MEMORANDUM

| То: | Managing Director – Information Communication and Technology Authority |
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| From: | Director of Broadcasting |
| Date: | 23 May 2005 |
| Via email: | david.archbold@icta.ky |
| Subject: | Interference on FM Band – David |
| | Maxson's Report |

The above mentioned report is confirmation of the deplorable conditions that the FM spectrum has been allowed to deteriorate to over the past 24 months and demands immediate remedial action by ICTA, which is charged with proper maintenance and good management of the Cayman Islands FM spectrum, which is necessary to provide Cayman Islands radio listeners with uncluttered clear listening, which is their democratic right.

The report provides for ICTA, the foundation to effect a Cayman Islands FM spectrum which will serve the community in an efficient uncluttered process.

Reference in the report is made to what is considered normal and proper location of primary FM broadcast transmitters and antennas relative to the intended area to be served, a quick countenance of 85% of the FM antennas operating on the FM spectrum will tell you that this is one of the fundamental problems that exist and that it is the one that has to be addressed immediately to render any level of improvement.

Reference is also made to a reduction in power of the DMS facility, this possibly could be a short term (six week) action that would help, but as I mentioned to Greg in one of our recent conversations Radio Cayman would not accept any RF radiated power above 125 watts as a short term fix.

A very important element "height of antenna" is also mentioned in the report and plays an important role in blanketing interference and is a major element in the blanketing interference the Cayman Islands radio listeners are currently experiencing. Some 12 years ago Radio Cayman moved its primary transmitters and antennas to the Northward site, specifically to reduce the potential for exactly what is being experienced presently. There needs to be a comprehensive FM management process developed and put in place immediately.

Intermodulation was another element addressed in the report as a contributing factor and as the report says addressing the intermodulation factor would not be very productive without the whole problem being addressed. Thus the need for development of a comprehensive FM spectrum management process, with immediate action taken to mitigate the present blanketing interference problems.

You will recall that during the third quarter of 2004 Radio Cayman suspended its payment to ICTA for what was considered insufficient and lack of proper management of the FM Spectrum, which was affecting Radio Cayman's operations during its remote broadcasts.

The ICTA is obliged to take immediate action to render the FM spectrum void of harmful interference, that action must be to return the spectrum operational conditions to what it was prior to April 1st, 2005 and commence immediately to address the whole interference problem.

Radio Cayman looks forward to immediate affirmative action from the ICTA addressing the total interference problem and pledges to work hand in hand with the ICTA in accomplishing this task.

Loxley Banks Director of Broadcasting