



COMPUTER SERVICES DEPARTMENT

71A Elgin Avenue,
Government Admin. Building
George Town
CAYMAN ISLANDS KY1-9000

10th April 2008

Mr. Tom Kinstler
TeleCayman Ltd
Cayman Corporate Centre
P.O. Box 704
Cayman Islands KY1-1107

Dear Mr. Kinstler,

I write in response to your letter dated 21 February 2008, Mr. Brazeau's letter dated April 4th, and the Affidavit from yourself also dated April 4th.

I would first off like to address some of the major issues we have with your Affidavit, in particular points 9 and 11, which contains incorrect information.

Point 9: While some conduit to buildings leased by the Cayman Islands Government will be unused when the new Government accommodations facility comes online in 2010 – 2011, Computer Services Department (CSD) is informed that many of those choice rented locations will be recycled to relocate government entities that are not moving into the new facility. Therefore, CSD cannot with any certainty say what conduits will go completely unused. Additionally, in the case of the UBS building, CSD's conduits do not enter the UBS premises, instead CSD leased a portion of the conduit from the road to the building from Cable and Wireless, after C&W had CSD install a met me man hole and route conduit between them.

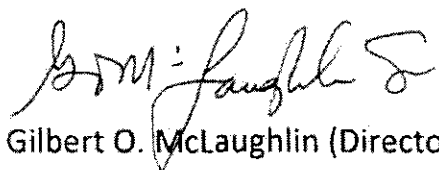
Point 11: For the record, as CSD has already informed TeleCayman, the ONLY Computer Services underground conduit consists either of dual two inch diameter ducts, in most locations, or a single two inch diameter duct, in some locations. CSD can also categorically deny that it has any conduit along the Easterly Tibbetts highway or West Bay road. CSD is prepared to arrange with the ICTA to examine our infrastructure, if need be.

In response to the TeleCayman initial request for duct rental, CSD is very concerned about its ability to deliver future capacity to its main stake holder, the Cayman Islands Government, and the Government's continued requirements to increase the disaster tolerance of the Government network. CSD had planned to only offer dark fibre in our second duct, but not duct rental, as we only have two ducts between each location and (a) one duct is reserved and required to securely provide for CSD government current use, as well as our short to medium term future expansion needs and (b) the second duct was a hedge against potential Government long term expansion needs, and where this duct would be the only one rented. However, it has only come to our recent understanding, upon meeting with the ICTA after your original letter, that in essence our original ICT license is for fibre and duct rental, and therefore we must provide it, if we have it available.

Therefore, we will forgo the future use of our second duct, where it exists, and make this available to TeleCayman for duct lease, at a cost of 26 to 30 cents per foot range, plus other relevant costs. In addition, our security requirements for duct rental on the Government network infrastructure will require TeleCayman to install, meet-me man holes at every existing CSD man-hole and them routing one 2 inch conduit out to the meet-me man hole.

In locations where we have only a single two inch duct, please note there will be some instances where we cannot provide any fiber and/or duct rental, due to current congestion and/or our future short to medium term future needs, this is particularly the case in and around the Elgin Avenue/Hospital Road vicinity. See Figure 1 and 2 attached.

My Deputy Director, Mr. Wesley Howell, will be available to discuss any technical or financial questions you may have on your infrastructure connection request and to continue the negotiations on behalf of CSD, he is available at 244-2329.



Gilbert O. McLaughlin (Director, Computer Services Department)

cc: Managing Director, ICTA

Attachment

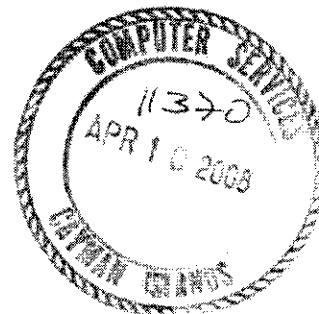


Figure 1 - Single 2" Duct - with 7 Cables of varying size.

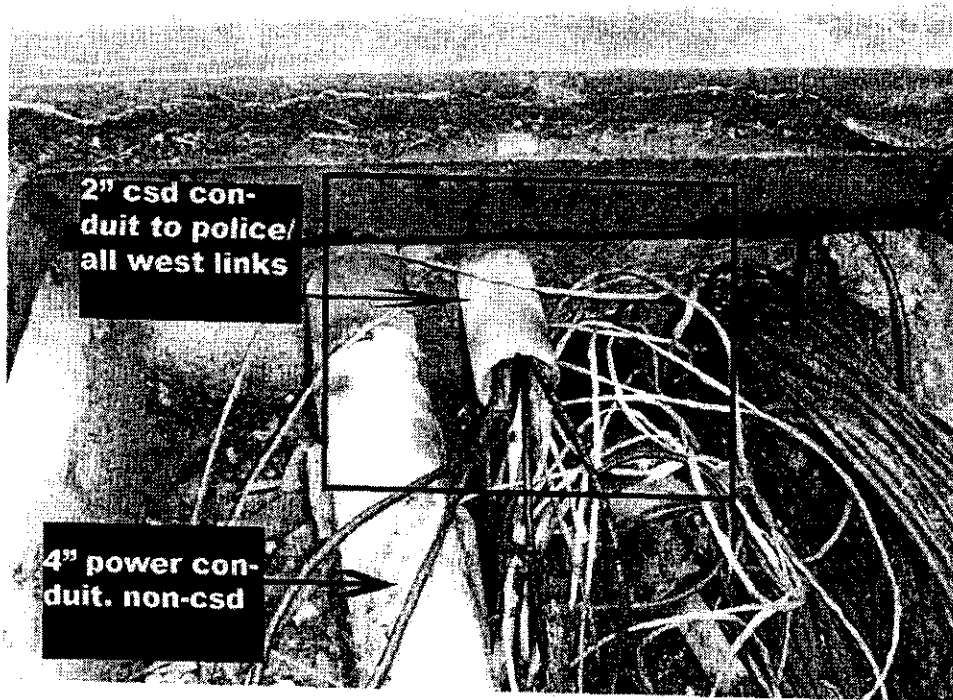


Figure 2 - Single 2" Duct - into Govt Admin Building - full.

