



Date: 12 August 2009
To: David Laliberte/ICTA
From: Bryan Hollenbaugh
Re: 96.5 Cayrock Move Out

Good Morning David,

I would ask that you please provide the attached correspondence to the ICTA Board during their 13 August 2009 meeting.

Attached you'll find a letter from Diamond Law Associates, in response to the 7 Aug 09 letter originated by Goldfield Cayman. As I have previously mentioned in our phone conversations, we've enlisted Stuart Diamond's assistance regarding this matter moving forward, and would request that he be included in any correspondence pertaining to this specific matter until a time that all parties are satisfied with a resolution.

Additionally, I have been asked to pass along a second attached letter provided by George Hunter of Island Electronics, as it also pertains to the subject of the mandate.

I would like to reiterate that dms Broadcasting has every intention of maintaining our good corporate citizenship and only wish for the board to consider the various positions we have stated in the attached documents.

Best Regards,


Bryan D. Hollenbaugh
Market Manager

Cc: Don Seymour
George Hunter
Stuart Diamond

dms Broadcasting Ltd.



12 August 2009

Sammy Jackson, Esq.
Chairman, ICT Authority Board
Alissta Towers, North Sound Way
George Town
Grand Cayman

By Hand

Dear Sir,

RE: DMS BROADCASTING LTD.

We act for dms Broadcasting Ltd and refer to the letter dated 7 August 2009 sent by Goldfield on behalf of Paramount Media to the Authority.

We consider that the letter is inappropriate coming as it does on behalf of a competing licensee who has no standing to raise such matters with the Authority. It is also factually incorrect.

First, as the Authority is aware, dms submitted its licence renewal application on 30 June 2009 in compliance with the ICTA's requirements.

Secondly, there is no credible evidence that any interference emanates from the Cayrock 96.5FM transmitter. Indeed, the Authority's own tests in September 2008 confirmed that the intermodulation problem at 98.9FM had significantly improved and would be fully rectified once the Heaven transmitter was relocated. As no harmful interference is emanating from the Cayrock 96.5FM transmitter there is no breach of the ICTA Law or Regulations which would concern the Authority. Therefore, the process specified at ICTA Law s. 55 is not applicable and Paramount's insistence that the Authority issue a "cease and desist" order is based on a clear, perhaps wilful, misinterpretation of the ICTA Law.

Finally, the ICTA Law specifies the Authority's powers and circumscribes their use. In the absence of reasonable grounds for believing that any conduct by dms is in contravention of the ICTA Law or any Regulations made thereunder the Authority should be loathe to disturb the *status quo*.

Yours faithfully,


DIAMOND LAW ASSOCIATES

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