

**Ex. M****Subject:** Re: Objectives - Reform and Accountability**From:** "Danny Shelton"**Date:** Mon, 16 Oct 2006 10:15:19 -0500**To:** "(G. Arthur Joy)"

Gailon,

I don't have to answer any of these queries from you but I have chosen to address this particular one for a reason. I can't believe that you would stake your credibility on the words of one former Fin. Director who has an ax to grind. That's why you will always lose this kind of battle against 3ABN or anyone else that you choose to square off against. There has to be real solid evidence. I have real solid evidence when it comes to the finances and operations of 3ABN. Thank the Lord that he sent us people like Ellsworth Mckee and Bill Hulsey and others who from the outset of 3ABN wanted to make sure that our financial bookkeeping was squeaky clean. These men who run huge businesses saw the need in the beginning when I may not have. We have followed theirs and the rest of the boards recommendations.

There is a reason that the former Fin. Dir. that you speak of has not been with 3ABN for many years. I won't go into that but I will say that the rapid growth of 3ABN since it's beginning constantly requires changes. Today we have a great group of 6-8 professionals in the accounting department. We not only have accountants, but also have a CPA as chief financial officer.

I am not single handedly controlling all financial and operations, though by the by laws I am in charge of day to day operations. Through out our over 20 years in business we have hired outside accounting and outside auditors. We are represented by one of the best accredited auditing teams in the Midwest. They will testify in court for us, and in fact already have, over our property tax case with the State of Illinois. They will also testify that I am not a one man decision maker but that we have for years even had a financial and audit committee within the board of 3ABN which also now includes another financial professional as well as other professional business people.

We have been in court with the state of Ill. over property taxes for several years. They have looked with a fine tooth comb at any possible reasons to justify their decision that 3ABN should pay property taxes. We are now in appeal and believe we will win this appeal hands down. The state of Illinois did not find any of the kind of financial discrepancies that you say a former financial director (who was not even a CPA), accuses us of. In fact, the state of Illinois court case in my opinion, establishes the fact that 3ABN is operating according to law.

Another point is the fact that we have always had either GC, or NAD and or the Illinois Conf. Pres. on our board for most of the life of 3ABN. Until recently, because of retirement from the GC. G. Ralph Thompson, the under secretary to the General Conf was a board member, to the best of my recollection for 16-18 years. Also retired from the North American Division as Communication Director, is Owen Troy. Owen has health problems but still attends board meetings as he has for over the last 20 years. The last few years his daughter, Carmelita Troy, who is an accounting professional, sits in his spot on the board of 3ABN.

Elder G Ralph Thompson and Elder Owen Troy have testified many times over the years concerning the operations of 3ABN to the world leaders of this church. So has numerous Con. Pres. such as the one we have now, Ken Denzlow.

Gailon, what you don't seem to understand is that any organization the size and age of 3ABN will have a few people who have an ax to grind and will speak accusations loosely against such an organization as usually they are not held accountable. This is the norm. There is a big difference between accusations from people like the former Fin. Dir. you speak about and the actual audited records kept by 3ABN and respected Auditing firms such as the one that 3ABN has been working with for over 20 years.

I also think it should send some kind of red flag that Linda who was Vice President of 3ABN for many years only decides that things were run badly there after she is no longer with 3ABN. She has been as well informed of finances and operations as anybody in the ministry. If things immoral or illegal were going on all those years why didn't she report it to anyone? If there were such "bad" things going on at 3ABN for so many years then she too as Vice President and board member would be accountable for those things which happened during her tenure also.

Again these are cheap allegations that anyone could make without any real support.

For some one who claims to have a legal background I'm amazed that you take any allegation and run with it just because a few people sound convincing without evidence.

Danny

ps. For instance I recently talked to a couple of people who claim to know you. One of them claims to know a family member of yours. They tell me a number of negative things about you that could very well be true, But I'm not going to make up my decision based what they say. And neither am I going to write what they tell me and send it to anyone else to try to discredit you for any reason from what they say based on their words alone.



| ----- Original Message -----

**From:****To:** [danshelton@\\*\\*\\*](mailto:danshelton@***)**Sent:** 10/15/2006 9:44:03 PM**Subject:** Re: Objectives - Reform and Accountability

----- Original Message -----

**From:** [Danny Shelton](#)**To:** [Walt Thompson](#)**Sent:** 10/8/2006 12:13:14 PM**Subject:**

Gailon,

You have expressed that Linda and Arild have passed your "truth" test concerning them being guiltless of having an affair. So much so that you are going to email your results to everyone you can to get enough support to bring 3ABN down.

Answer: We have never stated nor is it an objective to "bring 3ABN down". The clearly delineated objectives are reform and accountability. The reformation must be in the governance of 3ABN from a closely held corporation with a single person controlling the operations and financial decisions under the guise of a 501(c)3 Not for profit corporation originally formed under Illinois Law by the four Sheltons, now reduced to the sole surviving Danny Shelton.

I recently spoke to former directors and cfo's and one was quite frank and told me that if the AG for the State of Illinois had done the most basic discovery they would have found more than enough evidence to eliminate not only your exemption from real property taxes, but your tax exemption at the State and Federal level. In other words, Three Angels Broadcasting Network's 501(c)3 would be in jeopardy and the tax deductibility of Tithes, Gifts, Project based Donations and Trusts would be evaporated with serious consequences to givers and giftees.

Appropriate reforms would include all donors to serve as a constituency, to hold a constituency meeting just as corporations hold stockholder meetings and the church holds constituency meetings for the purpose of developing a system of electing large committees, nominating committees, electing directors and officers to be a representative form of government rather than the current self appointed and Danny selected directorate. Since you largely derive your financial support from the pews of the Seventh-day Adventist Churches, it is appropriate that you be accountable to these "stockholders in the pews". This governance is far preferable to the "Danny Autocracy" that currently exists.

Since there are many issues of financial irregularities that have come to my attention and since you single handedly call the shots and control the selection process to the board, to have appropriate accountability to the stockholders in the pews, the stockholders should be allowed access to the books and records of 3ABN to determine that all donations are appropriately utilized according to the purpose for which they were gifted and not the purpose for which Danny elects to reroute funds at his whim and will.

Since you are a member of ASI, I am curious to know how it is that you are allowed to accept clearly marked tithes checks and not suffer the same fate as Hartland, Hope International, et siq??? And your Chairman clearly states that ASI "knows" that 3ABN accepts tithes...just what is your exemption to the very clear rules??? And why is it that 3ABN is not subject to an Audit by the GC Auditing department???

Given the nearly \$100million in assets you have extracted from the SDA pews in just

the past five years, I believe we deserve far greater accountability, particularly if many of the allegations we are investigating turn out to be true. I am sure that given sufficient time and the appropriate education, the "stockholders in the pews" will indeed join the hue and the cry for reform and accountability.

Once again, I feel compelled to invite you to confess all, to ask forgiveness from all those you have wronged and to seek earnestly the healing power of the Holy Spirit before it is too late. There is no need for the conflict ahead if you would simply adopt the sanctified life. The process would be so cathartic for the entire SDA church and may move many in the world to believe on the Power of Sanctification.

Again, the purpose is clearly and specifically reform and accountability. We invite you to lead in this process, and not have to be dragged and kicking to the altar of accountability and sacrifice.

Yours in the Blessed Hope.

Gailon Arthur Joy  
AURporter