DD	5

2	(The Witness is Mr. Alan Lovejoy.)
3	MR. MILLER: Now, in preparing this
4	document where did you get these figures from, Mr.
5	Lovejoy?
6	THE WITNESS: The sales figures were taken
7 .	from the audit report and statement of activities. Th
8	satellite purchase figure is taken directly off of the
9	audit report.
10	The newsletter expense is taken off of the
11	audit report, as well as the literature and the rental
12	expense. The depreciation was taken from my
13	depreciation schedule.
14	Q. And you would depreciate these schedules as
15	part of what?
16	A. The work papers, the audit work papers. The
17	depreciation only shows in total in the audit report,
18	so I went to the audit work papers to select the amount
19	of depreciation that was taken on production type
20	facilities and equipment during the year, and that's
21	the amount in the parenthesis to the left, the full
22	amount.

The airtime expense, the amount on the left

again was taken directly from the financial statement,

23

24

OFFER OF PROOF NUMBER TWO

1	as well as downlink expense and broadcasting supplies.
2	Q. And where did you get the 20 percent figure
3	from?
4	A. It is my understanding from Danny and from
5	Larry Ewing that approximately 20 percent of their
6	programming results in these airtime sales.
7	Q. So that's the one figure that you would have
8	received from outside your work papers or the audit
9	report, is that right?
10	A. Correct.
11	Q. Okay. And what did it show the overall
12	profit or loss for the year 2000 as being?
13	A. It shows the overall loss to be almost
14	\$642,000.
15	MR. MILLER: Okay. That's a sufficient offer
16	of proof for this document.
17	MS. RHOADES: I would like to do some cross
18	examination if I may.
19	ADMINISTRATIVE LAW JUDGE: Yeah.
2 0	Do you want to do that now or have you
21	finished?
22	MR. MILLER: No. Let me finish my offer of
2 3	proof.
24	ADMINISTRATIVE LAW JUDGE: Let him finish.

```
MS. RHOADES: And I'll let you know.
 1
               MR. MILLER: I'll do this quickly. It's the
 2
 3
    same --
               ADMINISTRATIVE LAW JUDGE: Yeah. I think he
    probably has both years.
 5
               MS. RHOADES: I mean, Judge, if I may, I think
 6
 7
    it might be easier to do the cross after --
              MR. MILLER: There is another one.
              ADMINISTRATIVE LAW JUDGE: I believe that it's
 9
    the next year.
10
            MR. MILLER: I'm just meaning the 2000/2001.
11
              I've given you another document.
12
              Do you recognize this document?
13
             · THE WITNESS: Yes.
14
15
             And what is this document?
         Q.
16
              Is this the same as the document I just
17
    proffered you but for the year 2001?
18
              It is the same as that document only for the
    year 2001.
19
20
              And were the figures gained in the same way?
         Q.
21
              Yes, they were.
              And at the end, the bottom line, your review
22
23
    of what happened in 2001 as far as a profit or loss
    from sales?
24
```

	Case	4:08-	-mc-40	019-	FDS	D	ocur	nent	28-2	2	Filed	10/	28/20	800	Pa	ge 4	of 5	4		
A. It was a loss of \$3,979.82. MR. MILLER: Okay. I'd make an offer of proof with Applicant's Number 22, and I will that's the	end of my offer of proof.	ADMINISTRATIVE LAW JUDGE: All Figur. MR. MILLER: And maybe we should allow the	cross examination.	ADMINISTRATIVE LAW JUDGE: I think the cross	now.	MS. RHOADES: I think it would be easier for	purposes of the record.	CROSS EXAMINATION	BY MS. RHOADES:	Q. With respect to Applicant's Exhibit Number	22, Mr. Lovejoy, you include expenses in there for	newsletters.	Why did you include the expense of	newsletters under video and other?	A. Okay. Video and other includes other items	like books and literature. These newsletters we	consider to be freebee giveaways, free giveaways. That	would be lumped in with this other miscellaneous sales.	Q. But it is not it is not something that,	for instance, Three Angels Broadcasting Network does
H 01 M	41	n v	, r	α	D	10	11	12	13	14	7	9	17	7 8	<u>н</u>	20	21	2	23	24

21

22

23

24

not charge anybody for their newsletters, correct? A. Correct. 3 You have other items in here that are freebees or giveaways that are listed in here? A. Well, let me put it this way. I could have 5 made another line with zero revenue and just have shown this as a free, shown this as an expense also. It would have the same result. Let me ask you this, why is it an expense when it's a newsletter that they produce? 1.0 11 It doesn't directly relate to their -- to 12 their videos, CDs or cassette sales. I believe it does, because it makes people 13 aware of those. 14 Q. So that's how you do it, is because they use 15 it as an advertising mechanism? 16 Well, it is a newsletter. It's a giveaway. 17 It also provides information about the organization. 18 It costs them money to do that. They could charge 19 people for that newsletter, but they don't. 20 Now, you also include in there rental expenses. Why do you include rental income?

Yeah. Are you talking about the properties

that they rent and somehow that's related to and get

٠	(7
Ç)
Ē	`	2
		2
		9
¢)

¥-1	profits off of, that that's somehow related to CDs,	
• • •	2 video sales, or airtime sales or satellite sales?	
	3 A. To me these are four different categories.	
4	4 They each stand on their own.	
u 1	5 Q. Okay. Now, you have expenses related to, it	
*	6 says analysis of sales, so rental income is sales?	
	7 Is that what you're testifying?	
w	8 A. No, I'm not, but.	,
,	9. Q. Isn't that what your document is entitled?	
1 (10 A. That's what the document says, yes.	
1	11 Q. Now, with regard to literature, you have	
ਜ -	12 \$139,459.55 attributed as an expense, correct?	
ਜ	13 A. Uh-huh.	
, 1	14 Q. To video and others, and, again, do you have	
H	15 any records or any documents that would indicate that	
ਜ	16 that is directly related to that revenue generated ite	E
ਜ	17 of video, CDs, and cassettes?	
, T	18 A. Yes, because it includes book purchases and	
Н	19 books are included in this other.	
7	20 Q. And how much, did you go back and	3
77	21 subsequently do an analysis with regard to the amounts	
2	22 of books that were given away and done a cost analysis	
(I)	with respect to that line item?	
. 2	24 A. That would be ridiculous.	
		1

Case 4:08-mc-40019-FDS Document 28-22 Filed 10/28/2008 Page 6 of 54

1	Q. Can I ask you this question?
2	Did you look at this in the year 2000, these
3	very issues?
4	A. I looked at
5	Q. This document, did you do this analysis in
6	the year 2000 that it purports to be?
7	A. No.
8	MR. MILLER: Objection, asked and answered.
9	MS. RHOADES: You did not do it in 2000?
10	ADMINISTRATIVE LAW JUDGE: He answered.
11	MS. RHOADES: Okay. With respect to 2001, tha
12	particular document, now, you again attribute
13	newsletters.
14	I would assume that that's the same response
15	you gave for 2000?
16	THE WITNESS: Yes.
17	Q. And the same thing with regard to literature
18	A. Yes.
19	Q. And that those items would in fact encompass
20	other information, other offers that are given that ar
21	not revenue generated?
22	A. I believe they would, yes.
23	Q. Now, with respect to the 20 percent, you did
24	not do an analysis whether or not that 20 percent is i

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fact an accurate percentage?
 1
         Δ.
               No.
 2
              And you relied solely on the statement of
 3
    Danny Shelton with respect to that percentage?
 4
               MR. MILLER: Objection, asked and answered.
 5
    believe that was brought out on direct in fact.
 6
               MS. RHOADES: I don't believe so. It was in
 7
    the offer of proof.
 8
              ADMINISTRATIVE LAW JUDGE: I don't remember it
 9
    being only Danny Shelton.
10
              MS. RHOADES: Yeah.
11
              ADMINISTRATIVE LAW JUDGE: Would be my -- I
12
    don't remember it exactly that so.
13
              MR. MILLER: That's fine.
14
              ADMINISTRATIVE LAW JUDGE: I go ahead and
15
16
    direct you to answer that.
              THE WITNESS: Please repeat that.
17
                         (Whereupon the requested
18
                        portion of the record was read
19
                        back by the Reporter.)
20
              THE WITNESS: I believe I said I relied on the
21
    statements of Danny and, Danny Shelton and Larry Ewing.
22
              MS. RHOADES: And with regard to Larry Ewing,
23
    were you apprised of any information or time studies
24
```

```
that he had performed in order to come up and verified
 1
 2
     the 20 percent figure?
 3
         . A .
               No.
               And are you aware of any time studies that
 4
    were done by Mr. Shelton to verify the 20 percent
 5
    allocation figure?
 6
 7
         Α.
               No.
 8
               MS. RHOADES: I have no further questions for
    this offer of proof. I think Mr. Steinkamp does.
 9
               MR. STEINKAMP: I just have a couple of
10
11
    questions.
12
                         EXAMINATION
                         BY MR. STEINKAMP:
13
             When you talk about your expense for
14
         Ο.
15
    newsletter and literature that's on the second last and
    third last lines there, where do you get that figure?
16
              How do you calculate the cost of an item
17
    that's been given away?
18
            These figures come directly from our audit
19
20
    report.
         Q.
              Uh-huh.
21
              Are they -- are you counting these expenses
22
23
    twice then, because aren't you also -- aren't you
24
    attributing some of the expenses that have already been
```

```
attributed to these giveaways to the expenses that
    you're breaking down here for these?
 2
              It's just a question.
 3
                   There is no double expense here. I
         Α.
 4
 5
    quess I'm not following.
              Where does the cost for the giveaway items,
 6
    from what is that calculated?
 7
         A. What I'm saying is, the newsletter would be
 8
    considered a giveaway item.
         Q. Uh-huh.
10
              And it cost $173,000 to produce those items,
11
    and those were given away.
12
              Okay. Does -- does any of the cost that goes
13
    into the production of those giveaways also get
14
    included in your other six categories?
15
         A. No, that's not duplicated elsewhere.
16
              MR. STEINKAMP: Okay. Thank you. I have no
17
    further questions.
18
19
20
21
22
23
24
```

THREE ANGELS BROADCASTING NETWORK, INC. ANALYSIS OF SALES FOR THE YEAR 2000

Ex. SS

		Airtime Sales	Satellite Sales	Video and Other	Rental Income	Total
	Sales	603,842.23	2,665,397.84	146,300.30	31,347.49	3,446,887.86
	Expenses	•				•
	Depreciation on buildings (53,390.82 X 20%)	(10,678.16)				. (10,678.16)
	Depreciation on downlinks (465,759.24 X 20%)	(93,151.84)	•			(93,151.84)
	Depreciation on production equipment (483,474.54 X 20%)	(96,694.91)				(96,694.91)
	Airtime expense (1,851,467.75 X 20%)	(370,293.55)		· •		(370,293.55)
J	Downlink expense (878101.18 X 20%)	(175,620.24)	,			(175 620.24)
	Supplies Broadcasting (398,275.86 X 20%)	(79,655.17)				(79,655.17)
	Satellite purchases		(2,995,088.49)			(2,995,088.49)
	Newsletter Literature Rental expenses			(114,936.03) (139,459.55)	(13,295.49)	(114,936.03) (139,459.55) (13,295.49)
		(222,251.64)	(329,690.65)	(108,095.28)	18,052.00	(641,985.57)



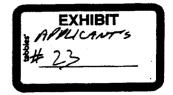
THREE ANGELS BROADCASTING NETWORK, INC. ANALYSIS OF SALES

FOR THE YEAR 2001

Ex. TT

	Airtime Sales	Satellite Sales	Video and Other	Rental Income	Total
	857,768.47	618,832.21	251,109.82	35,039.93	1,762,750.43
•	•				
	(13,101.35)		· .	•	(13,101.35)
	(99,518.92)				(99,518.92)
quipment	(100,718.92)				(100,718.92)
•	(427,810.10)			•	(427,810.10)
•	(168,209.99)			• .	(168,209.99)
	(41,828.40)				(41,828.40)
		(460,500.32)			(460,500.32)
	(165,032.01)	•	•		(165,032.01)
			(173,655.01) (105,779.46)	(10,575.77)	(173,655.01) (105,779.46) (10,575.77)
· ·_	(158,451.22)	158,331.89	(28,324.65)	24,464.16	(3,979.82)
	quipment	Sales 857,768.47 (13,101.35) (99,518.92) quipment (100,718.92) (427,810.10) (168,209.99) (41,828.40) (165,032.01)	Sales 857,768.47 618,832.21 (13,101.35) (99,518.92) quipment (100,718.92) (427,810.10) (168,209.99) (41,828.40) (460,500.32) (165,032.01)	Airtime Sales Sales Other 857,768.47 618,832.21 251,109.82 (13,101.35) (99,518.92) quipment (100,718.92) (427,810.10) (168,209.99) (41,828.40) (460,500.32) (173,655.01) (105,779.46)	Airtime Sales Sales Other Income 857,768.47 618,832.21 251,109.82 35,039.93 (13,101.35) (99,518.92) quipment (100,718.92) (427,810.10) (168,209.99) (41,828.40) (460,500.32) (173,655.01) (105,779.46)

Total depr 1,594,085.78



Ex. UU

UNITED STATES DISTRICT COURT DISTRICT OF MINNESOTA

Three Angels Broadcasting Network, Inc., an Illinois non-profit corporation, and Danny Lee Shelton, individually,)) Case No.: 0:08-mc-7 RHK/AJB
Plaintiffs, v.)))
Gailon Arthur Joy and Robert Pickle,)
Defendants.)) _)

DEFENDANT ROBERT PICKLE'S MEMORANDUM IN SUPPORT OF HIS OPPOSITION TO PLAINTIFF DANNY SHELTON'S MOTIONS TO QUASH SUBPOENA *DUCES TECUM* OR, IN THE ALTERNATIVE, FOR PROTECTIVE ORDER, AND TO STAY AND REMIT ENFORCEMENT OF SUBPOENA *DUCES TECUM* OR, IN THE ALTERNATIVE, TO APPOINT A SPECIAL MASTER

INTRODUCTION

Three Angels Broadcasting Network, Inc. ("3ABN") and Danny Lee Shelton filed suit on April 6, 2007, in United States District Court for the District of Massachusetts, a suit captioned *Three Angels Broadcasting Network, Inc. and Danny Lee Shelton v. Gailon Arthur Joy and Robert Pickle* (No. 07-40098-FDS (D. Mass.)).

While the Defendants have produced voluminous amounts of material to the Plaintiffs, the Plaintiffs have to date not produced one single document. Moreover, the Plaintiffs have taken the unusual position that everything they possess is either privileged, irrelevant, or confidential, even documents that are part of their own initial disclosures made on August 3, 2007.

Defendant Robert Pickle caused a third-party subpoena duces tecum dated December 12,

2007, to be issued and served upon MidCountry Bank, N.A. ("MidCountry"). This third-party subpoena seeks the business records of a bank that are reasonably calculated to lead to the discovery of admissible evidence in the underlying suit. The bank records in question are only for accounts for which Plaintiff Danny Lee Shelton is a signatory.

These bank records are necessary under the rules of evidence to tie together information from tax returns and third-party statements and to demonstrate that private inurement was not properly disclosed on 3ABN's Form 990's and/or financial statements. These bank records are critical to the completion of the evidentiary trail at bar.

Plaintiff Shelton's motion should be denied for sundry reasons.

STATEMENT OF RELEVANT FACTS

Background

Three Angels Broadcasting Network, Inc. ("3ABN") is a publicly supported, non-profit, 501(c)3 organization, and is a supporting ministry of the Seventh-day Adventist Church. From 1985 until September 2007, Plaintiff Shelton was the president, CEO, and managing director of 3ABN, and he remains an influential director of and the only founder still employed by 3ABN.

On June 17, 2004, Plaintiff Danny Shelton in a globally televised broadcast told the world, "It's your ministry. I've said that for years. It's not our ministry." He stated that 3ABN belonged to its donors and viewers, that they had a right to know what was going on at 3ABN, that what he did was "very public," and that "our lives are an open book." See Affidavit of Robert Pickle at ¶ 4 (hereafter "Pickle Aff."). Thus Plaintiff Shelton declared to the world his long-held position that the public has a right to know information that would otherwise be private.

Plaintiff Danny Shelton has been the subject of numerous and varied allegations of malfeasance and misconduct, as well as negative internet commentary, long before either Defendant became involved in mid-August 2006. These allegations have included wrongful termination, sexual assault, the ignoring or cover up of child molestation allegations, unbiblical divorce, deceit, and private inurement.

In mid-August 2006 the Defendants launched ecclesiastical investigations into the conduct of Plaintiff Shelton, and began publishing investigative reports in harmony with their First Amendment rights of Freedom of Religion, Freedom of Speech, and Freedom of the Press. The Plaintiffs repeatedly claimed that they had evidence to prove various allegations false while also refusing to provide that evidence to those who inquired.

The Plaintiffs have taken their attempts at secrecy to such extremes that they have yet to produce one single document in the underlying suit, even documents referenced in their initial disclosures on August 3, 2007. The Plaintiffs have taken the unusual position that everything is either confidential, privileged, or irrelevant. See Pickle Aff. at ¶¶ 6–7, Ex. A.

A status conference was held on December 14, 2007, in which Attorney Hayes referred to two subpoenas served upon banks. She specifically referred to the fact that a subpoena served upon MidCountry had not been issued from the District of Minnesota. Attorney Hayes requested a stay of discovery until a yet unfiled motion for a protective order was heard, a request that was denied. The Honorable Judge Saylor specifically stated in that conference that any protective order would have to be narrowly tailored. Attorney Hayes did not request a special master then or later. See Pickle Aff. at ¶ 9.

Adding the date of December 14, 2007, to other dates referred to in Plaintiff Shelton's Memorandum in support of the instant motion (hereafter "Shelton Memo."), we have the following chronology:

- December 6, 2007 Date of issue of first third-party subpoena to MidCountry, issued from District of Massachusetts. See Shelton Memo., p. 3, fn. 1.
- December 7, 2007 Date of service of Defendant Pickle's Requests for Production of

Documents to Plaintiff Shelton. See Shelton Memo., p. 3.

- December 12, 2007 Date of issue of second third-party subpoena to MidCountry, issued from District of Minnesota. See Shelton Memo., p. 4.
- December 14, 2007 Attorney Hayes acknowledged that MidCountry had been served with a subpoena issued from the District of Minnesota.
- December 18, 2007 Date Plaintiffs' Motion for Protective Order was filed. Id.
- January 9, 2008 Date Plaintiff Shelton served his responses to Defendant Pickle's Requests for Production of Documents. Id.

MidCountry responded to these third-party subpoenas with a schedule of fees, and with a list of ten different accounts that Plaintiff Shelton had been signatory to, eight of which he had been signatory to at the same time. See Pickle Aff., Ex. C-E.

Private Inurement

Regarding financial allegations, the complaint of the underlying suit states in part:

- 46. Gailon Joy and Robert Pickle have published numerous untrue statements that 3ABN and its President Danny Shelton have committed financial improprieties with donated ministry funds. Among those untrue statements made by Joy and Pickle are, inter alia, that: ...
 - 3ABN Board members have personally enriched themselves as officers and directors of 3ABN in violation of the Internal Revenue Code.
 - Danny Shelton wrongfully withheld book royalties from 3ABN and refused to disclose those royalties in proceedings before a court of law related to the distribution of marital assets.

In particular, "g" is used by the complaint as a foundation for claims of defamation per se, transferring the burden of proof to some extent to the Defendants.

In 1998 Plaintiff Shelton bought a house from 3ABN for \$6,139 and sold it one week later for \$135,000. See Pickle Aff. at ¶ 11, Ex. F-G. These real estate transactions were:

- reported on <u>Save3ABN.com</u> around June 2007,
- referred to in Defendant Pickle's letter to Attorney Hayes of November 30, 2007,
- and became part of court record in the District of Massachusetts on January 2, 2008, as part of Defendant Pickle's Opposition to the Plaintiffs' Motion for a Protective Order.

See Pickle Aff. at ¶ 11, Ex. F–I. Thus, Attorney Hayes is well aware of this 1998 real estate transaction.

Plaintiff Shelton signed the 1998 Form 990 under penalty of perjury. <u>See Pickle Aff.</u>, Ex. J at p. 6. That form denied that any section 4958 excess benefit transactions or transfer of assets had taken place during the year, even though an attachment acknowledged that a house had been sold to someone for \$6,129, a price acknowledged to be far below fair market value. <u>See Pickle Aff.</u>, Ex. J at ln. 89b, Sched. A, pt. III, ln. 2e, attached statement for p. 1, pt. 1, ln. 8c.

The Defendants are in possession of reliable statements regarding a "love gift" of \$10,000 being sent by 3ABN to a Shelton family member about 1999. See Pickle Aff. at ¶ 13.

Book Purchases

Judge Barbara Rowe noted in her decision of January 28, 2004, in 3ABN's property tax case that for 2000 and 2001, "Applicant's financial reports raise additional questions and concerns. . . . The 'related party transactions' were acknowledged without identifying the parties." See Pickle Aff., Ex. K at p. 17, fn. 15. Subsequently, 3ABN's financial statements identified D&L Publishing and DLS Publishing as related parties from 2002 through 2004 and acknowledged total purchases from them for those years of \$283,449.38. See Pickle Aff., Ex. L-N at n. 14. For 2005 and 2006, Plaintiff Shelton's publishing ventures are again off the radar, with the financial statements for those years merely stating that 3ABN purchased a combined total of \$3,065,506.14 worth of books authored by a member of management. See Pickle Aff., Ex. O-P at n. 14.

C. The Third-Party Subpoena Is Profitable, Not Unduly Burdensome, to Midcountry

The fees charged by MidCountry for complying with the many subpoenas they receive indicate that complying with subpoenas is profitable for MidCountry, not burdensome. <u>See</u> Pickle Aff., Ex. C–E.

Additionally, Plaintiff Shelton and Attorney Hayes' efforts to portray Defendant Pickle's third-party subpoenas as a deceitful end-run to avoid dealing with motions to compel Plaintiff Shelton to produce and to avoid dealing with and waiting for the pending Motion for a Protective Order in the District of Massachusetts (see Shelton Memo., p. 8) are laughable and a fraud upon the court.

First of all, Plaintiff Shelton's memorandum acknowledges that the date of issue of the third-party subpoena in question is *prior to*, not *after*, a) the filing of Plaintiffs' Motion for a Protective Order, and b) the serving of Plaintiff Shelton's responses to Defendant Pickle's Requests for Production of Documents. See *supra*, pp. 3–4. Second, Attorney Hayes acknowledged in the status conference of December 14, 2007, that she knew that the first subpoena for MidCountry had already been served, and thus acknowledged that it predated the Plaintiffs' Motion for a Protective Order and Plaintiff Shelton's objections to Defendant Pickle's requests. See Pickle Aff. at ¶ 9. Third, Attorney Hayes was told by Judge Dennis Saylor in that same status conference that discovery would not be stayed while waiting for a decision upon the Plaintiffs' yet unfiled Motion for a Protective Order, despite Attorney Hayes' request for a stay. Id.

There simply was no end to run around, and thus the whole allegation of an end-run is a fraud upon the court.

D. The Third-Party Subpoena Is Not Overbroad

But the above is not the only fraud upon the court perpetrated by Plaintiff Shelton and his

attorney in the motion before this Court. Plaintiff Shelton's Memorandum contends that a thirdparty subpoena requesting bank records dating back to 1998 is overbroad because "the earliest occurrence of any event that might arguably be considered relevant to the Plaintiffs' claims is 2001." See Shelton Memo., p. 9. And yet both Attorney Hayes and her client are well aware of the 1998 private inuring of Plaintiff Shelton by 3ABN, whereby he bought a house from 3ABN for \$6,139 and sold it one week later for \$135,000. See supra, pp. 4–5.

Moreover, the Plaintiffs in the complaint of the underlying suit allege that the Defendants have defamed and disparaged by accusing 3ABN officers and directors of privately enriching themselves in violation of the Internal Revenue Code. See ¶ 46(g), quoted above. Thus, Plaintiff Shelton and his attorney's contention that MidCountry's records concerning Plaintiff Shelton's personal accounts are irrelevant to Plaintiffs' claims is an additional fraud upon the court.

Furthermore, the complaint of the underlying suit contains allegations that the Defendants have defamed and disparaged by accusing Plaintiff Shelton of misconduct regarding the royalties he earned on his book Ten Commandments Twice Removed. See ¶ 46(h), quoted above. This book was distributed in the millions in 2006, put 3ABN around \$3 million in the red for the year, and, according to sources, enabled Plaintiff Shelton to line his pockets with hundreds of thousands of dollars of royalties to the financial detriment of 3ABN. See supra 7-8, Pickle Aff., Ex. X. And yet Plaintiff Shelton and his attorney perpetrate a fraud upon the court by contending in the motion at issue that bank records pertaining to Plaintiff Shelton and his publishing ventures are irrelevant to the underlying suit!

Purported "love gifts" from 3ABN to Plaintiff Shelton's family members in 1999 also show good cause for asking for MidCountry's records prior to 2001. See Pickle Aff. at ¶ 13.

Local Rule 26.5(c)(5) of the District of Massachusetts defines "parties" for discovery purposes as "the party and, where applicable, its officers, directors, employees, partners,

corporate parent, subsidiaries, or affiliates." Therefore, despite Plaintiff Shelton's contention that D&L Publishing and DLS Publishing are not "parties" in the underlying suit, "Danny Shelton" by definition includes D&L Publishing and DLS Publishing for discovery purposes. Plaintiff Shelton himself has testified in his affidavit that D&L Publishing is a D.B.A., and that he is the sole officer, director, and shareholder of DLS Publishing. See Shelton Aff. at ¶¶ 3, 5.

Moreover, 3ABN has repeatedly reported D&L Publishing and DLS Publishing in its financial statements as related parties. See Pickle Aff., Ex. L-N at note 14. Based on D.Ma. Local Rule 26.5(c)(5), named Plaintiff "3ABN" includes these entities as well for discovery purposes.

While the copyright page of *The Antichrist Agenda* states that it was published by DLS Publishing in 2004, 3ABN Books' 2005 Mending Broken People claimed that 3ABN Books was the real publisher of *The Antichrist Agenda*. See Pickle Aff., Ex. V-W. This fact also raises the question of whether DLS Publishing is actually an extension of Plaintiff Shelton's 3ABN operation or a partner thereof.

The relationship between Plaintiff Shelton's publishing companies and 3ABN is definitely unique. 3ABN appears to be their sole customer, they appear to report no inventory or advertising expense or shipping expense, and 3ABN promotes their publications extensively. See Pickle Aff. at ¶¶ 17-20. Plaintiff Shelton, having held absolute sway over 3ABN, had undue influence over whose books were bought and promoted by 3ABN, in violation of 3ABN's conflict of interest policy. See Pickle Aff., Ex. Y-Z. The result? 3ABN purchased millions of dollars of product from Plaintiff Shelton, Plaintiff Shelton pocketed the profits, and these transactions were not reported on 3ABN's Form 990's. See supra, pp. 5-6.

II. GRANTING PLAINTIFF'S REQUEST FOR A PROTECTIVE ORDER VIOLATES LOCAL RULES AND COURT ORDERS OF THE DISTRICT OF MASSACHUSETTS

Ex. VV

STATE OF ILLINOIS Councy of Presiding 8 - 6767 DCT 02 1998

WARRANTY DEED

THE GRANTOR, Three Angels Broadcasting Networks, Inc. 3391 Charley Good Road West Frankfort, Illinois 62896-0220,

for and in consideration of Six thousand one hundred thirty nine and no/100 (\$6,139,00) Dollars, O.V.C. Dollar in hand paid, Grantor conveys and warrants to Danny L. Shelton and Linda S. Shelton, husband and wife, all of Grantor's interest in the following described real estate:

Lot Six (6) in Surveyor's Plat of the Northeast Quarter (NE 1/4) of Section Sixteen (18), Township Seven (7) South, Range Four (4) East of the Third Principal Meridian, except the cost, oil, gas and other minerals underlying the same, situated in the County of Franklin, and State of Illinois,

(Note: This deed is given for the purpose of the Grantor conveying its remainder interest in said property to the Grantees herein, Danny L. Shelton and Linda S. Shelton, who at the date of this transfer have a life estate in said property.)

hereby further releasing and waiving all rights in and under by virtue of the Homestead Exemption Laws of this State.

Dated 9/25 , 1998.

Three Angels Broadcasting Network, Inc.

Shelton, Secretary

Canny L. Skelton, President-0 cto

Linda S

Manage

Walter C. Thompson Chairman of the Board of Directors

Mested by:

STATE OF ILLINOIS County of Franklin

, a Notary Public, in and for said County, in the State aforesaid, do hereby certify that Danny L. Shelton and Linda S. Shelton personally known to me to be the same individuals whose names are subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that they signed, sealed and delivered the said instrument as their free and voluntary act, as President and as Secretary of Three Angels Broadcasting Network, Inc., respectively, by authority of the Board of Directors of said Corporation, for the uses and purposes therein set forth, including the release and waiver of the right of homestead.

Given under my hand and Notarial seal, on

(Signature)

OFFICIAL SEAL'
LYNDA E. WELCH
Notary Public, State of Illinois
My Commission Expires 3/31/2002

Page 1 of 2 - WARRANTY DEED

PAGE _____OF _______

1998

Notary Public

Ex. WW

WARRANTY DEED

ILLINOIS STATUTORY

MAIL TO: BLORA L. FORD, Trustee 2804 NEW LAKE ROAD WEST FRANKFORT IL 62896

NAME & ADDRESS OF TAXPAYERS: ELORA L. FORD, Trustee 2804 NEW LAKE ROAD WEST FRANKFORT 62896

STATE OF ILLINOIS County of Pranklin
Document No. 28-6768 Filed for record

OCT 02 1998

THE GRANTORS, DANNY L. SHELTON and LINDA S. SHELTON, Husband and Wife, each in their own right and as spouse of the other, of the City of Thompsonville, County of Franklin, State of Illinois, for and in consideration of the sum of TEN DOLLARS (\$10.00), AND OTHER GOOD AND VALUABLE CONSIDERATION, in hand paid, the receipt of which is hereby acknowledged, CONVEY and WARRANT TO: ELORA L. FORD, as Trustee of THE FORD FAMILY TRUST established by the provisions of THE FORD REVOCABLE TRUST Agreement dated September 23, 1992, of West Frankfort, Franklin County, Illinois, all interest in the following described Real Estate situated in the County of Franklin, State of Illinois, to-wit:

LOT SIX (6) IN SURVEYOR'S PLAT OF THE NORTHEAST QUARTER (NE 1/4) OF SECTION 16, TOWNSHIP 7 SOUTH, RANGE 4 EAST OF THE THIRD PRINCIPAL MERIDIAN, EXCEPT THE COAL, OIL, GAS AND OTHER MINERALS UNDERLYING THE SAME, SITUATED IN FRANKLIN COUNTY, ILLINOIS.

hereby releasing and waiving all rights under and by virtue of the Homestead Exemption Laws of the State of Illinois.

D. MICHAEL RIVA, AS PREPARER OF THIS DEED, HAS MADE NO INVESTIGATION CONCERNING ANY POSSIBLE VIOLATIONS OF ANY EMMISCONNENTAL LAWS OR REQULATIONS INCLIDING, BUT NOT LIMITED TO, THE ILLINOIS RESPONSIBLE TRANSFER ACT: AND THE PARTIES OF THIS DEED, BY VIRTUE OF THEIR SECUTION, DELIVERY ANN/OR ACCEPTANCE, ACRNOWLEDGE THAT THEY HAVE READ THE FOREUGINS AND ACKNOWLEDGE THAT THEY HAVE READ THE FOREUGINS AND ACKNOWLEDGE THAT THEY HAVE READ IN ANY WAY CONCERNING SUCH LAWS AND REGULATIONS; AND FURTHER ACKNOWLEDGE THAT SHOULD THIS REAL ESTATE SE COVERNED BY, OR SUBJECT TO, SUCH LAWS AND RECULATIONS, THAT SUCH COULD YIELD VERY SUBSTANTIAL DANAGES AND PENALTIES TO THE PARTIES.

Permanent Index Number:

Property Address: 2804 New Lake Road, West Frankfort IL 62896 STATE OF ILLINOIS

1998. ≋\$

(SEAL)

DANNYCK, SHELTON

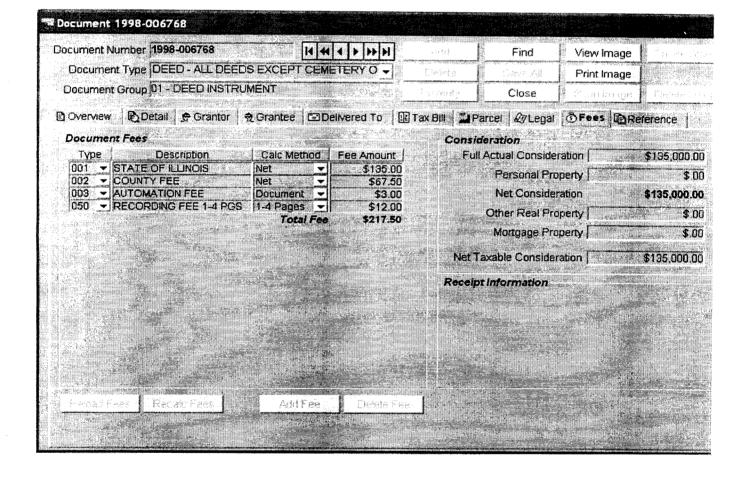
OTTO (SEAL)

| * * * | 2 0 2 E 0 | =

LINDA S. SHELTON

\$**>

PAGE_____OF______



Ex. XX



Sign Up!

An Allempt to Mend a Broken Network & Save the Cause of Christ from Reproach

Home Page Site Map **Tommy Shelton Danny Shelton ASI**

Smokescreen Abuse of Power Ethical **Allegations Financial Allegations Book Deals** Form 990's, etc. **Real Estate** \$129,000 Profit

Cheating the IRS? **Jet Costs Send Your Tithe** Selling K36FJ Selling K58DL

Improper 990

Perjury?

Correspondence Untruths Alleged Illegal **Activities** Mene, Mene, Tekel, Parsin

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Added 1/25/2008 **Church Vote**

Added 1/22/2008

A Save3ABN Exclusive

How to Turn \$6,139 into \$135,000 in Just 7 Davs???

7 Simple Steps to Easy Money???

 \leq Prev.

Next >

This topic concerns real estate transactions from the year 1998, transactions regarding a piece of property identified as "Lot 6" in the legal description, a piece of property that at one time was the Shelton home. Scans of the actual documents in question appear at the bottom of this web page.

Step 1: Non-Profit Buys "Lot 6"

A number of things transpired prior to the start of those allegedly highly profitable 7 days of September 25 through October 2, 1998. As the story goes, philanthropist May Chung either put up the money for 3ABN to buy "Lot 6," as suggested by one of the documents below, or bought "Lot 6" and deeded it to 3ABN.

Step 2: Non-Profit Grants Life Estate

The next step to an alleged \$129,000 profit in 7 days was for 3ABN president Danny Shelton, his then wife and 3ABN corporation secretary Linda Shelton, and philanthropist May Chung to receive a life estate in "Lot 6," allowing them to use this 3ABN property as long as they lived.

98-1104

CORPORATE RESOLUTION

TO WHOM IT MAY CONCERN:

Fiscalini Fired

Added 1/21/2008 Right to Know

Added 11/30/2007 IRS Criminal Investigation

Added 11/9/2007 Dwight Hall Selling K58DL 10/2007 Interview

Must Read: Mom in Pain #1 Mene, Mene, Tekel, Parsin The Actual Lawsuit This is to certify that Linda S. Shelton is the duly qualified and elected Secretary, and Walter C. Thompson is the duly qualified and elected Chairman of the Board of Directors of THREE ANGELS BROADCASTING NETWORK, INC., a corporation, of the City of West Frankfort, County of Franklin and State of Illinois, and that at a regular meeting of the Board of Directors, held on September 15, 1996, the following action was taken and recorded in the minutes of said corporation, of which action, this is a true copy, to-wit:

15) It was voted to convey a life estate to Danny L. Shelton, Linda S. Shelton and May Chung, or the survivors and/or survivor of them, on the property located at Route 3, Box 10, in Thompsonville, as provided in the original gift that provided for the purchase of the property, and to authorize the officers to sign the deed for conveyance purposes. Said property is legally described as follows:

Lot Six (6) in Surveyor's Plat of the Northeast Quarter (NE 1/4) of Section Sixteen (16), Township Seven (7) South, Range Four (4) East of the Third Principal Meridian, except the coal, oil, gas and other minerals underlying the same, situated in Franklin County, Illinois.

The records of THREE ANGELS BROADCASTING NETWORK, INC. disclose that Danny L. Shelton is the President, and Linda S. Shelton is the Secretary, and Walter C. Thompson is Chairman of the Board of Directors.

THREE ANGELS BROADCASTING NETWORK, INC.

Dated: February 18, 1998. By: Signed

Walter C. Thompson Board Chairman

Dated: February 16, 1998.By: [Signed]

Linda S. Shelton

Corporation Secretary/p>

Page -1- CORPORATION RESOLUTION

Page 3 of 3

If May Chung really was the one who put up the money to buy "Lot 6," why were the Sheltons given a life estate in "Lot 6" too?

And what exactly does it mean for the officers to be authorized "to sign the deed for conveyance purposes" in connection with a vote "to convey a life estate to Danny L. Shelton"? When someone is granted a life estate by an organization, there is no need to sign a deed, as we point out below.

Step 3: Non-Profit Deeds "Lot 6"

Now is where things really start getting a bit strange: In February 1998, "Lot 6" is titled in Danny, Linda, and May's names because of their life estate, almost a year and a half after they were allegedly given that life estate by the 3ABN Board. If the 3ABN Board really voted in September 1996 to authorize the officers to "convey" the property to Danny by signing a deed, why did they wait a year and a half to do it?

We have consulted a number of real estate and trust services experts, and each tells us that when you receive a life estate, you never have the property titled in your name. Was "Lot 6" deeded to Danny Shelton in February just so that he could sell the property at a substantial profit in October?

(Life Estate only)

WARRANTY DEED - JOINT TENANCY

THE GRANTORS, THREE ANGELS BROADCASTING NETWORK, INC., a corporation, of 3391 Charley Good Road, West Frankfort, County of Franklin and State of Illinois

for and in consideration of Ten Dollars (\$10) O.V.C. Dollar in hand paid, Conveys and warrants to DANNY L. SHELTON, LINDA S. SHELTON, and MAY CHUNG, not as tenancy in common but in JOINT TENANCY, the following described real estate:

A life estate only for the lifetime of DANNY L. SHELTON and LINDA S. SHELTON, husband and wife, and MAY CHUNG, or the survivors/survivor of them, in the following property:

Lot Six (6) in Surveyor's Plat of the Northeast Quarter (NE 1/4) of Section Sixteen (16), Township Seven (7) South, Range Four (4) East of the Third Principal Meridian, except the coal, oil, gas and other minerals underlying the same, situated in Franklin County, Illinois.

situated in the County of Franklin, in the State of Illinois, hereby releasing and waiving all rights and under and by virtue of the Homestead Exemption Laws of this State.

Dated February 16, 1998.

THREE ANGELS BROADCASTING

NETWORK, INC.

By: [Signed] Attested By:

Danny L. Shelton, President

[Signed]

Walter C. Thompson [Signed]

Board Chairman, 3ABN Linda S. Shelton, Secretary

DEED PREPARED BY: Herald Follett, Attorney

P.O. Box 3092

Portland, Oregon 97208

Page -1- WARRANTY DEED - JOINT TENANCY

(See copy of Corporate Resolution attached hereto)

PAGE <u>1</u> OF <u>3</u>

Step 4: Philanthropist Surrenders Life Estate

At the time of Danny's allegedly super-profitable sale on October 2, 1998, he would have had to split his profits with May Chung, unless he could get her off the title of "Lot 6" before that point. And thus on August 24, 1998, just 6 months after her name got on the title, May Chung's name is off again.

Kind of odd, isn't it, that May Chung would have been given a life estate in a property in Illinois, and then deeded that property, if all the while she remained a resident of San Bernardino, California, as the deed below suggests? And why put her name on the title of "Lot 6" at all if she was only going to be on for six months?

WARRANTY DEED

THE GRANTOR, MAY CHUNG of 155 Manchester Lane San Bernardino, CA 92408

for and in consideration of Ten Dollars (\$10.00) O.V.C. Dollar in hand paid, Grantor conveys and warrants to THREE ANGELS BROADCASTING NETWORK, INC., a Corporation, all of Grantor's interest in the following described real estate:

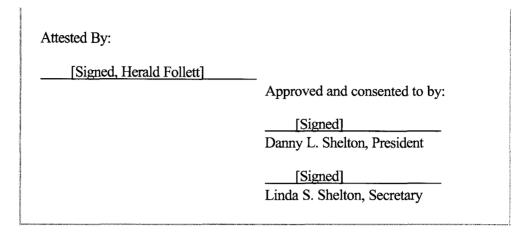
Grantor's life estate for her lifetime, and any survivorship rights she may have related to the interest of Danny L. Shelton and Linda S. Shelton, or the survivor of them, in the following property:

Lot Six (6) in Surveyor's Plat of the Northeast Quarter (NE 1/4) of Section Sixteen (16), Township Seven (7) South, Range Four (4) East of the Third Principal Meridian, except the coal, oil, gas and other minerals underlying the same, situated in the County of Franklin, and State of Illinois,

hereby further releasing and waiving all rights in and under by virtue of the Homestead Exemption Laws of this State.

Dated August 24, 1998.

[Signed]	
May Chung	



Step 5: Non-Profit Surrenders Interest for \$6,139

It is this transaction that raises a lot of questions. What it appears from the deed is that the Sheltons in essence bought "Lot 6" in September 1998 for a mere \$6,139, just one week before they sold it to Elora Ford for \$135,000. Now the fact that \$6,139 is below fair market value raises some serious tax questions.

- Was the total consideration given by the Sheltons to 3ABN for "Lot 6" really only \$6,139?
- Did the total consideration given for "Lot 6," even if more than \$6,139, fall below fair market value?
- If so, does this real estate transaction constitute "private inurement"?
- If it does, will the IRS revoke 3ABN's tax exempt status, or have all applicable statutes of limitations run out?
- If 3ABN's tax exempt status is revoked, will the IRS assess some of 3ABN's donors for back taxes?

In case you haven't caught on, the IRS does not allow non-profit organizations to give away property at prices below market value for the benefit of private citizens. Doing so can jeopardize that organization's tax exempt status. And the loss of tax exempt status can affect donors retroactively, particularly if donations were given in bad faith.

While the IRS is highly unlikely to go after small donors, some of 3ABN's larger donors will undoubtedly breathe a lot easier if the IRS decides that there are no tax implications to the deed below. And since we are talking about something that happened in 1998, the typical statute of limitations for such things has most likely run out.

WARRANTY DEED

THE GRANTOR, Three Angels Broadcasting Networks, Inc. 3391 Charley Good Road West Frankfort, Illinois 62896-0220,

for and in consideration of Six thousand one hundred thirty nine and no/100 (\$6,139.00) Dollars, O.V.C. Dollar in hand paid, Grantor conveys and warrants to Danny L. Shelton and Linda S. Shelton, husband and wife, all of Grantor's interest in the following described real estate:

Lot Six (6) in Surveyor's Plat of the Northeast Quarter (NE 1/4) of Section Sixteen (16), Township Seven (7) South, Range Four (4) East of the Third Principal Meridian, except the coal, oil, gas and other minerals underlying the same, situated in the County of Franklin, and State of Illinois,

(Note: This deed is given for the purpose of the Grantor conveying its remainder interest in said property to the Grantees herein, Danny L. Shelton and Linda S. Shelton, who at the date of this transfer have a life estate in said property.)

hereby further releasing and waiving all rights in and under by virtue of the Homestead Exemption Laws of this State.

Dated <u>9/25</u> ,1998.	
	Three Angels Broadcasting Network, Inc.
	By: [Signed] Danny L. Shelton, President
	By: [Signed] Linda S. Shelton, Secretary
Attested By:	

[Signed]

Walter C. Thompson Chairman of the Board of Directors

Step 6: The Sheltons Sell Property for \$135,000

First, here is the deed that governed the sale of the property, a deed prepared by D. Michael Riva, the same attorney that sent those nasty cease and desist letters to Pastor Glenn Dryden and to the Church Board of the Community Church of God in Dunn Loring, Virginia:

WARRANTY DEED

ILLINOIS STATUTORY

MAIL TO:

ELORA L. FORD, Trustee 2804 NEW LAKE ROAD WEST FRANKFORT IL 62896

NAME & ADDRESS OF **TAXPAYERS:**

ELORA L. FORD, Trustee 2804 NEW LAKE ROAD **WEST FRANKFORT 62896**

THE GRANTORS, DANNY L. SHELTON and LINDA S. SHELTON,

Husband and Wife each in their own right and as spouse of the other, of the City of Thompsonville, County of Franklin, State of Illinois, for and in consideration of the sum of TEN DOLLARS (\$10.00), AND OTHER GOOD AND VALUABLE CONSIDERATION, in hand paid, the receipt of which is hereby acknowledged, CONVEY and WARRANT TO: ELORA L. FORD, as Trustee of THE FORD FAMILY TRUST established by the provisions of THE FORD REVOCABLE TRUST Agreement dated September 23, 1992, of West Frankfort, Franklin County, Illinois, all interest in the following described Real Estate situated in the County of Franklin, State of Illinois, to-wit:

LOT SIX (6) IN SURVEYOR'S PLAT OF THE NORTHEAST OUARTER (NE 1/4) OF SECTION 16 TOWNSHIP 7 SOUTH RANGE 4 EAST OF THE THIRD PRINCIPAL MERIDIAN EXCEPT THE COAL OIL, GAS AND OTHER MINERALS UNDERLYING THE SAME, SITUATED IN FRANKLIN COUNTY, ILLINOIS.

hereby releasing and waiving all rights under and by virtue of the Homestead Exemption Laws of the State of Illinois.

D. MICHAEL RIVA, AS PREPARER OF THIS DEED, HAS MADE NO INVESTIGATION CONCERNING ANY POSSIBLE VIOLATIONS OF ANY ENVIRONMENTAL LAWS OR REGULATIONS INCLUDING, BUT NOT LIMITED TO, THE ILLINOIS RESPONSIBLE TRANSFER ACT; AND THE PARTIES OF THIS DEED, BY VIRTUE OF THEIR EXECUTION. DELIVERY AND/OR ACCEPTANCE. ACKNOWLEDGE THAT THEY HAVE READ THE FOREGOING AND ACKNOWLEDGE THAT D. MICHAEL RIVA, HAS NOT BEEN ASKED TO REPRESENT AND/OR ADVISE THEM IN ANY WAY CONCERNING SUCH LAWS AND REGULATIONS; AND FURTHER ACKNOWLEDGE THAT SHOULD THIS REAL ESTATE BE GOVERNED BY, OR SUBJECT TO, SUCH LAWS AND REGULATIONS, THAT SUCH COULD YIELD VERY SUBSTANTIAL DAMAGES AND PENALTIES TO THE PARTIES.

Permanent Index Number:

Property Address: 2804 New Lake Road, West Frankfort IL 62896

DATED October 2

TATE OF ILLINOIS REAL ESTATE TRANSCER IN

[Signed]

(SEAL)

[Signed]

(SEAL)

Danny L. Shelton

Linda S. Shelton

See the Real Estate Transfer Tax stamp above with the amount \$202.50 in it? That consists of 0.15% of the total consideration of \$135,000 the Sheltons paid, 0.10% which goes to the State of Illinois and 0.05% which goes to Franklin County:

Docur	nent Fees			
Туре	Description	Calc Method	Fee Amount	

001	STATE OF ILLINOIS	Net	\$135.00
002	COUNTY FEE	Net	\$67.50
003	AUTOMATION FEE	Document	\$3.00
004	RECORDING FEE 1-4 PGS	1-4 Pages	\$12.00

Total Fee \$217.50

Consideration

. Full Actual Consideration	\$135,000.00
Personal Property	\$.00
Net Consideration	\$135,000.00
Other Real Property	\$.00
Mortgage Property	\$.00
Net Taxable Consideration	\$135,000.00

Other Comments and Questions

1998 was allegedly a very profitable year for Danny Shelton, not just because of "Lot 6." Below you will find a June 1998 real estate transaction in which Elora Ford gave Danny a gift of the 18 acres upon which his present house sits. No real estate transfer taxes were paid due to what looks like paragraph "e" of "Section 35 ILCS 200/31-45," a paragraph which states that no transfer taxes have to be paid if the total consideration given is less than \$100.

Speaking of taxes, it is interesting that the February 1998 deed claimed that the board action granting Danny a life estate in "Lot 6" was taken in September 1996. Was Danny trying to avoid taxes on short-term capital gains by holding the property for more than two years? But then, since the property apparently did not actually become his until September 25, 1998, and he sold it on October 2 just one week later, wouldn't there be no way to say that he owned "Lot 6" for two years?

- Did Danny Shelton report this profit on his 1998 tax return?
- If so, did he report it as a short-term or as a long-term capital gain?
- Did 3ABN report their "gift" of "Lot 6" to Danny on his W-2?
- Did 3ABN also report it on their 1998 Form 990 as part of their compensation to Danny?

1 of 1

Ex. YY

Subject: Board members, new board members, Rule 26(a)(1) materials

From: Bob

Date: Fri, 30 Nov 2007 11:43:35 -0600

To: Jerrie Hayes

CC: "G. Arthur Joy", Gerald Duffy, William Christopher Penwell, "Kristin L. Kingsbury",

John Pucci, Lizette Richards

Ms. Hayes:

Your reply of November 28, 2007, comes at a bit of surprise.

First of all, you state that "you will not provide me with the names and proposed dates and locations of the Board Members you wish to depose." And yet I already made it clear that I wanted to depose all the board members in southern Illinois during the week of the January board meeting. And that is why I need to know the date of the January board meeting.

Regarding my query as to which board members you felt were too new to know anything, you neglected to reply. I will simply remind you that the Plaintiffs' initial disclosures listed 12 board members as witnesses, including the name of the new board member Larry Romrell. It is clear that your clients have no problem calling new board members to testify.

And certainly new board members Stan Smith and Garwin McNeilus are not less knowledgeable than Mr. Romrell. Mr. Smith is listed as a board member on 3ABN's Form 990 for 1998, the same year Danny Shelton bought a house from 3ABN for about \$6,100 and sold it a week later for \$135,000. And Mr. McNeilus is one who purportedly was involved in the surveillance of Linda Shelton in 2004.

Regarding the Plaintiffs' refusal to authorize the inspection or production of Rule 26(a)(1) materials, despite no motions being filed seeking protective orders for particular documents, and your unwillingness to further "discuss any details concerning copying of materials," I suppose the next step is to bring this matter to the attention of the court.

Lastly, perhaps you did not understand my final paragraph. (206) 203-3751 was my fax number long before Mr. Joy or I became aware of the scandals at 3ABN, and he uses my fax number at my permission, not vice versa.

Bob Pickle

P.S. It is a puzzle to me why the defendants have not received any "written demand for settlement" from the plaintiffs, even though the plaintiffs' Rule 26(f) Conference report said they would make such a written demand by August 31, 2007. Did I miss something?

990

Return of Organization Exempt From Income Tax

Under section 501(c) of the Internal Revenue Code (except black lung benefit

OMB No. 1545-0047

trust or private foundation) or section 4947(a)(1) nonexempt charitable trust This Form is Open to Public Department of the Treasury Note: The organization may have to use a copy of this return to satisfy state reporting requirements. Internal Revenue Service , 19 For the 1998 calendar year, OR tax year period beginning 1998, and ending D Employer Identification number C Name of organization Малка Check if: **■ : ■■**9056 THREE ANGELS BROADCASTING NETWORK INC Change of address ishel or print or Number and street (or P.O. box if mail is not delivered to street address) Room/suite E Telephone number Initial return Final return 01-8618774 Specific Amended return City or town, state or country, and ZIP+4 F Check ► ☐ if exemption application Instruc (required also for state reporting) tions. WEST FRANKFORT. 62896 G Type of organization—►X Exempt under section 501(c)() ◀ (insert number) OR ▶ ☐ section 4947(a)(1) nonexempt charitable trust Note: Section 501(c)(3) exempt organizations and 4947(a)(1) nonexempt charitable trusts MUST attach a completed Schedule A (Form 990). . Tyes X No H(a) is this a group return filed for affiliates? I If either box in H is checked "Yes." enter four-digit group exemption number (GEN) Accrual (b) If "Yes." enter the number of affiliates for which this return is filed:. . . > ☐ Cash Accounting method: (c) Is this a separate return filed by an organization covered by a group ruling? Yes No Other (specify) ▶ Check here > 1 if the organization's gross receipts are normally not more than \$25,000. The organization need not file a return with the IRS; but if it received a Form 990 Package in the mail, it should file a return without financial data. Some states require a complete return. Note: Form 990-EZ may be used by organizations with gross receipts less than \$100,000 and total assets less than \$250,000 at end of year. Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See Specific Instructions on page 13.) Contributions, gifts, grants, and similar amounts received: 1a 1b Indirect public support 10 c Government contributions (grants) d Total (and lines 1a through 1c) (attach schedule of contributors) (cash \$ <u>.7,460,075</u> noncash \$ <u>97,549</u>)... 10 ,557,624 2 519,542 Program service revenue including government fees and contracts (from Part VII, line 93) 3 Membership dues and assessments 4 48.715 Interest on savings and temporary cash investments Revenue 5 Dividends and interest from securities . . . 6<u>a</u> 6a Gross rents055 6b 6c 9,209 Net rental income or (loss) (subtract line 6b from line 6a) Other investment income (describe (A) Securities (B) Other 8a Gross amount from sale of assets other 8a 258.740 8b b Less: cost or other basis and sales expenses. 101.012c Gain or (loss) (attach schedule) 8d 157.728 d Net gain or (loss) (combine line 8c, columns (A) and (B)) 9 Special events and activities (attach schedule) a Gross revenue (not including \$ contributions reported on-line-ta) 9a 9b b Less: direct expenses other than fundraising expenses 9c c Net income or (loss) from special events (subtract line 9b from line 9a) 10c 84,017 11 200.230 11 12 12 577.065 13 13 Program services (from line 44, column (B)) 3,496,958 14 14 Management and general (from line 44, column (C)) . 3.263.010 15 15 Fundraising (from line 44, column (D)) 16 Payments to affiliates (attach schedule) . 16 Total expenses (add lines 16 and 44, column (A)) 17 17 6.759.968 18 1,817,097 Assets 18 Excess or (deficit) for the year (subtract line 17 from line 12) 19 Net assets or fund balances at beginning of year (from line 73, column (A)) . 19 20 Other changes in net assets or fund balances (attach explanation) 20 Net Net assets or fund balances at end of year (combine lines 18, 19, and 20)

	t VIC Other Information (See Specific Instructions on page 23.)		76 Yes	s T
76	Did the organization engage in any activity not previously reported to the IRS? If "Yes," attach a detaile		77	+
77	Were any changes made in the organizing or governing documents but not report	ted to the IRS?		225
	If "Yes," attach a conformed copy of the changes.		70-	11/1
78a	Did the organization have unrelated business gross income of \$1,000 or more during the y	ear covered by this return?.	78a	+
b	If "Yes," has it filed a tax return on Form 990-T for this year?		78b	+
79	Was there a liquidation, dissolution, termination, or substantial contraction during the year?		79	22
80a	Is the organization related (other than by association with a statewide or nationwide organization	inization) through common	Ulli ikilli	
	membership, governing bodies, trustees, officers, etc., to any other exempt or nonexe	empt organization?	80a	<u> </u>
b	If "Yes," enter the name of the organization ▶	[]		
	and check whether it is exer	mpt OR L nonexempt.		W
81a	Enter the amount of political expenditures, direct or indirect, as described in the	181a i		W
	instructions for line 81,	Ola	81b	
	Did the organization file Form 1120-POL for this year?	* * * * * * * * * * * * * * * * * * *		+
82a	Did the organization receive donated services or the use of materials, equipment,		82a	١
	or at substantially less than fair rental value?	• .•. • • • • •		1
b	If "Yes," you may indicate the value of these items here. Do not include this amount			
	as revenue in Part I or as an expense in Part II. (See instructions for reporting in	82b		
00-	Part III.)		83a X	
	Did the organization comply with the disclosure requirements relating to quid pro		83b X	1
	Did the organization solicit any contributions or gifts that were not tax deductible	-	84a	٦
	If "Yes," did the organization include with every solicitation an express statemen			
D	or gifts were not tax deductible?		84b	""
Ω5	501(c)(4), (5), or (6) organizations.—a Were substantially all dues nondeductible by mem		85a	7
	Did the organization make only in-house lobbying expenditures of \$2,000 or less		85b	T
	If "Yes" was answered to either 85a or 85b, do not complete 85c through 85h belo			
	received a waiver for proxy tax owed for the prior year.	Manuaca and and and an arrangement		
c	Dues, assessments, and similar amounts from members	85c		
	Section 162(e) lobbying and political expenditures	85d		
	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices	85e		
	Taxable amount of lobbying and political expenditures (line 85d less 85e)	85f		
	Does the organization elect to pay the section 6033(e) tax on the amount in 85f7	,	85g	4
	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the am			١
	estimate of dues allocable to nondeductible lobbying and political expenditures for the		85h	<u></u>
86	501(c)(7) organizations.—Enter: a Initiation fees and capital contributions included on			
	line 12	86a		W
b	Gross receipts, included on line 12, for public use of club facilities	86b		
87	501(c)(12) organizations.—Enter:			
	Gross income from members or shareholders	87a		
b	Gross income from other sources. (Do not net amounts due or paid to other	075		
	sources against amounts due or received from them.)	87b	enninkiinii	111.
88	At any time during the year, did the organization own a 50% or greater interest in		88	
	partnership? If "Yes," complete Part IX			1
89a	501(c)(3) organizations.—Enter: Amount of tax imposed on the organization durin	g the year under:		W
_	section 4911 ►; section 4912 ►; section		minimi	"
b	501(c)(3) and 501(c)(4) organizations.—Did the organization engage in any sect	iun 4930 excess denem tion	89b	1
_	transaction during the year? If "Yes," attach a statement explaining each transact			
C	Enter: Amount of tax imposed on the organization managers or disqualified person sections 4912, 4955, and 4958.			
	sections 4912, 4955, and 4958			_
	List the states with which a copy of this return is filed		-	
# #	Number of employees employed in the pay period that includes March 12, 1998	(See instructions)	90b _5	 . 0
Q1	The books are in care of Pete Crotser	Telephone no. (618)		_
<i>3</i> 1	located at > 3391 CHARLEY GOOD RD WEST FRANKFORT	ZIP + 4 ▶62896~022	0	
92	Located at ► 3391 CHARLEY GOOD RD WEST FRANKFORT Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 10	241—Check here		,
	and enter the amount of tax-exempt interest received or accrued during the tax			

F

Form 980 (1		•				· Page 6
Part VI	Analysis of Income-Producing I				·	, , ,
-	ross amounts unless otherwise		business income		tion 512, 513, or 514	(E). Related or
indicate		(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	exempt function
	ogram service revenue:	<u> </u>		LUNGIO TOGO	renounc	RECORTE
	Production & Distributi					
	of religious programmin		 	+	<u> </u>	519,542
_	electronic transmission					519.544
d				1		
	edicare/Medicaid payments					
	es and contracts from government agenci					<u> </u>
_	embership dues and assessments					
•	terest on savings and temporary cash investmen	nts				48,715
	vidends and interest from securities					
97 Ne	et rental income or (loss) from real estate:					
a de	bt-financed property	,				<u> </u>
b no	ot debt-financed property		<u> </u>			9,209
	it rental income or (loss) from personal proper					
	ther investment income					
	in or (loss) from sales of assets other than invento		 			157,728
	at income or (loss) from special events .		 			
	ross profit or (loss) from sales of inventory	' • 	· 	- 		84,017
	ther revenue: a VIDEO SALES		 	 -		200,230
b			 	- 		
e			 			
	total (add columns (B), (D), and (E))					1.019.441
	al (add line 104, columns (B), (D), and (E)				>	7 010 441
	ne 105 pius line 1d, Part Ì, should equal ti					- 4-7-0-4-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1
Part VI	Relationship of Activities to the Activities	complishment o	of Exempt Purp	ooses (See Sp	ecific Instructio	ns on page 28.)
Line No. ▼	Explain how each activity for which Incom of the organization's exempt purposes (or	ne is reported in col ther than by providi	umn (E) of Part V ng funds for such	il contributed in purposes).	portantly to the a	ccomplishment
93	Payment of airtime &	production	of certa	ain reli	qious pro	gramming
	for electronic transm	ission	·	·		
					· · · · · · · · · · · · · · · · · · ·	· · · · · · · · · · · · · · · · · · ·
95						
					· · · · · · · · · · · · · · · · · · ·	
97_						
100						
						
102						
103	Miscellaneous					
Part IX		ubsidiaries (Con	plete this Par	rt if the "Yes"	box on line 8	8 is checked.)
Nan	ne, address, and employer identification	Percentage of	Nature		Total	End-of-year
٢	number of corporation or partnership	ownership interest	business a	activities	income	assets
		%				
		%				
		%				
	I feel a some like a de andres. I de donn should be some	%				
Please	Under penalties of perjury, I declare that I have existend belief, it is true, correct, and complete. Declar (See General Instruction U, on page/12.)	ration of preparar (other	ong accompanying or than officer) is bas	schedules and sta jed on all informati	tements, and to the t on of which prepare	has any knowledge.
Sign	(See General Instruction U, on page 12.)	1				
Here	Signature of officer	Date	 } ;	Danny S' Type or print neme	helton, P	resident
	+ 	rvar4	Date	Check if		SSN
Paid	Preparer's signature			self- employe		
Preparer's	rimis name (or		_1		>	
Use Only	yours if self-employed) and address			ZIP + 4		

1 2	attem If "Yes Organ organ the lo During of its	Statements About Activities If the year, has the organization attempted to influence national, state, or local legislation, including any put to influence public opinion on a legislative matter or referendum? It is, "enter the total expenses paid or incurred in connection with the lobbying activities It is a statement giving a detailed description of boying activities.	1	Yes	No
2 a	attem If "Yes Organ organ the lo During of its organ	pt to influence public opinion on a legislative matter or referendum? s," enter the total expenses paid or incurred in connection with the lobbying activities \$	1		
а	of its				X
		the year, has the organization, either directly or indirectly, engaged in any of the following acts with any trustees, directors, officers, creators, key employees, or members of their families, or with any taxable lization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal clary:			
b	Sale,	exchange, or leasing of property?	2a	X	
	Lendir	ng of money or other extension of credit?	2b		X
c	Furnis	hing of goods, services, or facilities?	2c		X
d	Payme	ent of compensation (or payment or reimbursement of expenses if more than \$1,000)?	2d	Х	
		fer of any part of its income or assets?	2e		X
					X
		the organization make grants for scholarships, fellowships, student loans, etc.?	3 4a		
b	Attach	a statement to explain how the organization determines that individuals or organizations receiving grants as from it in furtherance of its charitable programs qualify to receive payments. (See instructions on page 2.)	mm		
	t IV	Reason for Non-Private Foundation Status (See instructions on pages 2 through 4.)			11111
he c	organiz	ation is not a private foundation because it is; (Please check only ONE applicable box.)			
		church, convention of churches, or association of churches. Section 170(b)(1)(A)(i).			
6		school. Section 170(b)(1)(A)(ii). (Also complete Part V, page 4.)			
		hospital or a cooperative hospital service organization. Section 170(b)(1)(A)(iii).			
		Federal, state, or local government or governmental unit. Section 170(b)(1)(A)(v).			_
	an	medical research organization operated in conjunction with a hospital. Section 170(b)(1)(A)(iii). Enter the hospital state			
	(Al	organization operated for the benefit of a college or university owned or operated by a governmental unit. Sec so complete the Support Schedule in Part IV-A.) organization that normally receives a substantial part of its support from a governmental unit or from			
14 1	Se	ction 170(b)(1)(A)(vi). (Also complete the Support Schedule In Part IV-A.)	tne gen	eraı p	ומני
1b 2	An red its	community trust. Section 170(b)(1)(A)(vi). (Also complete the Support Schedule in Part IV-A.) organization that normally receives: (1) more than 33%% of its support from contributions, membersically from activities related to its charitable, etc., functions—subject to certain exceptions, and (2) no make support from gross investment income and unrelated business taxable income (less section 511 tax) from the organization after June 30, 1975. See section 509(a)(2). (Also complete the Support Schedule in Part	ore tha	n 33%	%
3	de	organization that is not controlled by any disqualified persons (other than foundation managers) and supscribed in: (1) lines 5 through 12 above; or (2) section 501(c)(4), (5), or (6), if they meet the test of section 509(a)(3).)	ports or tion 509	ganiza I(a)(2).	itioi (Sc
		Provide the following information about the supported organizations. (See instructions on page 4.)			
		(a) Name(s) of Supported organization(s)	ie numb m above		
					

Three Angels Broadcasting Network, Inc. Form 990

For the year ended December 31, 1998

Page 1 Part 1 Line 8C Gain or (Loss)

ltem		Book Value	Gross Sale	Gain (loss)
Downlink House Piano		47,619.57 52,781.05 0.00	\$250,000.00 6,129.00 2,000.00	\$202,380.43 (46,652.05) 2,000.00
	Totals	100,400.62	258,129.00	\$157,728.38
Page 2 Part II Line 4 Page 3 Part IV Line 5	•	d Depreciation		
		Cost	Acc Depn	
Land		291,296		
Buildings		1,566,389	204,034	
Houses		18,850	9,504	
Downlink Equipment		4,837,965	1,079,621	
Equipment		4,414,352	2,732,025	
Vehicles		1,047,369	145,049	
Misc Assets		76,000		
Total		12,252,222	4,170,232	
Page 3 Part IV Line 6	4b Notes Payab	ole		
Notes Payable		Mapies	30,000	
•		Schuler	34,983	
		Boatman's	1,282	
		Mitchell	100,000	
		Total	166,265	

Three Angels Broadcasting Network, Inc. Form 990 Page 4 Part V For year ended December 31, 1998

(A)

(B)

(C,D,E)

Dr. Walter Tompson, Chairman

Director

-0-

Hinsdale, IL 60521 (630)887-1735

J. Wayne Coulter

Illinois Conference of SDA's

Director

-0-

Brookfield, IL 60513 (708)485-1200

May E. Chung

Director

-0-

San Bernardino, CA 92408 (909)824-3112

Dr. Robert Ford

Director

-0-

Chehalis, WA 98532-2409 (360)748-8632

Bill Hulsey

Director

-0-

Collegedale, TN 37315 (423)396-9303

Ellsworth McKee

Director

-0-

Collegedale, TN 37315 (423)238-5487

Danny Shelton

President

49,862.66

Thompsonville, IL 62890 (618)627-2867

Linda Shelton

Vice-President

44,334.10

Thompsonville, IL 62890 (618)627-2867

RE: MAP

Fx. AAA

1 of 4

Subject: RE: MAP From: "Nicholas Miller"

Date: Tue, 19 Sep 2006 17:02:39 -0700

To: "G. Arthur Joy"

Hello Gailon,

Thank you for the update. I have had short, positive, but non-committal responses to my two and a half page letter from both Elders Dwight Nelson and Jay Gallimore. I have noticed, however, that neither Dannny nor Tommy have appeared last night or tonight on the program. I am uncertain if there is a connection or not with my concerns, as it could be a coincidence. I know that Mark Finley seemed quite opposed to the idea of either Danny or Tommy appearing on the Hope Channel during this period of investigation, and was going to communicate this to the PMC leadership. Prior to my discussion with him yesterday, he seems to have been unaware that Danny and Tommy were appearing on the program.

I think the idea of a mixed, neutral tribunal is a good one, as any one in Linda's camp has completely written off the Three Angels board as a fair and unbiased tribunal. While that is perhaps not entirely fair, it is true that the board gives Danny a tremendous amount of latitude in operation, and gives him the benefit of almost every doubt. Thus, I imagine that either Alyssa or Linda will only appear before a neutral, church related body, perhaps that includes 3ABN board representation. The sticking point, ironically, may well be Danny, who has told me that he is unwilling to place his fate in a group made up of church leaders.

I have wondered about the numbers. When I spoke with Danny about a month or so ago, he insisted that numbers were up by a couple of million. But when I spoke with a board member he indicated that the finances were not doing well, in part relating to a tremendous amount of money 3ABN put into the "Ten Commandments Twice Removed Book" which was distributed by the millions during the spring. I am quite certain that Danny received royalties on this, probably to the tune of several hundred thousand dollars, although he is refusing to disclose the amount to his own board members. This is a gross conflict of interest and also an improper personal inurement that could cause the ministry to lose its tax exempt status if it came to light. It is the kind of thing that led to my leaving the board.

In any event, Danny needs at least a leave of absence to have these things sorted through and for him to re-orient himself. He has been used by God, has had a good heart, but has, in my opinion, become confused and misguided over the last couple of years. It is questionable whether the Three Angels board, on its own, can come to grips with these issues.

Let me know how things unfold,

Blessings,

Nick Miller

Return of Organization Exempt From Income Tax
Under section 501(c), 527, or 4947(a)(1) of the internal Revenue Code (except black lung

OMB No 1545-0047	EX.
2005	BBB
Open to Bublic	

Ex.

		of the Treasury The organization may have to use a copy of this retu	ırn to s	atisfy state reporting	require	ments Open to Public
A	For t	the 2005 calendar year, or tax year beginning	, 2005	5, and ending		, 20
В	Check	applicable Please C Name of organization			D Empl	oyer Identification number
		ss change label or Three Angels Broadcasting Network, Inc.				9056
$\bar{\Box}$	Name	change print or Number and street (or P O box if mail is not delivered to	street a	address) Room/suite	E Telep	hone number
	initial r	eturn See 3391 Charley Good Rd., PO Box 220			(618	3 <u>)</u> 627-4651
	Final re				F Accoun	ting method: Cash 🗹 Accrual
	Amend	ted return West Frankfort, IL 62896				other (specify)
	Applica	tion pending • Section 501(c)(3) organizations and 4947(a)(1) nonexempt		2010		le to section 527 organizations rn for affiliates? Yes Mo
_		trusts must attach a completed Schedule A (Form 990 or 9	50-EZ).	1 1		ber of affiliates >
G	Websi	te: ▶ 3abn.org		H(c) Are all aff		
J	Organi	ization type (check only one) ► 🗹 501(c) (3) ◄ (insert no) 🔲 4947(a)(1)	or 🔲			st. See instructions)
K	Check	here if the organization's gross receipts are normally not more than \$2	5,000 T	The H(d) Is this a se	parate retu	ım filed by an
	organiz	zation need not file a return with the IRS, but if the organization chooses to file		be organization		by a group ruling? Yes No
	sure to	file a complete return. Some states require a complete return.		I Group Ex		
L	Gross	receipts. Add lines 6b, 8b, 9b, and 10b to line 12 ▶				the organization is not required Form 990, 990-EZ, or 990-PF)
	art i	Revenue, Expenses, and Changes in Net Assets or F	und B			
	1	Contributions, gifts, grants, and similar amounts received.			1	
	∣ 'a		1a	14,060,27	75	
	b	to the state of th	1b		7	
	C		1c		7	
	d	Total (add lines 1a through 1c) (cash \$ 13,456,923 noncast	n \$	603,352	1d	14,060,275
	2	Program service revenue including government fees and contract			2	1,162,106
	3	Membership dues and assessments			3	
	4	Interest on savings and temporary cash investments			4	6,470
	5	Dividends and interest from securities			5	
	6a	Gross rents)1			
	b	Less: rental expenses	57			
	C				<u>6c</u>	42,044
9	7	Other investment income (describe)	7	
Revenue	8a	Gross amount from sales of assets other (A) Securities		(B) Other	_	
Š.		than inventory	8a	11,47	_	
	b	Less: cost or other basis and sales expenses. 51,725	8b	10,34		
	C		8c	1,12	_	(000)
	d	Net gain or (loss) (combine line 8c, columns (A) and (B))	٠. ٠	: :.: :	8d	(206)
	9	Special events and activities (attach schedule). If any amount is from g	aming,	check here >		
	a	Gross revenue (not including \$ of	9a		1 :	
	h	contributions reported on line 1a) Less: direct expenses other than fundraising expenses	9b		7	
)	Net income or (loss) from special events (subtract line 9b from		la)	9c	
			10a	864,36		
	b		10b	609,66	9	
	С	Gross profit or (loss) from sales of inventory (attach schedule) (subtra-	ct line 1	10b from line 10a).	10c	254,692
	11	Other revenue (from Part VII, line 103)			11	(568,784)
	12	Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11	<u>) </u>		12	14,956,597
æ	13	Program services (from line 44, column (B))		ENED	13	10,511,457
PS.	14	Management and general (from line 44, column (C))	3:5	المستنطان	انناد	4,927,633
Expenses	15	Fundraising (from line 44, column (D))		3.0 2006	ტ\15 წები	
ш	16 17	Payments to affiliates (attach schedule) Total expenses (add lines 16 and 44, column (A))	المدار	1.3.00.00	17	45 420 000
<i>1</i> 0		Evenes or (definit) for the year (subtract line 4.7 for the	-11150	TEN UT	18	15,439,090 482,493
Set	18 19	Net assets or fund balances at beginning of year //	زسينا	SOEN.	19	19,952,817
Net Assets	20	Excess or (deficit) for the year (subtract line 17 from line 12). Net assets or fund balances at beginning of year (from line 73). Other changes in net assets or fund balances (attach explains).	tion	(10)	20	10,002,017
ž	21	Net assets or fund balances at end of year (combine lines 18, 19,	ent 20	(a) (b) (c) (c) (c) (c) (c) (c) (c) (c) (c) (c	21	19,470,324
For	Privac	by Act and Paperwork Reduction Act Notice, see the separate inst				Form 990 (2005)

THREE ANGELS BROADCASTING NETWORK, INC. 990 - SUPPLEMANTAL INFORMATION YEAR ENDED DECEMBER 31, 2005

9056

Statement 2 Form 990, Part II, Line 43 Other Expenses

			Program	Management	
	Other Expenses	Total	Services	& General	Fundraising
	Advertising and Promotion	74,836		74,836	
	Bank Charges	74,456		74,456	
	Broadcasting	134,135	134,135		
	Cable Promotion	7,266	7,266		
	Camp Meeting	43,287		43,287	
	Cost of Goods Given Away	605,744	605,744	•	
•	Contract Labor	179,409	179,409		
	Donations	216,636	·	216,636	
	Dues and Registration	41,892	41,892		
	Insurance	390,950		390,950	
	Inventory Write-down	•	278,700		
	Miscellaneous	35,783		35,783	
	Music Production	58,375	58,375		
	Special Projects	535,883	498,883	37,000	
	Trust	148,423		148,423	
		2,825,775	1,804,404	1,021,371	

Statement 3 Form 990, Part IV, Line 55 Land, Buildings and Equipment

Land held in Charitable Remainder Unitrusts

3,120,000

Statement 4 Form 990, Part IV, Line 57 Land, Buildings and Equipment

Asset	Cost	Accum Deprec.	Net Book Value
Buildings	6,600,103	917,355	5,682,748
Land	855,813		855,813
Land Improvements	491,697	88,440	403,257
Machinery & Equipment	19,268,904	13,258,720	6,010,184
Vehicles	1,414,309	1,341,238	73,071
Construction in Progress	542,629		542,629
•	29,173,455	15,605,753	13,567,702

Form **990**

(F

Return of Organization Exempt From Income Tax

OMB No 1545-0047 Ex. CCC

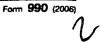
Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

Open to Public

		of the Treasur nue Service	y •	The organization may have to u	se a copy of this retu	urn to s	satisfy	state reportin	ig requi	rements.	Inspection
Ā	For th	ne 2006 ca	elendar	year, or tax year beginning	January 1	, 2006	8, and	ending	Decem		, 20 06
R	Check if	applicable	Please	C Name of organization					D Em	ployer iden	tification number
Ō		s change	use IRS label or	Tillee Mildera pirogacastilid is						<u>i </u>	9056
ñ	Name o	-	print or type.	Number and street (or P O. box i	f mail is not delivered to	street a	(ddress	Room/sulte		ephone nur	
ñ	Initial re	-	Şee	3391 Charley Good Road, PO						18)	627-4651
	Final re	turn	Specific Instruc-	City or town, state or country, a	ind ZIP + 4					-	Cash Z Accrua
	Amende	ed return	tions	West Frankfort, IL 62896				H and I am no		Other (spe	tion 527 organizations
	Applicat	ion pending	• Sec	ction 501(c)(3) organizations and sts must attach a completed Scho	4947(a)(1) nonexempt	t charit OOLEZA	table	H(a) Is this a	aroup re	eturn for affi	liates? Yes N
	144 - L - 14		uu	sis must attach a completed com	00010 X (1 01111 000 01 0	oo aa,.					filiates >
G	Websit	e: >						H(c) Are all a			Yes N
J	Organi	zation type	(check d	only one) ► 2 501(c) (3) < (ir	nsert no.) 🔲 4947(a)(1)	or 🗌	527	•		list. See in:	•
ĸ	Check	here ▶ 🗍	if the	organization is not a 509(a)(3) sup	porting organization an	d its gr	ross	H(d) Is this a s	separate i	etum filed by	yan pruling? 🗌 Yes 🔲 N
	receipts	are normal	ly not m	ore than \$25,000 A return is not req							
	to file a	return, be s	sure to fil	e a complete return						n Number ≱	anization is not require
L	Gross	receipts /	Add line	s 6b, 8b, 9b, and 10b to line 12	2 ▶		1				0, 990-EZ, or 990-PF).
	art I			penses, and Changes in		und l	Balan				
	1			gifts, grants, and similar am							
	' a			o donor advised funds .	iounts received.	1a		15,075,1	20		
	Ь			upport (not included on line	1a)	1b					
	-			support (not included on lin	•	1c					
	d			entributions (grants) (not incl		1d					
	е	Total (ad	d lines	1a through 1d) (cash \$1	4,693,743 noncas	h \$		381,377)	. 19	е	15,075,12
	2	Program	service	e revenue including governme	ent fees and contrac	ts (fror	m Part	VII, line 93)	_2	<u> </u>	1,431,65
	3			ues and assessments					. 3		
	4	Interest	on sav	ings and temporary cash inv	vestments				. 4		10,33
	5	Dividend	is and	interest from securities .					_ 5		
	6a	Gross re	ents .			6a		48,1	_		
	b	Less. re		•		6b		9,3		_	20.72
	_			me or (loss). Subtract line 6	b from line 6a				; <u>6</u>		38,73
9	7			nt income (describe ►	(A) Securities		(B)	Other	' '		
Revenue	8a			from sales of assets other	182,262	8a	(-,	9,6	100		
2			•		184,156	8b			32	-	
				ner basis and sales expenses.	(1,894)	8c		8,9		-	
	1			attach schedule) L s). Combine line 8c, columns					0.	<u> </u>	7,07
	آو ا	_		nd activities (attach schedule). If					: -		*
	1	•		• .	of	, 	, 01.00.		'	1	
	"					9a					
	Ь			penses other than fundraising		9b					
				(loss) from special events. S		m line	9a .		90	:	· · · · · · · · · · · · · · · · · · ·
	10a			inventory, less returns and		10a		1,164,6			
	b			oods sold		10b		1,001,8		4	
	c			oss) from sales of inventory (atta					. 10		162,80
	111			(from Part VII, line 103) .	·	:():	IVE	:U · · ·	. 11		(123,436
	12			Add lines 1e, 2, 3, 4, 5, 6c, 7	, 00, 00, 100, 000			101	12		16,602,28 15,516,87
ģ	13	Program	1 Servic	es (from line 44, column (B))'. : : (일) : : : : : : : : : : : : : : : : : : :	N 2	7 20	88-0s	. 13		4,081,42
Expenses	14	manage	ment a	and general (from line 44, co		···. ~.		8	1		7,001,72
ă	15 16			om line 44, column (D)) . Ifiliates (attach schedule) .		7	Δ1 1		16		
ш	17			s. Add lines 16 and 44, colu	ımn (A)	リレヒ	N, I	J1 : 1	177		19,598,29
	+-		<u> </u>	cit) for the year. Subtract lin					18		(2,996,016
ssel	19		•	und balances at beginning of		 3. col:	umn (A	<i>.</i>	19		19,470,32
Net Assets	20			in net assets or fund balance	• •	-	•		20		(238, 158
ž	21			ind balances at end of year. (21		16,236,150

For Privacy Act and Paperwork Reduction Act Notice, see the separate instructions.

617-18



THREE ANGELS BROADCASTING NETWORK, INC. 990 - SUPPLEMANTAL INFORMATION YEAR ENDED DECEMBER 31, 2006

#37-1179056

Statement 2 Form 990, Part II, Line 43 Other Expenses

(B)

			Program	Management	
	Other Expenses	Total	Services	& General	Fundraising
	Advertising and Promotion	101,051		101,051	
	Bad Debts	10,501		10,501	
	Bank Charges	97,159		97,159	
	Broadcasting	444,984	444,984		
	Cable Promotion	5,229	5,229		
	Camp Meeting	37,287		37,287	
>	Cost of Goods Given Away	3,167,235	3,167,235		
	Contract Labor	189,676	187,920	1,756	
	Donations	228,484		228,484	
	Dues and Registration	48,290	48,290		
	Insurance	373,735		373,735	
	Inventory Write-down	72,369	72,369		
	Miscellaneous	76,643		76,643	
	Music Production	93,070	93,070		
	Special Projects	807,147	768,798	38,349	
	Trust	162,830		162,830	
		5,915,690	4,787,895	1,127,795	

Statement 3 Form 990, Part IV, Line 55 Land, Buildings and Equipment

Land held in Charitable Remainder Unitrusts

3,120,000

Statement 4 Form 990, Part IV, Line 57 Land, Buildings and Equipment

Asset	Cost	Accum. Deprec.	Net Book Value	
Buildings	6,672,998	1,118,098	5,554,900	
Land	842,688		842,688	
Land Improvements	534,047	124,541	409,506	
Machinery & Equipment	20,482,574	14,877,413	5,605,161	
Vehicles	1,468,521	1,370,794	97,727	
Construction in Progress	156,368	• •	156,368	
•	30,157,196	17,490,846	12,666,350	

Form **990**

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

Ex. DDD

Interna	Reven	ue Service	▶ ⊤	he organization may have to use	a copy of this return to	satisfy sta	te reporti	ng requiren	nents.		Inspection
A F	or the	2005 cale	ndar year, o	r tax year beginning	<u> </u>	, and	ending				
вс	heck if	f applicable	Please	C Name of organization				D Em	ployer i	identification	number
		change	use IRS	Remnant Publications, Inc.				k	0502	2	
\Box	ame c	hange	iabel or print or	Number and street (or P O box if r	nail is not delivered to stre	et address)	Room/su	ute E Tele		number	
\equiv	uhal re	-	type.	649 E. Chicago Road			İ				
Ħ			See Specific		Ot-1	-4 71	P+4	- 			7. (7
<u></u>	inal ret	turn	Instruc-	City or town	State or cou	ntry 21	P + 4			g method:	CashX_Accrual
<u></u> ∟ A	mende	ed return	tions	Coldwater	MI	4	9036		Other (:	specify) ►	
	pplicat	tion pending	Section	on 501(c)(3) organizations and 4947(a)(1) nonexempt charital	ble	H and I a	are not applica	able to s	ection 527 org	anizations
			trusta	must attach a completed Schedule	A (Form 990 or 990-EZ).		H(a)	ls this a group	retum i	for affiliates?	Yes X No
G W	ebsite	: > ww	w.remnant	publications.com			Н(Б)	If "Yes," enter	numbe	r of affiliates	<u> </u>
							H(c) /	Are all affiliate	s includ	led?	Yes No
JO	rganiz	ation type (c	heck only one)) ► X501(c)(3) < (in:	sert no)4947(a)(1) o	r527	((If "No," attacl	h a list S	See instruction	s)
K C	neck h	ere 🕨	If the orga	nization's gross receipts are normally r	ot more than \$25,000. Th	6	H(d)	ls this a separ	rate retu	ım filed by an o	omanization
_	_			ith the IRS, but if the organization choose		•		covered by a			Yes X No
SU	re to fi	ile a complete	e return Some	states require a complete return.				Group Exemp			
											ı ıs not required
ıG	ross r	rocointe Ad	ld lines filh 8	b, 9b, and 10b to line 12		1,750,064	l .			n 990, 990-EZ	
Pan	_	<u> </u>		ses, and Changes in Net	Locato on Eural E		<u> </u>		<u> </u>		, 0. 000 1 7
Fall	_					alances	(300 111	e iristruc	10115.	<u>/</u>	
	1			grants, and similar amounts r		4-1		454 004			
	a		iblic suppor			1a		451,004			
	b			ort , , , , , , , , , , , , , , , , , , ,		1b	-	0	.		
	ے			outions (grants)		1c	20.0		44		454.004
] d			through 1c) (cash \$	428,173 noncash			331).	1d 2		451,004
	3	•			•						1,228,662
			•						3		0
	4			and temporary cash investme					4		0
	5	Dividend	s and inter	est from securities					5		398
				· · · · · · · · · · · · · · · · · · ·		6a					
				es		6b					^
	٦, ا			r (loss) (subtract line 6b from	ine oa)			٠٠, ١	6c		0
3	۱ú.,			come (describe > sales of assets other	(A) Sasuritus		(B) Oth		7		0
Revenue	° a				(A) Securities	8a	(B) OI	70,000			
2	١,		•	basis and sales expenses .		8b		41,067	. 1		
				th schedule)				28,933			
				ombine line 8c, columns (A) a				20,933	8d		28,933
	9	_		tivities (attach schedule). If any a	• ••			▶	- 60		20,933
	1			including \$	0 of	, CHECK HER	•	- 니	ĺ		
	-		•		 .	9a		o			
	F 6							0			
	ء ا ا	Nethecon	me or loss	es other than fundraising expensions special events (subtrac	t line 9b from line 9a	3)			9c		0
	10 a	Gross sa	les of inver	ntory dess returns and allowar	ices	10a	• •	o			
	15	Less (co	sfloffaoddas	Sold O		10b		ō	1		
	1 60	Gross pro	fit or (loss) fi	nton dess returns and allowar foold	edule) (subtract line 1	Ob from line	10a)		10c		0
	11	Other_rev	renue (from	Part VII. line 103)				1	11		0
	12	T & tal (net)	renie (ado	lines 1q, 2, 3, 4, 5, 6c, 7, 8d,	9c, 10c, and 11) .			1	12		1,708,997
	13-	Program	services (f	rom line 44, column (B))					13		821,822
568	14	Manager	nent and g	eneral (from line 44, column (C))			1	14		1,000,555
Expenses	15	Fundrais	ıng (from lii	ne 44, column (D))				Ì	15		48,832
Ë	16	Payment	s to affiliate	es (attach schedule)					16		0
<u> </u>	17	Total ex	penses (ad	ld lines 16 and 44, column (A))			1	17		1,871,209
2	18	Excess o	r (deficit) fo	or the year (subtract line 17 fro	om line 12)			1	18	\	-162,212
Assets	19			palances at beginning of year					19		515,972
¥ .	20			et assets or fund balances (att					20		0
Ne t	21			palances at end of year (comb					21		353,760

For Privacy Act and Paperwork Reduction Act Notice, see the separate instructions.

	Do not include amounts reported on line		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
	6b, 8b, 9b, 10b, or 16 of Part I. Grants and allocations (attach schedule)	 		361 11023	and general	
22	· · · · · · · · · · · · · · · · · · ·	1 1				
		1 1		•	· ·	
	If this amount includes foreign grants, check here	22	0	0	1	
23	Specific assistance to individuals (attach	00	م	•	Ì	•
	schedule)	23	0	0	,	
24	Benefits paid to or for members (attach	04	ام			
	schedule)	24	0			
25	Compensation of officers, directors, etc	25		20.040	335,951	15,481
26	Other salaries and wages	26	390,480	39,048	333,831	10,401
27	Pension plan contributions	27	0			· · · · · · · · · · · · · · · · · · ·
28	Other employee benefits	28		2.055	22 972	1,720
29	Payroll taxes	29	39,548	3,955	33,873	1,720
30	Professional fundraising fees	30	0		2 270	
31	Accounting fees	31	3,270 0		3,270	· · · · · · · · · · · · · · · · · · ·
32	Legal fees	33	38,740	26,069	12,671	
33	Supplies	34		20,009	30,431	
34	Telephone	35	30,431	112,769		
35	Postage and shipping	36	112,769	112,709		
36	Occupancy		96,500	50,874	96,500	
37	Equipment rental and maintenance	37	50,874	445,558		
38	Printing and publications	39	445,558	440,000		10.255
39	Travel	40	103,547 0		93,192	10,355
40	Conferences, conventions, and meetings	41			20 405	
41	Interest	42	38,495	143,549	38,495 7,356	
42	Depreciation, depletion, etc. (attach schedule)	42	150,905	143,548	7,330	
43	Other expenses not covered above (itemize):	40-	40.050	•		40.050
a	Sales representative	43a	16,250	0		16,250
b	Tithes and transfers	43b	192,623	0		5.000
C	Advertising	43c	15,230			5,026
d	Royalty expense	43d	116,556		· · · · · · · · · · · · · · · · · · ·	0
	insurance'	43e	25,156			0
f		43f	4,277	0	1	0
9		43g	0	0	0	0
44	Total functional expenses. Add lines 22					
	through 43. (Organizations completing					
	columns (B)-(D), carry these totals to lines	1 1	4 074 000	224 222	4 000 555	40.000
	13–15)	44	1,871,209	821,822	1,000,555	48,832
	Costs. Check ▶ if you are following SOP 98-2. The property of the prope					Yes X No

Form 990 (2005)

Form 990 (200	05)	Remnant Publicati	ions, inc.		0502	Page 8
Part VII	Analysis of Income-Producing Ac	tivities (See the	instructions.)		
		Unrelated busin		Excluded by section	n 512, 513, or 514	(E)
	er gross amounts unless otherwise	Onielated busin	T TOOLING			Related or
indicated		(A)	(B)	(C)	(D)	exempt function
93 Pro	ogram service revenue.	Business code	Amount	Exclusion code	Amount	income
	les of literature					1,228,662
-		<u> </u>				
p			 			
			 			
d						
е						
f Med	dicare/Medicaid payments					
	es and contracts from government agencies					
-	mbership dues and assessments					
	erest on savings and temporary cash investments .					
	vidends and interest from securities			14	398	
				•		
	t rental income or (loss) from real estate.		 			
a det	bt-financed property					
	t debt-financed property					
98 Net	t rental income or (loss) from personal property .				<u> </u>	
	her investment income		1		l	
100 Ga	in or (loss) from sales of assets other than inventory			14	28,933	
	t income or (loss) from special events					
	oss profit or (loss) from sales of inventory					
			 		 	
	her revenue. a				 	
ь			 		 	
c						
d			<u> </u>			
е						
104 Sul	btotal (add columns (B), (D), and (E))			0	29,331	1,228,662
	tal (add line 104, columns (B), (D), and (E))				>	1,257,993
	e 105 plus line 1d, Part I, should equal the	emount on line 12	Part I		-	
				Durmana (Con t	ha instructions	1
Part VIII		ccomplishmen	t of Exempt	Purposes (See a	rie iristructions	·/
Line No.	Explain how each activity for which income it	s reported in column	(E) of Part VII o	contributed importantly	y to the accomplis	hment
▼	of the organization's exempt purposes (other	r than by providing fu	inds for such pu	rposes).		
93A	Dissemination of church literature					
O- IV	Information Regarding Taxable S					
Part IX	I intormation Regarding Taxable S	baldlanlaa aad	Diamagada	d Entition /Con #	o instructions	1
			Disregarde	d Entities (See th	ne instructions.	
	(A)	(B)		d Entities (See the Co)	ne instructions. (D)	(E)
	(A) Name, address, and EIN of corporation,	(B) Percentage	e of			(E) End-of-year
N/A	(A)	(B)	e of terest Na	(C)	(D) Total income	(E) End-of-year assets
N/A	(A) Name, address, and EIN of corporation,	(B) Percentage	e of terest Na	(C)	(D) Total income	(E) End-of-year assets 0
N/A	(A) Name, address, and EIN of corporation,	(B) Percentage	e of Na terest Na %	(C)	(D) Total income	(E) End-of-year assets 0 0
N/A	(A) Name, address, and EIN of corporation,	(B) Percentage	e of Naterest Na	(C)	(D) Total income	(E) End-of-year assets 0 0 0
	(A) Name, address, and EIN of corporation, partnership, or disregarded entity	(B) Percentage ownership inf	e of Na Na %	(C) iture of activities	(D) Total income ()	(E) End-of-year assets 0 0 0
N/A Part X	(A) Name, address, and EIN of corporation,	(B) Percentage ownership inf	e of Na Na %	(C) iture of activities	(D) Total income	(E) End-of-year assets 0 0 0
Part X	Name, address, and EIN of corporation, partnership, or disregarded entity Information Regarding Transfers	Percentage ownership into	e of Na terest Na % % % % h Personal E	(C) iture of activities Benefit Contracts	(D) Total income (C) (C) (S) (See the instr	(E) End-of-year assets 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0
Part X (a) Did th	Name, address, and EIN of corporation, partnership, or disregarded entity Information Regarding Transfers are organization, during the year, receive any funds, directions and the second seco	Percentage ownership in Associated with rectly or indirectly, to page 1	e of Na % % % % h Personal E	(C) iture of activities Benefit Contracts a personal benefit contra	(D) Total income (C) (C) (S) (See the instract?	(E) End-of-year assets 0 0 0 0 0 0 0 0 vuctions)
Part X (a) Did th (b) Did ti	Name, address, and EIN of corporation, partnership, or disregarded entity Information Regarding Transfers are organization, during the year, receive any funds, dishe organization, during the year, pay premi	Associated with rectly or indirectly or indi	e of Na % % % % h Personal E ay premiums on a	(C) iture of activities Benefit Contracts a personal benefit contra	(D) Total income (C) (C) (S) (See the instract?	(E) End-of-year assets 0 0 0 0 0 cuctions)
Part X (a) Did th (b) Did ti	Name, address, and EIN of corporation, partnership, or disregarded entity Information Regarding Transfers are organization, during the year, receive any funds, directions and the second seco	Associated with rectly or indirectly or indi	e of Na % % % % h Personal E ay premiums on a	(C) iture of activities Benefit Contracts a personal benefit contra	(D) Total income (C) (C) (S) (See the instract?	(E) End-of-year assets 0 0 0 0 0 0 0 0 vuctions)
Part X (a) Did th (b) Did ti	Name, address, and EIN of corporation, partnership, or disregarded entity Information Regarding Transfers the organization, during the year, receive any funds, distinct organization, during the year, pay premityes" to (b), file Form 8870 and Form 4720	Associated with rectly or indirectly or indirectly or income, directly or income, dire	e of Na % % % % % % % % % % % % % % % % % % %	(C) Iture of activities Benefit Contracts personal benefit contracts	(D) Total income (C) (C) (S) (See the instract?	(E) End-of-year assets 0 0 0 0 0 cuctions) Yes X No
Part X (a) Did th (b) Did ti	Name, address, and EIN of corporation, partnership, or disregarded entity Information Regarding Transfers are organization, during the year, receive any funds, distinct organization, during the year, pay premityes" to (b), file Form 8870 and Form 4720. Under penalties of perfury, I declare that I have examine the properties of perfury, I declare that I have examined the penalties of perfury, I declare that I have examined the penalties of perfury, I declare that I have examined the penalties of perfury, I declare that I have examined the penalties of perfury, I declare that I have examined the penalties of perfury, I declare that I have examined the penalties of perfury, I declare that I have examined the penalties of penalties of penalties of penalties.	Associated with rectly or indirectly or indirectly or income, directly or income, dire	e of Na % % % % h Personal E ay premiums on a directly, on a p	(C) Iture of activities Benefit Contracts It personal benefit contracts It personal benefit contracts It benefit contracts It is a personal benefit contrac	(D) Total income (C) (S) (See the institute) (C) (C) (C) (C) (C) (C) (C) (C) (C) (C	(E) End-of-year assets 0 0 0 0 0 0 0 0 vections) Yes X No
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Part X (a) Did th (b) Did th Note: If " Please Sign	Name, address, and EIN of corporation, partnership, or disregarded entity Information Regarding Transfers the organization, during the year, receive any funds, distinct organization, during the year, pay premium Yes" to (b), file Form 8870 and Form 4720. Under penalties of perjury, I declare that I have examinant belies, it is true, correct, and complete Declaration Signature of officer Daniel Hall, Secretary / Treasurer Type or print name and title	Associated with rectly or indirectly or indirectly or indirectly or income of the indirectly of income of the return, including the of preparer (other than	e of Naterest Na % % % % h Personal E ay premiums on a directly, on a p). g accompanying so officer) is based of	(C) Iture of activities Benefit Contracts a personal benefit contracts ersonal benefit contracts in all information of which	(D) Total income (C) (C) (S) (See the instract? ctract? and to the best of man preparer has any known of the control of the	(E) End-of-year assets 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0
Part X (a) Did th (b) Did th Note: If " Please Sign Here	Name, address, and EIN of corporation, partnership, or disregarded entity Information Regarding Transfers the organization, during the year, receive any funds, distinct organization, during the year, pay premise organization and believed its true, correct, and complete Declaration Signature of officer Daniel Hall, Secretary / Treasurer Type or print name and title	Percentage ownership into ownership or indirectly or	e of Na % % % % % % % % % % % % % % % % % % %	(C) Iture of activities Benefit Contracts It personal benefit con	(D) Total income (C) (C) (S) (See the instract? ctract? and to the best of man preparer has any known of the control of the	(E) End-of-year assets 0 0 0 0 0 0 0 0 vections) Yes X No
Part X (a) Did th (b) Did th Note: If " Please Sign Here	Name, address, and EIN of corporation, partnership, or disregarded entity Information Regarding Transfers the organization, during the year, receive any funds, distinct organization, during the year, pay premium Yes" to (b), file Form 8870 and Form 4720. Under penalties of perjury, I declare that I have examinant belies, it is true, correct, and complete Declaration Signature of officer Daniel Hall, Secretary / Treasurer Type or print name and title	Percentage ownership into ownership or indirectly or	e of Naterest Na % % % % h Personal E ay premiums on a directly, on a p). g accompanying so officer) is based of	(C) Iture of activities Benefit Contracts It personal benefit con	(D) Total income (C) (C) (S) (See the instract? ctract? and to the best of man preparer has any known of the control of the	(E) End-of-year assets 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0
Part X (a) Did th (b) Did th Note: If " Please Sign Here Paid Preparer's	Name, address, and EIN of corporation, partnership, or disregarded entity Information Regarding Transfers are organization, during the year, receive any funds, distinct organization, during the year, pay premit Yes" to (b), file Form 8870 and Form 4720. Under penalties of perjury, I declare that I have examinant belief, it is true, correct, and complete Declaration. Signature of officer Daniel Hall, Secretary / Treasurer Type or print name and title Preparer's signature.	Associated with rectly or indirectly or indirectly or including on of preparer (other than	e of Na % % % % % % % % % % % % % % % % % % %	(C) Iture of activities Benefit Contracts It personal benefit con	(D) Total income (C) (C) (C) (S) (See the instract? and to the best of many preparer has any kn (6-27-06) Preparer's SSN or P00053843	(E) End-of-year assets 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0
Part X (a) Did th (b) Did th Note: If " Please Sign Here	Name, address, and EIN of corporation, partnership, or disregarded entity Information Regarding Transfers the organization, during the year, receive any funds, directly organization, during the year, pay premit yes" to (b), file Form 8870 and Form 4720. Under penalties of perjury, I declare that I have examinant belies, it is true, correct, and complete Declaration. Signature of officer Daniel Hall, Secretary / Treasurer Type or print name and title Preparer's signature	Associated with rectly or indirectly or indirectly or including of preparer (other than the preparer (other than the preparer (other than the preparer).	e of terest Na % % % % % h Personal E ay premiums on a directly, on a p accompanying so officer) is based of the personal E ate 6/17/2006	(C) Iture of activities Benefit Contracts a personal benefit contracts ersonal benefit contracts chedules and statements, in all information of which	(D) Total income (C) (C) (S) (See the instract? and to the best of many preparer has any known preparer has any known preparer's SSN or P00053843	(E) End-of-year assets 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0

4Form 990

Return of Organization Exempt From Income Tax Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung

Ex. EEE

benefit trust or private foundation)

Open to Public Inspection

Department of the Treasury The organization may have to use a copy of this return to satisfy state reporting requirements Internal Revenue Service and ending For the 2006 calendar year, or tax year beginning D Employer identification number C. Name of organization Check if applicable Please use IRS Remnant Publications, Inc. Address change label or Number and street (or P O box if mail is not delivered to street address) F Telephone number Name change print or Initial return 649 E. Chicago Road Specific ZIP + 4 F Accounting method: Cash | X Accrual State or country Final return Other (specify) 49036 Amended return Coldwater H and I are not applicable to section 527 organizations Application pending ● Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ). H(a) is this a group return for affiliates? If "Yes," enter number of affiliates www remnantpublications com H(b) Are all affiliates included? Yes H(c) ► X 501(c) (3) (If "No," attach a list. See instructions.) (insert no.) J Organization type (check only one) is this a separate return filed by an organization if the organization is not a 509(a)(3) supporting organization and its gross receipts are normally not more than \$25,000 A return is not required, but if the organization chooses covered by a group ruling? to file a return, be sure to file a complete return Group Exemption Number if the organization is not required Check to attach Sch B (Form 990, 990-EZ, or 990-PF) L Gross receipts Add lines 6b, 8b, 9b, and 10b to line 12 Revenue, Expenses, and Changes in Net Assets or Fund Balances (See the instructions Part I Contributions, gifts, grants, and similar amounts received 258,665 Contributions to donor advised funds . . 1a 1b 7,017 b Direct public support (not included on line 1a) c Indirect public support (not included on line 1a) 1c O 1d n d Government contributions (grants) (not included on line 1a). ,... 265,682 noncash \$ 0) 265.682 Total (add lines 1a through 1d) (cash \$ 10 Program service revenue including government fees and contracts (from Part VII, line 93) 2 4.316.011 Membership dues and assessments 3 0 Interest on savings and temporary dash investments 4 0 5 Dividends and microsi voto securities 6 a Gross rents 9,908 5 6b 1,200 60 7 0 8 a Gross amount from sales of passets other than inventor OGD En (A) Securities 7,550 0 8a b Less cost or other basis and sales expenses 0 8b 2,716 4,834 c Gain or (loss) (attach schedule) 0 8c d Net gain or (loss). Combine line 8c, columns (A) and (B) 4,834 84 Special events and activities (attach schedule) If any amount is from gaming, check here a Gross revenue (not including \$ 0 contributions reported on line 1b) . . 0 b Less direct expenses other than fundraising expenses 9b c Net income or (loss) from special events. Subtract line 9b from line 9a 9с 0 10a 10 a Gross sales of inventory, less returns and allowances . 0 c Gross profit or (loss) from sales of inventory (attach schedule) Subtract line 10b from line 10a 10c 0 0 11 Other revenue (from Part VII, line 103) . . 12 4,597,635 12 Total revenue. Add lines 1e, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11 13 2,369,477 13 Program services (from line 44, column (B)) . . 14 14 Management and general (from line 44, column (C)) 1,553,796 15 Fundraising (from line 44, column (D)) 15 72,861 16 0 16 Payments to affiliates (attach schedule) . . 17 3,996,134 17 Total expenses. Add lines 16 and 44, column (A) 18 Excess or (deficit) for the year. Subtract line 17 from line 12. 601,501 18 Net assets or fund balances at beginning of year (from line 73, column (A)) 19 353,760 19 20 148,313 20 Other changes in net assets or fund balances (attach explanation) . . 1,103,574 Net assets or fund balances at end of year. Combine lines 18, 19, and 20

For Privacy Act and Paperwork Reduction Act Notice, see the separate instructions.

Form 990 (2006)

Form 99	0 (2006)	Remnant Publication	ons, Inc			0502		Page 8
Part V					7.7		Yes	
С	At any time during the calendar year, did the of If "Yes," enter the name of the foreign country			ce outsi	de of the United	States? 9	11c	X
92	Section 4947(a)(1) nonexempt chantable trust			orm 10	041 —Check her	е		▶ 🗀
_	and enter the amount of tax-exempt interest re					. > 92 N/A		
Part \								
	Enter gross amounts unless otherwise	Unrelated busin			Excluded by sector	on 512, 513, or 514		E)
indicat	_	(A)	(B	`	(C)	(D)	ı	ted or
93		Business code	Amo		Exclusion code	Amount		function ome
•	Program service revenue Sales of literature					-		316,011
						 	1 "	<u> </u>
c							1	
d						+	1	
e						t	1	
f	Medicare/Medicaid payments				L	 	1	
a	Fees and contracts from government agencies					1	1	
94	Membership dues and assessments .				· · · · · · · · · · · · · · · · · · ·		1	
95	Interest on savings and temporary cash investments					1	†	
96	Dividends and interest from securities				14	9,90	8	
97	Net rental income or (loss) from real estate		*(X,	٠,٠	2 7 7 7			
a	debt-financed property							
b	not debt-financed property				14	1,20	ɔ [
98	Net rental income or (loss) from personal property							
99	Other investment income							
100	Gain or (loss) from sales of assets other than inventory				14	4,83	4	
101	Net income or (loss) from special events					<u> </u>		
102	Gross profit or (loss) from sales of inventory						<u> </u>	
103	Other revenue a			0			0	0
b				0			0	0
C				0		<u> </u>	0	0
d				0		<u> </u>	0	0
е				0			0	0
104	Subtotal (add columns (B), (D), and (E)) .	, ,	<u> </u>	0	34	15,94		316,011
105	Total (add line 104, columns (B), (D), and (E))		_			▶	4,	<u>331,953</u>
	Line 105 plus line 1e, Part I, should equal the a							
Part \								
Line I						y to the accomplis	hment	
	of the organization's exempt purposes (other	than by providing fur	nds for suc	ch purpo	ses)			
<u>93A</u>	Dissemination of church literature							
	V Lafa-maki-na D Liu T Lafa-O	4			- 4147 40 41		,	
Part I			Disrega	raea E	ntities (See ti	ie instructions		
	(A)	(B)			(C)	(D)	1	(E)
	Name, address, and EIN of corporation,	Percentage		Nature	e of activities	Total income	l l	of-year
N//0	partnership, or disregarded entity	ownership inte						sets
N/A			<u> %</u>				0 0	0
			<u>%</u>				0	0 0
			<u>%</u>				0	0
Part >	Information Regarding Transfers	Associated with		al Bor	afit Contract			
	id the organization, during the year, receive any funds, dire						=	s XNO
	id the organization, during the year, pay premit		rectly, on	a pers	onal benefit con	tract?	Yes	s X No
Note:	If "Yes" to (b), file Form 8870 and Form 4720	(see instructions).						
							Form 9	90 (2006)

Destination

ICT (Wichita)

MWA (Marion, IL)

MSN (Madison, WI)

STP (St. Paul)

MSN (Madison, WI)

MWA (Marion, IL)

STP (St. Paul)

MWA (Marion, IL)

STP (St. Paul)

MWA (Marion, IL)

STP (St. Paul)

BAF (Westfield/Springfield, MA)

Page 1

N Number

N651EJ

Departure

MWA (Marion, IL)

ICT (Wichita)

MWA (Marion, IL)

MSN (Madison, WI)

STP (St. Paul)

MSN (Madison, WI)

MWA (Marion, IL)

STP (St. Paul)

MWA (Marion, IL)

STP (St. Paul)

MWA (Marion, IL)

STP (St. Paul)

BAF (Westfield/Springfield, MA)

ORH (Worcester, MA)

STP (St. Paul)

ORH (Worcester, MA)	05/10/07 04:45 PM	05/10/07 04:55 PM	10m
STP (St. Paul)	05/10/07 09:01 PM	05/10/07 11:34 PM	3h 33m
MWA (Marion, IL)	05/11/07 12:02 AM	05/11/07 01:14 AM	1h 12m

Departure Time

(GMT)

04/15/04 01:12 PM

04/15/04 11:30 PM

03/15/07 02:17 PM

03/15/07 03:29 PM

03/15/07 07:54 PM

03/15/07 08:52 PM

04/29/07 12:39 PM

04/29/07 02:38 PM

05/01/07 02:29 PM

05/01/07 08:44 PM

05/09/07 08:33 PM

05/09/07 10:26 PM

Time

Elapsed

1h 21m

1h 0m

1h 0m

49m

42m

1h 3m

2h 37m

1h 10m

1h 21m

1h 15m

1h 22m

2h 15m

Ex. FFF

Arrival Time

(GMT)

04/15/04 02:33 PM

04/16/04 12:30 AM

03/15/07 03:17 PM

03/15/07 04:18 PM

03/15/07 08:36 PM

03/15/07 09:55 PM

04/29/07 02:16 PM

04/29/07 03:48 PM

05/01/07 03:50 PM

05/01/07 09:59 PM

05/09/07 09:55 PM

05/10/07 12:41 AM

Ex. GGG

---- Original Message -----From: Danny Shelton To: Linda Shelton

Sent: Tuesday, August 24, 2004 8:19 AM

Linda Sue.

The bible says if we deny truth the Lord will send us a strong delusion and we will believe a lie. It sure seems you are heading that way.

I can't tell you how ridicules your last email to me proclaiming your innocence.

All the lies you told, in itself, shows you are not innocentl.

Deceiving me about a vacation to Florida, I found out from you, not Brenda, that you had planned on deceiving me about this trip.

When I found out you were going and could hardly believe you were capable of something like this, I was shocked. I knew if this relationship with this man was innocent you wouldn't have lied to me. When I later confronted you, and asked you why you planned a vacation with him to stay in his condo, with or without Brenda, you finally answered and said, "OK, yes I was going to do this. I had a blast in Norway with him and just wanted to have some fun in Florida with him and Brenda without you along. Linda, I documented all these conversations so that they couldn't be changed later on. This whole trip was a lie. There is nothing innocent when a wife wants to go on vacation with another man without her husband.

when did all this happen? Was this April, May, June? No, this was planned in February. Linda this kind of action from a wife and 3ABN Vice President is wrong.

The deceit of buying a new cell phone and buying prepaid phone cards, was not about Nathan. Yes, things became tougher for you at home, because you continued this relationship with this man against all counsel.

You told me yourself while we were in bed one night that maybe I was right as you did seem to be addicted to this man's calls. You told me he was like your mister wonderful doll that for hours of conversations, he always said the right thing.

You have to understand that while you might convince some people that you just went to him for counsel because I was becoming so irate at home, the truth is I was becoming more and more upset because you wouldn't stop this relationship with this man no matter who told you to stop.

Remember, the Nazarene counselors to you that you have no right to tell this man bad things about me and our marriage because this was spiritual adultery. You agreed and said you could see that this was wrong.

On the flight home April 15, you promised not to talk to him again for two weeks, all the while planning on calling him the next day to tell him everything that went on. I have the phone records to prove it. The next day you stayed home instead of going to Murphysboro Tn. and you promised me that you would not talk to him, even if he called. Later when you got caught from phone records you had no choice but to admit that you not only took his call, but that you had emailed him and asked him to call you. Linda someday you will have to admit that you have been addicted for a long time. All the lies and cover ups that I saw and caught you in had nothing to do with Brenda Walsh. It has to do with you not willing to take the higher road and do the right thing because this man fed you with all the words that your emotions needed to hear.

If you had been innocent, you wouldn't have lied over and over about this relationship with this man. That's why I know down deep that you know you are wrong and that's why you wake up with nightmares. It is your ego that keeps you from coming clean.

You referred to the time I hugged you after Dr. Thompson's call and told you that you had no idea of what was coming. The reason I could see this is because I knew that you had decided to be in this

about:blank 5/22/2008 10:28 AM relationship with this man at all costs, therefore I could see what would happen down the road. I even told you many times that it was no different than a parent telling their teen age kid that if he doesn't change his course of action that he is headed for trouble. Everyone but him sees the dead end. This was exactly what all counselors tried to tell you all along, but your desire for what this man had to offer you overrode you desire for truth.

Linda, alcoholics never can be helped until they admit they are alcoholics. When you finally admit that this relationship is still wrong with this man and you cut it off, you will be amazed at how fast the Lord reconciles you to even a higher calling of ministry than you have ever had before. Love is forever!

Danny

Case 4:08-mc-40019-FDS

I would give anything in the world to be there for you as I have the last twenty two years, but when this man became your burden bearer as you announced to the world on a Presents program, you took my armor away from me and gave it to him rendering me helpless.

Linda you forget I talked to him as far back as March 9 and he turned on you and blamed you and said you were confiding in him my faults and he said that if I supported your music more and supported Nathan more and didn't travel so much ect, ect, that you wouldn't have to come to him.

You see Linda, your stories timelines don't add up. You claim that finally in May and June that you really went to him because I had been irate. According to him you had allowed him to become your burden bearer even before I knew there was a war to fight. He set you up. Everyone can see it except you. All Christian counselors will tell you this relationship has been wrong from the moment that you began to let him husband you which apparently even began before you actually went to Norway the first of Feb. Please give it up! Put your concerns about your reputation aside long enough to ask God to give you a spirit of repentance. He will restore you. You won't have to worry about your reputation, The Lord will restore it for you, but you have to come clean.

I'll always love you!

about:blank 5/22/2008 10:28 AM