting Network  
[mteske7@gmail.com](mailto:mteske7@gmail.com)

**Transcription Only:**

Client to provide a .mov file, and CPC will deliver a transcription** in a word document of the provided video in 5 business days*.		
Qt	Duration	Price
1	30 Minutes	\$60.00
1	60Minutes	\$120.00

**Transcription and Captioning:**

Client to provide a .mov file. CPC will deliver in 5 business days*, a completed CPC captioned file, for client to export all the needed exports out of their system.		
Qt	Duration	Price
1	30 Minutes	\$150.00
1	60Minutes	\$250.00

\*Turn-around time will be counted from the day the project materials have been received in full by SPM Eastern time (orders and assets received after 5PM Eastern will be processed the next business day).

\*\*CPC creates the transcript and sends you a plain text file (no caption timing/formatting).

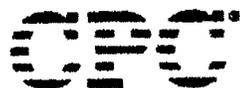
This proposal is valid for 90 days.

To place your order, please fill out this online order form:

[https://www.cpcweb.com/order/service/service\\_form.html](https://www.cpcweb.com/order/service/service_form.html)

Prepared by Matt Olman  
(301) 738-8487  
[service@cpcweb.com](mailto:service@cpcweb.com)

*For over 25 years, CPC has been meeting the closed captioning needs of thousands of organizations, both large and small. Our captioning software and services bring you the benefits of that long experience.*



Computer Prompting & Captioning Co.

1010 Rockville Pike, Suite 306  
Rockville, Maryland 20852-1419, USA  
301-738-8487 • FAX 8488 • TTY 8489  
[info@cpcweb.com](mailto:info@cpcweb.com) • [www.cpcweb.com](http://www.cpcweb.com)

DATE: 05/07/2012

**PROPOSAL FOR CAPTIONING SYSTEM**

Fed ID#: 52-1911964

To: Mark Teske  
Gospel Broadcasting Network

Qty	Items & Descriptions	Unit Price	Extended Price
1	CaptionMaker/MacCaption – DTV Upgrade	\$2000	\$2000
1	ATS AutoTimeStamp 1 Year Subscription	\$495	\$495
1	2 <sup>nd</sup> day UPS shipping	\$30	\$30
	<b>TOTAL</b>		<b>\$2525</b>

This proposal is valid for 90 days.

For details about the software, check the link: <http://www.cpcweb.com/products>

**Free Software Updates and Tech Support.** CPC provides free software updates and 5 hours of tech support for 6 months from the date of software license purchase; and free updates and 2 hours of tech support for 2 months from the date of a software license upgrade purchase.

**Software Updates and Extended Support Entitles you to:**

- Unlimited software updates for the number of support years purchased.
- 5 hours of software support per year for the number of years purchased.
- 1 ticket to a WebEx training seminar during the period of the support.

**Extended Software Updates and Tech Support - Cost**

The cost per year is just 10% of the price of the software program(s) in this proposal

A description of Software Updates and Support is found at:

[http://www.cpcweb.com/support/index.htm#Software\\_Support\\_&Software\\_Updates](http://www.cpcweb.com/support/index.htm#Software_Support_&Software_Updates)

**Buy Automatic Time Stamp (ATS) and Save 50% on Extended Updates and Support** When you buy CPC's new labor and time saving ATS add-on feature ([www.cpcweb.com/ats](http://www.cpcweb.com/ats)), you get a 50% discount on software updates & extended support. For example, if you buy a license for WebPlus software and add ATS Add-on to it, the cost of software updates & extended support is only 5% (half of 10%) of \$3,995, which is \$199.75/year.

**Sole Source Declaration**

We are the manufacturer and vendor of all CPC software and hardware. We do not have a dealer network, so there are no official vendors that sell CPC software or hardware.

Prepared by McLean Anderson  
(301) 738-8487  
[mclean@cpcweb.com](mailto:mclean@cpcweb.com)

*For over 25 years, CPC has been meeting the closed captioning needs of thousands of organizations, both large and small. Our captioning software and services bring you the benefits*

**EXHIBIT D**

To The Elders:

As a fellow-elder in the church I can tell you that a large percentage of the letters we receive addressed to the elders have to do with needs for money, and we simply can't financially support all who ask. But from the beginning we've supported GBN. Before Barry died I would hear him muse about the potential numbers of people being taught-- "How can preaching to so few ever compare to preaching to so many! On GBN we're reaching masses of people. It's a great opportunity, and we've got to do this." He was excited and right.

Elders, as you make decisions about spending the Lord's money, I want to suggest something that you can feel completely good about. Dollars sent to put GBN on the air are respected and carefully used for the purpose they were intended: Taking the Gospel of Jesus Christ to the people. Families can do this too. Dads ought to make a family project out of this work--sending donations and letters, watching the wide variety of programing, and even visit the beautiful GBN studios. Imagine your children's eyes as they see the very GBN set they've been watching on TV and see how programs are actually made.

I've recently been invited to serve on the GBN management staff, and I'm honored to take a part in this work (volunteer!) because I believe in it. I want to ask you to believe in it too. GBN has come a long way, and the future is so very bright; but the necessary expenses can't be paid by good will alone, and further, we won't solicit funds from unbelievers. This is a work of the Christians. I am confident the Lord is pleased with taking the Gospel to the world via GBN. Won't you be a part of this?

Glenn Colley article for newsletter

**DEAR SUPPORTER:  
GOSPEL BROADCASTING NETWORK  
URGENTLY NEEDS YOUR  
FINANCIAL ASSISTANCE!**

*January 2011 Newsletter*

- We have a new management team, under the Executive Directorship of Don Blackwell, with Ralph Upton, retired from secular senior-level cooperate management, as Director of Finance and Personnel, and Jim Dearman, as Program Director.
- We remain committed to maintaining the scriptural soundness and technical excellence of the programming aired on the network.
- We are committed to communicating with our supporters promptly, clearly, and adequately, as we work hand-in-hand and heart-to-heart in this massive outreach to evangelize and edify souls.
- We are endeavoring to track more accurately responses from viewers and the results of viewership, received directly by the network and reported to us from congregations who benefit from our broadcast.

BUT, our future and our efforts may be fruitless if we do not survive these difficult financial times. Many people, places, and works are being affected by the country's economic downturn. GBN is no exception. We need your financial support, either one-time contributions or monthly commitments. The next few months are crucial. Please consider and contribute if possible.

**OUR FUTURE IS IN YOUR HANDS. MAY GOD BLESS US.**

February 2012

Dear GBN Supporter,

If you saw GLOBAL Broadcasting Network on the top of our letterhead, you would know immediately it was a mistake. G.B.N. does not stand for Global Broadcasting Network. It stands for the Gospel Broadcasting Network. The fact of the matter is, however, that GBN can be seen around the world! In 2011 GBN released our then brand new, GBN iPhone app. Immediately, something interesting started happening. People around the world with iPhones and iPads started downloading our app. The top country to download the app was, of course, the United States. The next ten in order of the number of downloads were as follows: China, France, Italy, Saudi Arabia, Brazil, United Kingdom, Canada, Spain, the Netherlands and Russia. As of the last update, we now have over 50 countries where the GBN app has been downloaded, and this does not include the numbers from Android phones or the internet. Brethren, thanks to your support, GBN airs "Preaching the Gospel" each Lord's Day in 38 million homes on Dish Network and DirecTV. We teach the gospel 24/7 on 20 different cable stations. We maintain a website with tens of thousands of hits every month. We have a live, 24/7, Roku channel so that anyone with high-speed internet can have GBN at home on their television. We can be picked up over the airwaves in most of North America via a C-band satellite dish, and hundreds of millions of people have access to GBN anytime of the day, anywhere in the world, on their smart phones and iPads. As you know GBN does not solicit money on the air. We are supported by free will offerings of congregations and brethren like you! Let's keep working together as we continue to go into all the world and seek to preach the gospel to every creature.

May God bless you for your recent contribution. Enclosed for your convenience is a pre-addressed envelope for your next contribution.

In Christ,

Don Blackwell  
Executive Director

# CONTRIBUTION AUTHORIZATION FORM

## PRE-AUTHORIZED DEBIT AUTHORIZATION FORM

I hereby authorize Gospel Broadcasting Network and the financial institution shown to debit my account \$ \_\_\_\_\_  
 one time or  monthly for the bill cycle indicated for my contributions. This authority will remain in effect until  
I file a new Authorization Form or cancel my participation.

Check one:  NEW  CHANGE  CANCEL

### Payment Information:

Account Name (please print): \_\_\_\_\_

Bill Cycle:  1st of month (or 1st business day following the 1st)  
 15th of month (or 1st business day following the 15th)

Bank Name: \_\_\_\_\_ Location: \_\_\_\_\_

Please indicate:  Checking  Savings Billed Account Number: \_\_\_\_\_

Signature of authorization: \_\_\_\_\_ Date: \_\_\_\_\_

### IMPORTANT:

Attach a VOIDED CHECK for your account, so that we can verify the accurate routing and transit number for the financial institution designated to debit your payment. If your check does not include address and phone number, please note these on your check or form.

I hereby authorize Gospel Broadcasting Network to charge my credit card for a contribution in the amount of \$ \_\_\_\_\_  
on a  onetime or  monthly basis (until notice is given to cancel).

Submit Charge:  1st of month (or 1st business day following the 1st)  
(check one)  15th of month (or 1st business day following the 15th)

Choose one:  VISA  Mastercard  American Express

Name as it appears on the card: \_\_\_\_\_ Contact Phone No. \_\_\_\_\_

Card No.                      Expiration: Month \_\_\_\_\_ Year \_\_\_\_\_

Address: \_\_\_\_\_ City State Zip \_\_\_\_\_

V Code:    (last 3 digits of on signature panel, back of card; American Express—4 digits on front)

Signature of authorization: \_\_\_\_\_ Date: \_\_\_\_\_

PLEASE BE SURE TO NOTE THE AMOUNT OF YOUR CHARGED CONTRIBUTION AND THE BASIS UPON WHICH YOU WISH IT TO BE MADE—ONETIME OR MONTHLY, UNTIL WE RECEIVE WRITTEN NOTICE OF CANCELLATION.

GBN Website Donor  
Authorization Form

NON PROFIT  
ORGANIZATION  
US POSTAGE PAID  
CHATTANOOGA, TN  
PERMIT NO. 173

GOSPEL BROADCASTING  
NETWORK, INC.  
3969 Cloud Springs Road  
Ringgold, GA 30736-8409

# Newsletter Appeal for Support

## ~~BREAKING NEWS!~~

BEGINNING NOVEMBER 1, 2009,

GBN WILL GO INTO 57 MILLION HOMES EACH LORD'S DAY,  
WITH "GOOD NEWS TODAY" AND "PREACHING THE GOSPEL!"



Gary McDade

A kind providence has smiled on GBN by allowing us to shift from Sunday viewing areas where "Good News Today," hosted by Jim Dearman, and "Preaching The Gospel," with James Watkins, are seen on the Inspiration Network. This move November 1st represents a significant cost savings, yet increases potential audience to 57 million homes, giving us nationwide coverage! It is remarkable that service providers in the television industry have allowed us to make this change. Your continued prayers and financial support are making this possible. Thank you!

### PLEASE HELP GBN WITH YOUR 5th SUNDAY CONTRIBUTION

The support GBN receives from congregations' donating their "Fifth Sunday" contributions is both much appreciated and much needed. The last "Fifth Sunday" opportunity this year is November 29, 2009.

The state of the economy today has had its impact on GBN. We have had to drop nationwide coverage via DirecTV, which took GBN into fifteen million homes and six million homes via various cable systems for a total of 21 million homes (not people but homes—the national average per home is three people) for an hour of Bible teaching every day! The cost for that was \$20,000 per month, which clearly is a lot of money; yet, the cost, broken down into each household receiving it, was only a tenth of a cent per home for an hour of Bible teaching everyday!



Left: Jim Dearman, host/producer  
"Good News Today."  
Below: James Watkins, speaker  
"Preaching the Gospel."



(Continued on Page 2)

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## GBN APPROACHES FIFTH ANNIVERSARY ON THE AIR— *with “The Truth and Nothing But the Truth”*



Barry Gilreath, Sr.

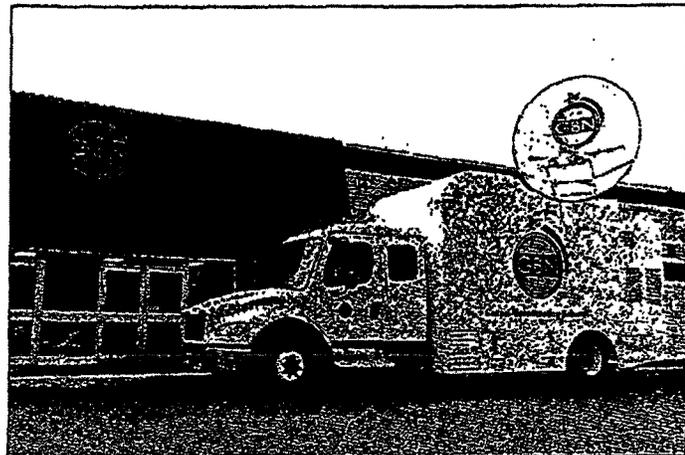
It's hard to believe GBN's fifth anniversary on the air is fast approaching. Gospel Broadcasting Network first aired at midnight, Thanksgiving, 2005. In some ways, it seems like only yesterday; in others, it seems a lifetime ago. Many of you have supported us from the beginning, financially and with prayers. You have never wavered in your faith that we could carry the Gospel to the world in our lifetime! To those who are numbered with the 7,000, we say a special, heartfelt, "Thank you." You have been the stable backbone of support. We also could not make it financially without the many congregations that support us monthly or with special "Fifth Sunday" contributions. Your encouragement, through your words and deeds, helps us to "keep on keeping on."

Through the years, Gospel Broadcasting Network has been blessed with many Christians who have labored with us. Many have worked behind the scenes, while others have taken a more public position. Gary McDade has worked with GBN since its beginning, first in Memphis, then, as Executive Director at the GBN Communications Center. The Highland elders brought Gary to GBN because of his knowledge of financial planning and fundraising. Gary has now left GBN and has given up his position as Executive Director. Spiritual Media Studios and its director, Jason McDade, also have left and will be looking for new oversight. The GBN management team, composed of Jim Dearman, Leroy Dedmon, and I, will continue the direction of the network, under the oversight of the Highland elders.

We ask your continued support during these tough economic times. Many souls have been saved due to your contributions, which make Gospel Broadcasting Network possible. We must not allow a temporary downturn in the economy to have an eternal effect on our efforts to do the Lord's work of sowing the seed. Remember, 7,000 Christians, giving \$25 per month, would completely fund GBN's budget for a year. What is a soul worth? Surely, a soul is worth \$25 a month—a Coke a day! Please, encourage your Christian friends to join the army of 7,000!

We would love to have you visit us at GBN! We welcome individuals and groups who would like to tour the facility and to see a television network in action.

—Barry Gilreath, Sr., elder, Highland Church of Christ



**EXHIBIT E**

INTERNAL REVENUE SERVICE  
P. O. BOX 2508  
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date: **DEC 23 2008**

GOSPEL BROADCASTING NETWORK INC  
C/O JOHN R ANDERSON  
633 CHESTNUT ST STE 900  
CHATTANOOGA, TN 37450-0900

Employer Identification Number:  
26-2661492  
DLN:  
17053151007008  
Contact Person:  
MRS. R. MEDLEY ID# 52402  
Contact Telephone Number:  
(877) 829-5500  
Accounting Period Ending:  
December 31  
Public Charity Status:  
170(b)(1)(A)(vi)  
Form 990 Required:  
YES  
Effective Date of Exemption:  
February 25, 2008  
Contribution Deductibility:  
YES  
Addendum Applies:  
NO

Dear Applicant:

We are pleased to inform you that upon review of your application for tax exempt status we have determined that you are exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code. Contributions to you are deductible under section 170 of the Code. You are also qualified to receive tax deductible bequests, devises, transfers or gifts under section 2055, 2106 or 2522 of the Code. Because this letter could help resolve any questions regarding your exempt status, you should keep it in your permanent records.

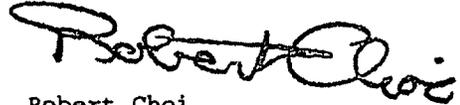
Organizations exempt under section 501(c)(3) of the Code are further classified as either public charities or private foundations. We determined that you are a public charity under the Code section(s) listed in the heading of this letter.

Please see enclosed Publication 4221-PC, Compliance Guide for 501(c)(3) Public Charities, for some helpful information about your responsibilities as an exempt organization.

Letter 947 (DO/CG)

GOSPEL BROADCASTING NETWORK INC

Sincerely,

A handwritten signature in black ink that reads "Robert Choi". The signature is written in a cursive style with a large, looping initial "R".

Robert Choi  
Director, Exempt Organizations  
Rulings and Agreements

Enclosures: Publication 4221-PC



FF 00 000000 201113 3844 R  
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 Department of the Treasury  
 Internal Revenue Service  
 OGDEN UT 84201-0038

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Date of this notice: April 11, 2011  
 Notice Number: CP-209  
 Taxpayer Identification Number:  
 06-1733210 ✓

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GOSPEL BROADCASTING NETWORK INC  
 % JOHN R ANDERSON  
 3969 CLOUD SPRINGS RD  
 RINGGOLD GA 30736-8409

For assistance, call:  
 1-800-829-0115

002437

### EIN Assigned in Error

Our records indicate we have incorrectly assigned more than one employer identification number to you. The number shown above is your correct one. The following number has been incorrectly assigned: 26-2661492

We will transfer any payments or returns to your account under the correct employer identification number.

Please use the correct number and account name, exactly as shown above, on business tax returns, payments, payments made electronically, and related correspondence.

Please destroy any federal tax deposit coupon books that show the incorrect employer identification number.

If you deposit electronically, please verify that your EIN is correct before making your deposit with the financial institution designated to process your electronic funds transfer (EFT) tax payments.

We apologize for any inconvenience we may have caused you, and thank you for your cooperation.

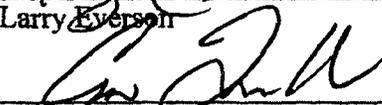
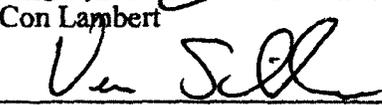
AFFIDAVIT

State of Mississippi  
County of Desoto

BEFORE THE UNDERSIGNED, an officer duly commissioned by the laws of the State of Mississippi, on this 10<sup>th</sup> day of June, 20 12, personally appeared before me the Directors of the Gospel Broadcasting Network, who having been first duly sworn and deposed say:

We, the undersigned, affirm that any and all information, documents, and data provided the Federal Communications Commission on ~~(Gospel Broadcasting Network)~~ are true and correct and accurately reflect our knowledge at the time such documents were filed and that such information is still true and correct according to our knowledge and the information available to us at this point.

IN WITNESS THEREOF the Directors of the Gospel Broadcasting Network: Larry Everson, Con Lambert, and Vern Schrimsher have executed this declaration.

	<u>6-10-12</u>
Larry Everson	Date
	<u>6/10/12</u>
Con Lambert	Date
	<u>6/10/12</u>
Vern Schrimsher	Date



ACKNOWLEDGEMENT

STATE OF MISSISSIPPI  
COUNTY OF DESOTO

On this day, the above mentioned persons, whose names are subscribed in this instrument, personally appeared before me, Notary Public, Andrew C Young, to render this affidavit.

Sworn and subscribed before me this 10<sup>th</sup> day of June A.D. 2012.

My commission expires October 24, 2014.