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Information & Communications Technology Authority

14 August 2009

Mr. Don Seymour Managing Director dms Broadcasting Ltd. Ansbacher House P.O. Box 31910 Grand Cayman Cayman Islands, KY1-1208

Dear Mr. Seymour,

## Re: dms Broadcasting Ltd - Relocation of CayRock 96.5 FM Transmitter

This letter is to confirm that the Authority has reviewed the correspondence filed by dms Broadcasting, Island Electronics and Paramount concerning the relocation of the CayRock 96.5 FM transmitter, as mandated by ICT Decision 2008-4.

In the Authority's view, there is no legal basis to reconsider ICT Decision 2008-4. In the present case, dms was notified more than a year ago, on 11 July 2008 prior to the publication of ICT Decision 2008-4 on 10 October 2008, that the CayRock transmitter was to be relocated by 15 July 2009. This directive was reiterated in a letter dated 8 May 2009, in which the Authority advised dms that it was not inclined to renew dms' licence until the CayRock transmitter was relocated.

The Authority notes that dms was given more than a year to implement this decision. dms may be facing some delays in its negotiations with tower owners, but it appears that dms failed to commence such negotiations in a timely manner. Nevertheless, the Authority has determined to give dms one last chance to comply with ICT Decision 2008-4. The Authority will therefore extend dms' existing licence until 15 September 2009, but no longer.

The Authority is not prepared to issue a new five-year licence to dms until the CayRock transmitter either has been relocated to a facility outside of the George Town and West Bay districts or has ceased transmitting. Alternatively, dms can request that the Authority issue a new five-year licence to authorize the operation of only the three stations located at Northward (Hot 104.1 FM, Kiss 106.1 FM and X-107.1 FM).

You are reminded that the operation of an FM radio station without a valid ICT licence is an offence under section 82 of the ICTA Law. Although it would prefer not to have to take enforcement action, the Authority assures dms that it will take whatever measures it considers necessary to ensure compliance with the ICTA Law and its decisions. This includes the issuance of cease and desist orders under section 55 of the ICTA Law to all non-compliant stations.

Should you have any questions, please do not hesitate to contact me at (345) 746-9600.

Yours sincerely,

David Archbold Managing Director

cc: Bryan Hollenbough, dms Broadcasting Limited

George Hunter, Island Electronics Limited

Kenny Rankin, Paramount Media Services Limited

Stuart Diamond, Diamond Law Associates

Robert Jones, Ritch & Connolly Jamal D. Young, Goldfield Cayman